



**HYPERLEDGER  
IROHA**

# **Hyperledger Iroha in a nutshell: DLT platform & project history**

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# Agenda

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- Overview of Iroha and comparison with other platforms
- Iroha architecture and security
- YAC and its properties
- Roadmap
- Conclusions and future steps

# Organizational structure



**HYPERLEDGER**

Checks if the project is conformant to the standards

Development



Individuals and companies

*Community is here!*

**Contributors**



and other companies...

Individuals with defined roles and structure

**Maintainers**

Support development and ensure quality

# What is Hyperledger Iroha?

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## Our mission:

Empowering people by providing them with decentralized technological solutions

## Our vision:

Create simple & straightforward blockchain platform for enterprise, and blockchain enthusiasts



**HYPERLEDGER**  
**IROHA**

## What problems Iroha is trying to solve?

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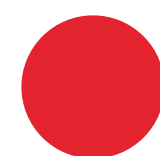
- It tries to lower a high complexity of DLT software for platform integrators, developers of blockchain client application and users.
- Bring back trust and scalability in private networks with a complete byzantine fault-tolerance.
- There is a lack of C++ powered DLT frameworks – so we are one of the pioneers.

# Where it all started?

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3'149 C++ loc

40'262 loc



**Sep 26 2016**

Japanese companies propose Iroha to HL,  
as «inspired by Fabric C++ project with Sumeragi consensus»

<https://docs.google.com/document/d/1sN-6mv-m85Nl3ZjwFkDT0izTcxbUaZN9LjLEe045Y/edit>

# Where it all started?

51'341 C++ loc (+3'826)  
100'506 loc

**Polkadot  
project**

61'260 C++ loc (+9'541)  
79'306 loc  
Project is active for 2 years already

**Aug 2 2018**

Iroha v1.0 beta-4 is out with:

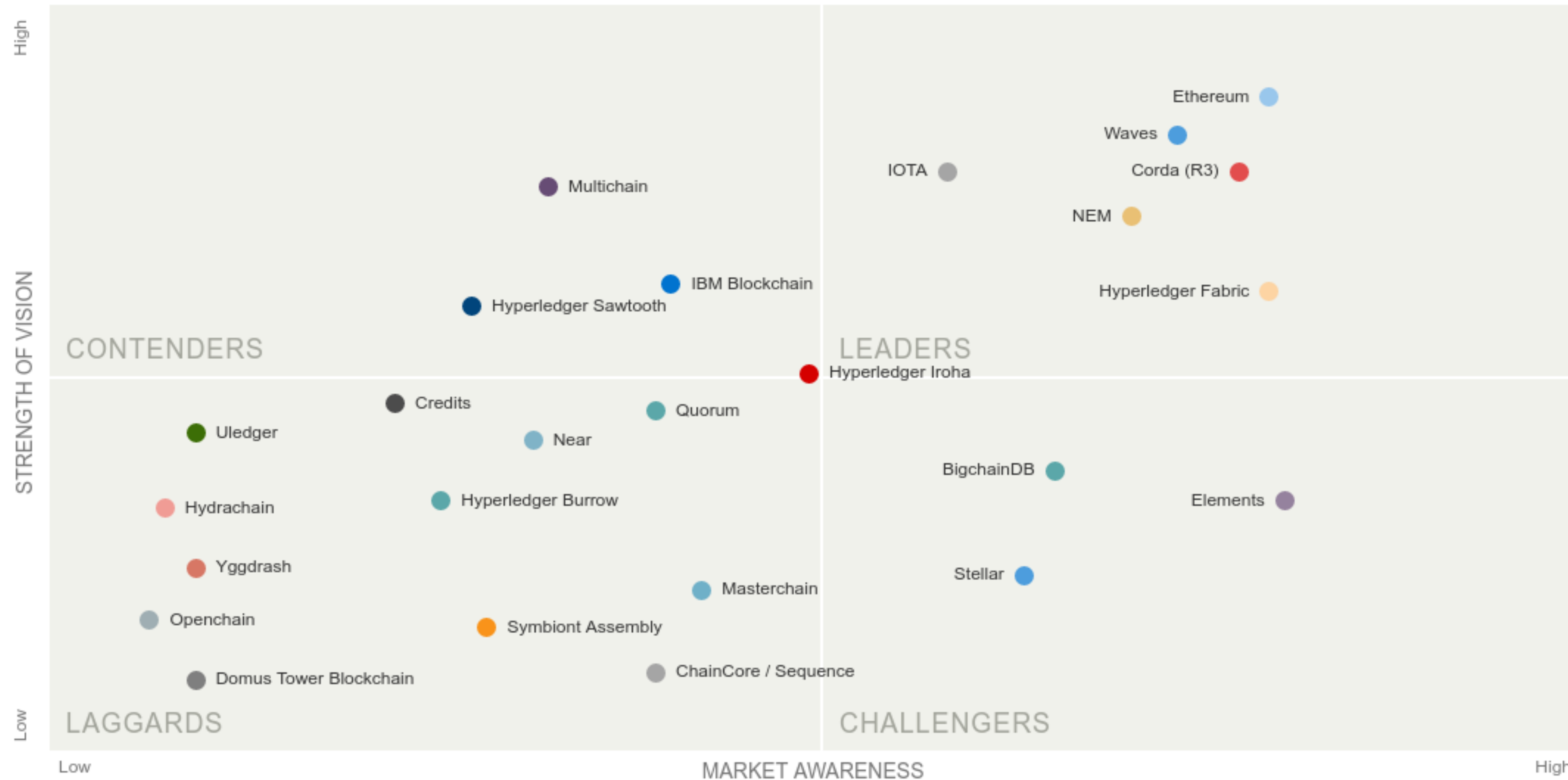
Faster throughput, pluggable SQL storage, tx  
status streaming, fuzzing, transaction batches

**Now (Feb 12)**

BFT Ordering Service

Windows support

# How Iroha is different?





# How Iroha is different?

Factor per platform	Hyperledger Fabric (and IBM blockchain)	Hyperledger Iroha	Hyperledger Sawtooth
Regional awareness	China! and the rest of the world	Asia, especially Japan	USA
Differentiators	Extendable deployment architecture, «channels»	Universal peer role, SQL state, linearly scalable consensus	Transaction processors, pluggable components
Is this a blockchain?	Yes (although it stores invalid transactions)	Yes	Yes
API	gRPC & REST	gRPC	gRPC
Business logic layer	Smart contracts in Go, Java & Solidity	Commands and queries	Transaction families and processors
Contributing companies	IBM	Soramitsu	Intel
Byzantine fault-tolerance	—	+	+?
Has been already released and used in production	+	+ - (used by some projects)	+?

# How Iroha is different?

Factor per platform	Corda	Hyperledger Iroha	Ethereum
Regional awareness	UK, India, USA	Asia, especially Japan	The world
Differentiators	Scalability	Universal peer role, SQL state, linearly scalable consensus	Turing-complete smart contracts, same codebase for public and private
Is this a blockchain?	No	Yes	Yes
API	JSON-RPC?	gRPC	JSON-RPC
Business logic layer	Transactions processors in Kotlin?	Commands and queries	Solidity smart contracts
Contributing companies	R3	Soramitsu	Ethereum foundation
Byzantine fault-tolerance	-	+	-
Has been already released and used in production	+	+ - (used by some projects)	+?



# How Iroha is different?

Factor per platform	IOTA	Hyperledger Iroha	Waves
Regional awareness	Switzerland, Germany...	Asia, especially Japan	Russia
Differentiators	IOT-focused solution	Universal peer role, SQL state, linearly scalable consensus	Built-in decentralized exchange
Is this a blockchain?	No	Yes	Yes
API	?	gRPC	JSON-RPC
Business logic layer	?	Commands and queries	Non-turing-complete SC
Contributing companies	IOTA foundation	Soramitsu	Waves
Byzantine fault-tolerance	—	+	—
Has been already released and used in production	?	+ (used by some projects)	+

## Features of Iroha

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- Command-driven architecture
  - Asset management
  - Identity management
- Support of linux, macOS, Windows environment
- Byzantine fault-tolerant ordering service and consensus
- Role-based access control
- Client libraries, including example apps for iOS, JS (Vue.JS), Android (Java 8)
- Universal peer role and easy scripted deployment with Docker and Ansible
- Multi-signature transactions



# Command-driven architecture

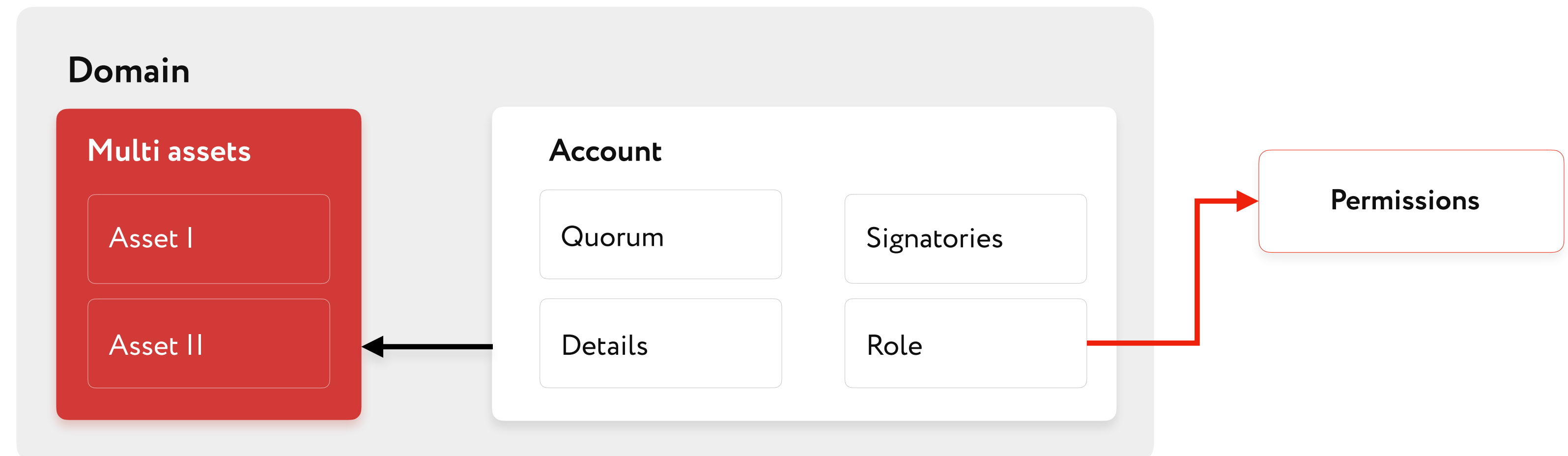
- Any atomic state-changing action is a «command», which is a piece of transaction
- A «query» is a request for a part of state: `GetAssetInfo`, `GetAccountDetails`, etc.

**Domains**  
CreateDomain

**Assets**  
CreateAsset  
AddAssetQuantity  
SubtractAssetQuantity  
TransferAsset

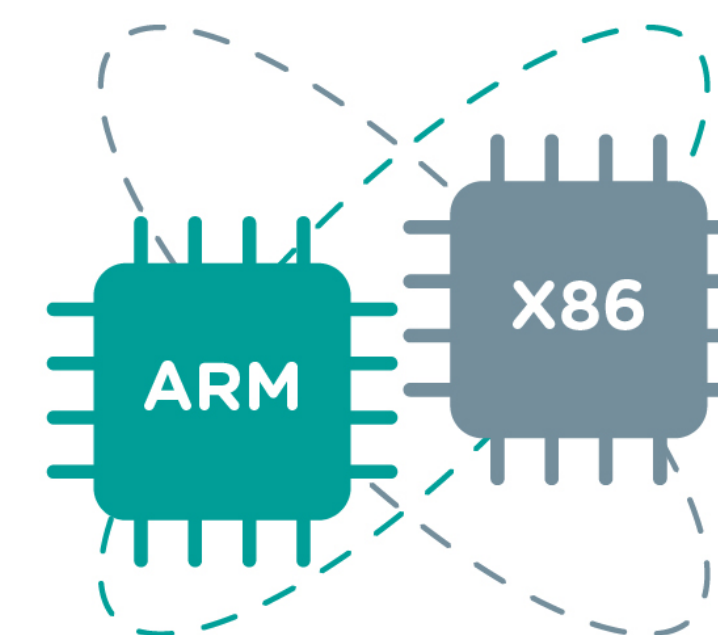
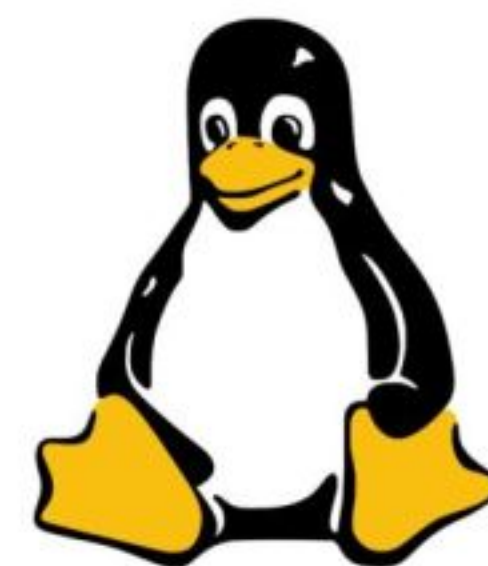
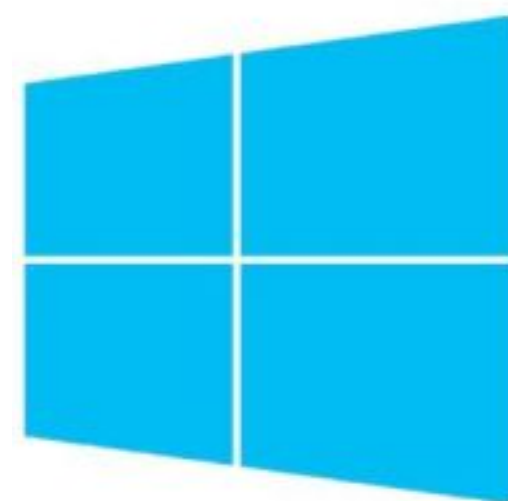
**Account**  
CreateAccount  
AddSignatory  
RemoveSignatory  
SetAccountQuorum  
SetAccountDetail

**Permissions**  
CreateRole  
AppendRole  
DetachRole  
GrantPermission  
RevokePermission



## Multi-platform support

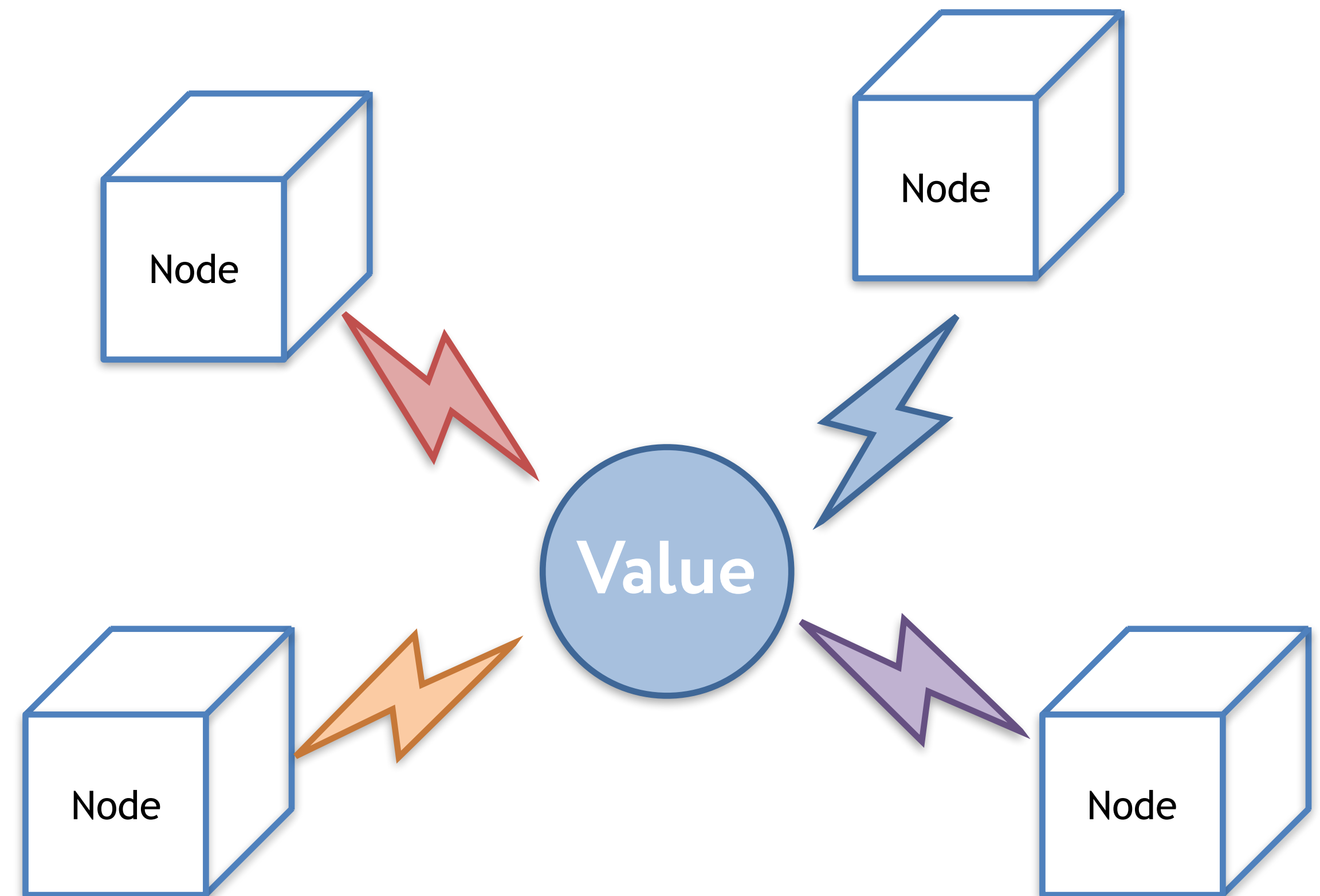
- Iroha supports linux, Windows, macOS software environment, with hardware layer including x86 and ARM-powered systems for IoT and chain supply use-cases.





