

# **Eth2**

## **Beyond the Beacon Chain**

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# Eth 1.0

- Hard coded transaction/execution framework. To participate in Consensus (PoW mining) you have to maintain full state and execute all transactions yourself.
- Any changes to Eth1's consensus rules or state transition function require a ...



# Eth 2.0:

- Composes blockchain from Fixed and EE layers:

## **Fixed layer (forks to change) defines and runs**

The Beacon and Shards POS protocol to validate+order blocks

Eth protocol to execute Eth transfers ( $EE \leftrightarrow BC$ ,  $EE1 \rightarrow EE2$ )

New contract construct defining Execution Environments (EEs)

## **EE layer (no forks to change) defines for each EE:**

What is a transaction (e.g. Eth1, UTXO, ZEXE etc. models)

What is the state (if any)

How to execute+validate a block-to-block state transition

# Eth 2.0 development

Phase 0: Beacon Chain

Phase 1: Shards

Phase 2: Execution

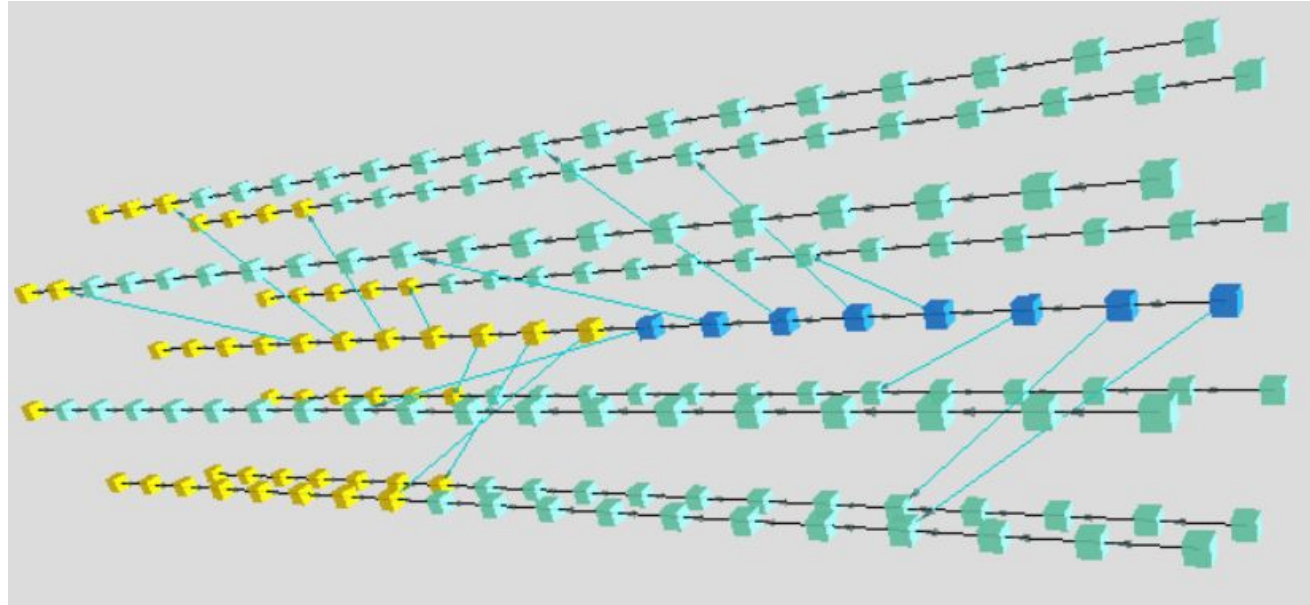


# Phase 0 - Beacon Chain

- 1 Ring to rule them all and in the darkness bind them
- Randomness
- Checkins
- Finality = Trust



# Phase 1 - Shards



# Phase 2 - State Execution

- Utility



# Execution Environments in Eth 2.0



# What's an Execution Environment?

- Accepts Consensus rules of Beacon chain and shards as they are--changing those rules requires a fork
- But defines a state transition function (in WASM)
  - Pure function that accepts a pre-state root and input block data (transactions and data witnesses), and returns the a post-state root after executing the block (e.g. stateless)
- Expensive to deploy--not surprising as the state function can capture the execution protocol of a full blockchain: Hyperledger Fabric, Bitcoin, Eth1, Sovrin(Hyperledger Indy), and most others

