Delegated Proof of Stake (DPoS)

Return to Consensus Mechanism

Delegated Proof of Stake (DPoS) is a mechanism where the participants stake their coin and vote for a certain number of delegates such that the more they invest, the more weightage they receive. For example: if user A spends 10 coins for a delegate and user B invests 5 coins, A's vote gets more weightage than that of B.

The delegates also get rewarded in the form of transaction fees or a certain amount of coins.

Because of this stake-weighted voting mechanism, DPoS is one of the fastest blockchain consensus models and is highly preferred as a digital democracy.Webpage: BHARDWAJ

Delegated Proof of Stake (DPoS) is the democratic version of the Proof of Stake consensus algorithm since it includes a voting process. Token holders vote in real-time for witnesses and delegates. They then become responsible for validating transactions and keeping their nodes continuously running to maintain the blockchain.

Witnesses are paid for their role in generating and adding blocks to the blockchain. And, as in any democracy, they need a solid reputation to maintain their popularity across token holders. Delegates, on the other hand, are responsible for maintaining the blockchain.

As the voting process is continuous, any witness or delegate that has lost credibility can be voted off. That's because all witnesses and delegates are chosen with the network's best interest in mind.[1)]

1)

Christina Comben, Coin Rivet, 22 January 2019, Accessed 18 July 2021, https://coinrivet.com/explaining-delegated-proof-of-stake-consensus-dpos/