Letter from the Elastos Foundation

Dear Elastos Community,

As 2018 has now come to a close, we conclude another chapter of our journey, and together we arrive at a decisive point. It is a time to reflect on our progress, reorganize our team, and redirect our efforts. As with any journey, it is most important to remain grounded in the present, release expectations, and consider objectively the circumstances and decisions that have brought us to arrive where we are. This past year we accomplished a great deal, and we are truly proud of the progress this project has made in both the development of its technology and the propagation of its community. We are on the road to success.

When Rong Chen first began work on this project, the world was a very different place. It was the year 2000; the revolutionary advents of social media, the omnipresent handheld supercomputers we call smart phones, and of course, the promise of blockchain technology did not yet exist. Though even then, a radical shift was beginning to take form: information, communication, commerce, and the very essence of the human experience were advancing rapidly on a momentous passage from the familiar domain of the physical to the esoteric territory of the digital realm. It was a transformation that would precipitate a dramatic social rewiring, produce unprecedented economic efficiencies, and provide a platform upon which to access and contribute to humanity’s collective consciousness. But in the new world just beyond the horizon, information, wealth, and privacy would be left unprotected by the outdated systems of law and public policy designed to govern only the physical world. In order to protect the identities, wealth, and fundamental rights of the population at large, every single website, media outlet, and internet commerce platform would need to be policed around the clock. And even then, immense trust would still be required from economic participants in order to ensure secure transaction and information privacy.

Of course, no such measures were feasible; they were too complex, too costly, and too dependent on trust. The simple truth is, the internet was never designed with security in mind and it has evolved into a global surveillance system that only a select few control and profit from. In 2018, one billion people had their data compromised by hackers and even more had their data sold for profit by third parties. The problems of the internet are now a global epidemic and the addition of more smart and IOT devices into our societies and into our homes will only make our world more vulnerable. From an infrastructural standpoint, the current internet is not modern, but ancient. The only solution was - and is still - a new systemic architecture, a new internet, a new infrastructure designed to protect individual liberties in the digital age. In detecting the infrastructural problems that continue to plague our societies, Rong has cast a clear vision of a lasting solution: an internet that radiates economic and individual freedom, guarantees ownership of a new type of property and asset class, enables seamless and anonymous communication, expedites secure commercial transaction, and provisions equanimity, privacy, and trust. But as is the case with any arduous Odyssey, it is not always possible to make out the path connecting the present and future; at many stages during the course of development, Rong proceeded alone on determination and the faith that he would encounter allies and resources to guide him along the way. He neither anticipated nor sought smooth travels, good fortune, or easy short cuts. His decision to dedicate himself to Elastos mirrors our own: it has always been rooted in the desire to give to the people a platform that they own, operate, and shape amongst themselves, so as to empower individuals to control their own fundamental digital freedom. Let us be clear: we at the Elastos Foundation and everyone involved in the development of the Elastos ecosystem remain committed to realizing this vision, now more than ever.
Last year at this time, we were in our infancy - a brand new project in an already nascent industry. In emerging from the humble shadows where Rong Chen spent nearly two decades hard at work, Elastos has been thrust into the limelight of this new space and tied to the plight of blockchain as a whole. Yet in spite of the dramatic headwinds the space has seen in the last year, we have grown tremendously. We now have communities across the world, we are at the forefront of a global movement to decentralize the internet, and we remain more dedicated than ever to completing our foundational technology and strategically marketing it to the developers who will truly propel our vision.

The Elastos mission and community engagement is ever-evolving. We want to emphasize that while Cyber Republic is only beginning to be rolled out, our sights remain fixed on the propagation of a global community composed of skill-focused teams of entrepreneurs. Elastos’ grassroots, open-source vision for a decentralized internet represents an enormous undertaking, especially in these early stages. Over the long term, the role we play at the Elastos Foundation will be both minor and transient. We serve only to lay the foundation for the decentralized infrastructure of individuals that will ultimately govern and shape this platform, and we are fully dedicated to the gradual transfer of our power in shaping the Elastos ecosystem to its community in the form of Cyber Republic. We expect your continued respect and support in laying the proper foundation to make Cyber Republic a success. In the meantime, Cyber Republic will be your platform for meaningful involvement, and we encourage you to contribute as opportunities become available.

We want you to shape and eventually control this project. Right now, we have an idea, a vast landscape. The foundation for what is to come is there but to neatly define what that is now would be epically short sighted. At our most precise definition, we are the tools to build the new internet.

Just like Amazon Web Services, or Google Cloud, we are a world to build on top of, except in our case, our world is completely decentralized and modern. At present, a traditional product approach is not our focus because we are not creating a traditional product, but instead, a suite of tools that when utilized by actual developers, builders and pioneers of the next internet, can be put together in ways only those innovators can imagine. Let us not limit your imaginations. Let us not focus on Elastos —but instead, on the possibilities of the new internet. We are not an identity-driven project. We are an invisible landscape awaiting the global fusion of technological creativity and innovation that will be enabled by our foundation's work.

We have been busy this year. Technical updates may not announce themselves to the world as loudly as other forms of progress, but in our case, these updates are the backbone of our entire mission. We are building a new internet with new technology; context can be lost in this process. Our perceived peers in this space, some of which we have great respect for, are doing different things. But what sets us apart cannot be overstated: we are not using the current internet as the foundation of our project; we are building a new one.

Lastly, we have taken the time to reflect on our own performance. As we look back at 2018, we take care to delineate our organizational decisions from the circumstantial factors that lie beyond our control to determine what we have done well, where we can improve, and the changes and initiatives we will take on in order to produce a stronger, wiser, and balanced effort in 2019.
Introduction

Taking front and center as the commanding protagonist of the twenty-first century, the internet has ushered in tremendous commercial efficiencies, streamlined processes, and seamless communication beyond the wildest imaginations of our 20th century counterparts. In our immediate experience, we observe that what was once costly is now virtually costless. Long-distance communication, film streaming, music downloads, professional journalism access - all readily available in the palms of our hands, mere taps away. At first glance, it would seem that the very content we have come to treasure, enjoy, and exchange is now free, and all for the better. In fact, it is not. Much like energy and matter, costs are not created or destroyed; they are only transferred.

On the internet, information exists in the form of data, essentially lengthy strings of coded binary digits that are interpreted by a computer and displayed on its monitor. In this way, data is information stripped of its tangible form. By virtue of its intangibility, data can be replicated ad infinitum and distributed across the globe at negligible cost. Consequently, information is no longer scarce in the Internet Age. In the immediate present, users enjoy a great deal of free content; meanwhile, the content creators and information dispensers of our world - artists, writers, governments, universities, and enterprises alike - are no longer compensated directly for their work. In fact, in this age of so called “free services,” the general population is no longer the customer but instead the product. Many online journals have resorted to contracting revenue sourced from ad space - or in the case of Wikipedia and others, to internet panhandling. Somehow, the best and wisest producers of humanity’s most valuable resource have submitted to the practice of begging, even as they mine the intellectual and spiritual gold of the modern age. As a result, advertisers have effectively corralled the content creation process, prioritizing page visitor counts and ad interaction, thereby compromising the quality and integrity of the content itself.

