DLT based

Digitalization of Assets and its impact on CSD business

KSD
Data Flow

Constraints

KSD Use case

Issues

Data Flow means Cash Flow:

: no more data transmission → no more chance of service

DLT replaces current way of data flow
Global Agreement

2018 Buenos Aires G20 Summit Leaders’ Declaration

25. ... We will **regulate crypto-assets for anti-money laundering and countering the financing of terrorism** in line with FATF standards and we will consider other responses as needed...

① Public(or permissionless) DLT-based network
: Any (technically) qualified node can write on the DL → Anonymous Trx. enabled → AML & CFT fails

② Private(or permissioned) DLT
: the only choice for the AML & CFT *at the moment*

※ White Listing
Latest PoC ~Nov. 2021

Supporting both kinds of markets (legacy & DLT)
Smart contract based matching & settlement
More than 10 mil. transactions per 8 hours

Ⅰ. Legacy T+2 Market

Ⅱ. RTGS · 24x365 시장
+ α (AML-CTF)
### DLT issues

**Cost-Efficiency**
- the cost that must be paid to reach the same performance level of legacy

**Safety**
- PKI is quite strong, however “those secured data” are shared

**Network & Traffic**
- connecting the nodes requires network lines, something like n-square

**Meaning of duplication**
- what’s the difference between DL & backup storage?

**One-way Ticket**
- There’s no enterprise-level transaction mgmt. (with H/W dependent delay!)

“Building the new market & settlement infra. looks easier.” is the only answer.
End of Slides

Thank you

경청해 주셔서 감사합니다