## Pure Function

WebAssembly

Transactions + Proofs

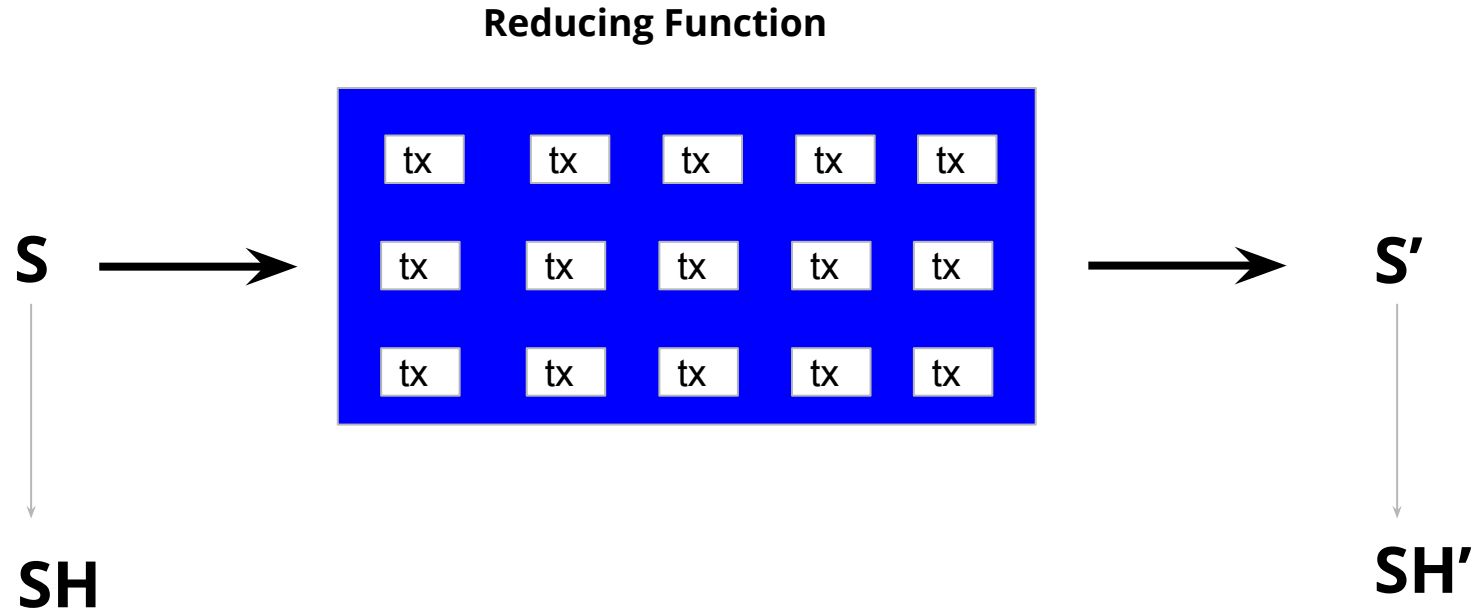
```
state_transition_fn(pre_state, block) -> post_state
```

State Root

New State Root

merkle partials for proofs: [https://hackmd.io/@matt/SJE\\_v60er](https://hackmd.io/@matt/SJE_v60er)