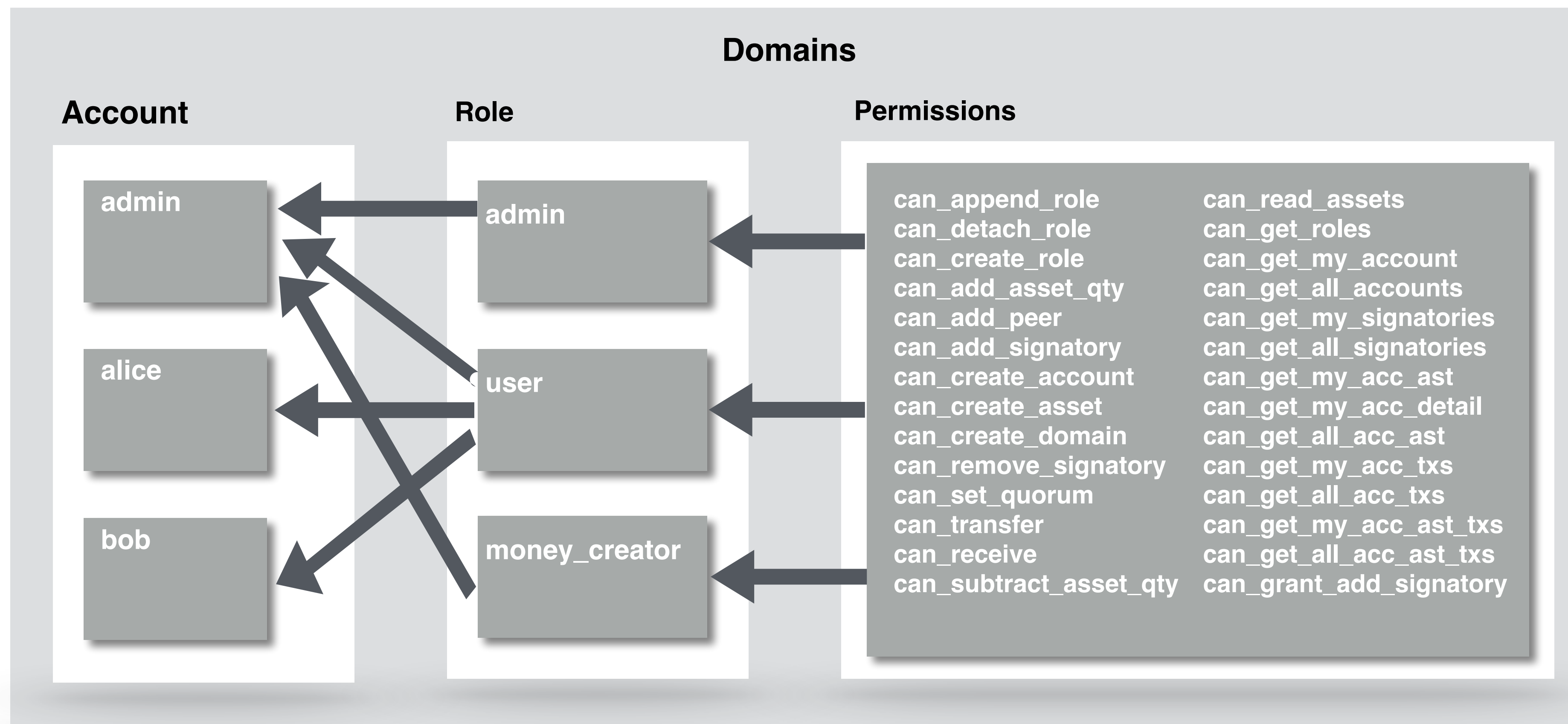
## Byzantine fault-tolerant consensus

- Iroha has novel, fast, and highly secure consensus algorithm, called Yet Another Consensus, which protects Iroha networks from failures or adversary participants.



## Role-based access control

- Iroha accounts have rights with respect to their multiple roles
- Genesis block is an initial place where they are defined



## Client libraries

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- <https://github.com/hyperledger/iroha-java>
- <https://github.com/hyperledger/iroha-python>
- <https://github.com/hyperledger/iroha-ios>
- <https://github.com/hyperledger/iroha-javascript>

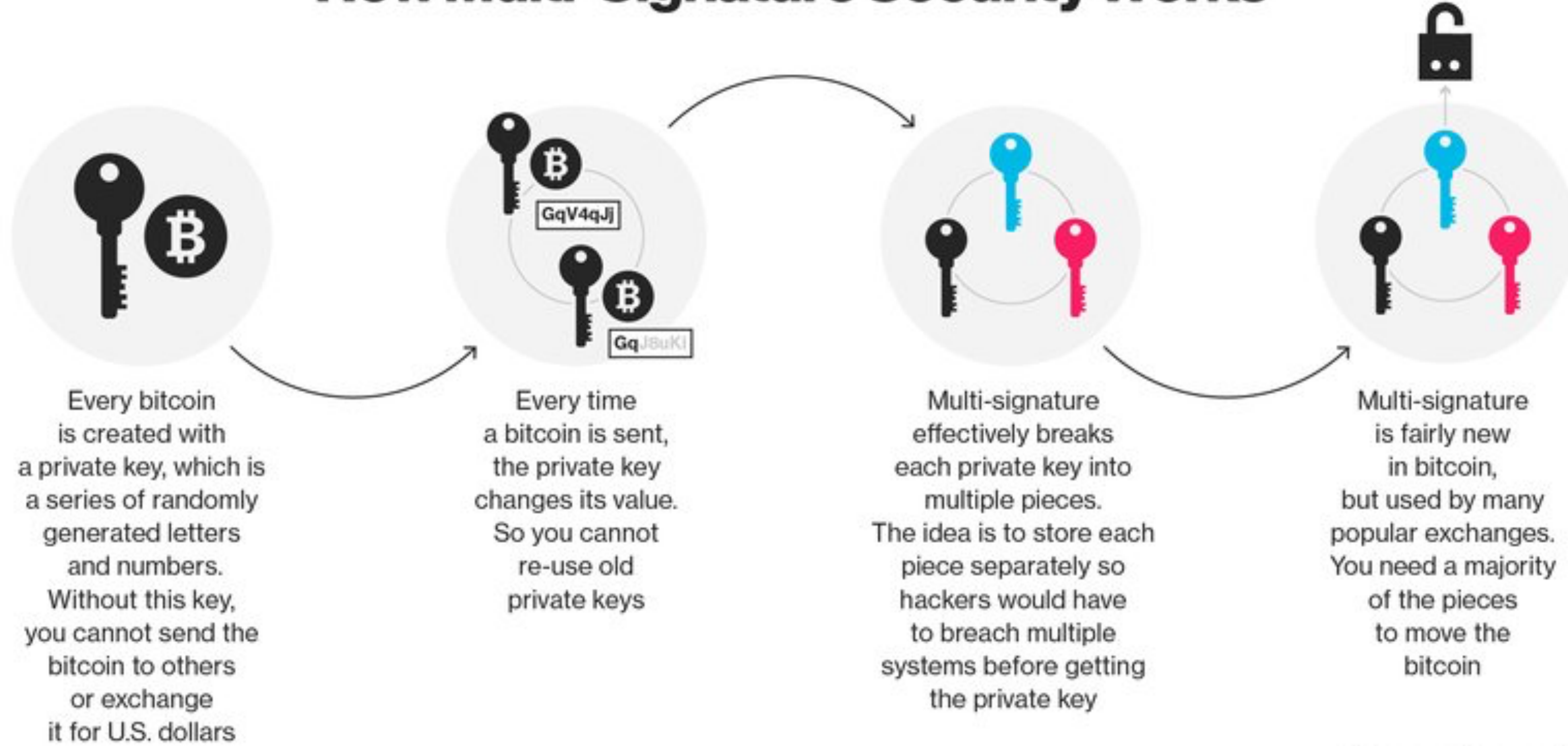
We also have youtube videos explaining how to use the libraries with a lot of details here:

- <https://www.youtube.com/watch?v=CsMlpZXWTL0> iOS
- <https://www.youtube.com/watch?v=PN7WoLReDs4> Python SDK
- [https://www.youtube.com/watch?v=\\_HZB58jqi9c](https://www.youtube.com/watch?v=_HZB58jqi9c) Java 8

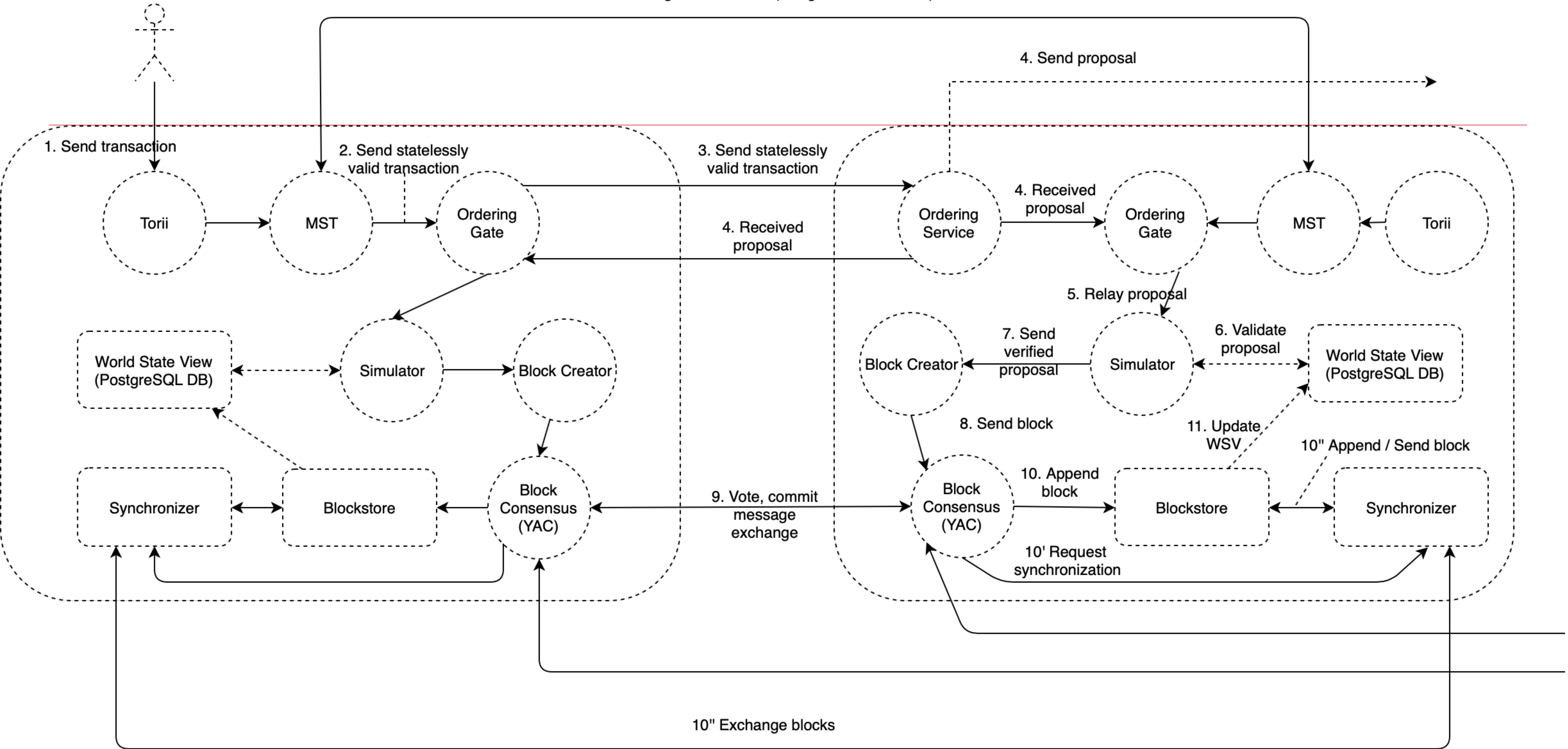


# Multisignature transactions

## How Multi-Signature Security Works



1'. Exchange shared state (unsigned transactions)

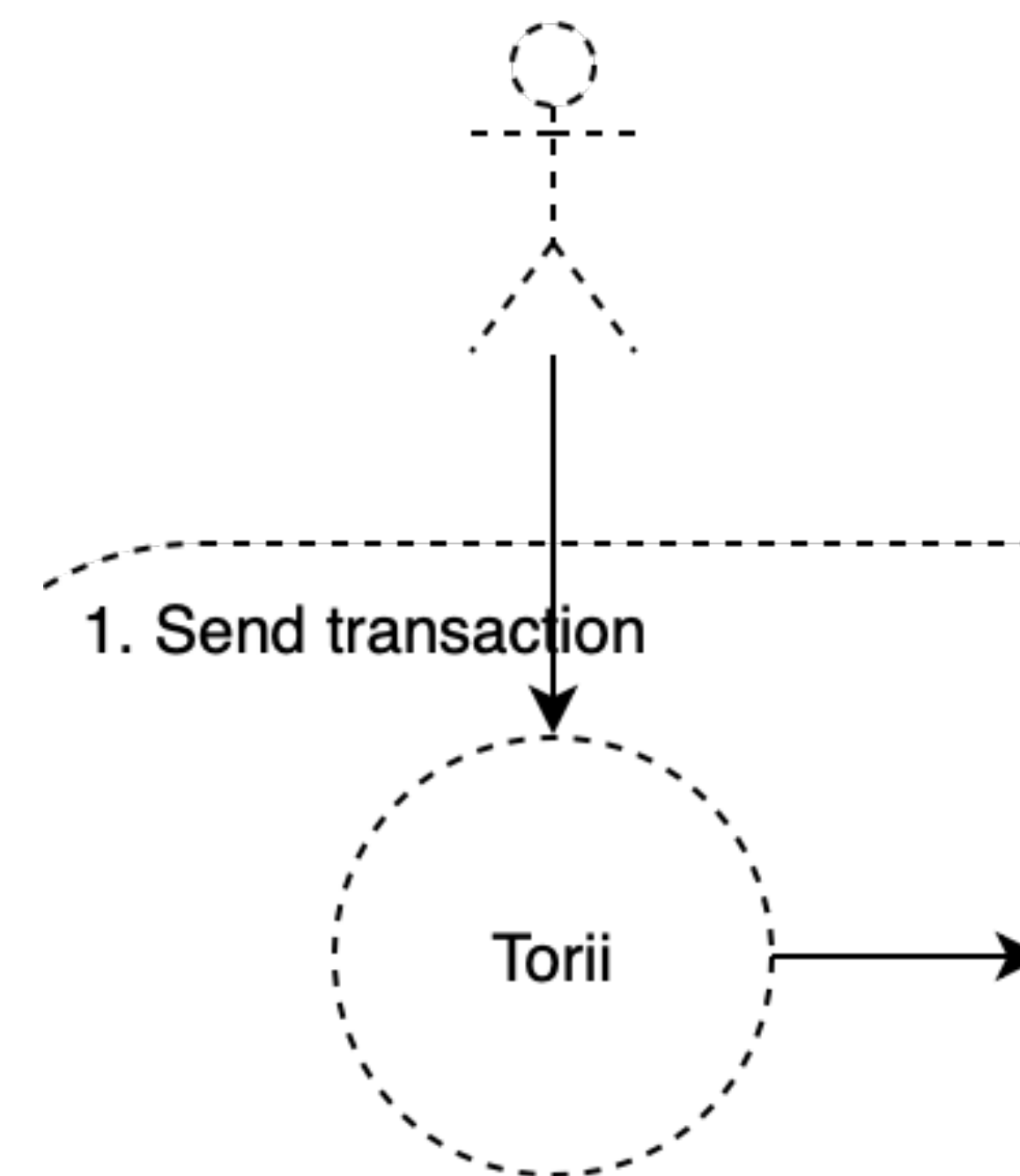


## Torii (冏)

gRPC server, that accepts incoming messages from clients:

