



# **BLOCKCHAIN FOR SOCIAL GOOD SUMMIT**

With support from:



BLOCKCHAIN FOR SOCIAL GOOD SUMMIT Principled Collaboration and Practical Implementation

March 29, 2019

## Outcome

The International Civil Society Centre and NetHope, in conjunction with Oxfam, Mercy Corps, the University of Edinburgh, and World Vision, facilitated a Blockchain for Social Good Summit on 19 – 20 March 2019 in New York. A diverse cross-sector group of more than 40 blockchain thought leaders, designers, implementers, and program managers from across international civil society organizations (ICSOs), academia, the private sector—including big tech and start-ups—philanthropy, and multilateral and public sector organizations came together.

Exploring the value proposition for blockchain for the global social sector

Day 1 focused on the value proposition of blockchain for the global social sector, as well as discussing some of the key ethical design and implementation challenges and risks, and exploring accessible ways of engaging with the complex aspects of governance of distributed ledger technologies. The group agreed that a paradigm shift is underway in the social sector, driven by a combination of factors and the exponential rate of change this technology brings. Specifically, the group needs to think bigger, and collaborate proactively to (1) avoid building a

new set of silos around a decentralised and fast-moving technology; (2) develop new applications that deliver incremental impact; and (3) drive change in sector-level infrastructure and architecture to deliver greater impact.

Some key common themes emerged across the Day 1 presentations and conversations:

#### Skills and scalability

In a keynote address, a spokesperson for Consensys stressed the need to ensure that the tools needed to work on blockchain are available to developers globally. This will help to maximize the social impact potential of the technology and avoid concentration of wealth around the creation of new blockchain companies. For an inclusive Web 3.0, open source tools are needed, with rapid iteration on the ground to ensure fit for the context. UNICEF emphasized that there is a big opportunity to resource, develop, and skill up more local talent in this technology globally, and putting up 'bounties' to fund new open source projects. Oxfam, similarly, thinks as much about scaling skills across its partners as much as scaling up blockchain projects. Open systems scale better than closed ones, although many of the current use cases are private at the moment. (The need for working open source and developing shared standards was repeatedly emphasised throughout the two days.)

#### Education and communication

Language and framing are very important for increasing the acceptance and support of decision-makers, funders, communities, and stakeholders both internally and externally. We should focus less on blockchain as a technology and more on the specific, unique benefits and problems it can help us solve. This will clarify and strengthen the case for blockchain use with our own boards, as well as donors and public audiences/end users. The University of Edinburgh presented some highly accessible design experiments it has trialled around pizza-making skills, choices for robotic coffee ('BitBarista'), and city public cryptocurrency 'hunts' to engage non-experts with blockchain interfaces and decentralised governance.

#### Experimentation

In many cases, progress with blockchain in both NGOs and other sector organizations has happened through a small, engaged group experimenting with blockchain in its programs and working on pilots, many without seeking formal permission first. The group encouraged others to make their own journeys of discovery with the technology. It is also important to balance both problem/solution and exploration/creativity mindsets with this technology in order for it to be truly innovative.

#### Solving real problems

We need to help others understand the real, added value of blockchain, and that it is the feasible and efficient way of solving real problems. Taking a human-centered design approach, and ensuring that both blockchain skeptics and colleagues involved in implementing programs/country offices are involved in the decision-making process, will help with this. The <u>blockchain decision tree</u> developed by Kate Dodgson can be further developed as a practical yet nuanced tool for communication with decision-makers, helping them understand the

potential 'pinch points' in applying the technology, including when it is not appropriate to use. The tool has the potential to become even more helpful with input from others on use cases, potential applications, and insights from its practical implementation.

#### **Untapped opportunities**

The new opportunities for cryptophilanthropy have also been capitalized on by some early adopter organizations, although the potential benefit of full donor transparency is taking longer to achieve than originally assumed. There are also significant opportunities to partner with the private sector, e.g., IBM and tech start-ups such as Celo and SendFriend, to enable further cross-border financial transfer operational efficiencies, and identify insights and lessons. This will help strengthen cash-based transfer programming opportunities, such as universal basic income/food pilots. Shared organizational vetting processes and establishing risk-based attestation standards and records on a blockchain ledger, may be one of the more immediate and valuable practical entry points to cross-sector collaboration.

#### **Common challenges**

We need to find ways to resolve the practical challenges of usability, both for agency staff and for beneficiaries. At the same time, other more fundamental challenges around inclusivity, such as how to operate in low Internet connectivity settings and working with (digitally) illiterate populations, also need significant focus. In terms of safeguarding vulnerable populations, we should/could: 1) assert and advocate for data and identity as a human right; 2) think through blockchain design for vulnerable populations following the accessibility model with clear understandings of their needs and perceptions of risk, and; 3) conduct a multi-jurisdictional legal review of existing frameworks to see if we can extend their applicability to blockchain.

