INTERSESSIONAL PANEL OF THE UNITED NATIONS COMMISSION ON SCIENCE AND TECHNOLOGY FOR DEVELOPMENT (CSTD)

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CSTD 2020-2021 priority theme on "Harnessing blockchain for sustainable development: prospects and challenges"

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UK contribution to CSTD Intersessional Panel

Harnessing blockchain for sustainable development: prospects and challenges

- Thank you, chair, and thank you to the panelists yesterday for sharing valuable insights on this priority theme.

- The UK believes in the potential for blockchain to contribute to sustainable development. However, much of this potential is yet to be realised. The UK is working with partners to better understand and to harness the full potential of blockchain.

- For example, our Foreign, Commonwealth and Development Office has launched the [Frontier Technologies](#) programme which aims to test new technologies and innovative approaches to development challenges as part of the [Ideas to Impact](#) scheme. To date, Frontier Technologies has supported two pilots using blockchain, both of which are referenced in the draft issues paper that the Secretariat kindly prepared. Each of the pilots tests an application for how blockchain can be used to reach the Sustainable Development Goals, in particular SDG 16 on promoting accountable and inclusive institutions at all levels. The pilots demonstrate in particular the strong potential of blockchain to advance sustainable development objectives by improving the due diligence of supply chains.

- The [first pilot](#) was in collaboration with the fintech startup [Disburse](#) and tested whether blockchain could be used to solve problems with transparency, speed, efficiency and mismanagement of aid funding across the financial supply chain.

- The [second pilot](#) tested the deployment of blockchain to support the humanitarian supply chain. Launched this year in collaboration with the German company [Datarella](#), it was designed to investigate whether the use of a private blockchain platform could provide immutable proof of supplies passing between actors in supply chains.

- The UK government has also partnered with the [University of Cambridge Institute for Sustainability Leadership](#) and private sector partners to launch the [Trado project](#). The project, trialed along a tea supply chain in Africa, used blockchain technologies to provide parties in supply chains reliable sustainability data about the supply chain they're participating in.

- We were interested to read in the draft issues paper the examples from other countries of work to explore the potential of blockchain for development. We think that further work is needed on the draft paper, however, to ensure it concentrates on the learning that we can gather from this experience.

- The final draft of the paper should be focused on the priority theme of 'harnessing blockchain for development'. It should not try to give a complete description of the development and impact of blockchain itself.

- We do <u>not</u> think the final paper should offer commentary on wider policy issues or propose new roles and mandates for the CSTD or others. Instead, the value of the final draft of the paper will be in the lessons that we can learn from the many interesting development projects which are highlighted.

- We are very pleased to contribute to the conversations today and look forward to the outcomes of this meeting and subsequent discussions.

- Thank you.