- Transactions
- Transaction batches
- «Half-baked transactions» (with less signatures than required)
- Queries

Responsibility: stateless validation of an incoming message

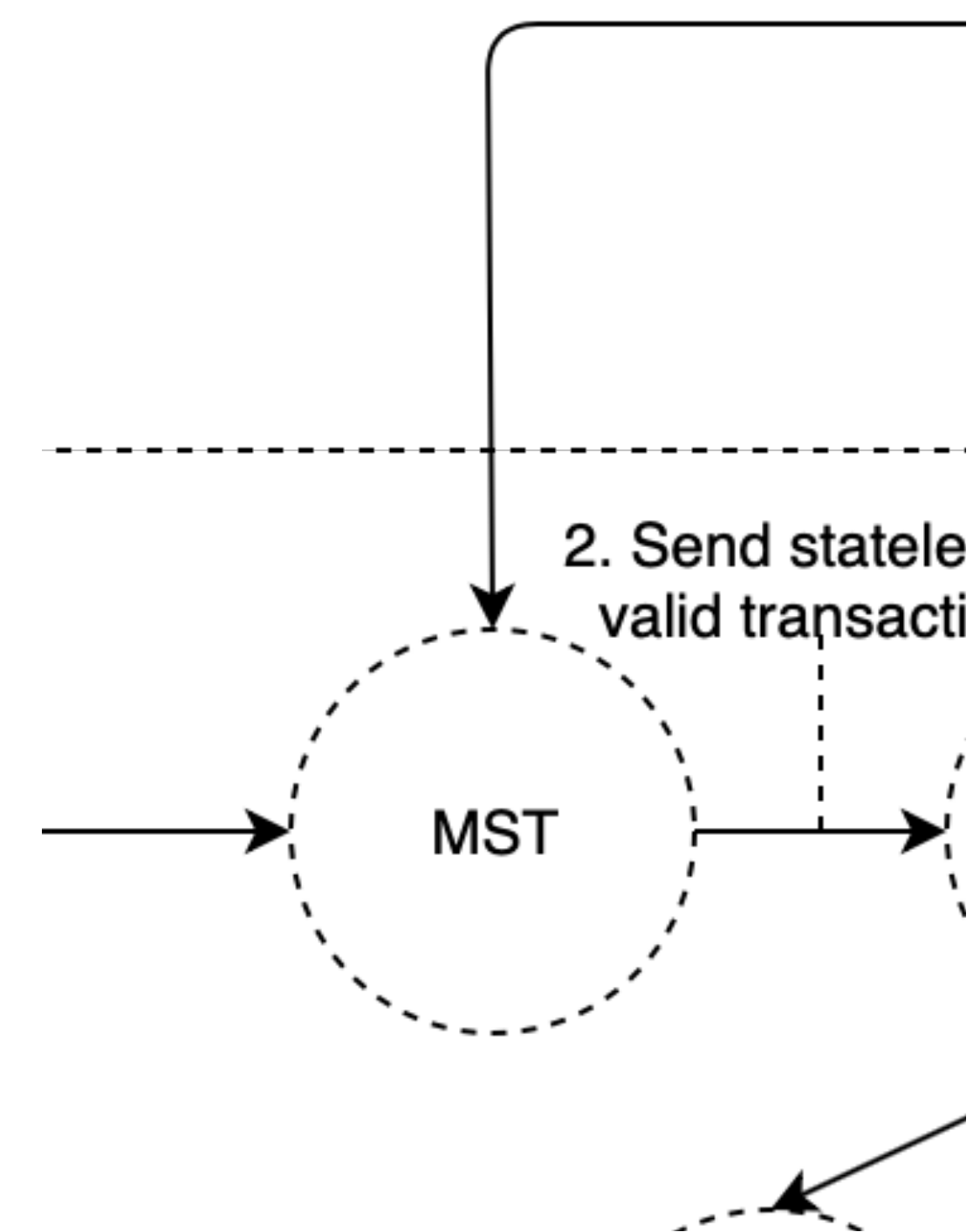




## MST (actually MstProcessor)

gRPC server/client, that sends/accepts incoming messages from other peers.

Its' responsibility is to share the state of «half-baked» signatures across peers via Gossip protocol — so that any Iroha client can send a transaction with a partial «quorum» until the «quorum» is met; to any peer in the network.



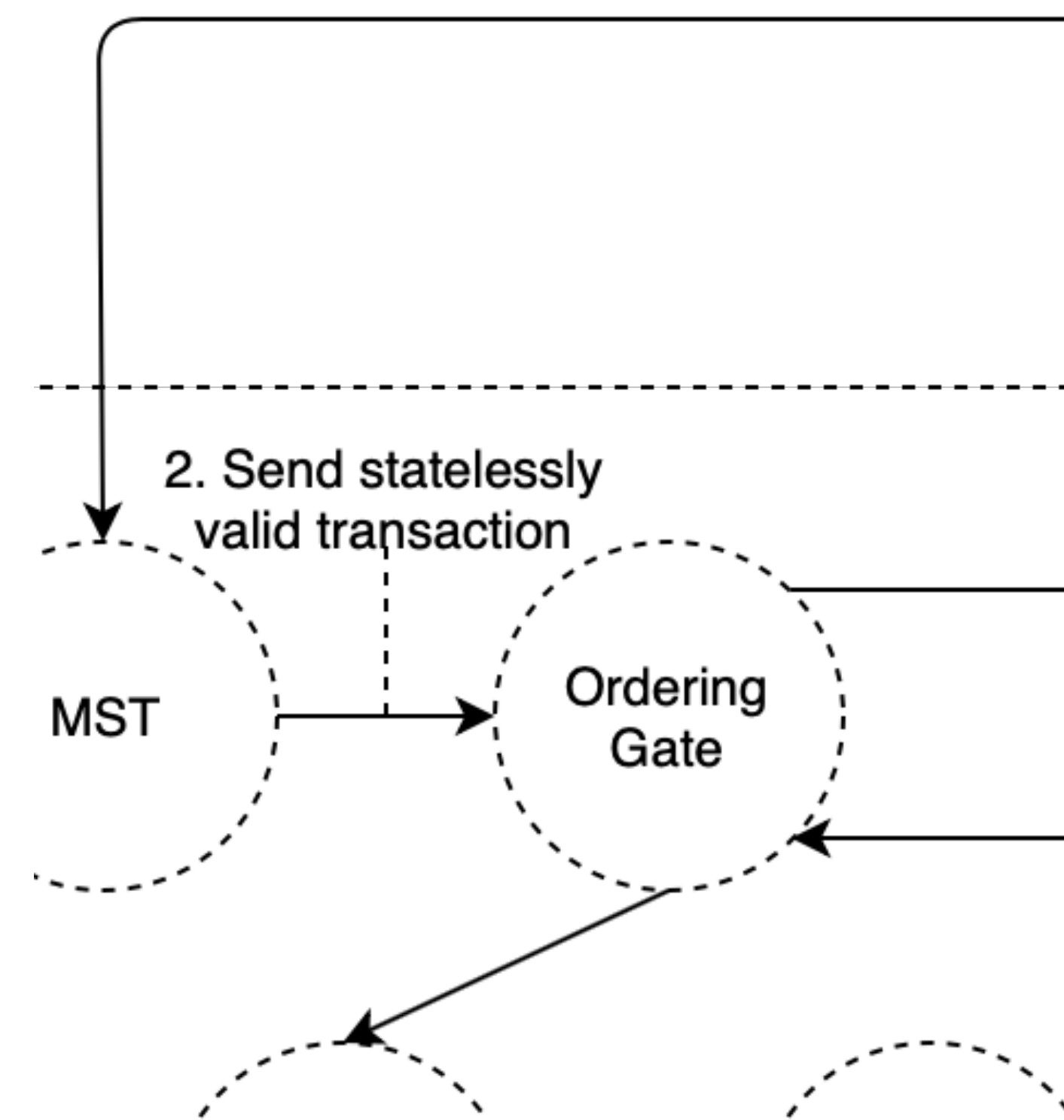
# OrderingGate

gRPC server/client, that sends/accepts incoming messages from other peers.

It has to relay transactions to an Ordering Service, which collects transactions to a batch, called «proposal».

A proposal of transactions is a candidate for the next block in blockchain.

Ordering gate requests proposal from an Ordering Service, based on consensus round number.

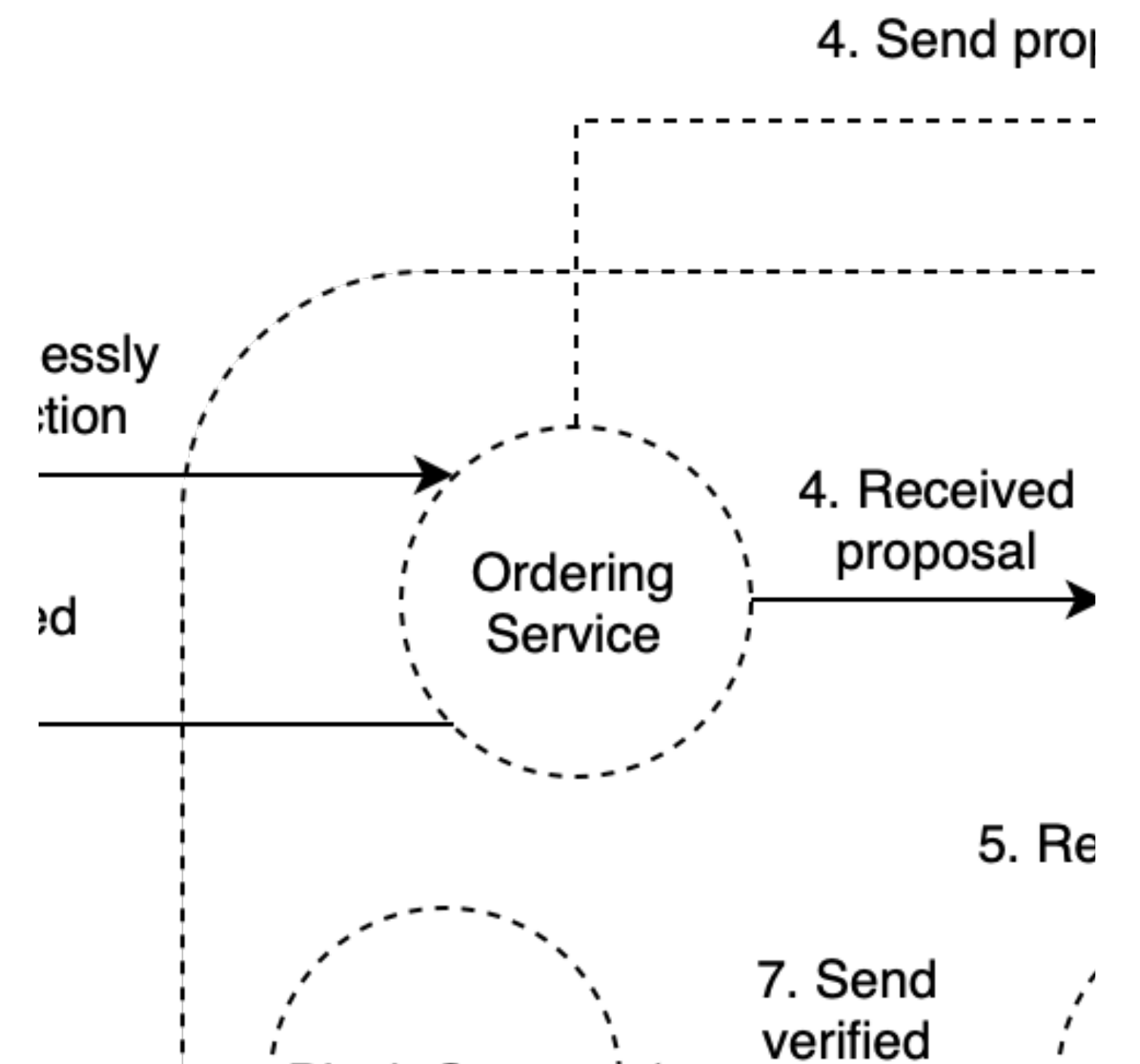


# OrderingService

gRPC server/client, that sends/accepts incoming messages from other peers.

Proposal emitter and transaction accumulator.

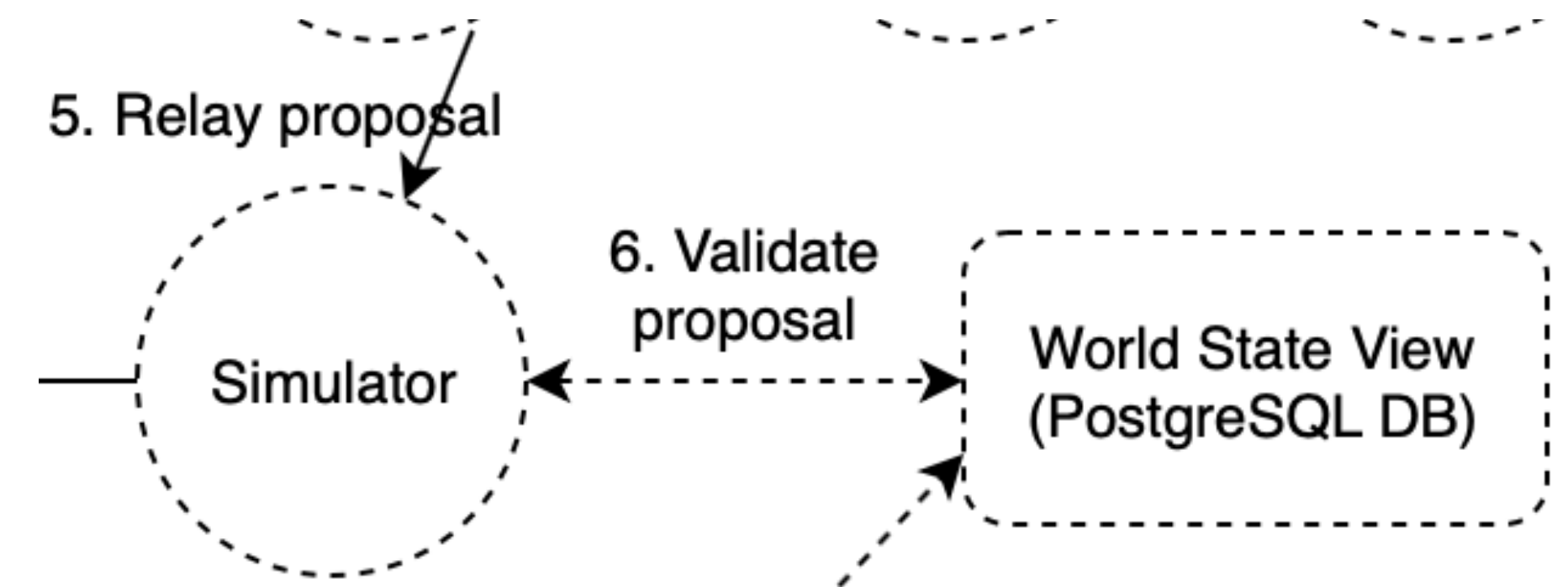
Performs preliminary validation of proposals (clears out all rejected transactions from proposals, etc.)





