

# 4 A world of opportunities... and challenges

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Research published by the European Parliament in 2017 claimed that Blockchain could “change our lives” (Boucher, 2017). What the various blockchain applications that are being developed in areas as diverse as trade finance, trade facilitation, trade in services, intellectual property and government procurement show is that Blockchain has the potential to impact both the traders and the government agencies involved in international trade significantly. Opportunities are multifaceted, but will only be realized if several key challenges are addressed.

## 1. Multifaceted opportunities

### (a) Enhancing trust and transparency in value chains

One of the most obvious uses for Blockchain is data monitoring. Blockchain, in combination with IoT, provides new ways to track the journey of products. It is a powerful tool to promote transparency and traceability of supply chains (see Figure 13), help fight counterfeits and build consumers' trust.

Unlike current labelling systems that can be manipulated, Blockchain provides a highly secure system to prove the origin and authenticity of products. The number of startups and companies turning to Blockchain to help track products and fight counterfeits has been skyrocketing.

The company Agridigital, for example, is using Blockchain to help agricultural businesses solve supply chain inefficiencies and risks, and track the provenance of the agricultural products they use.<sup>1</sup> Other companies are leveraging the technology to offer supply chain transparency and anti-counterfeiting solutions to businesses, such as Blockverify, which helps firms fight counterfeiting in pharmaceuticals, luxury items, diamonds and electronics, and Everledger, which enables companies to record and track the movement of diamonds from mine to store.