In the meantime, advertising agencies and marketing branches are paying forth massive sums because they have discovered the vast sea of wealth nestled in the web and are intent on extracting every byte of data it has on tap. It is important to examine and fully comprehend the value vested in information, and thus data. Rather profoundly, data contains both descriptive and predictive power - which is to say, it teaches us about both where our world is at present and where it is going in the future. Therefore, whoever is in possession of data holds tremendous knowledge, power, and profit potential. Data serves advertisers by highlighting market demographics, value sets, preferences, activity, and relationships that can be used to effectively target individuals and groups and to align products and services with target markets. Elsewhere, data is used to analyze market trends, understand consumer behavior, shape elections and determine how to influence public opinion and behavior. Data has become the most valuable resource on the planet, as it provides direct insight into how to leverage, accumulate, and control both humans and wealth. However, it is not content creators alone whose data is of value, but rather the entire global populous, whose every constituent provides yet another set of descriptive and predictive data points.

Far more concerning than the advertising agencies aggressively bidding for our data are the massive Internet conglomerates that are harboring and selling data to the tune of hundred-billion-dollar annual profit margins. These companies - at the forefront of whom stand Facebook, Twitter, and Google - are social media outlets, search engines, and all-purpose personal browsing tools that purport to offer free services to their users, when in fact the product they sell is their user base - or more specifically, their users’ data. While we browse, our every click and scroll are recorded, logged, and aggregated into a personal file that is used to analyze our behaviors and tendencies. Our files are then packaged and sold to the highest bidder. Through this mechanism, not only is individual privacy violated, but the wealth intrinsically vested in each individual’s data is dramatically diluted via costless replication. Be it the artistic content we create or the daily decisions we make that comprise and express our identities, each takes the form of data and is imbued with great value in the Internet Age of present.

As digitalization marches forward, we find ourselves in urgent need of a solution by which to reclaim our right to self-ownership. This is an age where the richest companies in the world are internet giants. While these companies have undoubtedly brought about unprecedented progress to humanity and global interconnection, their business models have been described by many critics as ushering in “The Age of Surveillance Capitalism.”
The next internet must promote a completely new age: the age of autonomous privacy and self-reliant capitalism. In this age, digital privacy, security, ownership, economics and trust will be built into the infrastructure of the internet from the beginning. This will lay the groundwork for the decentralized applications of the future and the disruption of an outdated and unsafe infrastructure that allows third-parties to easily monetize our data while simultaneously leaving it exposed to the global epidemic of cyber theft. We need to modernize the internet’s infrastructure and enable its users to become consumers -- once again -- and not products. We need to create an internet that enables everyone to become an entrepreneur.

At Elastos, we see that the layered, multi-stakeholder dilemma we face requires a systemic solution, not a regulatory band-aid. Humanity needs an entirely reimagined internet infrastructure that protects users by ensuring that they are the sole proprietors of their data, from shopping records, to chat archives and search histories, to credit scores and account balances and to make sure that our data is stored in a safe and decentralized way. Everyday, we strive to build an elegant internet infrastructure that leverages blockchain technology to create a truly decentralized and secure space for all users. Our vision is firmly grounded in the belief that economic prosperity is rooted in secure asset ownership rights at the individual level. As such, in the context of the Internet Age, we consider the protection of an individual’s most powerful asset - data - to be our primary imperative. We believe that freedom and privacy ought to be ensured via forward-looking systemic architecture, not clunky backward-looking revisions and regulation. Our platform presents sound internet infrastructure designed to keep our identities, data, and self-expression as private or public as we see fit, and to enable us to leverage the profit-potential vested in our data via a marketplace specifically dedicated to data exchange.

As our goals hinge upon serving a global body of individuals, it is our foremost intention to intimately engage and involve our community in our journey. As we set out to continue building our platform in 2018, we also deployed great efforts to organize our robust community, develop creative avenues to engage with its members, and establish economic incentives to express our gratitude for their meaningful contributions.

As 2018 comes to a close, we are proud to recognize that Elastos has come to comprise both an innovative technical breakthrough and a brilliant community of creative contributors. To that end, our End-of-Year Report lends its focus in equal parts to the technical development of the Elastos ecosystem and the cooperative development of its budding community. We will address both vital elements of our project in the following ways:

- Reflect on a year of great progress and development and pause to highlight significant milestones along the way.
- Acknowledge areas where performance, process functionality, and communication can be adjusted, improved, or streamlined.
- Identify and detail the methodologies and organizational changes the Elastos ecosystem is undergoing in order to upgrade its performance and prepare for an impactful and promising 2019.
Now in the opening act of 2019, the Elastos ecosystem has grown and evolved to such an extent that it barely resembles its form from last January. While the journey has been rocky with many technical, organizational, and macroeconomic challenges, we have persevered and delivered excellent results along the way.

Though we have great aspirations for a productive and transformative 2019 ahead, we see great value in reviewing our most gratifying highlights from the year passed.

- **Elastos Successfully Completes Global Token Sale. January**
  Under the expert guidance of a Washington D.C. law firm, Elastos successfully conducted the token sale of the utility token, ELA.

- **Elastos Jointly Holds Global Blockchain Summit. January**
  Alongside Bitmain and Neo, Elastos led critical discussions pertaining to computational mining and the many applications of blockchain within the Elastos ecosystem. NEO provided considerable assistance in implementing the Elastos main chain and Bitmain continues to serve as a strong partner in providing support with merged-mining operations.

- **Elastos Holds Tokenomic Model Seminar at Tsinghua University. January**
  A meeting in Beijing, the Elastos team discussed and reached final consensus on its token ecosystem model (AUFPoWDoS).

- **ELA Lands First Exchange Listing. February**
  As per the announcement made at the Singapore Listing Event, ELA was listed on the Huobi Exchange making individual ELA holders begin trading.

- **Elastos Carrier Goes Open Source on Github. April**
  Elastos continues forward with its initiative to remain transparent and developer-friendly by submitting the Elastos Carrier code to Github for developers, enthusiasts, and potential end users alike.

- **Elastos Wins “Annual Public Chain” Award. June**
  Elastos received the award by Babbit - China’s well-known blockchain forum - at the World BlockChain Conference.

- **Celebrating the 1-Year Anniversary of Elastos. August**
  The founding team, developers, and community members all congregated in Chiang Mai, Thailand to celebrate the project’s inception. Though Ron and his team had been struggling for 17 years, it was not until Feng Min introduced him to blockchain technology that his vision was able to find the last piece of his project.
  In advance of the event the Elastos developer team led a one-week intensive training course to acquaint others in the community and beyond with the Elastos platform and its technological infrastructure.

- **Elastos DID Sidechain Goes Live. July**
  The Decentralized Identification System is an indispensable component of the Elastos ecosystem. The DID Sidechain verifies the authenticity and provenance of data, advancing Elastos one step closer to realizing a complete, decentralized internet infrastructure.

