OMG FDTF DLT WG Call Notes

*24 October 2017*

# Attendees

* Mike Bennett
* Pete Rivett
* Nick Stavros
* Anthony Coates (DB)
* Inessa Collier
* Bobbin Teegarden

# Agenda

* News / Updates and Discussiojn
  + Discussion on Bitcoin and DLT perspectives (Venezuela article)
  + Letter to Jamie Dimon – perspectives on the coin as asset
* DIDO updates
* ISDA DLT initiative and model

# General Discussions and Updates

## Venezuela – Bitcoin discussion

**Link:**

<https://www.weforum.org/agenda/2017/10/this-latin-american-country-could-adopt-bitcoin-as-an-official-currency?utm_content=buffer4c871&utm_medium=social&utm_source=twitter.com&utm_campaign=buffer>

A lively discussion ensued on the relative merits of Bitcoin as currency, how this relates to crypto currencies generally and so on.

Points covered included:

* In the Venezuelan context, use of Bitcoin is deflationary. That is, because its value increases, the use of it in a national economy is deflationary
* Bitcoin as currency versus commodity
* Viability and future growth prospects of BitCoin
* Insurance (as a currency has e.g. FDIC); equivalence of this in the motivations of the BitCoin community (miners)
* Bitcoin is the reserve currency of the crypto currencies world

## Letter to Jamie Dimon – Blog article

MB found this article via Twitter. It sets out some clear insights into the role of the crypto currency as a kind of asset to enable development of decentralized applications, how this applies to other kinds of application beyond payment applications, and what the motivations are for such applications.

Also noted that Ethereum, which we are looking at for the PoC, is itself at a meta-level, whereby it creates the environment and asset (crypto currency) to support development of applications.

**Link:**

<https://blog.chain.com/a-letter-to-jamie-dimon-de89d417cb80?platform=hootsuite>

We did a walk-through of the main points in this blog post, and how these help inform our proof of concept work.

## DIDO Updates

Nick I am trying to add a section on how to use the DIDO. For example, all the ISO 25000 series need to be applied to the blockchain SW.

Nick This can be done by IV&V orgs

Nick This is what I call the refiners of the cryptocurrencies

Nick ISO 25000 - Thats the SW quality series

Nick Next steps are to finish the "How to use DIDO"

## Proof of Concept

Work is ongoing on this. Next step is to have logical model representation of the various code fragments we would need for the activities we identified for an IR Swap process using a distributed ledger solution.

Nick I would love to use FIBO example you are working on as part of the "How to"

Nick Look at section 3.5.4 of DIDO. AICPA General Ledger Standard audit data standards (ADS)

Nick We need to make sure that we have an example that 1) does simple transaction 2) is complex transaction. For example, when someone transfer's money there are rules and regulations about how much they can transfer based on the need to have a certain amount of asset backing other transaction. We also have Companies and subsidaries that can't use the assets by playing the shell game.

# ISDA Updates

ISDA have published a webinar presentation outlining their ambitions for Blockchain and other directions going forward, and a model (CDM) to support this.

**ISDA Presentation (webinar)**

<https://www2.isda.org/attachment/OTYzMg==/ISDA%20MITOC%20Data%20and%20Process%20Standards%20Initiative%20-%20Standard%20outreach%20Dec....pdf>

**CDM Paper (Final)**

<https://www2.isda.org/attachment/OTY4OQ==/CDM%20FINAL.pdf>

## Further Discussions

### Context

Nick Shell game. A parent company can't move money from one subsidary to another subsidary to back up transactions.

Nick Context is what I was implying where money resides is contextual and a transaction can't have the backing assest moved underneath it.

Nick This is why anscilary data can not be in external DBs but must be also in the blockcahin