

Part B – Short Answer Questions

3. Explain how blockchain improves transparency in financial transactions.

✓ Sample Answer:

Blockchain records every transaction on a shared, immutable ledger that all participants can access. This transparency reduces fraud risk and increases trust among stakeholders.

4. What makes interoperability a barrier to blockchain adoption in banks?

✓ Sample Answer:

Traditional banking systems are often built on legacy infrastructure that may not be compatible with blockchain technology. Integrating the two requires significant technical adaptation and investment.