- **Merged-Mining with Bitcoin Officially Goes Live. August**
  Bitmain Co-Founder Jihan Wu also has announced that he is excited to be teaming up with Elastos.
Milestones

Initial Launch of Cyber Republic, August
The Cyber Republic program is the first iteration of the decentralized community upon which Elastos will be shaped and supported by an ecosystem of skilled entrepreneurs, developers, and end users. Though it is now undergoing a restructuring, the initial launch was a milestone in our commitment to the decentralization of the modern internet.

First DApp Launch, November
ELA Chat’s launch marked another first for the Elastos ecosystem. Debuting as the first DApp on Elastos, ELA Chat leverages the Elastos Carrier to provide truly anonymous and private instant messaging. The mobile app is now ready for download and also offers a wallet function for storing ELA and price listings for a number of other tokens.

Elastos Carrier Reaches Milestone, December
At this stage, over 900,000 Smart TV boxes with Elastos Carrier deployed were produced. The current number is now at 1 million.

Alpha Release of Elastos Smartweb, August
The release of Elastos Smartweb Alpha represents a monumental checkpoint in the creation of a secure Smartweb. The Alpha release included a Trinity browser for Android, iOS Blockchain, Elastos SDK v0.3, a few demo DApps, its release was accompanied by a 36-minute demo video titled “Elastos Alpha: End to End DApp.”

The Elastos TV Box Collaboration with Shanghai Shijiu TV Begins and is Announced at ChinaJoy, August
The collaboration allows Elastos Carrier to be installed on the TV boxes enabling them to function as Carrier nodes.

Launch of New elastos.org Website and “Modern Internet” Video, November
Elastos released a redesigned website and a 2-minute video showcasing our epic vision for a modern internet.

Elastos Wallet Options Expand, December
Both the SVV Mobile Wallet and Elastos Eco Wallet were officially released.
Targets

2019

- Code complete for DPoS and sidechains (Token Sidechain, ETH Sidechain, NEO Sidechain) are publicly available on Github and getting ready for unit testing, regression testing and integration testing soon after. Beta for this is scheduled for the end of March.

- DPoS Supernodes Voting Starts. February

- Elastos Carrier 5.2 goes live. Q1

- Community elected DPoS Supernodes (36 active, 72 standby) begin participating in DPoS consensus. April

- Token Sidechain goes live. Q2

- NEO Smart-Contract Compatible Sidechain goes live. Q2

- Cyber Republic is officially live and handed over to the community to be governed. Q3

- Elastos SPV Mobile Wallet with Voting functions for Android and iOS platform. February

- Elastos Browser (Trinity) goes live for iOS platform. Q1

- Elastos Storage Proof of Concept available. Q1

- The 12 CRC DPoS Supernodes are live and merged-mining is public and open to everyone. April

- Ethereum Smart-Contract Compatible Sidechain goes live. Q2

- Cyber Republic election begins. Q2

- DApps lifecycle in Trinity. Q4
Elastos DPoS Participation Nodes Election Commences:  
(February): 

More details about the election will be released in February.

Public Merged-Mining Starts, DPoS Supernodes Consensus Begins:  
(April): 

Supernodes be prepared for their integral roles in securing the Elastos ecosystem. The 108 Participant nodes will consist of the following:

- **36 Active Nodes**: These nodes will actively validate blocks on the network. Of these nodes, 24 will be elected by the community and 12 will be retained by Cyber Republic Council (CRC).

- **72 Stand-by Nodes**: These nodes will be prepared to step in and begin validating transactions when any of the active nodes become inactive or go offline.

DPoS Goes Live:  
(April): 

DPoS will begin running and active supernodes will start to sign off on their first block.

Cyber Republic Elections Commence:  
(June): 

The council members and secretariats of Cyber Republic will be voted into place, thus paving the way for a true decentralization of the entire elastos project.

Official Launch of Cyber Republic:  
(August): 

With the Cyber Republic Elections complete, our highly sophisticated Cyber Republic governance will be fully operational and decentralized.
Performance Evaluation

Performance evaluation is in its very nature a subjective exercise. As such, we examine the year passed from a modest and pragmatic standpoint so as to pave the way for long-term sustainable development in a manner that is aligned with our broader organizational philosophy. In order to establish realistic goals and gauge our progress accordingly, it is imperative that we acknowledge the early developmental stage of our proprietary technology, the barriers presented by an indecisive regulatory environment, and the macroeconomic conditions of the broader landscape in which we are operating. The blockchain-space presents a revolutionary suite of technologies and promises a digital Renaissance the likes of which most of the world is yet to comprehend, let alone explore. The vision shared by our team at Elastos is at the forefront of such technical innovation, as it is emblematic of the profound liberties that blockchain, cryptocurrency, and secure peer-to-peer exchange promise individuals across the globe.

What is all the more groundbreaking about the plight of blockchain projects - and what Elastos has sought to epitomize from the outset of its entry into the space - is the intimate connection that exists between each project and its community. Unlike the early days of the dot com era, the projects of this space are having their formative years broadcast in the limelight of the public eye. While Google, Apple, and Amazon all began their humble origins in a garage, many blockchain projects provide real-time organizational updates and interface with community members at all hours. While we are fully aware of and deeply inspired by the budding potential of our project and the value of our robust community, we will continue to make firm efforts to remain locked in the present and focused on our technology and its evolution. As we review a year of meaningful progress, creativity, unrelenting pursuit, and challenging compromise, we submit an emphatic reminder that the transparency and openness with which we engage and involve our community does not liberate us from the challenges confronted by nascent industries, revolutionary infrastructural technologies, or growing organizations. Patience and trust are the currencies of progress; extravagant expectation and speculation erode it.

In reflecting upon our year, we had a great deal to process. While 2018 was a year of struggles for most in the space, we have sought to take as much responsibility as possible by honing in on the circumstantial factors which we can amend and letting go of those beyond our control. For us, inciting meaningful change begins with changing ourselves. Though we acted effectively and established creative synergies throughout 2018, our combined efforts need to and have been continually assessed for improvement and efficiency. We are proud of the individuals that have devoted themselves to the cause of a new internet and we will continue to firmly express our appreciation for their tireless efforts.

Still, we have not ignored the organizational performance issues that hampered our team throughout 2018. In examining our process management, we uncovered a great deal of inconsistency and overlap in responsibility concerning community engagement. In order to make for a smoother transition into 2019, we have appointed a Community Manager who will aid us in facilitating communications between our English speaking community members and our team.