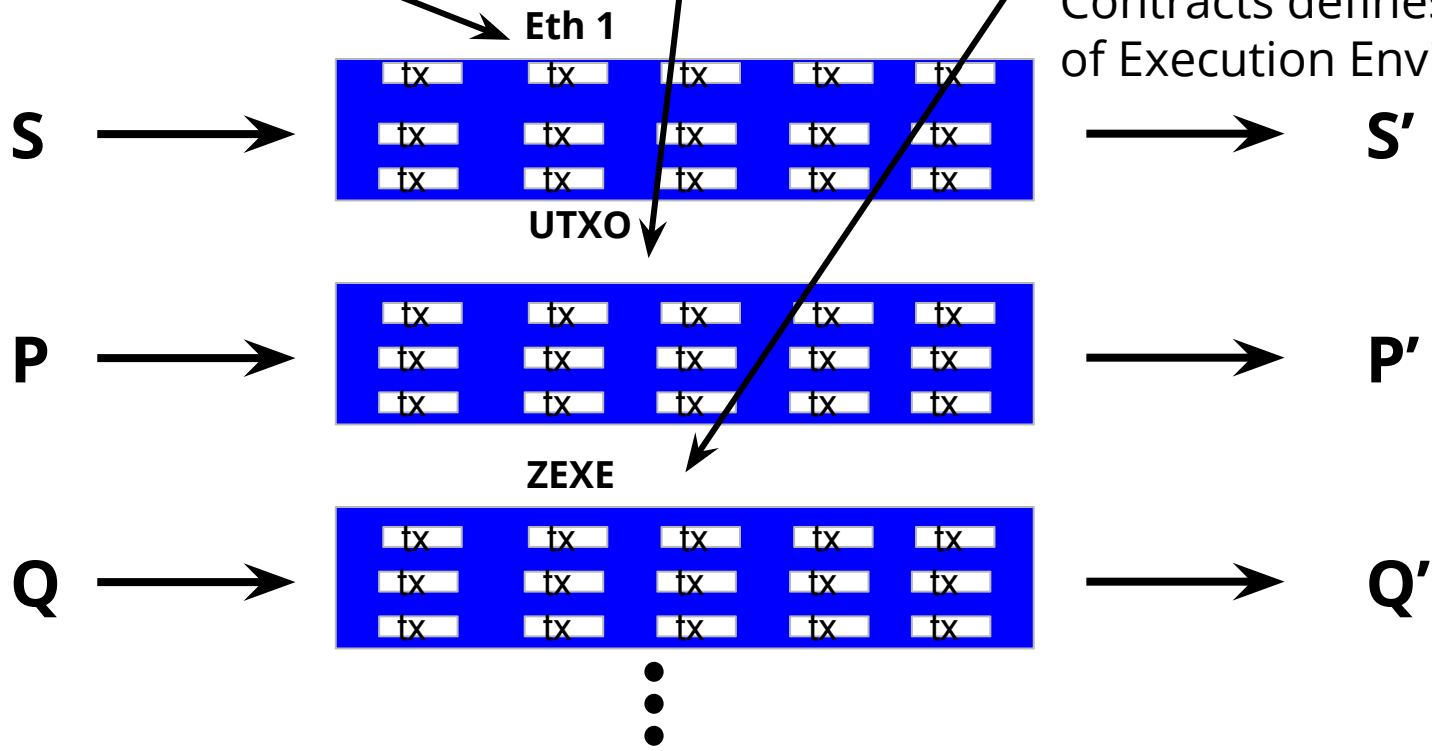
# State Update Hardcoded in Eth 1



Beacon Chain



Contracts defines operation of Execution Environments



EE defined via Beacon chain contracts, but

**EE != Eth1 Smart Contract**

*rather*

**EE == Executable\* definition of a Blockchain: What are transactions, state, transition function**

*\* But accepting the fixed layer operations of Eth2.0*

# Why are Execution Environments valuable?

- In a sense,

With EEs, Eth2 abstracts the fixed execution semantics of almost any conceivable programmable blockchain ...

in a similar way to how Eth1 abstracted the fixed semantics of digital tokens / currency in the early Blockchain/Bitcoin era

# Why are Execution Environments valuable?

- The Beacon Chain plus Sharding alone “just” yields ten of thousands (to start) of secure and decentralized TPS
- EEs enable those TPS to be shared among programmed execution layers of any multitude of blockchains

# Do I need to build an EE?

Questions you should answer:

- Are you a core developer / wish to contribute to the public infrastructure of Ethereum?
- Do you have an idea which only makes sense as an EE?
- Will my application benefit from a two-level contract hierarchy (with few modification over time of the EE level!)
  - Beacon chain EE contracts to define state transitions +
  - Transactions (that could include Eth-style Contracts+State) that run within that definition



# What if I only build dapps

- Your world shouldn't change too much if you run in an Eth1 or Eth2 EE (Eth2 EE adds cross-shard state xfers to an Eth1 account model)--other than that...
- Dapps will be faster and execution cost less due to POS and sharding (yeah!)
  
- But you may be left behind if you don't learn to leverage the new infrastructure to your advantage

# Example EEs

- Eth 1.x EE
  - EVM interpreter written in WASM
  - Defines how to interact with other EEs
  - Legacy smart contracts will continue happily humming along
- Eth 2.0 EE
  - Pure wasm--no need for interpreter as Eth2 clients have one already
  - Focus on supporting new cross-EE and cross-shard support
  - Implement things that are too difficult to get into 1.x
- Generic Asset EE
  - Like an ERC-20, but supports ~any interface + isn't redeployed
  - Facilitates cross-EE transactions
- UTXO EE
  - Implements the Bitcoin protocol
- MOVE EE
  - From Facebook Libra

# More Example EEs

- Delayed State Execution
  - The EE orders transactions and accepts state root commitments
  - Can allow for instant / synchronous cross-shard communication
- L2 Checkin
  - By checking in data onchain, it ensures data availability
  - Similar to delayed state execution
- Rollups
  - Zero-knowledge schemes which only commit a root
- Verified Claims EE
  - Implements a Sovrin-like protocol: Global Self-sovereign Identity base layer
- You tell us!
  - Eth 1.0 also benefited from fun experiments and pushing the protocol's potential to its limits