#### Shared learning agenda

There was unanimous agreement that a shared learning agenda is needed on use cases, lessons learned, and standards and business processes. This includes decision-making conversations and successfully engaging other parts of the business/organization focused on risk management, audit, etc. A really important emphasis is needed on moving from 'use cases' to 'case studies' to systematically establish an evidence base for what the technology can actually deliver in the social impact space.

### The case for principled collaboration and collective action

Experiences from other industry- or sector-level blockchain collaborations reassured us that the social sector was not behind in these conversations, and that this is exactly the right time to be having these conversations at the ecosystem-level. In terms of identifying shared incentives across diverse commercial interests and charitable/public missions across all the sectors, we should think about 'co-opetition' as well as collaboration (which is defined in different ways by different organizations) as well as identifying the 'commoditised friction'. These are the common

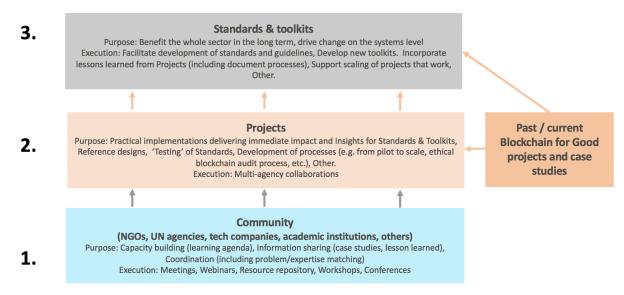
problems which we can solve together to the benefit/reduced risk of all parties, without threatening the general business or social-value proposition of individual organizations.

During Day 2, the group was guided through models, principles, and types of potential collaboration to help shape the parameters for design for a cross-sector collaborative initiative to take forward the outcomes of the event.

Echoing the remarks of Mercy Corps on Day 1, TypeHuman noted that a new business mindset is needed for decentralised network collaboration, away from the current conventional thinking of the 'winner takes all' platform strategy. Collaboration will need to happen at the infrastructure and protocol levels, competition around user experience and value can happen at the application layer.

#### Areas for collaboration

'Blockchain for Social Good' Summit attendees expressed interest in collaborating in three key areas:



When asked what would be the most important area of collaboration for their organizations, nearly all present said 'community' first, with many noting 'standards and toolkits' as nearly or equally important. For a minority, multi-partner collaborative 'projects' were important, but when this was mentioned, it was usually the top priority/interest for those organizations. Others felt that this could continue as currently, on a bi- or tri-lateral already self-associating basis, rather than requiring as active incubation as the other areas, although it might become more important later once the other two areas are more established.

In terms of a vision for the collaborative model, a fairly consistent concept came through: 'a sustainable, inclusive organization incubated immediately so there is no loss in momentum. It would collaborate to leverage distributed architecture and digital currencies to deliver

measurable, social benefits through increasing sector capacity, evidence and guidance for informed decision-making for programming, and joint advocacy.'

In terms of the mission for the collaborative model, fairly consistent objectives also came through:

- Education and communication (see above)
- Ensuring inclusion
- Bridging, connecting, networking, matchmaking, and convening
- Agreeing on standards
- Sharing best practice and case studies, news, and learning resources
- Seeking sustainable funding/resourcing—for the model as well as upskilling and 'bounties' for new ideas
- Providing a safe sandbox (test bed) environment for new experimental initiatives
- Joint advocacy, e.g., with donors and regulators

#### Types of collaboration model

The majority of the group felt that in the longer term, there should be a stand alone entity to coordinate collaboration. In practice, it would need to be incubated within an existing organization or structure, e.g., NetHope. Regional hubs/chapters would be a good idea to allow more localized joint sharing, working or advocacy. This may start out as an alliance/working group structure, but should be as inclusive and diverse as possible. Organizations generally did not yet feel in a position to formally commit to joining such a structure. But there was significant interest in joining a design committee to help shape/co-create it, and some offers or indications of resources to support this process.

Ideas and preferences of the group were identified/established under the following elements of collaboration:

#### Next steps

All participants indicated that the Blockchain for Social Good Summit had given them new insights and connections which would be valuable for their work. Through the open nature of the discussions, a strong, nascent cross-sector community had been established. Although there was not unanimity across the types of collaborative or the future model, most participants stressed the need to maintain momentum after the event, especially on the 'community' aspect of collaboration.

As an immediate next step on this, the Steering Committee for the Summit will transition into a Design Committee for the collaborative model and begin working on the design of the collaborative model. We invite Summit attendees to let us know by April 10th if they are interested in joining the Design Committee.

We anticipate that the work of the Design Committee will include:

- Design of the collaborative model from the incubation phase to scale;
- A mapping exercise of the other coalitions/networks working on blockchain where this future model will/can interact;
- Mechanics of meeting schedule, venue, reporting, etc.;
- Managing the transition to a sustainable collaborative model;
- Working to establish an inclusive and representative membership and leadership.

Once a collaborative model is agreed, we expect for the initial community to be broadened to include other interested parties and stakeholders who could not attend, and the interaction and relationships to be facilitated via various online and offline formats.