# **Arbitrating auctions**

This section gives a high level overview of the different components that are involved for CoW protocol batch auctions to take place.

## **Architecture**

Three main sub-systems are required to facilitate and drive the auction

## Order book

The <u>orderbook</u> is the main entry point of the protocol for traders. Using the orderbook's API, UIs and other integrations allow traders to:

- · Get quotes for orders
- · Place orders
- · Cancel orders
- · Get the currently solved auction
- · Etc.

For instance, when you visit<u>CoW Swap</u> and place an order, the site uses the Order book API to add the order to a database. This database with all orders is shared with theautopilot.

## **Autopilot**

The <u>autopilot</u> is a service that drives the core protocol functionalities with responsibilities including:

- · Creating and arbitrating auctions
- · Defining the timeline and valid orders for each auction
- · Orchestrating the revelation and settlement of the winning solver's solution
- Monitoring the competition
- Serving as data consensus layer in the case of dispute or slashing by the DAO
- · Communicating auctions to all registered solvers

## **Solvers**

For the sake of this documentation, we differentiate solvers into two sub-parts:

#### **Driver**

The Driver is the executive part of the solving process, and is responsible for:

- Interacting with the blockchain in order to enrich, encode and eventually execute the settlement
- Preparing all the data needed for the engine to match orders in the auction and forwarding the augmented auction to the engine
- Receiving raw solutions from the solver engine, which it post-processes, simulates, merges, encodes into a blockchain transaction and finally scores

The driver interfaces with the autopilot and reports the best solution's score to participate in the competition. If chosen as a winner of the auction, the driver is also responsible for getting the solution included in the blockchain.

## **Solver Engine**

<u>Solver Engines</u> implement the pure matching logic, by employing different types of solving algorithms to optimally match traders with one another taking on-chain as well as private liquidity into account. They receive the pre-processed auction instance from the driver sub-component and return the solution together with instructions on how to achieve the fulfillment on-chain. <u>Edit this page Previous Building on CoW Protocol Next Order book</u>