In addition to implementing improving our means of communication with our community, we have taken the time to reflect on the strategic marketing initiatives that have contributed to shaping public sentiment surrounding our project. Within our community in particular, strategic marketing has proved to be a topic of great interest and debate. In order to address all questions and concerns - both internally and externally - in unison, we have provided a marketing narrative that expresses our long-term vision for the development of our platform with respect to the creation of ethos and brand image. Our marketing narrative describes in detail what marketing means to us, why we value it, and what we aim to achieve through our marketing efforts throughout the various stages of our platform’s development. As above, we implore our community to connect with the present and acknowledge the extended timeline upon which our project is operating.
Community Communication Protocol

In order to support our core team and ensure that their undivided energies are fully dedicated to the development and expansion of the Elastos ecosystem, we have appointed a Community Manager to facilitate all communications between ourselves and our English speaking community members. Nicola Zimmerman, who has been a very active and valuable member in our Telegram group under the handle @Gandhi13, was selected from a competitive process in which several of our Telegram administrators were assessed with an interview and written application process. As our Community Manager, Nicola will serve as the primary representative from our team who interfaces directly with the community. It will be Nicola’s responsibility to collect questions, concerns, and feedback from the community at large and organize it into a series of relevant requests and inquiries. In doing so, Nicola will effectively aggregate and organize community concerns and general sentiment. Periodically, we will take the time to address and respond to the inquiries and concerns Nicola has collected, so as to ensure that the members of our community know that their voices are being heard, understood, and addressed directly. As such, in order to allow us to dedicate our full focus to our work, please refrain from contacting the Elastos Foundation or its members directly.

Nicola will also manage the community moderator team, which currently consists of 7 moderators. In association with his moderators, Nicola will work to maintain a respectful environment for critical discussion across our community platforms on Telegram, Reddit, and the Cyber Republic forum. If you have any questions, concerns, or general feedback that you wish to share with our team, please contact Nicola and express yourself respectfully. He will be the point of contact for all community inquiries, and both he and us at the Elastos Foundation will be prompt and thorough in making sure your concerns are addressed. Nicola Zimmerman can be reached at the following addresses:

- Telegram: @Gandhi13
- Reddit: u/chue-li
- CR forum: gandhi
- Email: nicola@cyberrepublic.org

For further information on the community conduct, please refer to Community Guidelines section.
Marketing Narrative

We take great pride in our knowledgeable and well-informed community and we field inquiries concerning our marketing strategy with the utmost transparency. Regarding marketing, in order to communicate where we are going and what we are attempting to build, it is useful to first examine where we are in the present and to define our most pressing needs. In assessing our present circumstances, we have determined that it is in the best interest of all involved to prioritize the development of our ecosystem ahead of its promotion, even within the context of our marketing narrative.

As the vast majority of the human experience continues to advance rapidly on its migration to the digital world, the Internet is fast becoming humanity’s new home for everything - commerce, communication, culture, art, dating. Our mission is to redefine that which just redefined every facet of the human experience only a short decade and a half ago. Our product is entirely intangible in nature and resolves many complex multi-dimensional problems of which most of the populace is not yet aware. While our comprehensive infrastructure is as vast in scale as it is intricate in its elemental framework, we know well that the population at large will not be excited or swayed by our concept alone; they demand a working product. Of course, we are proud to announce that our development process is advancing rapidly and we have many exciting milestones ahead for 2019. But in spite of our phenomenal progress and rapid rate of development, we are careful not to jump the gun and leave bits and pieces of our vision behind.

Contrary to our clarity of vision, our foray into the prime digital real estate of cryptocurrencies has created a great deal of misconception and white noise regarding our long-term goals and marketing chronology. While we now leverage blockchain technology for decentralized identification and distributed ledger services, we do not identify with the broader landscape of the crypto-space. At this stage, as we near the full completion of our internet infrastructure, we caution against premature celebration; for us, the only true indicator of a mission accomplished is a diverse, robust ecosystem, not a barren platform of unfulfilled promise. In so many words, our goal is not to just build, but to be built upon.

To us, marketing encompasses the strategic process of steadily catalyzing the outward expansion of our ecosystem. The developers and individuals that make up our community are not only Elastos’ end users; they are its essence. Integral to our vision for the future of the Elastos ecosystem is the gradual dissolution of the Elastos Foundation and empowerment of Cyber Republic. The funding we have allocated to the respective organizations reflects our commitment to such a vision and will be available in our third-party audit slated for Q1 2019.

To return to focus, we again address the present: at this moment, our platform is gaining ground rapidly, as its final pieces are sliding seamlessly into place. As such, our marketing-related efforts are focused exclusively on technical development. In particular, our philosophy for Technical Marketing is grounded in streamlined on-boarding. In the coming year, we will be lending an undivided focus to engaging and gathering skilled developers and top-tier projects and to augmenting the necessary technologies to support them. We aim to provide developers with a user-friendly toolset and customizable programming environment so as to enable them to access and build on our platform with great ease.

Our target audience is composed of entrepreneurs and developers, not speculators or prospective investors. Elastos is a collection of trusted services for enterprises, developers and entrepreneurs. We provide the plumbing and the legs, and we leave it to our community to put them together as they see fit. We are on the cusp of assembling the final critical pieces for DApp development. Once the associated documentation is ready, we will put together boilerplate code, ready-to-use docker containers, and tutorials for interested developers to get started on Elastos. As engineers ourselves, we are keenly aware of the development experience the community has come to expect and we are committed to delivering top-notch results. Thereupon, our marketing efforts will be highly technical in nature and will serve to promote our ecosystem’s long-term development, not near-term investment in its native token. We will continue to update our community as to the results of our technical marketing as we begin to draw further developers to build on our platform.
Community Guidelines

Building a global community is an enormous undertaking, and we are proud of the work we have done to date. With the launch of Cyber Republic, we are creating an authentic community forum where anyone in the world can help build this project with us. However, as with any large undertaking, there are always growing pains and adjustments that need to take place. With those reflections in mind, we want to make clear guidelines for our community going forward:

- The Elastos Foundation team is focused on working on the project. Please keep in mind that communicating with team members directly is a privilege and not a right.

Community Manager Nicola Zimmerman (TG: @Gandhi13) will be the official point of contact for community members to communicate with the team, express concerns, and submit inquiries.

We value and respect everyone in our community and we expect the same in return. Elastos does not endorse personal attacks on community members, team members, or other blockchain projects. There is no place for this type of behavior in our community.

While Cyber Republic is still a work in progress, this is the appropriate venue to help the project and potentially be rewarded with ELA. Team members should never be expected to award ELA to community members unless official terms have been reached in advance. Please do not approach the Foundation for this type of engagement. Cyber Republic will provide such opportunities to those qualified individuals.

For the coming calendar year, our newly hired Community Manager, Nicola Cedric Zimmerman (Telegram handle @Gandhi13), will interface directly with and serve as a liaison to our community on Telegram, Discord, Reddit, Facebook, Twitter, and Cyber Republic Forum. Nicola will receive feedback from community members, manage and communicate with administrators, and organize Virtual Meet Ups and AMA Sessions. In addition, he will work closely with the Elastos Foundation to remain fully informed and communicate effectively with members within the community. We are proud to add Nicola to our team and we anticipate that he will continue to grow into a leader in our community.

