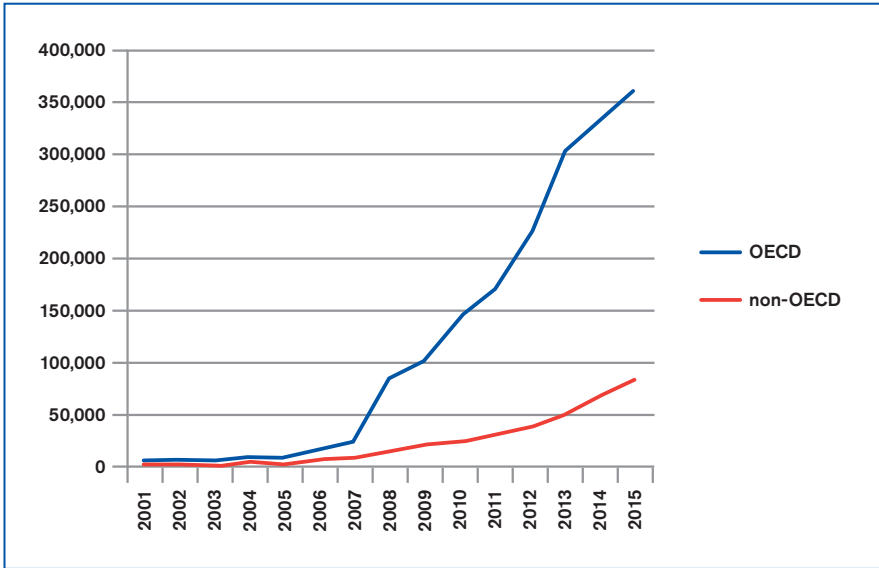


**Figure 18** International internet bandwidth per internet user (in bit/second)



Source: Author's calculations based on ITU/ICT Indicators.

Although Blockchain can lower barriers to entry and facilitate the participation of MSMEs and small producers in international trade, some sectors may benefit more than others. The emergence of new business models based on or articulated around blockchain platforms could shake entire sectors, forcing existing companies, including small ones to adjust or risk being left behind. The fear of losing ground to competitors may explain the number of companies, in particular in the services sector – financial, insurance, logistics, distribution, etc. – that are rushing to investigate the potential of Blockchain.

Barriers to entry are, however, not likely to fall for everyone. While simple “users” of blockchain platforms are likely to benefit from lower barriers to entry, companies that compete directly with “platform insiders”, i.e. with companies that are the “keepers” of a permissioned platform (such as participating banks in the case of platform run by banks), will likely face higher barriers. The level of investment needed to become one of the “keepers” of a permissioned platform could cut out latecomers and make it harder for new entrants to expand in a given market. While MSMEs are likely to benefit as users, they may find it more difficult to be “platform insiders”. Some observers note that, while Blockchain could enhance competition by facilitating entry, it could also lead to greater collusion, and it cannot be ruled out that a single blockchain could become dominant due to network effects, leading to a