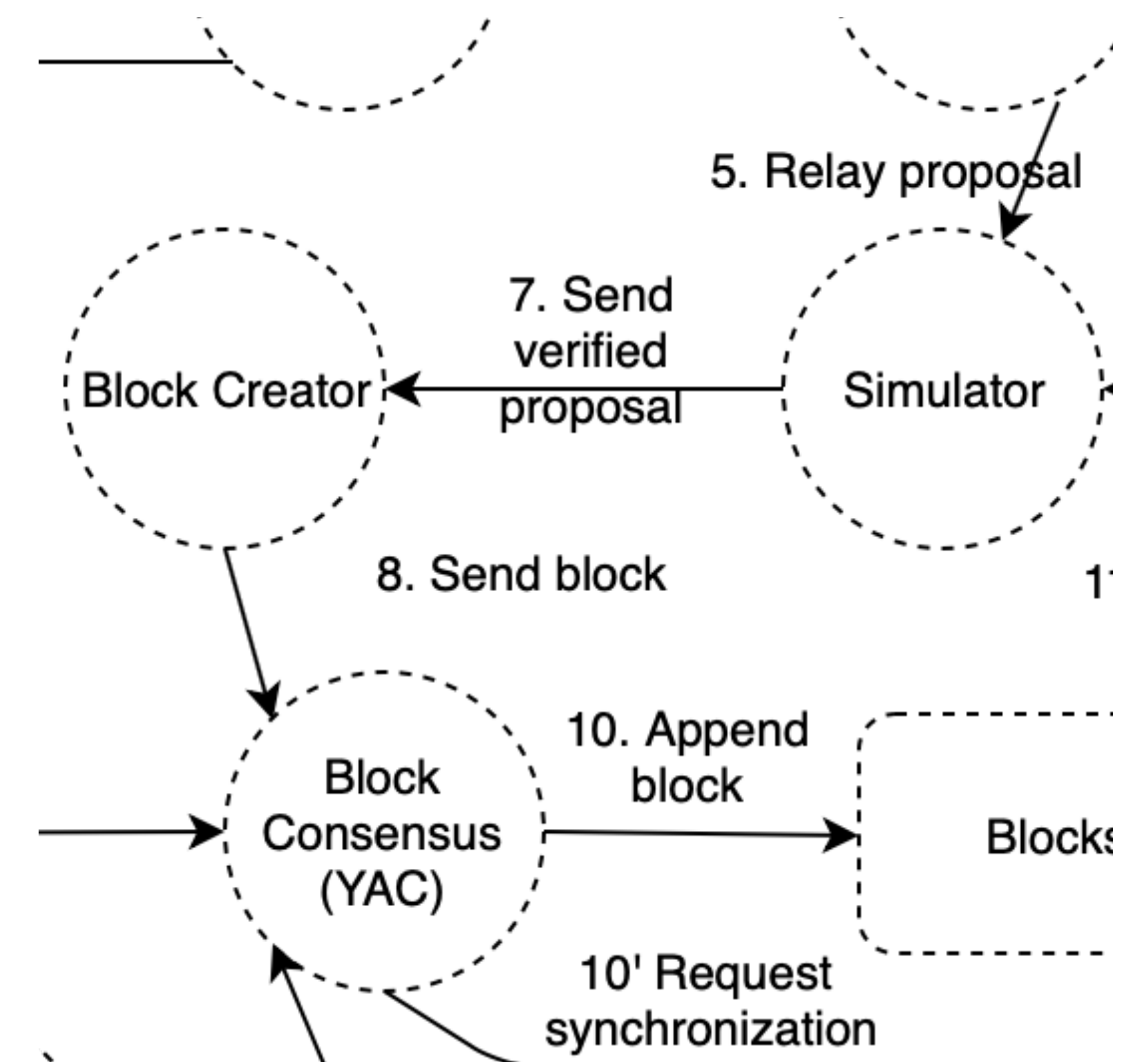
# Simulator

Has an SQL database dependency. It uses «WorldStateView», or current representation of ER model based on blockchain for the purpose of **stateful validation** (reject invalid transactions where the rights aren't sufficient for actions: e.g. an account might not have enough assets for a transfer)



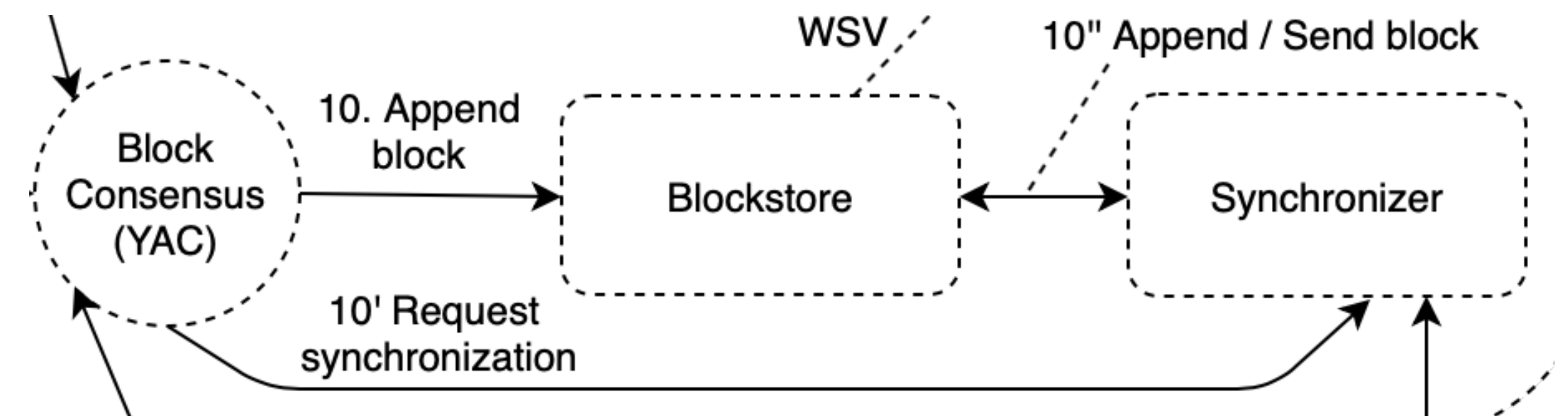
## BlockCreator and ConsensusGate

BlockCreator adds a block meta to a verified proposal and then sends it to ConsensusGate, which executes logic for consensus in a distributed network. The consensus algorithm is called YetAnotherConsensus, it is byzantine fault-tolerant.



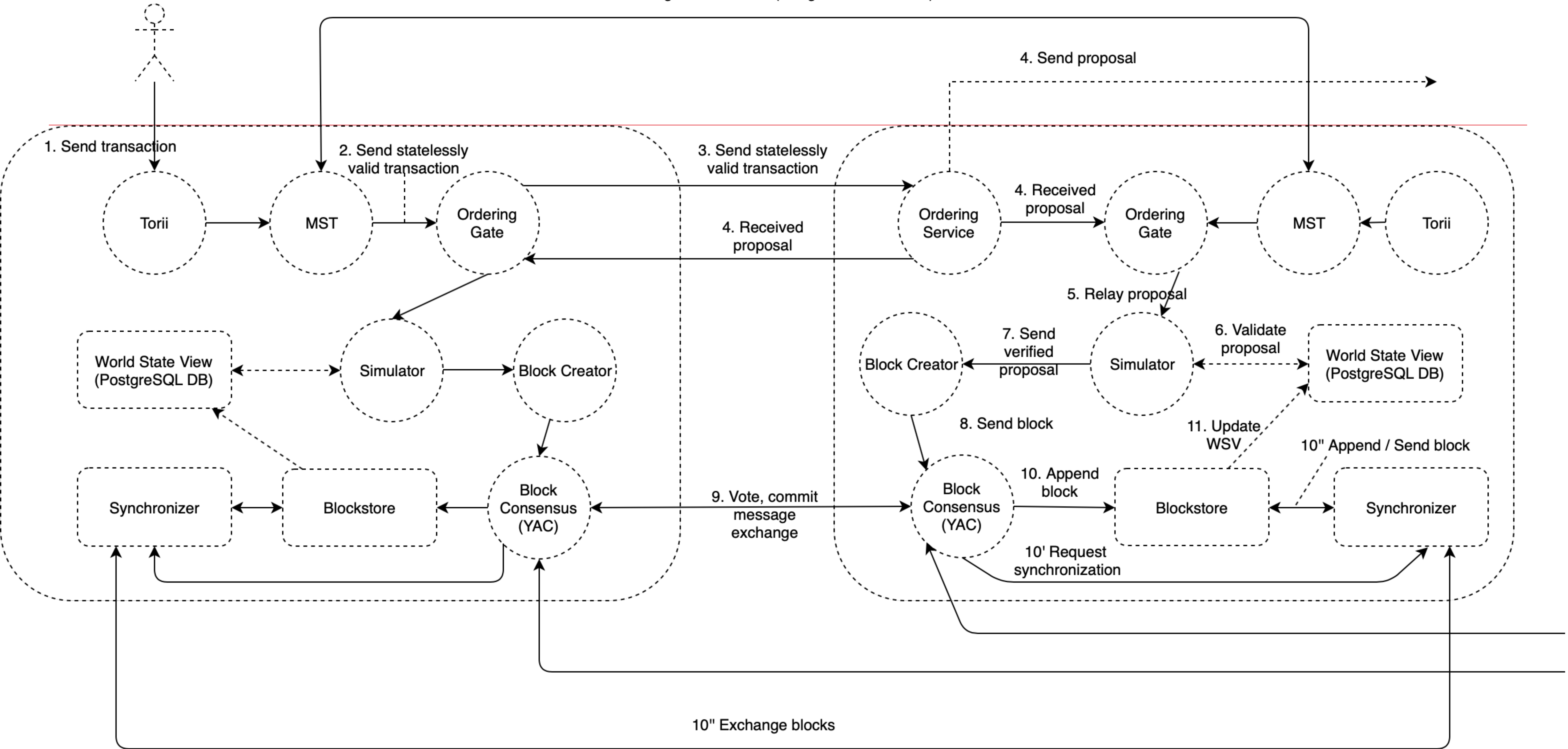
# Synchronizer

After commit (affirmative decision for block candidate), the peer should put this block into a blockstore. If there's a gap (e.g. peer had only 4th block, but the network agreed on 11th block) the synchronizer downloads missing blocks based on peer signatures of commit for the block.



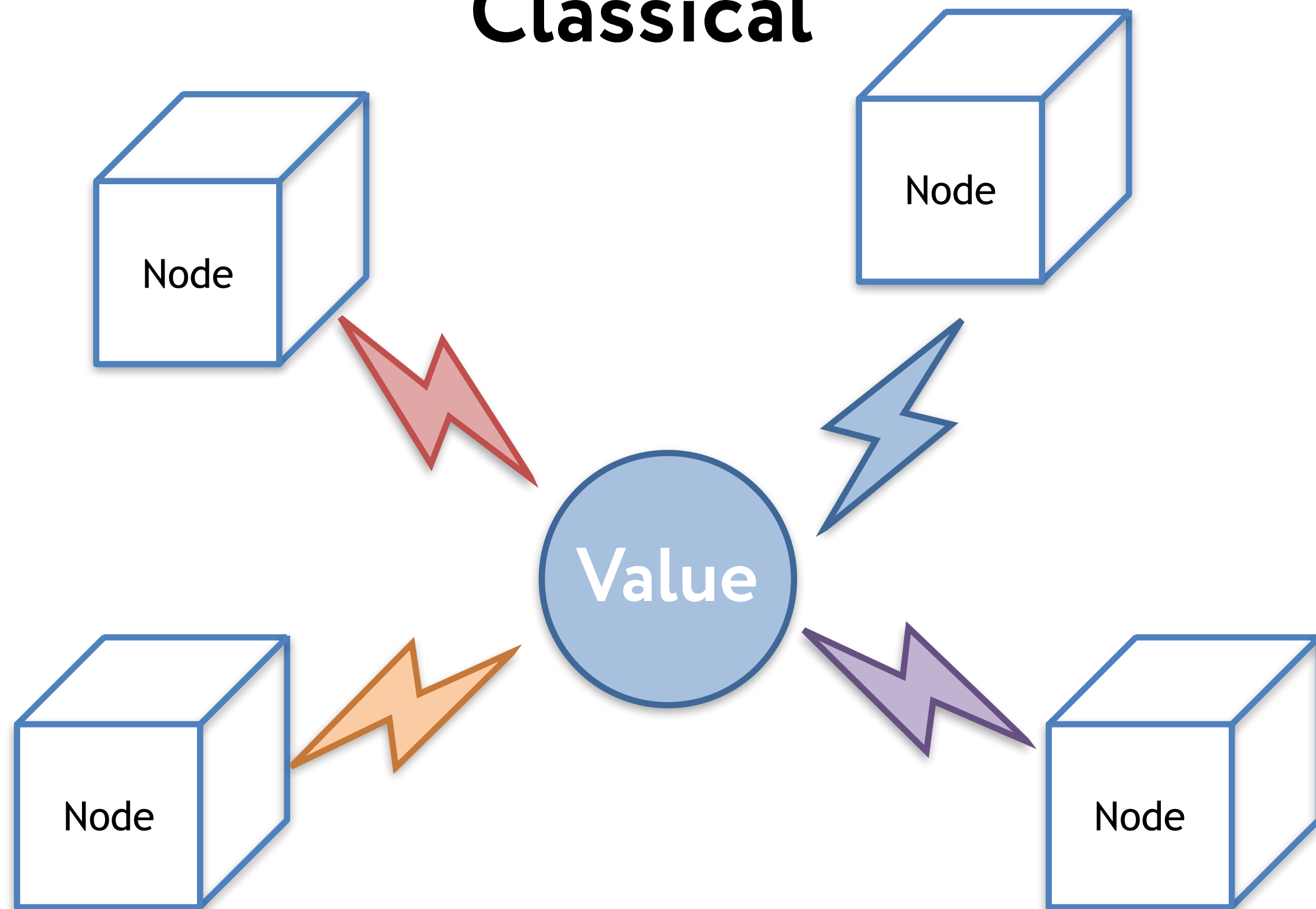


1'. Exchange shared state (unsigned transactions)