In addition to hiring our Community Manager, we will focus our community engagement on our main Telegram group (Elastos Community) and Cyber Republic forum for the foreseeable future. We welcome and encourage members to create additional Telegram groups so as to open spaces dedicated to particular countries, preferred languages, and specific interests. In addition to our Community Manager, several moderators will manage our avenues for community engagement and ensure that inquiries are satisfied promptly and professionally. In providing these additional lines of support, we will establish a greater degree of transparency in our community engagement and enable our team at the Elastos Foundation to dedicate its undivided efforts to the development and expansion of the Elastos ecosystem in 2019.
Elastos Infrastructure

Elastos DApp Layer

DApp 1  DApp 2  DApp 3  DApp 4  DApp 5  DApp 6

RUNTIME (TRINITY)

DApp 7  DApp 8

APIs (CENTRALIZED)

Elastos Framework & Infrastructure Layer

SPV WALLET

DMA PROFILE MODULE

DMA PULSE MODULE

DECENTRALIZED MARKETING PLATFORM (DMA)

DID

TOKEN

NEO (Multiple sidechains)

ETH (Multiple sidechains)

ELASTOS HIVE (Distributed Storage)

ELASTOS CARRIER

PoW (2 MIN BLOCKTIME)

DPoS (5 SEC BLOCKTIME)

ELA MAINCHAIN (AuxPoW + DPoS)
Infrastructure Overview

In 2018, the Elastos core development team fully invested themselves into finishing the basic infrastructure of the modern internet. That basic framework is now progressing towards its completion. At this point, we are near to finishing the construction of our stage and we look forward to our partners, community and eventually the world taking the spotlight on it.

The following are the essential pieces of our infrastructure and their function within our ecosystem.

Elastos Mainchain Consensus (AuxPoW + DPoS):

The Elastos blockchain employs a hybrid AuxPoW + DPoS consensus mechanism. The AuxPoW component was successfully completed in August 2018, when merged-mining went live in Bitmain’s mining pool. The second component of Elastos’ consensus mechanism, DPoS, serves as equally critical role in securing the Elastos blockchain. The PoW Bitcoin miners merged-mine ELA package blocks while the DPoS supernodes sign them, thereby creating finality and preventing soft forks from occurring. This hybrid consensus mechanism both leverages the enormous hashpower of the Bitcoin network and draws on DPoS to prevent forks, ultimately leading to a powerful and secure Elastos blockchain. Once DPoS goes live, it will pave the way to open merge-mining operations to mining pools and individuals beyond the scope of Bitmain, thus contributing to the growth of a robust and truly decentralized network.

Elastos Carrier:

The Elastos Carrier is a decentralized peer-to-peer network that takes over all the network traffic on the behalf of applications in order to secure the data and digital assets of the future. Elastos Carrier will have a new release that honeys on two main areas of focus: group messaging and file transfer. This release will bring in a number of features and additional improvements to the Elastos Carrier platform. Also, the Elastos Carrier will have support for Windows to supplement its support on Linux and Mac.

Elastos DID Sidechain:

Officially going live in July 2018, the DID Sidechain was the first to launch on Elastos. Being Elastos’ inaugural sidechain, it employs PoW consensus and is merged-mined with ELA so as to tap into the same security and hashpower provided to the Elastos mainchain by the Bitcoin network. The DID (Decentralized Identifier) sidechain issues completely decentralized IDs to users, apps, and devices that are not controlled by an individual or third party, and one that can be thought of as an autonomous and secure identification system. The sidechain provides independent proof of ownership of digital identity to every user of Elastos and enables every individual to generate a DID in the same costless fashion one would create a wallet on the Elastos mainchain. DIDs can be used to log into various applications and also to store personal data and digital assets. In essence, the DID Sidechain is at the heart of the operational mechanism that offers individuals the right and ability to “own their own data”.

Ethereum Smart Contract-Compatible Sidechain:

Elastos is able to port existing smart contract platforms to execute on Elastos. Since its inception in 2013, Ethereum has paved the way for programmable, decentralized smart contracts. As such, in order to easily port existing applications written for Ethereum, Elastos is developing a sidechain dedicated to handling the execution of smart contracts written in Solidity. In leveraging this sidechain, developers need not learn a new language; instead, if they are proficient in Solidity, they can start writing smart contracts and integrating them into DApps deployed on Elastos. Additionally, if there is an existing smart contract DApp that currently runs on Ethereum, it can be easily ported to run on Elastos as well. The Ethereum Smart Contract-Compatible Sidechain will manage the execution of smart contracts that are compatible with Ethereum and also aid in the issuance of ERC20 and ERC721-compatible tokens. Note that the Ethereum sidechain of Elastos employs DPoS consensus and accesses the same pool of DPoS Supernodes for smart contract execution as does the main chain for signing blocks.
Infrastructure Overview

NEO Smart Contract-Compatiblue Sidechain:

In addition to its Ethereum Smart Contract-Compatiblue Sidechain, Elastos will also port other existing smart contract platforms to work in its ecosystem. The NEO Smart Contract-Compatiblue Sidechain allows developers to write and execute smart contracts originally written for NEO platform. Via this sidechain, existing NEO developers can easily migrate to Elastos and begin to develop NEO smart contracts in the programming languages with which they are already familiar. The NEO Smart Contract-Compatiblue Sidechain on Elastos will offer services that mirrors those of the public NEO blockchain. Note that initially, this sidechain also employs PoW consensus and is merged-mined with Elastos, and thus Bitcoin. However, if there is significant demand to change the consensus from PoW to DPoS for faster block generation, the changeover can be performed easily. In the case of a transition to DPoS, the NEO Smart Contract-Compatiblue Sidechain would employ the same consensus as Elastos’ Ethereum Sidechain.

Custom Sidechain Template (AuxPoW or DPoS):

In addition to enabling developers to execute smart contracts written for the Ethereum and NEO blockchains on its decentralized application infrastructure, Elastos also provides a Custom Sidechain Template whereby developers can create their own custom sidechains. Regarding consensus algorithms, custom sidechains can utilize Proof-of-Work (AuxPoW) by leveraging the hashpower of the Bitcoin network via Elastos’ merged-mining structure. Alternatively, they may also choose to implement a Delegated-Proof-of-Stake (DPoS), which leverages the DPoS nodes that are already active in serving the Elastos ecosystem. By way of providing access to pre-established clusters of organized nodes to secure sidechains, Elastos’ Custom Sidechain Template will reduce barriers to entry for building on its platform. Note that this template refers only to the ability to create multiple NEO Sidechains or multiple Ethereum Sidechains. For instance, a use case for the Custom Sidechain Template presents itself when a DApp running Ethereum smart contracts needs to create an additional Ethereum Sidechain for itself. For a DApp running NEO smart contracts, the Custom Sidechain Template offers the same solution. The specifics of the process of sidechain creation are yet to be defined. At this stage, the process will mirror that of drafting a proposal to Cyber Republic, as a new sidechain will need to be accepted by the council members and the community before it can be deployed on Elastos. By way of this secure, democratic process, Elastos provides a horizontal scalability solution in which it is theoretically and technically feasible to create as many Ethereum, NEO, and Token Sidechains as are needed to optimize the functionality of the entire ecosystem, thereby providing an efficient scalability solution.

