



**Rethinking Supply Chains:**

# Blockchain innovation meets supply chain operations

**Special briefing**

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# Blockchain - The supply chain game changer of tomorrow?

Blockchain as a technology has been extensively used in the financial sector because of its ability to validate, record, and distribute transactions in a highly secured environment. Its application in the supply chain so far has been limited and focused on a few industries with very limited scope.

However, as the technology use cases have expanded, it has been realized that Blockchain can bring a high amount of efficiency to the existing processes in supply chain operations, by removing time consuming manual interventions and improving business processes among business partners and stakeholders where the frequency and value of transactions are high.



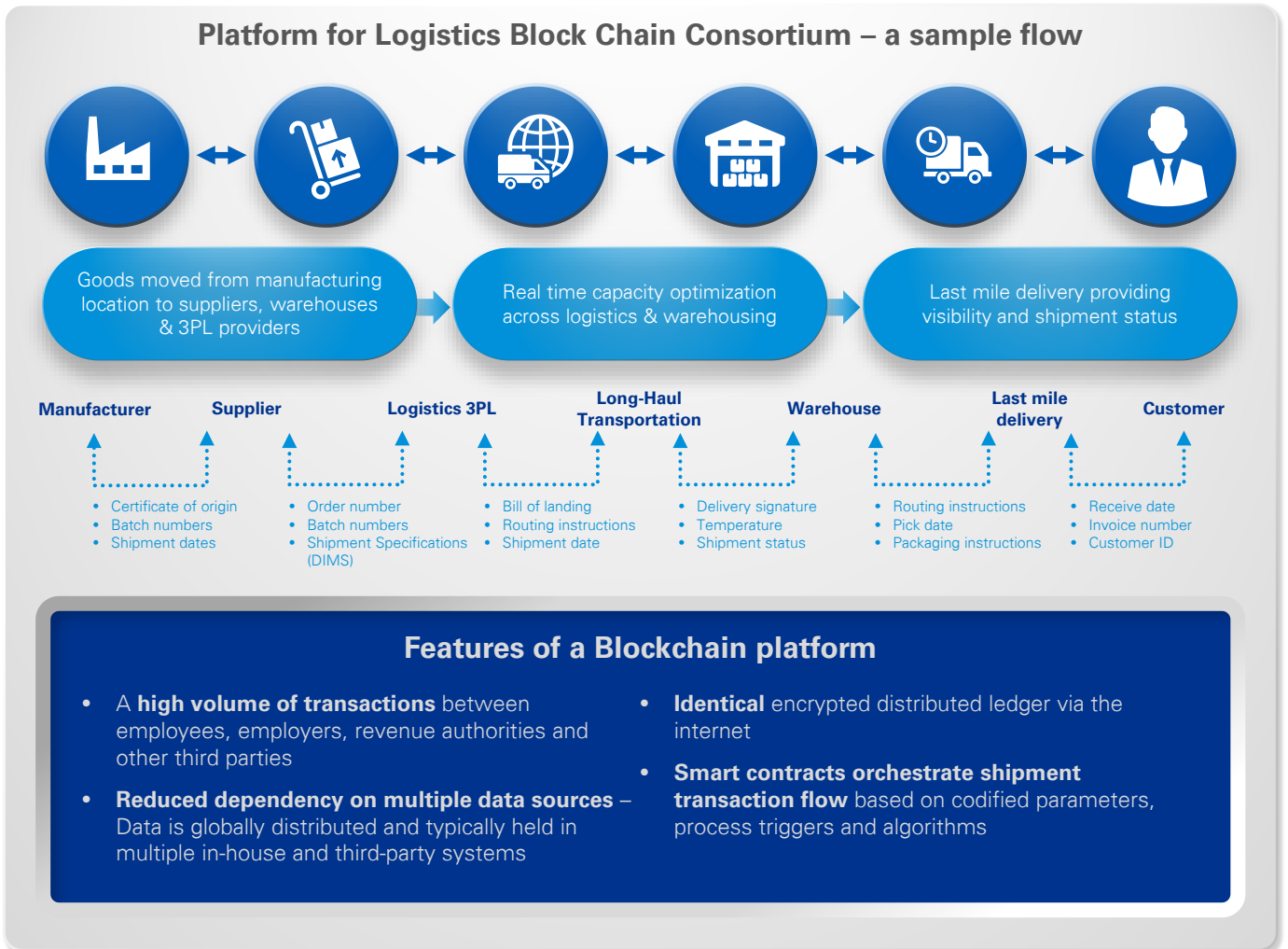
## Blockchain and supply chains - the benefits are clear

Blockchain's inherent distributed ledgers platform is able to help different organizations share, validate and conduct business securely as well as more efficiently.

- **Operational efficiency**  
Blockchain's ability to track a product's journey from the factory to the shelf gives organizations the means to spot delays and logistical speed-bumps along the chain.
- **Total recall**  
The ability to better track, record and transfer parts across all manner of production value chains with Blockchain can enable organizations to develop more efficient and cost-effective recall strategies.
- **Minimal losses**  
The distributed nature of blockchain "nodes" suggests that organizations may no longer need to spend time and resources conducting reconciliations.
- **Smarter contracts**  
Blockchains can be set up with self-executing protocols that automatically link all support parties to the transaction, thereby saving time and process costs.

## An overview of how it works

Beyond the complexity, Blockchain functions as just another form of a database that allows for recording and reconciliation of transactions. With Blockchain technology, individual 'blocks of data' keep building up and adding on to an existing database, thereby ensuring that a complete history of every individual transaction is available.



## Now to the time to embrace Blockchain innovation

The application of Blockchain into the supply chain so far has been limited and focused on a few industries with very limited scope. The primary reason being, there are existing supply chain technologies that are working at scale and initial set-up costs have been a major deterrent especially when organizations will have to look into adopting completely new technology.

However, with COVID-19 exposing the flaws of current supply chain models, companies are more prepared than ever to rethink supply chains. Many have begun evaluating multiple digital technologies to ensure they handle future unforeseen circumstances better. Having a logistics Blockchain platform can be one of the key considerations for organizations moving forward.



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# How we can help

Organizations everywhere are asking mission-critical questions pertaining to the supplier and operations risks that have emerged as a result of the COVID-19 environment. We recognize that during this time, business leaders not only need solutions, but reliable consultants as well.

KPMG's Supply Chain team is here to support you in navigating this unprecedented situation.

KPMG's worldwide network of member firms offer more than 2,000 supply chain, strategy, and value chain management professionals who can help you address the

issues of today – from crisis response planning and rapid diagnostics for supply and demand risks across your operation, to scenario analysis and contingency planning.

Our professionals are skilled across all areas of supply chain operations, whether it be strategy and analytics, supply chain risks, planning and execution, or logistics and distribution.

We also have the capabilities to help you integrate tax planning into your business operations to help minimize expenses and risk, enhance return on investment, and drive efficiencies across operations.

## About Rethinking Supply Chains

KPMG Rethinking Supply Chains highlights the latest issues in Supply Chain Operations, impending changes to current practices, and potential problem areas that may impact your company.

As certain issues discussed herein are time sensitive, it is advisable to make plans accordingly. Rethinking Supply Chains is issued exclusively for the information of clients and staff of KPMG Services Pte. Ltd. and should not be used or relied upon as a substitute for detailed advice or a basis for formulating business decisions.

**To uncover more insights on how you can navigate the future of supply chains, click [here](#). Alternatively, feel free to contact us to discuss supply chain issues and to find out how we can help take your supply chain operations forward.**

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# Contact us



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