# Consensus definition

## Classical



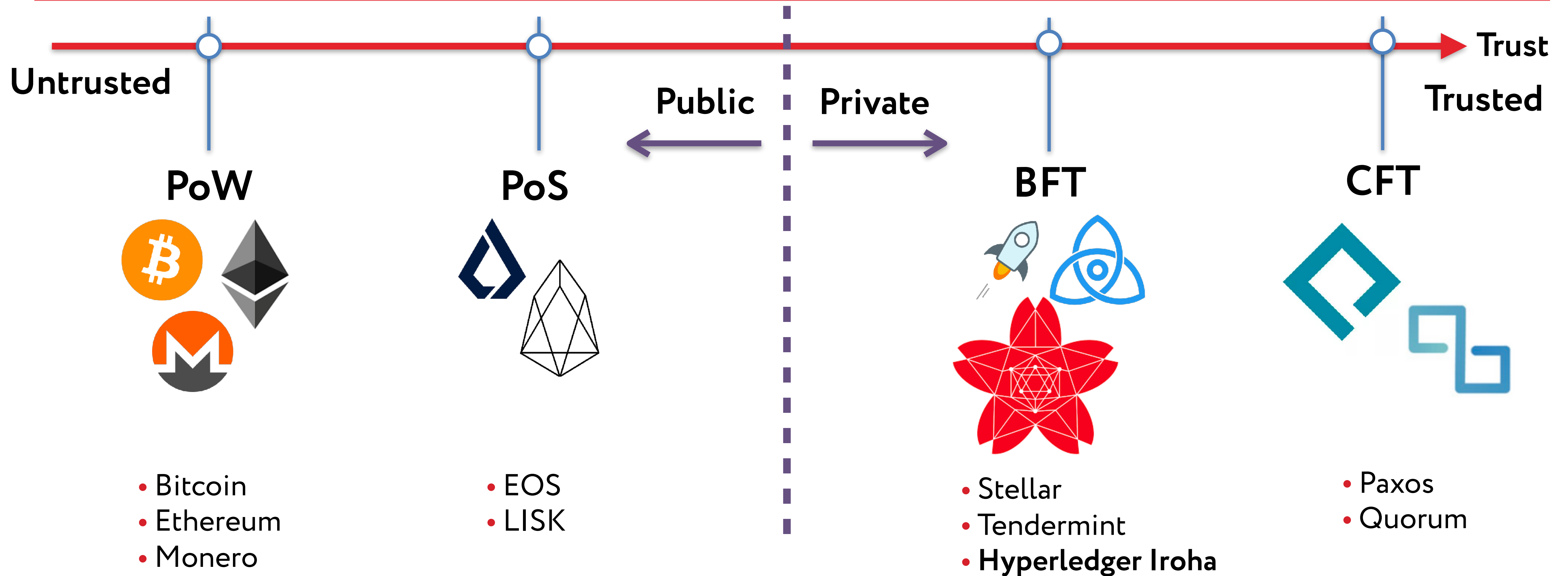
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## Blockchain

- Agreement on a **list of values**
- **Trust** is important

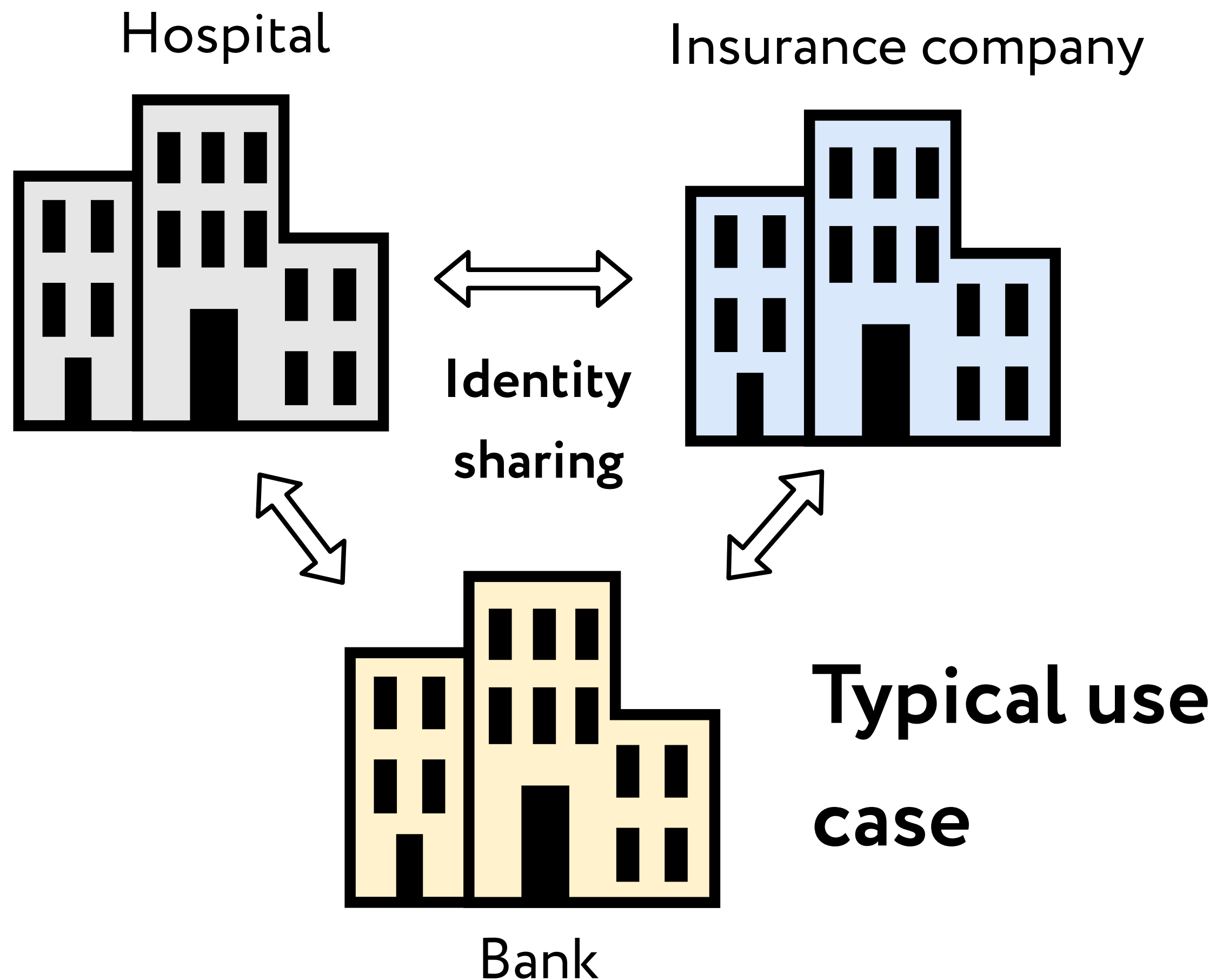
Note: consensus algorithms solve **only write** problem, but not reads by clients of a service.

# Blockchain platforms and their consensus





# Enterprise needs



## Benefits of BFT

- supports untrusted consortium of companies
- high throughput or low latency of messages(transactions)
- doesn't spend lots of resources
- has the property of **finality**

## Existing BFT consensus

### Tendermint

- + Uses existing and well-known 3 phase schema described in PBFT
- $O(N^2)$  scaling,  $N$  - number of peers
- Stake-weighted voting

### BChain

- + High throughput
- +  $O(N)$  scaling
- High latency
- Slow in malicious case

### Hash graph

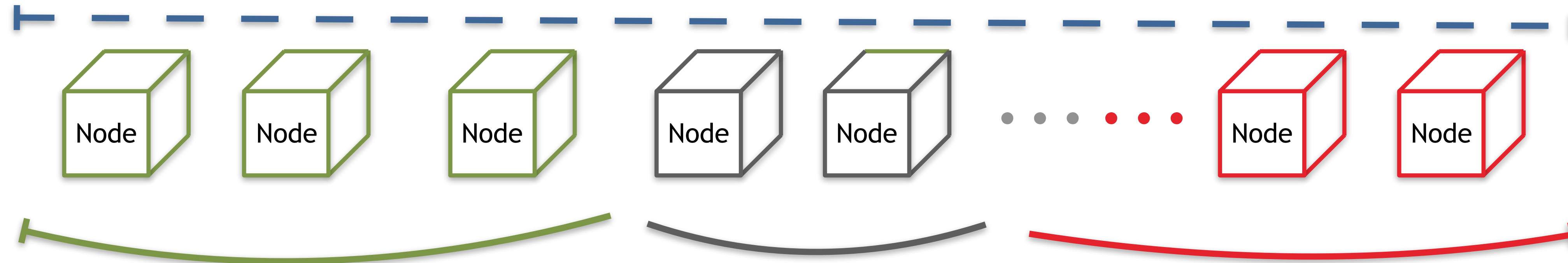
- +  $O(\log(N))$  scaling
- The algorithm is licensed and can't be reused as is
- There is no open-source reference implementation

Should we make yet another consensus?

Unfortunately, **yes**

# Byzantine fault tolerance description

Network contains  $7f+1$  nodes, where  $f \in \mathbb{N}$



$5f+1$  nodes follow the algorithm

$f$  nodes might be inactive

$f$  nodes are **malicious**. They can do everything:

## Assumptions

- Every node knows others network members
- Each node has a key pair for creating digital signatures
- The network tries to make an agreement on a new block

- shut down
- lie
- collaborate with other faulty nodes

## Initial statements

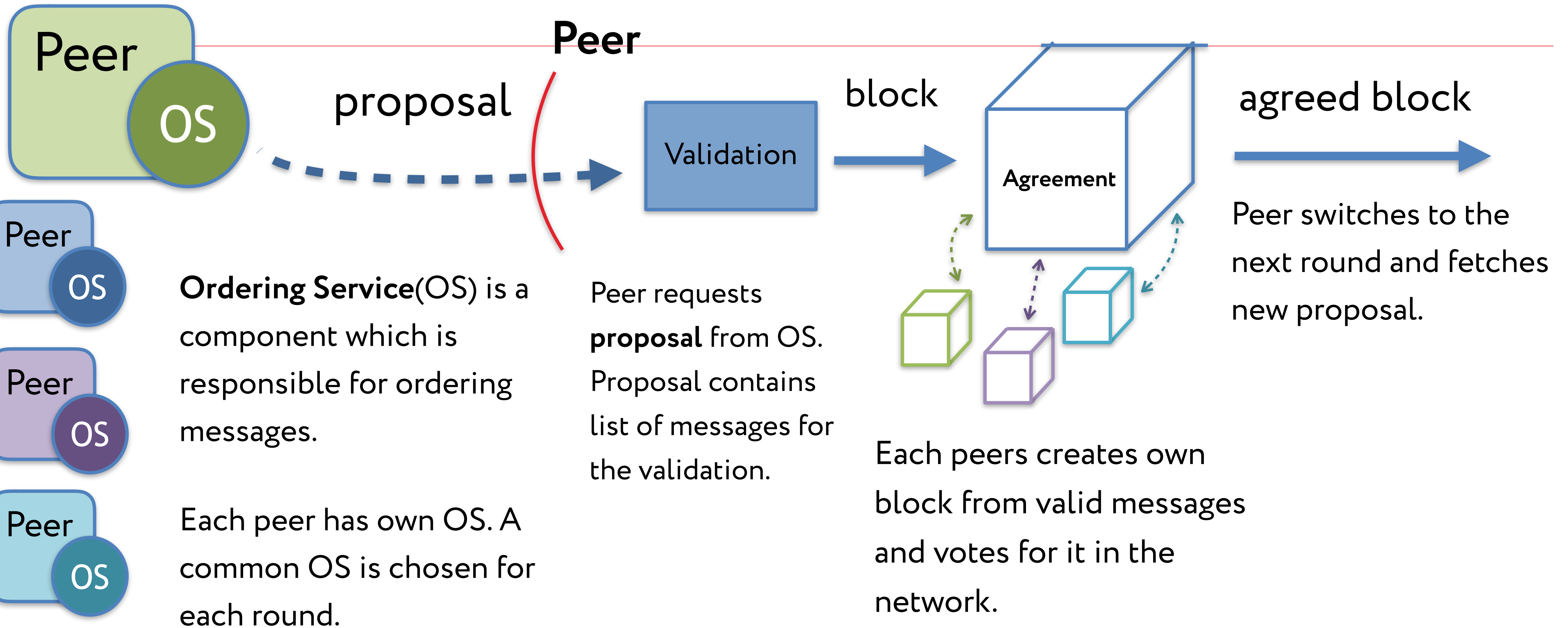
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- $O(N)$  scaling or less
- Low transaction latency
- Emphasis on validation step
- Input size does not affect agreement time
- Asynchronous environment\*

\*Consensus has **asynchronous** environment. There is no reliance on time in the network.



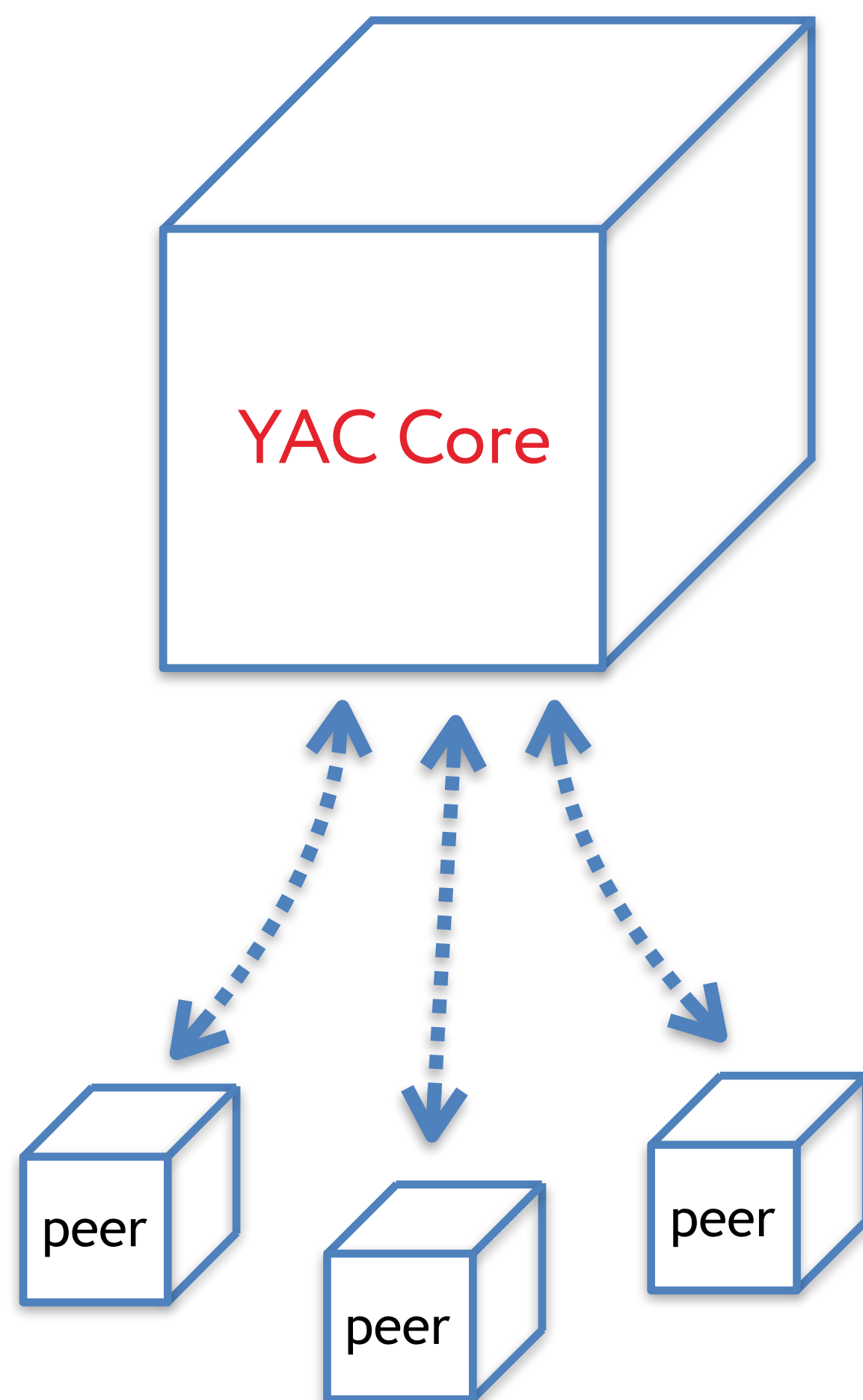
# Yet Another Consensus architecture



# Part 1. YAC core. Hash agreement

What is an input?

**Vote**



What about the output?