Token Sidechain:

Unlike other public blockchains such as Ethereum, which uses its mainchain to issue custom ERC20 and ERC721 tokens to DApps, Elastos isolates the token issuance process on a unique sidechain. This unique Token Sidechain can issue both fungible and non-fungible tokens to any decentralized applications built on Elastos. This token issuance process functions in parallel to the corresponding ERC20 standards for fungible tokens and ERC721 standards for non-fungible tokens. Any decentralized application running a sidechain on Elastos will be able to issue its own custom token via this Token Sidechain. As its sole functionality serves to issue tokens to projects built on top of Elastos, the Token Sidechain will aid in preventing the Elastos mainchain from becoming congested. The token sidechain also employs PoW consensus and is also merged mined with ELA, that in turn is merged mined with Bitcoin and so receives the same security and hashpower provided to the Elastos mainchain by the Bitcoin network. Note that this sidechain only aids in projects issuing their own stable and secure token on Elastos and has no smart contract
Infrastructure Overview

Elastos Decentralized Digital Marketing (DMA):

Elastos DMA is an open, decentralized digital marketing and community development platform that establishes an intermediate protocol layer which supports digital assets and personal data management based on the Elastos infrastructure. The Elastos DMA is run by code and serves to enable direct communication between businesses and consumers, create effective pair matching, and transmit value simultaneously. The DMA infrastructure acts as a middle layer which other applications can utilize to easily integrate Elastos-based services such as Elastos blockchain and smart contracts. Such integration provides applications with the ability to ensure secure exchange between individuals.

Elastos Hive (Elastos Storage):

Elastos Hive is a basic service infrastructure that provides storage capabilities to DApps with decentralized characteristics. The Hive leverages standard IPFS/Cluster open source projects with some necessary refits while remaining a totally independent storage network separated from the standard IPFS network. The typical IPFS peer is a resource hungry program in that it consumes resources and slows down a mobile device when IPFS Daemon is installed. Elastos is creating a Hive project which uses IPFS Cluster as the Elastos App storage backend, and can be used in a low resource-consumption scenario. While the project stems from the IPFS Cluster, its operation will vary greatly from that of its predecessor. The Elastos Hive Cluster maintains a big IPFS pinset for sharing and can serve numerous virtual IPFS peers while only requiring that one runs a real IPFS peer. The Elastos Hive provides all the services of the open source IPFS version with the added benefit of compatibility with the rest of the services that are part of Elastos ecosystem. This service effectively offers developers an all-inclusive package when they set out to develop on top of Elastos. In essence, Elastos Hive allows developers to build their entire platforms within the Elastos ecosystem, thereby increasing productivity and adding to the appeal and breadth of the Elastos network. In conjunction with Elastos’ DID services, Elastos Hive enables applications to store users’ data in a distributed manner such that data is only accessible to its owners.

Elastos Browser:

The Elastos Browser (internally referred to as the Trinity Browser) had its alpha release in August 2018. The Elastos Browser has seen numerous iterations and a great deal of change since August. The beta version for Android and iOS devices will establish one comprehensive application that users can download from the app store and open Elastos DApps immediately. The browser serves as a figure window into the Elastos world because it contains Elastos’ 3 essential components in one application - hence the term Trinity. The Elastos Browser uses Elastos Runtime to provide a secure environment in which to run applications, Elastos Carrier to enable truly anonymous peer-to-peer communication, and the Elastos blockchain and its DID sidechain to authenticate and verify services for users, apps and devices. The Elastos Browser uses Ionic framework to become completely platform-independent. Developers can truly, “write once, run anywhere,” when they develop for the Elastos Browser.

Elastos Mobile SPV Wallet:

The Elastos Mobile SPV Wallet was released for Android devices in early December and allowed users an additional option for ELA storage as well as support to store DID sidechain tokens. In the future, the Mobile SPV Wallet will also provide support for voting mechanisms for DPoS supernode elections. In short, the SPV Mobile Wallet’s functionality will continue to be expanded and will be released for both Android and iOS platforms.
Elastos Ecosystem Partners
Ecosystem Partners

Because Elastos is an ecosystem that is run by its constituents, it is our foremost intention to connect and form alliances with developers and proprietary technologies that can make use of the unique suite of tools our platform offers. The following are organizations with whom we have established strong partnerships that we will be exploring and building in 2019:

Bitmain:

As Bitmain is the operator of the BTC mining pool and the leading manufacturer of BTC mining rigs, it serves as a great ally to Elastos in jointly promoting the merged-mining of ELA and BTC. Bitmain’s btc.com was the first mining pool to join Elastos in its merged-mining operations. In August 2018, Elastos commenced merged-mining with the btc.com mining pool.

2019 Plan: Elastos will be actively communicating with other prominent BTC mining pools to begin merged-mining ELA in order to provide more reliable and secure computing power for Elastos.

Viewchain:

Viewchain is a Decentralized Private File System (DPFS) that provides public blockchains with access to a decentralized storage network. ViewChain is comprised by DPFS, blockchain, and Zapya. DPFS plays the largest role in Viewchain’s technology, as it allows for the creation of a faster and safer decentralized internet and eliminates phone storage limitations. ViewChain’s token economy is based upon blockchain, which erects a multi-stakeholder incentive system to reward all involved parties fairly in promoting the sale of content. Based on the peer-to-peer content sharing network of Zapya, there are 576 Million users worldwide already available to be on-boarded onto ViewChain. In fact, the goal is to get at least 1 million DID users leveraging the already existing large user base based in Myanmar. As of January, Viewchain has registered over 200,000 DID users on their platform.

2019 Plan: Viewchain plans to complete 1 million traditional user registration DIDs at the end of the first quarter and leverage the Elastos platform to access decentralized storage.

IGRS Alliance:

The IGRS Industry Group was formally established on July 17, 2003 by five of the biggest computer and computer engineering companies in China: Lenovo, TCL, Konka, Hisense and Great Wall. Lenovo acts as the chair company of the working group. A unique characteristic to note is that, unlike other international standardization groups, only government-authorized standard organization is allowed to define standard specification in China. Over the years, IGRS has been staunchly committed to developing standards spanning specialized enterprises in both the upstream and downstream industrial chain. The Association has formed an industrial group that integrates production, education, and research. In leveraging strong chip and module technology along with R&D and large-scale production capacity, IGRS provides promising support for Elastos in the field of IoT applications. IGRS’s expertise is centered most prominently on the comprehensive field often referred to as “3C,” computers, communications, and consumer electronics. In particular, the Association has amassed deep expertise in protocols, wireless communication modules, and cloud platform applications. Between its cloud service platform and IoT portal, IGRS offers a wealth of technical resources and extensive experience with a suite of cutting edge technologies poised for application in the Elastos ecosystem. In the future, as Elastos continues to leverage blockchain technology and product innovation in concert with association members, it will also actively promote the establishment of blockchain industry standards, set a professional example for industry development, and work together with other association members to promote sustainable development in the blockchain industry. Elastos officially joined the IGRS Alliance in December 2018.

