

## Ulster Bank leads industry collaboration on potential payments solution 'GreenPay'

Ulster Bank, AIB, PTSB and Deloitte explore innovative solutions using RBS Blockchain technology

**9<sup>th</sup> May 2017** An Ulster Bank-led collaborative project with AIB, PTSB, Deloitte and RBS, known as Project GreenPay, is exploring the application of RBS developed Blockchain technology to improve domestic payments systems. The cross-bank team has specifically concentrated on enhancements to speed, resilience and security for customers and has brought forward an enhanced potential alternative platform for domestic payments.

Technology and innovation experts from RBS, Ulster Bank, AIB, PTSB and Deloitte have tested this technology in Dogpatch Labs in Dublin by passing dummy payments to each other to test for performance, accuracy and scalability. The collaborative team were able to successfully send and receive simulated payment files to each other. The next step is to run a live pilot using live payments, in collaboration with AIB, PTSB and Deloitte, and explore further use cases of the technology in the international payments and foreign exchange space.

Speaking about GreenPay, Ciarán Coyle, Chief Administrative Officer with Ulster Bank, said:

*"Ulster Bank saw the opportunity to use RBS's Emerald platform to approach potential industry-wide issues. We then discussed it with our partners to explore how we could collaborate to find an industry solution. Blockchain has the potential to disrupt multiple industries for the benefit of customers, and we're determined to investigate how we can harness this force for the financial sector. RBS has done a lot of work in this space with their partners through Emerald and it was opportune for us to join with AIB, PTSB and Deloitte to examine possible improvements for our customers. We are focused on open collaboration like this project to help the industry make banking simpler and more secure for our customers."*

Richard Crook, Head of Innovation Engineering, RBS said:

*"The Emerald platform marks a significant advancement in blockchain technology for customers. It's blockchain in a way that can be used to benefit customers across the banking industry, not just blockchain concept or theory. RBS developed Emerald as a new way of clearing and settling payments and it made sense for Ulster Bank to take this forward, with industry-wide collaboration in Ireland on GreenPay. We're delighted to support that and further prove that blockchain can be used to better serve customers."*

Toby Clements, Group Chief Operating Officer, PTSB said:

*"We see strong, open collaboration between peer banks as vital to offering customers the very best banking experience and are pleased to be working with Ulster Bank, AIB, Deloitte and RBS to explore new technologies and find better ways to protect and serve banking customers in Ireland."*

David Dalton, Deloitte Financial Services Leader said:

*"We are delighted to work with Ulster Bank, AIB and PTSB on this pioneering application of Blockchain technology and leverage our EMEA Blockchain Lab in Dublin. We believe that Blockchain adoption will happen more quickly than anticipated and without a proactive and well adopted*

*strategy, banks and insurers risk being locked out of potential innovations enabled by this technology. This is a great example of leading in this area.”*

**ENDS.**

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## **NOTES TO EDITOR**

### **What is Blockchain?**

It automates the recording of ownership and transfer of value on a single, shared distributed ledger, without the need for a central arbiter. Transactions only need to be recorded in one place and are agreed at the point of recording through a process of consensus. While records are added to the ledger with each additional block, no existing transactions can be changed or removed. Each block on the chain is a permanent record that cannot be rewritten.

### **What is Project GreenPay?**

It's a blockchain-based solution to improve domestic payments systems in the Republic of Ireland, developed from RBS technology, known as Emerald (<http://emerald-platform.gitlab.io/>). RBS has built a Clearing and Settlement Mechanism (CSM) based on the Ethereum Blockchain technology. Emerald can acknowledge payments in less than 10 seconds while scaling across locations at volume. GFT Technologies helped RBS to performance test the application on Google's Cloud Platform.

### **What is a distributed ledger?**

Distributed ledger technology is simply software that provides a new way of recording transactions in a trustworthy way. The technology automates the recording of ownership and the transfer of value on a single replicated ledger without the need for a central authority. Transactions only need to be recorded in one place and are agreed at the point of recording through a process of consensus. Crucially while records can be added to the ledger, no existing transactions can be changed or removed. It is a permanent record that cannot be rewritten.

### **What are the potential benefits of Project GreenPay for a customer?**

- Simplification – all transactions are added to a single, private ledger.
- Speed – Blockchain transactions can reduce transaction times to minutes and are processed 24/7.
- Transparency – changes to public Blockchains are publicly viewable and all transactions are immutable.
- Higher quality – Blockchain data is complete, consistent, timely, accurate and widely available.
- Reduced reconciliation time – a single, trusted ledger would remove the need for duplicated reconciliation processes.

**Why is there a need for GreenPay?**

Project GreenPay seeks to explore the application of Blockchain technology and to understand the potential to improve customer experience. Blockchain has the potential to provide real-time payments and payment confirmations, which this project hopes to explore and understand in greater detail.