**Agreement**



**Vote is**

- Hash: String
- Round: <ConsensusRound: Int, RejectRound: Int>
- <Hash, Round> || Signature

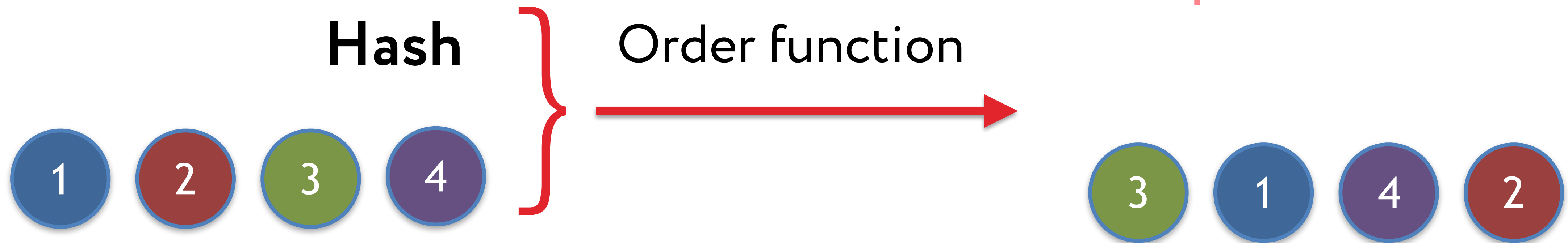
**Agreement is**

- Votes: Vote[]  
Votes indicate **commit** or **reject** of agreement on a hash in the round.

# How does YAC core work? Order function

Input: {Hash, initial peer list}

Output: permutation  
of peer list



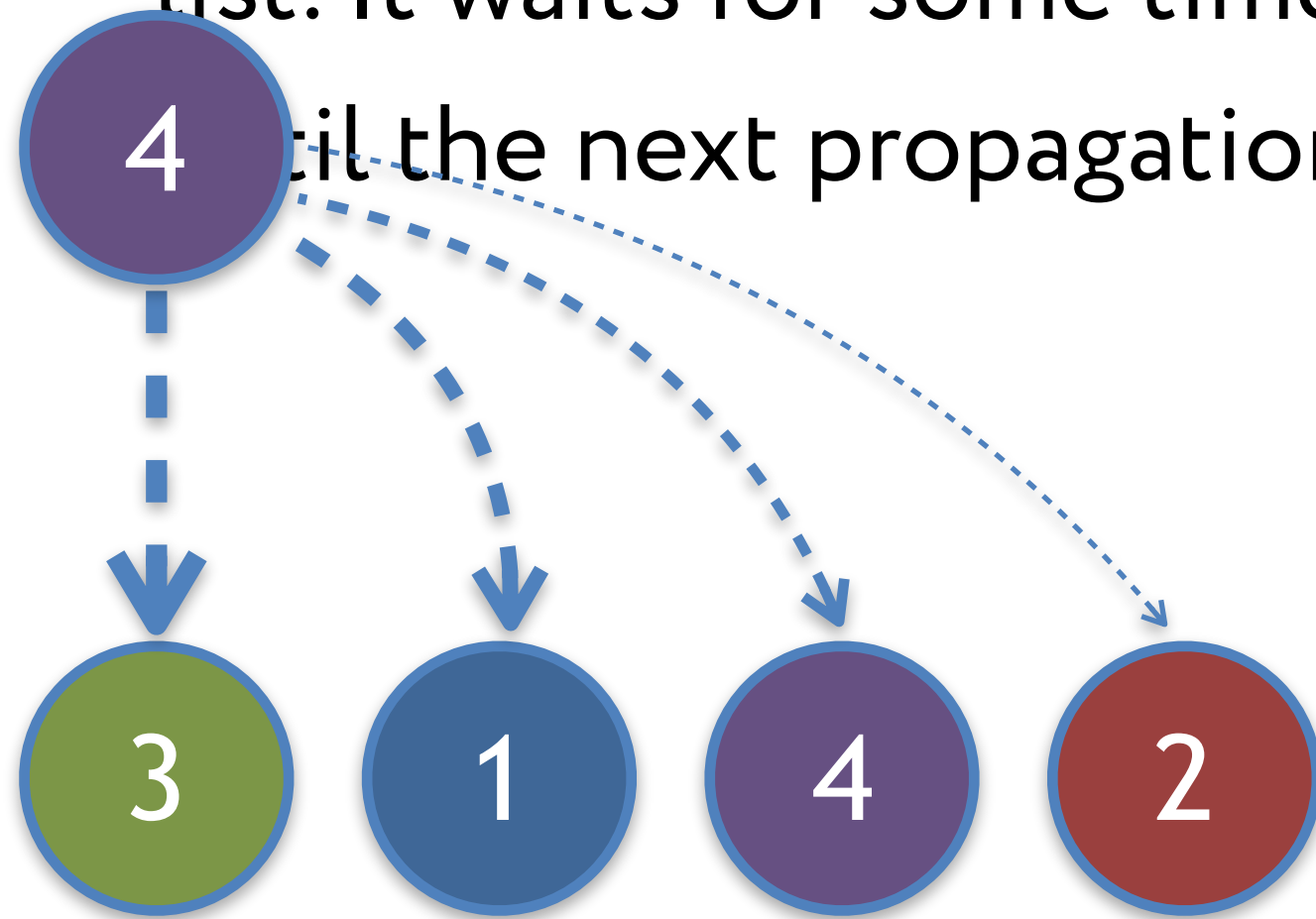
## Order function constraints

- Pure function: same input generates same output
- Uniform distribution of hash leads to uniform distribution of elements in resulting list

# How does YAC core work? Agreement process

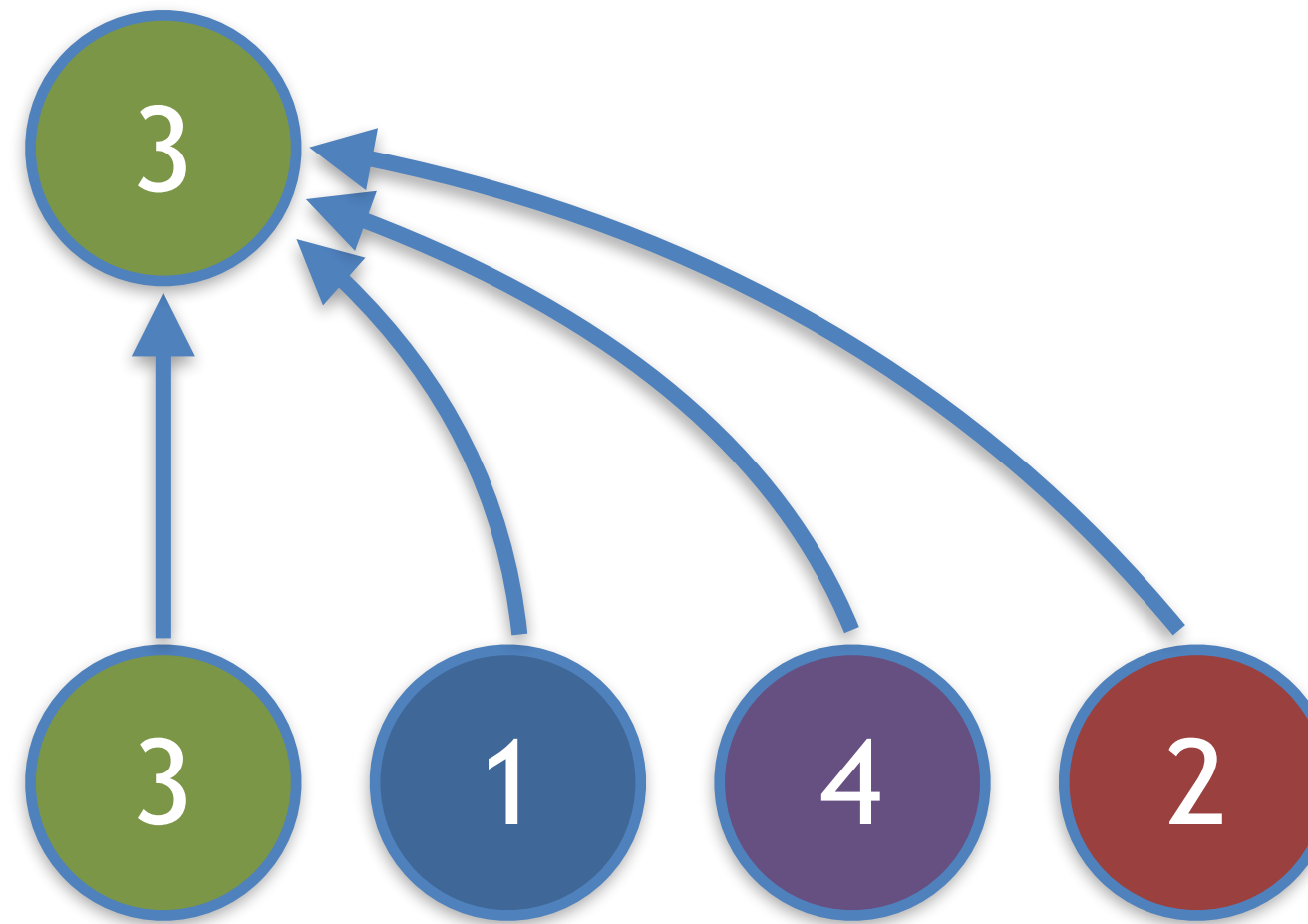
## Propagation

- Peer 4 shares its state according to permuted peer list. It waits for some time until the next propagation.



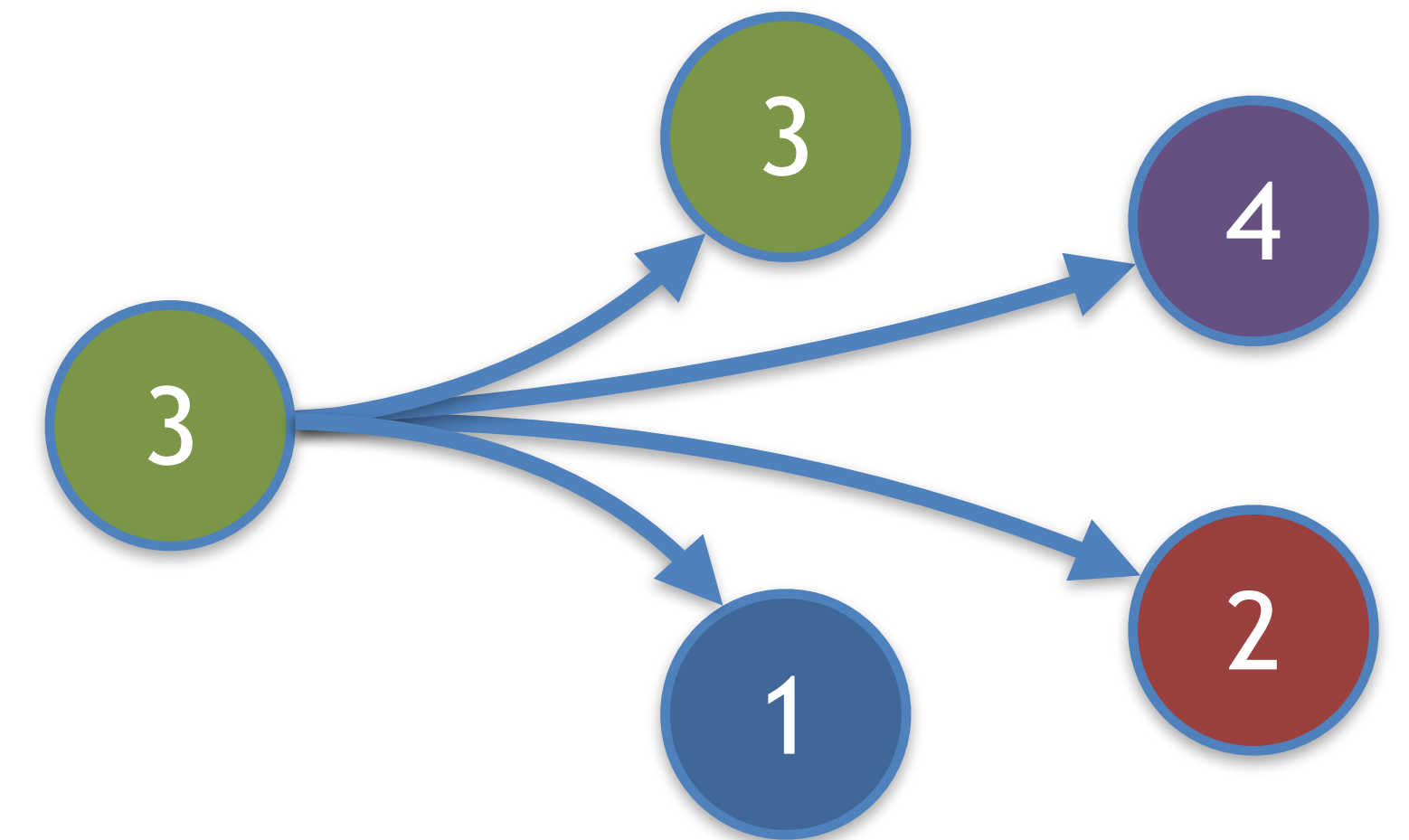
## Collecting

Peer 3 collects the votes from the network and waits until the supermajority of votes are received.



## Agreement

Peer 3 broadcasts the commit in the network. Everyone verifies the **commit** or **reject** message and applies the hash.



**Note:** all phases are performed simultaneously. The process is the same for all peers. There is no “leader” peer which shares commit, everyone can do it.



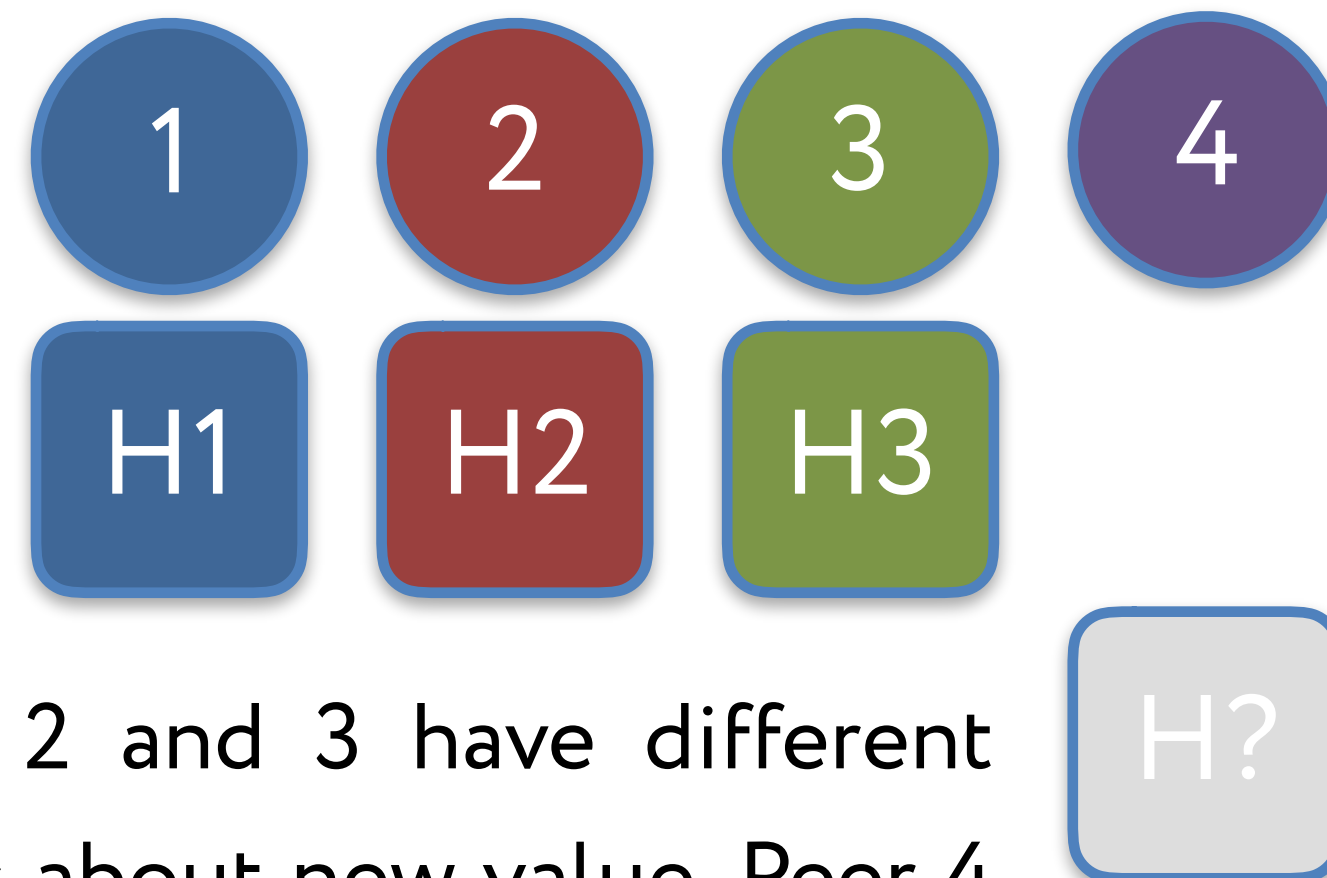
# Commit & reject

Commit and reject messages are just a sets of votes(Vote[]). But what is the difference?