2019 Plan: Elastos will be jointly promoting blockchain industry standards and exploring its applications through DID, Carrier, and IoT technologies.
Ecosystem Partners

Bit.Game and GAEX Partners:

Bit.Game and GAEX partners seek to launch their games on the Elastos platform. Bit.Game already hosts the first blockchain game trading asset in the world and is at the forefront of blockchain gaming. Meanwhile, its Blockchain Game Asset Exchange boasts 30,000 daily users and 300,000 total users, the majority of whom are blockchain gamers. In 2018, the platform was host to 6 of the top 10 blockchain games worldwide. Purchases and in-game transactions will further facilitate the circulation of ELA in the Elastos ecosystem. Elastos and Bit.Game are currently in the process of establishing DID access for further integration with eco-users. Projected revenue for the first two quarters of calendar year 2019 are estimated to surpass RMB 3 Million. Due to its multi-token economic model, intra-game transactions and purchases will promote the circulation and use of ELA throughout the ecosystem.

The following games are being developed and considered for launch on Elastos:

- Neoworld.io: Large-scale blockchain sandboxed game with 20,000 daily active verified users.
- Fishchain.io: Fun blockchain game with 2,000 daily active verified users.
- Acechariot.com: Large-scale tank war game with 5,000 daily active verified users.
- Cwgame.org: Digital war in the middle ages, currently undergoing initial testing.
- Ithrone.io: Imperial Throne is a Blockchain game from Tencent Timi Studio Group, currently in presale, Beta release scheduled for 2019.

Elastos and Bit.Game have already launched Fishchain, a blockchain-based game, which has been a great success. Fishchain already allows users to purchase digital assets with the utility token ELA.

The game presently boasts 2,000 verified active daily users.

2019 Plan: Bit.Game plans to connect its platform and all cooperative game content to DID. Bit.Game users will be further integrated with the Elastos ecosystem and the Bancor algorithm-based mobility network will be built for ELA through HiggsNetwork.

Shijiu TV:

Shijiu TV is an innovative Internet technology company that produces TV boxes and other smart IoT devices. Elastos has established a close partnership with Shijiu TV. Alongside Shijiu TV, Elastos aims to explore the application of blockchain in smart IoT devices. The number of TV boxes compatible with Elastos Carrier has now reached 1,000,000 units.

Plan for 2019: Elastos will further apply DID in IoT devices such as TV boxes, use DID to link internet users with blockchain, and promote TV boxes to provide basic node network services for the modern internet.

ELA Chat:

ELA Chat is an instant messaging (IM) DApp powered by Elastos that uses Elastos Carrier to power its decentralized peer-to-peer communication platform. The DApp also leverages Elastos’ DID Sidechain to issue completely anonymous decentralized Identifiers to users on their platform. ELA Chat also provides a special wallet for holding ELA, a native token of the Elastos infrastructure. In the future, the DApp aims to act as a window into the Elastos world. The team at ELA Chat also assists the Elastos Foundation in developing and managing the developer portal built for Elastos infrastructure. In November 2018, the ELA Chat App was launched.

2019 Plan: ELA Chat plans to access new versions of DID and Elastos Carrier to further improve user experience and additional features of ELA Chat.
Ecosystem Partners

DMA (Digital Distribution Marketing Platform):

Elastos DMA is an open, decentralized digital marketing and community development platform that establishes an intermediate protocol layer which supports digital assets and personal data management based on the Elastos infrastructure. The Elastos DMA is run by code and serves to enable direct communication between businesses and consumers, create effective pair matching, and transmit value simultaneously. The DMA infrastructure acts as a middle layer which other applications can utilize to easily integrate Elastos-based services such as Elastos blockchain and smart contracts. Such integration provides applications with the ability to ensure secure exchange between individuals. DMA’s alpha version has been released. Using the DMA alpha, a Hackathon participant was able to complete the demo for the Meetup Application.

2019 Plan: DMA plans to release a ticketing DApp based on its platform before the end of Q1 2019.

ioeX:

A Taiwanese project built on the framework of a distributed network, ioeX integrates the Internet, IoT, and blockchain to provide companies in the smart device supply chain with superior data transmission, file transfer, and information communication capabilities. With smart device software updates as its area of expertise and value add, ioeX serves to significantly reduce operating costs for enterprises. Device owners, too, can benefit by earning IOEX coin rewards for sharing bandwidth and data storage on the ioeX network. The IoT network drives the value network and bootstrap node business partners share the benefits. ioeX achieves data transmission and storage through the various smart devices that form its peer-to-peer network. Device owners may utilize personal cloud storage to remotely access and transfer personal files. The distributed cloud backup provides smart device vendors with special software update service offers.

2019 Plan: ioex plans to connect DID to smart devices and cooperate with Elastos on personal cloud storage, home internet, and smart devices to jointly promote personal products.

Titan:

Titan’s core team has many years of experience in distributed storage and transfer solutions. The project offers a decentralized storage and transport network designed to support a wide range of decentralized ecosystems. In general, a consensus economy is broadly composed of distributed accounting, distributed storage and transmission, and distributed autonomous organization technologies. While distributed accounting and distributed autonomous organizations involve many projects, Titan hones in on distributed storage and transmission optimization. The project boasts a peer-to-peer algorithm that is 100 times faster than IPFS and a wide range of compatible live networkable storage devices, (eg: server, PC, notebook, mobile phone, smart TV, optical cat, router). Graphene Technology makes up the core network and provides order matching services, storage state management and repair services, global indexing services, and an AI-based accelerated network scheduling algorithm. The Titan network saves bandwidth costs when dealing with large amounts of data, thus priming it to become the network card and hard disk of the cloud when integrated with Elastos. In addition to serving the largest transmission software company in China, Titan uses smart devices and IoT edge nodes to enable its business customers to achieve high-quality CDN transmission in distributed networks with only a fraction of the cost of traditional CDN. The project is neutral to the public chain and is compatible with Elastos Hive (Elastos Storage).

Ecosystem Partners

HashFuture:
As a platform bridging the physical and digital worlds, HashFuture aims to provide a secure environment for digital asset property rights and cross-chain asset transfer. HashFuture’s platform presents a one-stop shop for digital asset confirmation and circulation on blockchain. The platform employs its signature three-dimensional security mechanism, which consists of layer-specific confirmations in the protocol layer, technical layer and application layer. On the protocol layer, HashFuture proposes the “HashModel,” a consensus protocol system that operates on the basis of a thorough investigation of laws and regulations, social culture, and transaction practices in various countries. On the technical layer, Hashfuture has developed the “HashNode” network system to solve the problem of asset digitization and cross-chain circulation. On the application layer, the company has built up the “HashWorld” application platform and user-friendly APIs to provide users with simple, trustworthy and secure products.

2019 Plan: HashFuture plans to access DIDs and use sidechains in products such as blockchain games.

Origin Agritech Ltd:
Origin Agritech is a Nasdaq-listed agricultural company that has served farmers and agricultural product distributors for a decade and has a large number of agricultural customer resources. Origin is presently exploring the potential blockchain application for agricultural e-commerce and high-end agricultural products. Elastos infrastructure will support Origin in realizing the traceability of agricultural products on the blockchain.