# Testnet - Phase 2 (simulated Beacon chain, 8-16 Shards)

- Collaboration of Consensys R&D Quilt team efforts with
  - Scout (EF)
    - Eth2.0 execution engine
    - <https://github.com/ewasm/scout>
  - Lighthouse (SigmaPrime)
    - Eth2.0 Client in Phase 0/1 development currently
    - Written in Rust
- Supports Dapp eWasm contract deployments
- Begins simulating contracts/execution environments in action
- Begins simulating cross shard behaviors
- Provide target platform for research in Relayers and Fee Markets

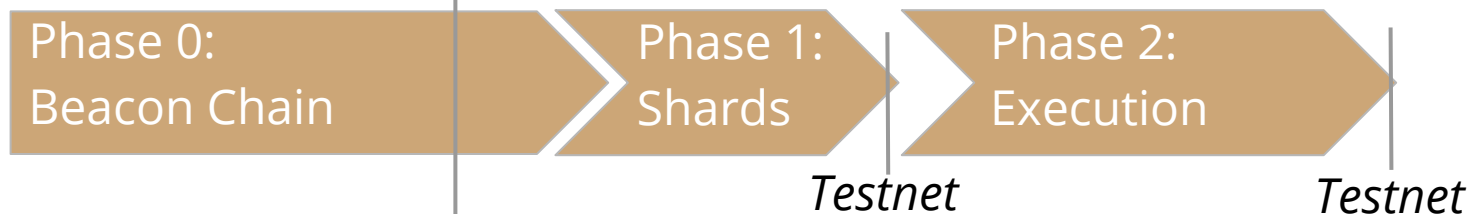
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Quilt/Phase2 testnet telegram channel... <https://t.me/eth2quilt>

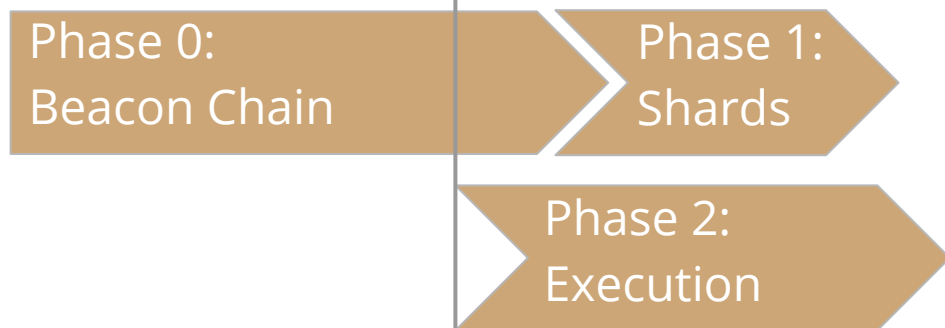
# Why this Phase 2 Testnet is exciting!

*Today*

Mental model for Eth2 development circa early 2019:



New model this Phase 2 Testnet is driving towards:



# Acknowledgements

- Quilt related team
  - At Consensys
    - Will Villanueva\*, Matt Garnett\*, John Adler, Joseph Chow
- Community effort for the Phase2 Testnet
  - EF: Axic, Casey Detrio
  - Sigma Prime: Paul Hauner and the Lighthouse dev team

\* This deck is mashup of presentations by Will and Matt (+ a bit of my spin :)

# Thanks!

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# EE Developer Toolbox

- WebAssembly
- Host functions
- Dynamic host functions (DHF)



# WebAssembly (wasm)

“WebAssembly (abbreviated Wasm) is a binary instruction format for a stack-based virtual machine. Wasm is designed as a portable target for compilation of high-level languages like C/C++/Rust, enabling deployment on the web for client and server applications.” – WebAssembly docs

# Host functions

- Written in the language of the client, linked into the wasm runtime
- semi-finalized
  - `eth2_loadPreStateRoot(offset: *const u32)`
  - `eth2_blockDataSize() -> u32`
  - `eth2_blockDataCopy(outOffset: *const u32, offset: u32, length: u32)`
  - `eth2_savePostStateRoot(offset: *const u32)`
  - `eth2_pushNewDeposit(offset: *const u32, length: u32)`
- to-be-determined
  - `eth2_execCode(code_ptr: *const u32, code_length: u32, calldata_ptr: *const u32, calldata_length: u32)`
  - `eth2_execEE(ee: u64, calldata_ptr: *const u32, calldata_length: u32)`
  - ???

# Dynamic Host functions

- Defined per EE
- Written in wasm, linked into the wasm runtime
- Allows for control of privileges during execution
- Not formalized yet