

Yandraduth Googoolye: Blockchain technology's potential to benefit society and the economy

Speech by Mr Yandraduth Googoolye, Governor of the Bank of Mauritius, Prelude to Banquet in the context of the ADC Global Blockchain Summit, Adelaide, 27 March 2019.

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Honourable Steven Marshall, Premier of South Australia
Major General the Honourable Michael Jeffery, Forum Patron
Excellencies
Ladies and gentlemen
All protocol observed

Good Evening

I feel truly privileged to address such a distinguished audience.

I would like to thank the Honourable Steven Marshall and the Australian Davos Connection for the invitation which gives us such a unique opportunity to attend this ADC Global Blockchain Summit in Adelaide, the gem of South Australia.

South Australia is a region that is known for its proverbial welcome and hospitality. It is a region that is not only culturally and aesthetically marvellous but which also has to its credit some astonishing feats.

Astonishing indeed is one of the anecdotes I have come across with regard to South Australia: I do not think that there is in this second millennium, any other place in the world where the iconic Coca-Cola has been outsold by 3 to 1 by the Farmers Union Iced Coffee. I hope there is some around as I definitely look forward to having a sip of this beverage.

Ladies and Gentleman, I shall now get back to the reason behind this august gathering, the ADC Global Blockchain Summit. This platform stands out by the fact that it has brought together world leading entrepreneurs, financiers, regulators, researchers, innovators and business leaders to focus on strategies and practical applications for business growth.

From what I have gathered, this is the largest and highest level of speakers ever assembled in South Australia for a Blockchain event involving C-level, owner, entrepreneur and minister level participation from over 30 countries across various geographies.

It is a privilege that we shall, across the days, hear and learn from the most respected authorities worldwide all that needs to be understood on one of the most intriguing yet promising technological breakthroughs... I am referring to blockchain...

Ladies and gentlemen, blockchain technology has tremendous potential to positively impact the social and economic landscapes. Its attributes are several. Its feature of full transparency across networks makes blockchain stand out as one of the most likable and adaptable technologies out of different technologies available in the market. Add to this the element of robust security that makes blockchain networks virtually impermeable and you have a solution that simply stands out as the most favourable digital value-based technology.

For me, as a central banker, there is one aspect of blockchain that I am very eager to understand. It is the fact that blockchain, by mitigating the burden on the financial industry, is a game changer in an environment where traditional financial transaction models are quite expensive.

This shift in concept and the new patterns of behaviour and business this will create, is of topical significance, the more so that we are stepping in the second generation of the internet which, from what we can foresee, will significantly bring down transaction costs within the banking and finance industry.

Alex and Don Tapscott, the world-renowned authors of the seminal book *'The Blockchain Revolution'*, have been adamant to underline that blockchain goes far beyond the second phase of the internet.

Allow me to emphasize Alex Tapscott's view that, I quote, "*With its advent, we will not need to trust each other in the traditional sense, because trust is built into the system itself.*" Unquote.

Just imagine exploring myriads of opportunities that blockchain is already opening up... This being said, the world is far from being filled with selfless individuals and we unfortunately must also come to terms with the fact that the genie is out of the bottle and that its powers must be properly harnessed if we want them to be used constructively.

Ladies and gentlemen, I am sure that I am not the only one within the audience for whom the ADC Global Blockchain Summit is key to understanding the way forward regarding not only the benefits and application but also the regulation of blockchain technology.

This is of utmost importance if, like me, you are steering a central bank in a small island nation that endeavours to use technology to build a better, brighter and more inclusive tomorrow for its people. At the Bank, we have set up a dedicated Blockchain Committee to see how best we can use this innovative technology to pave the way for a modern banking landscape.

Mauritius, where I come from, is working hard to give itself the means to achieve its socio-economic ambitions by exploring the potential of fintech for shaping an innovative banking and financial services industry.

The Mauritian Government has set up a Regulatory Committee on Fintech and Innovation-driven Financial Services. Another high-level team is also working on a strategic blueprint for financial services with the support of world-acclaimed experts.

May I take the liberty of paying tribute to two of these respected authorities who happen to be with us tonight... I have named Ms Loretta Joseph and Lord Meghnad Desai...

Ladies and Gentlemen, I am certain that this ADC Blockchain Summit will provide us all with the answers we are hoping for and that this unique platform will help us forge mutually beneficial relationships between stakeholders and participants.

I once again wish to thank the Honourable Premier Steven Marshall and the Honourable Michael Jeffery as well as the ADC organising team and sponsors for their priceless initiative and endorsement. I look forward to learning and discovering as much as I can on a technology that is set to take on the world.

On this, Ladies and Gentlemen, I thank you for your attention.