2019 Plan: Origin Agritech Ltd. plans to demonstrate product traceability and marketing links using the blockchain in the origin of crop seeds.

WeFilmchain:
WeFilmchain’s core team is from Vancouver, Canada. They have many years of experience in film production, distribution, and brokerage. They are currently working to provide decentralized media production and distribution channels for small producers. In terms of digital content copyright protection, WeFilmchain is compatible with the original mission of Elastos. The project will also work with Elastos implementation to explore the application of copyright protection and digital content trading in film content.

2019 Plan: WeFilmchain plans to cooperate with the Elastos team to realize its MVP for video content distribution and transaction.

Top Network:
Top Network’s founding team has many years of rich experience in the distributed communications industry. It has produced three applications already, which boast 50 million users in total. Top Network is committed to implementing a decentralized communication network that enables point-to-point communication for anyone, anytime, anywhere. Its decentralized network can run safely and automatically. The Top Network will be offered as an alternative P2P infrastructure to the Elastos Carrier, as it provides a similar underlying network for secure dApps in the Elastos/Top Network ecosystem.

New Partnership
2019 Plan: Top Network plans to release a demo of the key communication chat tool in the first quarter. The Elastos DID sidechain will be utilized in subsequent iterations of the apps supported by Top Network.

*The above partnerships are all active. All previously announced partnerships that are not listed in this report are either currently inactive or involve projects that have left the blockchain space. Rong Chen is committed to transparently answering questions and elaborating on the topic of partnerships, past and present, in future community question and answers articles.
Cyber Republic started as the Elastos Bounty Program, a small platform to reward developers for technical tasks. From that initial concept, Rong Chen and the Foundation saw fit to create a truly decentralized community and vision for the global expansion of Elastos. Since the Alpha launch of Cyber Republic in August 2018, the team and community have begun building the foundation for a forthcoming democratic and autonomous society that builds on the Elastos infrastructure with self-governed funding from the approximately 16 million ELA that will be transferred to CR by the Foundation.

It is important to take note that clarity regarding the separation of the Elastos Foundation and Cyber Republic still remains unclear to many. This will be addressed here: The role of the Elastos Foundation is to build the platform for Cyber Republic, but not to run it. Elastos team members have worked on both projects and will continue to help with CR. Ultimately however, CR will be self-determining and decide how to govern and fund itself. A recent post on the CR blog has detailed some of the steps being taken to reorganize and strategically solve some of the less manageable initiatives that were launched on CR. These changes are meant to create a realistic and manageable plan for 2019 that will lead to the long term success and functionality of the platform.

Over the long term, creating a truly global community is the only way to decentralize the Internet and its ecology. Since the beginning of Elastos, the decentralized operation of its community and division of labor have laid the foundation for its democratic self-government. Our community has contributed a great deal to the construction of the project and has complemented the work of the core development team. Within this year, the core development team will gradually complete the basic infrastructure outlined in the whitepaper. However, it will not suffice to have only a technical foundation for a decentralized network. This network will always be defined and colored by its users. Therefore, the community is not only the continuous driving force for the ongoing development and maintenance of our code, but also the perpetual, evolutionary force shaping both its basic functionality and peripheral application. Ultimately, our users will be our strongest promoters and evangelists.

In August 2018, the Elastos Foundation announced the inaugural launch of Cyber Republic, which truly reflects our commitment to Community Consensus. The Elastos Foundation has also allocated nearly 16 million ELA to fund the sustainable development of the decentralized Internet of the future. In addition to a well-funded, decentralized governance structure, collective consensus of the community will play a major role in the merged-mining process through Elastos’ unique hybrid consensus algorithm which employs both merged-mining with BTC and DPoS-based validation from a number of community-elected nodes.

As part of Cyber Republic’s global community, the mission of the Elastos core team in 2018 was to build new infrastructure code. As of the end of January 2019, the core team is close to completing the development of the Elastos core infrastructure, including Elastos merged-mining main chain, DID Sidechain, Token Sidechain, Ethereum Smart Contract-Compatible Sidechain, NEO Smart Contract-Compatible Sidechain, DPoS Consensus Nodes, and Elastos Carrier. We are also close to major developments of the Elastos SmartWeb Browser, Elephant Wallet and more. We have built the stage for the modern internet. Now, we wait for the actors to take front and center: our partners, our community, our users.

In February 2019, the core team will be dedicated to continuing to improve the foundational infrastructure as is needed and to gradually expanding and guiding other ecosystem partners to jointly develop and share the modern internet. The Elastos global community is committed to realizing a decentralized Internet, from the creation of modern applications and startups around the Elastos SmartWeb, to the establishment of transaction platforms and marketing on a global scale. Success will be determined by the successful adoption of the larger global community.
In 2019, the milestones for Cyber Republic include preparations for the DPoS Supernode elections in February, implementation of test servers, and distributed network deployment. In April 2019, DPoS nodes will begin signing off on blocks. The decentralization and automatic operation based on the consensus of 108 Supernodes will also be launched. It is expected that by August 2019, 12 elected and alternate members of the CRC community election will take office and the Elastos ecosystem will be effectively handed over to the Cyber Republic international community for governance.

After August 2019, the Elastos Foundation will continue to guide and support the research and development of core teams and infrastructure partners, but its role in the Cyber Republic community will gradually diminish while allowing areas like PR, marketing and community channels to be lead by CR.

The modern internet belongs to the world and is not affiliated with any government, company or individual. It is essential that no one control it. Let us not forget that in 1995, Netscape successfully built the first Web - the one that we still use today. However, within a few years, Netscape disappeared, yet the Web went on to change the world forever.
Financials

At present, we are closely monitoring our economic resources and are satisfied with our current financial standing, as it reflects our balanced approach to the long-term time horizon of our ecosystem’s development.

We have the appropriate funding necessary to manage the macroeconomic conditions under which we are operating.

Further information will be gathered and made available in our third party audit, which is currently in progress.

The Elastos Bi-annual Financial Report will be released following the Chinese New Year in order to be consistent with the six month period after the August 2018 Anniversary Event.
Conclusion

2018 was a transformative year for Elastos and we are ready to embrace a new beginning and a new chapter in the realization of our vision. In the year behind us, we entered a new industry not as a project focused on a trend or a specific innovation, but as a long train emerging out of the fog of the internet’s past, ready to solve the largest problems of the internet for the largest demographic of people.

All noise and volatility aside, our vision, morale, and project development remain stronger than ever, as we are advancing rapidly on our development initiatives and guiding the steady expansion of our ecosystem as we look forward to solving real problems for real people.

While we are wholeheartedly optimistic about and confident in Elastos’ future prospects, we remain grounded in the present and in touch with the time horizon that is required of innovative infrastructural technologies and nascent industries. We are excited to take the next steps in manifesting our vision of a world whose systems empower individuals by conferring and protecting their economic freedoms rather than feeding off them.

A world where data is transformed and radically controlled by people...people like you. We will continue to create such a world, and we look forward to both building and sharing it with our community.

It is a long journey ahead, and with open arms, we invite all who wish to contribute to it.