**Commit** contains supermajority ( $\geq 5f+1$ ) of votes for one hash.

**Reject** proves that there is no agreement on a particular hash in current round.

Example:



Peers 1, 2 and 3 have different opinions about new value. Peer 4 doesn't respond something yet.

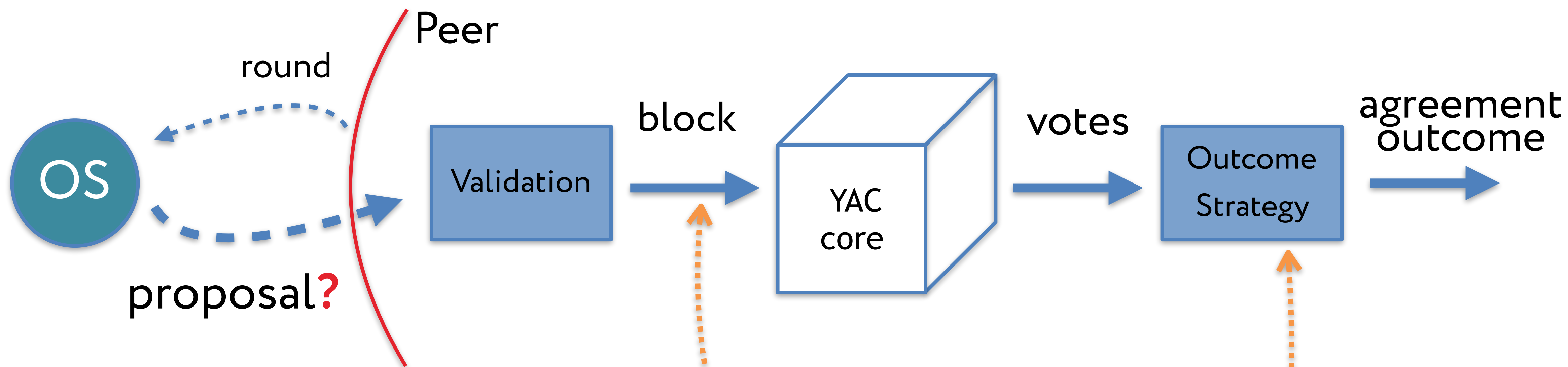
Nobody cares about the hash of peer 4, because reject message already exists.

## Vote recap

### Vote is

- Hash: String
- Round: <ConsensusRound: Int, RejectRound: Int>
- <Hash, Round> || Signature

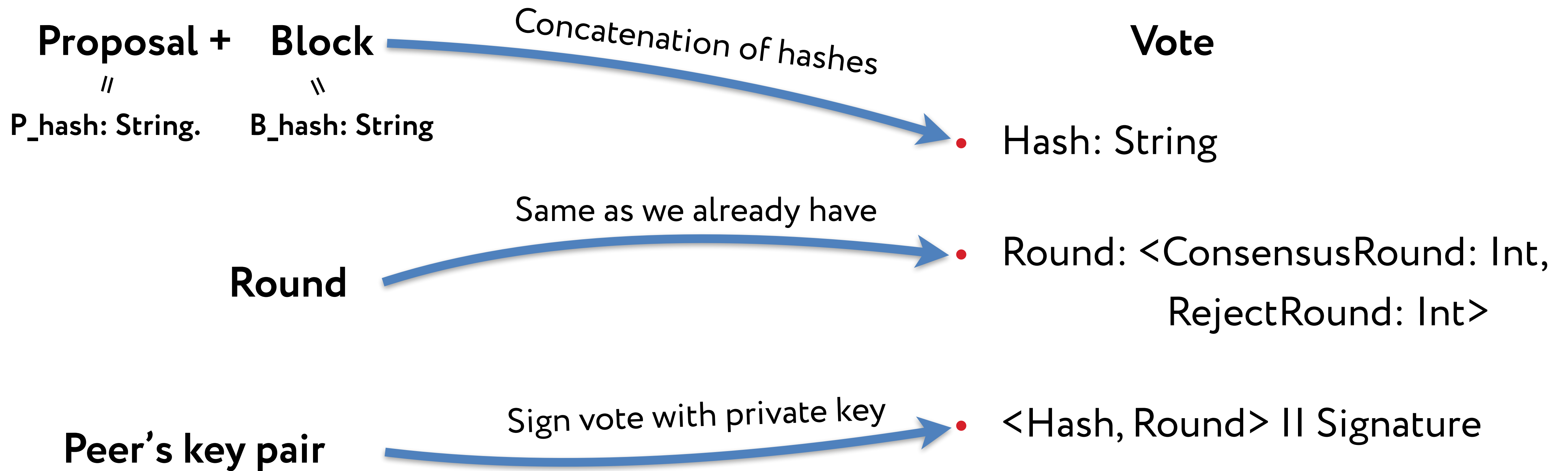
## Part 2. Round pipeline



? - means that value is optional.

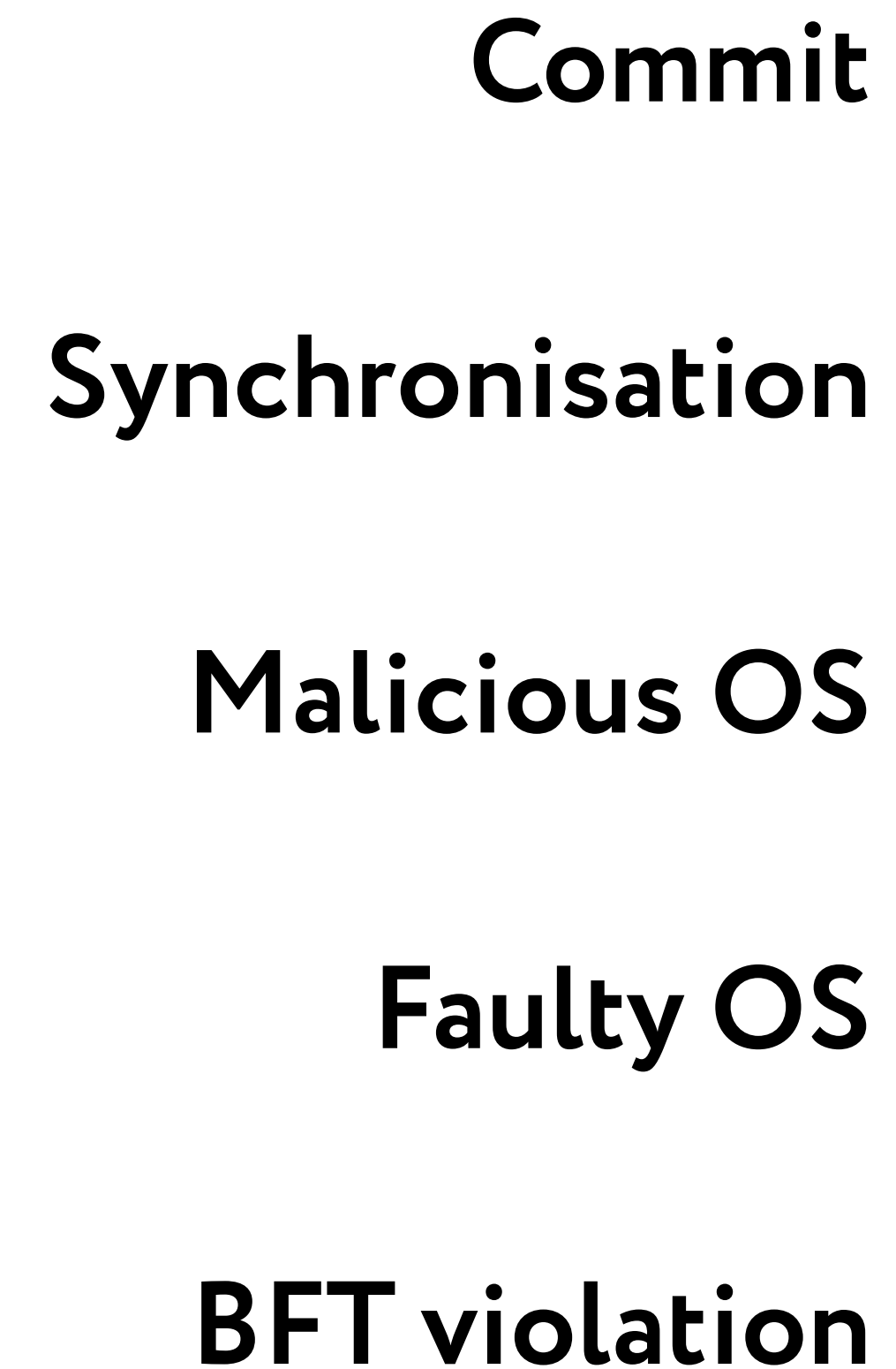
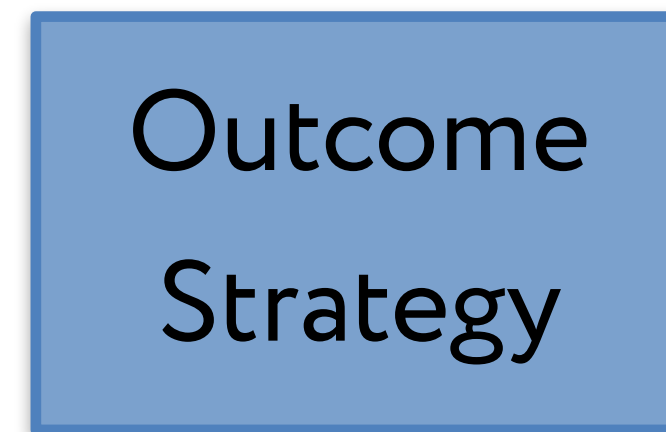
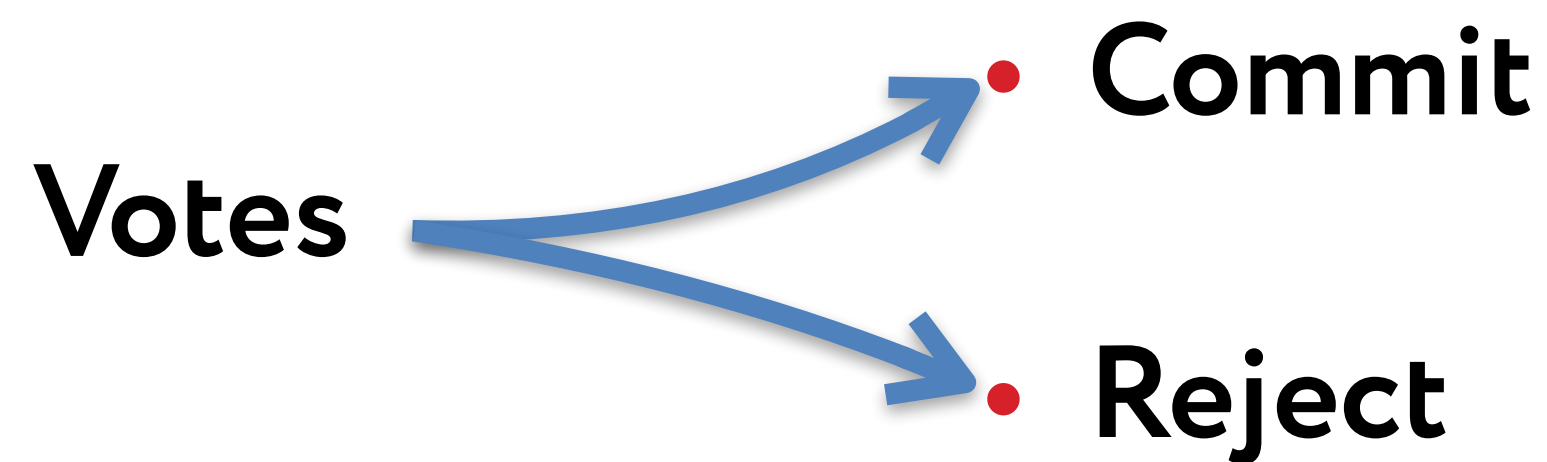
- How can we transform block to vote?
- What we are going to do with votes?

# Block to vote transition



# Outcome strategy

Another task is to make a decision on **votes**.

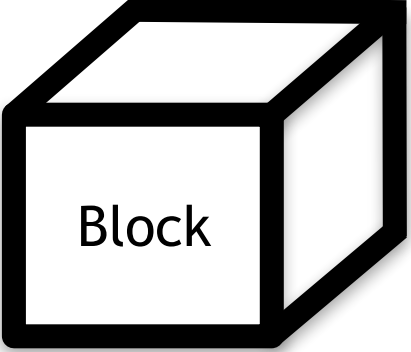
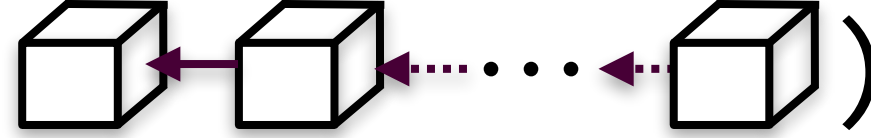




## Commit & reject recap

- **Commit** - supermajority of votes for one hash
- **Reject** - proves that supermajority of votes cannot be collected



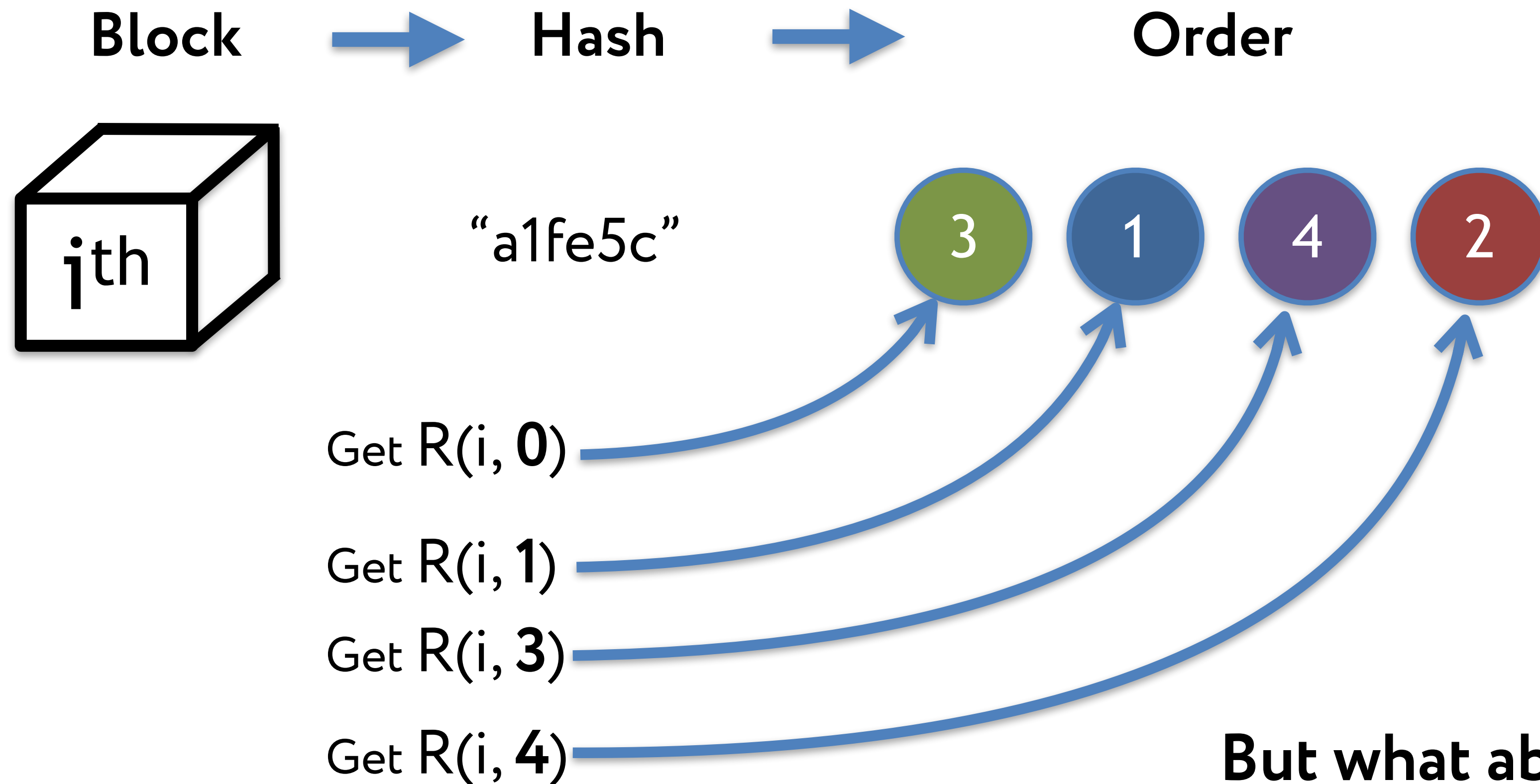
## Outcome strategy (cont.)

