

# Dubai: building a city on blockchain technology

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## Why did we select this case?

Blockchain technology has the potential to make both business and government services more efficient. The city of Dubai is taking the lead, as it is the first city to back the technology on a government level.

## About the case

The goal of Dubai's government is to stimulate the majority of the emarte's businesses to use blockchain. The director general of [Smart Dubai](#) is a government office tasked with facilitating innovation in the emirates stated:

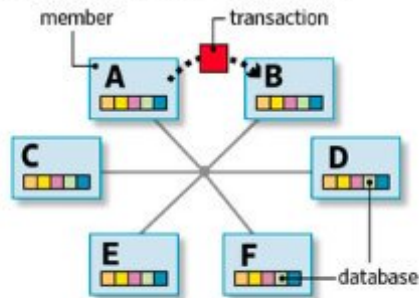
'We want to make Dubai the first blockchain-powered government in the world by 2020'. - Aisha Bin Bishr

Blockchain has the potential to increase transparency, speed up transactions and help reduce fraud such as money laundering. But it also faces various challenges to broad implementation.

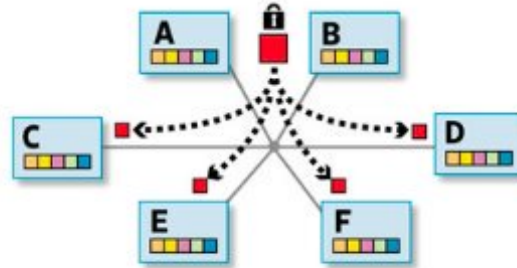
## Building Block to the Future

Dubai hopes to use blockchain, the technology behind the digital currency bitcoin, both to power its government and to enhance its status as a trade and finance hub. Blockchain allows for secure record keeping in online ledgers where members share and confirm information with no central authority. It can be used, for instance, to consolidate records for shipping goods around the globe. How it works:

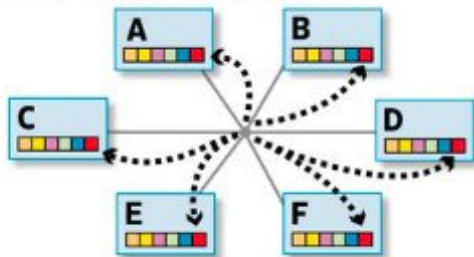
All members have a copy of the shared database/ledger. When a member wants to send money to another member (e.g., A to B), a "block," or chunk of data, is created to represent the transaction.



Cryptography is used to share the transaction with the group while also maintaining privacy if the parties desire. The network recognizes the transaction as valid because the digital signature—which only the signatory can see—is mathematically linked to a public signature that only a bona fide transaction could bear.

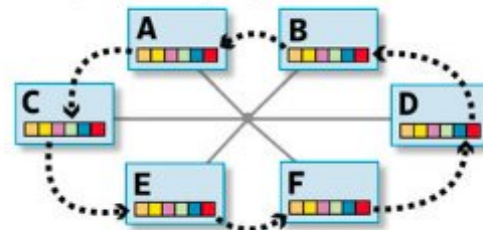


Once a block is confirmed, all members add the block to their copies of the database.



Sources: Smart Dubai; Collin Thompson, Medium.com

Complex mathematics are used to ensure that there is consensus among the database copies, which prevents tampering.



THE WALL STREET JOURNAL.

In the [Wall Street Journal](#) Lohade explains that implementing the blockchain is a **public-private effort**.

'In March, Smart Dubai kicked off a citywide effort to implement blockchain. Over the coming months, it will conduct workshops with key government, semigovernment and private organizations to identify and prioritize the services that can be most enhanced by blockchain.'

Lohade adds that the first steps are already taken by key Dubai entities.

'The Department of Economic Development, a government agency, usually the first stop for any company planning to do business in Dubai.

The department, to start with, is working on shifting its entire business registration and licensing services to blockchain.'

Want to know more?

- [https://www.wsj.com/articles/dubai-aims-to-be-a-city-built-on-blockchain-1493086080?  
utm\\_campaign=Revue%20newsletter&utm\\_medium=Newsletter&utm\\_source=revue](https://www.wsj.com/articles/dubai-aims-to-be-a-city-built-on-blockchain-1493086080?utm_campaign=Revue%20newsletter&utm_medium=Newsletter&utm_source=revue)
  - [http://www.smartdubai.ae/dubai\\_blockchain.php](http://www.smartdubai.ae/dubai_blockchain.php)
  - <http://smartdubai.ae/story0531.php>
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