Type	Condition	What to do	
		Storage	Round transition
→ <b>Commit</b>	Commit with voted hash	add(  )	$R(i, j) \Rightarrow R(i+1, 1)$
→ <b>Synchronisation</b>	Commit with greater round	add(  )	$\Rightarrow R(i+k, j+l)$
→ <b>Malicious OS</b>	Reject with different proposal hash	—	$\Rightarrow R(i, j+1)$
→ <b>Faulty OS</b>	Commit with {None, None} hash	—	$\Rightarrow R(i, j+1)$
→ <b>BFT violation</b>	Reject with same proposal but different block hash		

## Part 3. Ordering Service rotation

The last question is how to pick the Ordering service?

Let's apply the same approach as with the hash agreement!

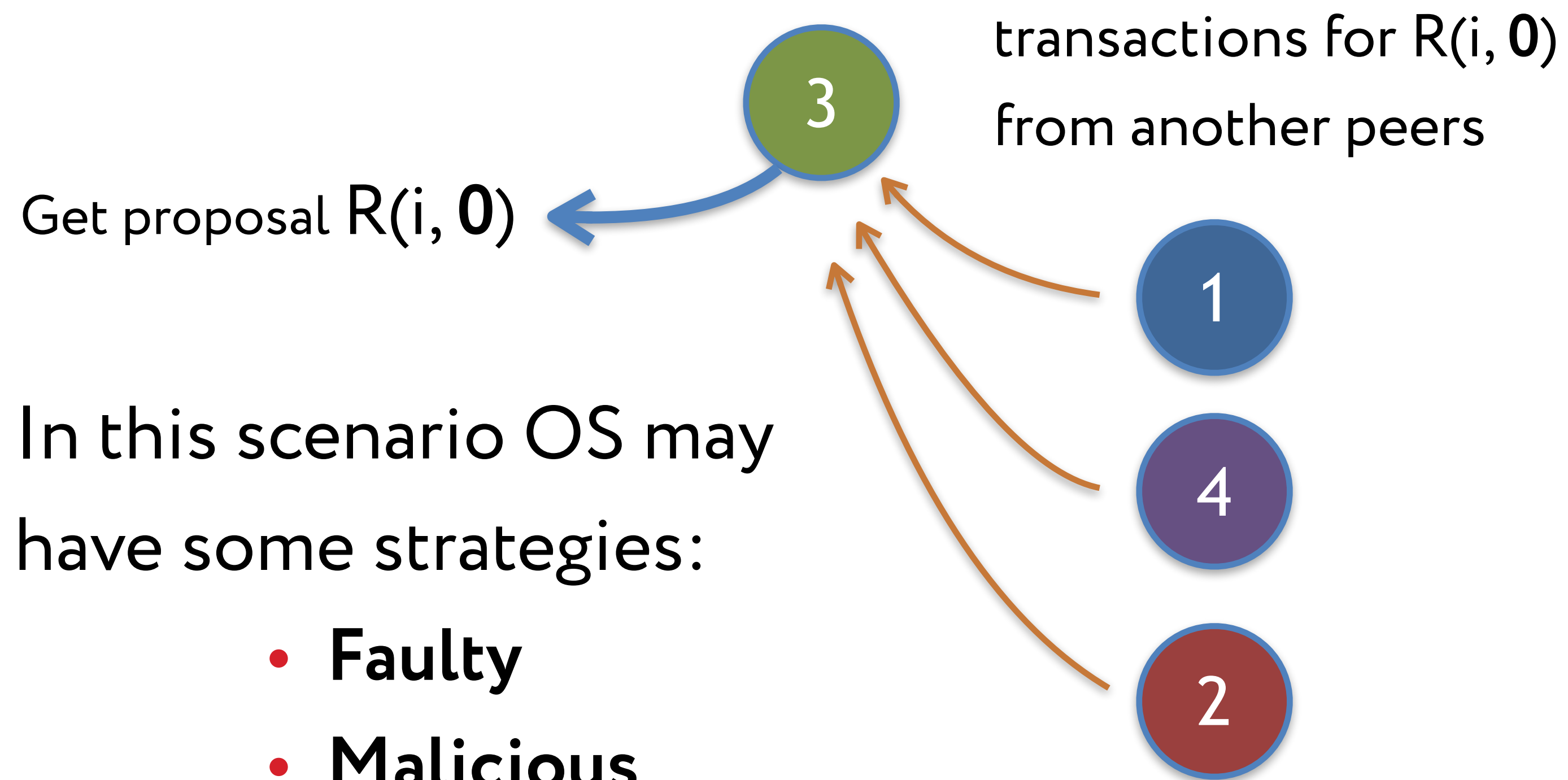


For one **block round** we may request a proposal from the corresponding OS.

**But what about collecting the transactions?**

## Collecting the transactions. Naive approach

Naive approach implies that we can send our transactions to the **current** ordering service.



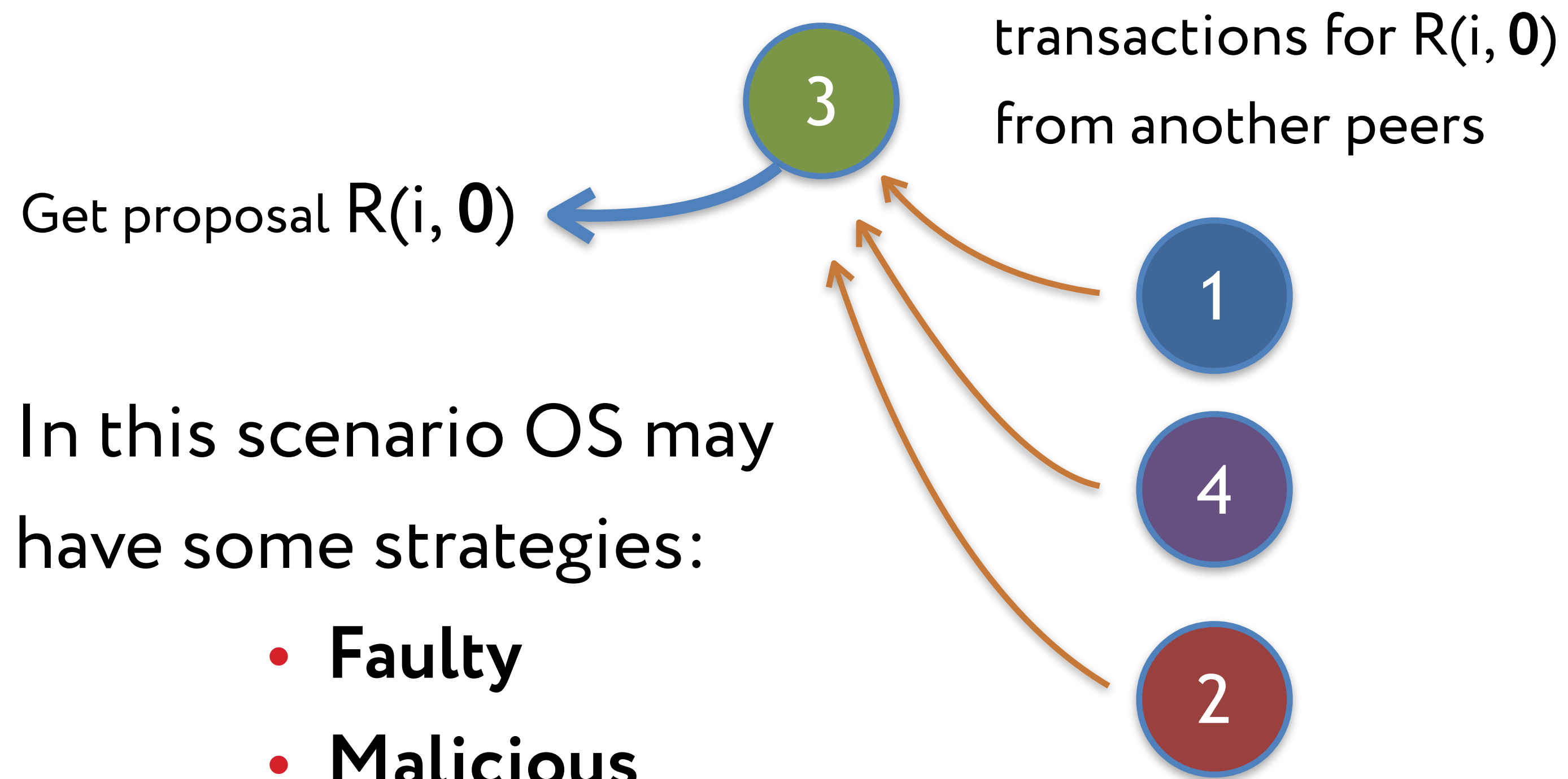
In this scenario OS may have some strategies:

- **Faulty**
- **Malicious**
- **Starvation**

How can we define the OS which collects enough transactions?

## Collecting the transactions. Naive approach

Naive approach implies that we can send our transactions to the **current** ordering service.



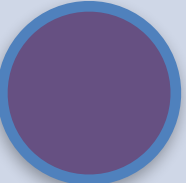
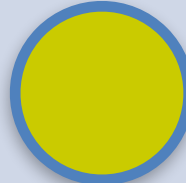

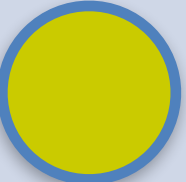
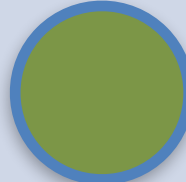

In this scenario OS may have some strategies:




- **Faulty**
- **Malicious**
- **Starvation**

How can we define the OS which collects enough transactions?



# Rounds and blocks

Block	Round	0	1	2	3
top - 2	i				
top - 1	i+1				
top	i+2				

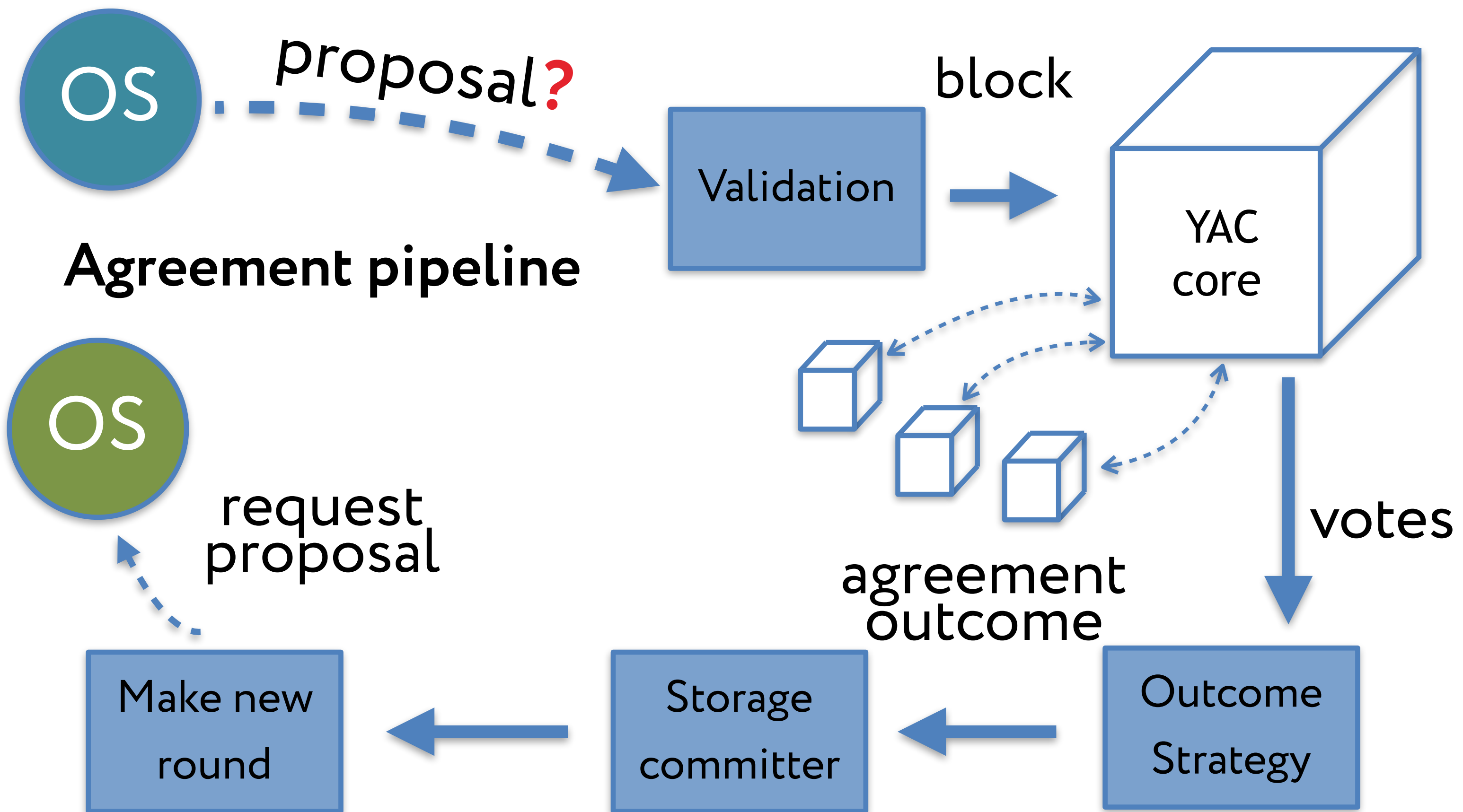
-  - proposal round
-  - round for closing proposal
-  - round for sending transactions

How do rounds and blocks correlate?

We have to know the permutation for next 3 rounds. And we want to update the order on new round.

**The solution** is to compute round with the block before the previous top block and send transactions to three ordering services in 3 different rounds.

# Overview



## Proposal generation

Round	0	1	2	3
i	●	●	●	
i+1	●	●		
i+2	●			

- - proposal round
- - round for closing proposal
- - round for sending transactions

# Future work

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## Current issues:

- Transaction latency is not minimal

✨ Contribute to Iroha ✨

## Next research:

- BFT schema with theoretically minimal latency
- Ordering services collaboration
- Log-scaling of votes/commits propagation

## Additional topics

- Parallelization of validation for BFT consensus
- Consensus for public Iroha network

# Roadmap

Quarter	Q1 2019	Q2 2019	Q3 2019	Q4 2019
Features	Updated consensus algorithm (from $3f+1$ to $7f+1$ ); Improved stability and performance; Final release of Iroha	Prototype of custom commands and queries	Polkadot project integration; smart contracts on WebAssembly VM	Parallelized validation for BFT consensus



- 
- <https://github.com/hyperledger/iroha/>  
    ✨ **Contribute to Iroha** ✨