

# Blockchain-based Federated Learning: privacy and incentive

ECE6903J - Distributed Machine Learning Systems (Research project)

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## 第 1 节

# Background



## 第 1 节

## Background

## 第 1 小节

## Motivation



# Motivation

## Goal

Applying ML to systems (blockchain-based models)

- Research line mainly targeted to **blockchain technology** (its application to systems)
- Research group in Department of Automation (PhD supervisors) has been recently working in blockchain-based models applied to **trust management systems**
- Specifically, applied to data-aggregation systems in the Internet of Things (IoT) field **crowdsensing**
- Could similar approach be applied for **Federated Learning**?



## 第 1 节

## Background

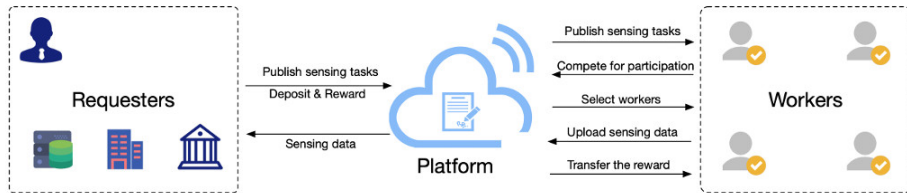
## 第 2 小节

## Crowdsensing



# Crowdsensing: definition

- **Crowdsensing:** emerging paradigm of data aggregation<sup>paper1</sup>, having a key role in data-driven applications. Specially used for getting large amounts of IoT sensing data, by using the individual intelligent sensing devices.
- **Benefit:** improved data collection efficiency and reduced costs effectively<sup>paper2</sup>



# Crowdsensing: issues

- 1 Managed and maintained **centralized platforms** suffer from the single point of failure

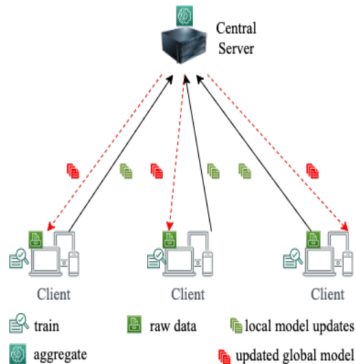


图: Topology of traditional FL





# Crowdsensing: issues

- 1 Encouraging workers by offering appropriate **incentive mechanisms** (monetary usually) → auction theory guarantees benefits for both requesters and workers<sup>paper15</sup> but only provide short-term incentives



图: Monetary reward



图: Worker reputation



图: Data quality



## 第 2 节

## Research



## 第 2 节

# Research

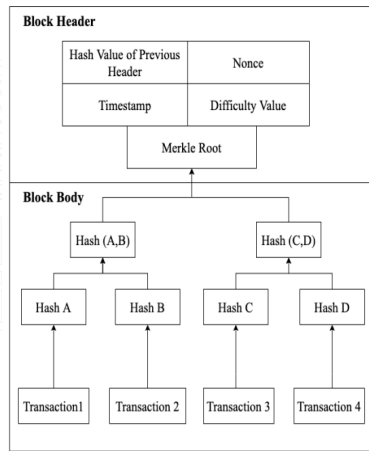
## 第 1 小节

# Problems



# Blockchain background

Distributed ledger containing a time-stamped series of immutable blockchains, trustless, decentralized, proof-tampering and full traceability



## 第 2 节

## Research

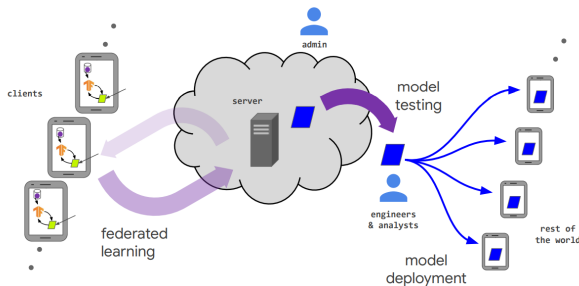
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## The privacy-preserving of crowdsensing



# The privacy-preserving of crowdsensing

- FL provides an attractive structure (presented in (Kairouz et al.)) for decomposing the overall machine learning workflow into the approachable modular units we desire.
- FL provides a level of privacy to participating users through data minimization.



## 第 2 节

## Research

## 第 3 小节

## The incentive mechanism of crowdsensing



# The incentive mechanism of crowdsensing

- Main types of incentive mechanisms:
  - ① **Monetary-based**: distributing rewards.
  - ② **Reputation-based**: reputation framework for worker selection (algorithms)
- **Limitations**
  - ① Relies on a central platform, vulnerable to target attacks
  - ② Single-attribute incentive mechanisms (multifactor incentive needed)





## 第 3 节

# System architecture



## 第 3 节

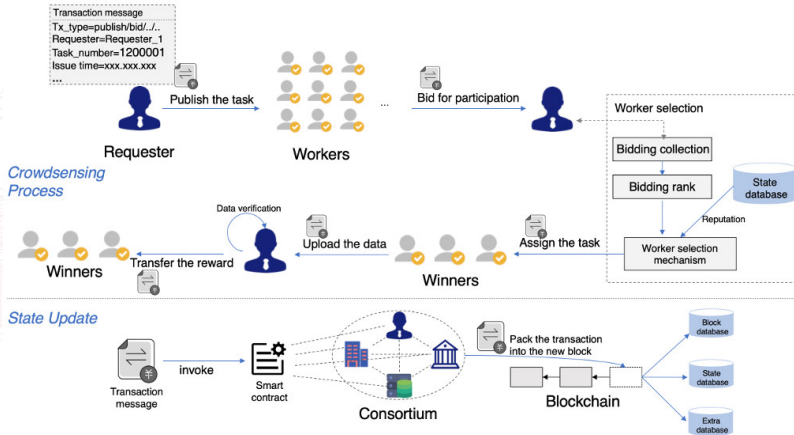
## System architecture

## 第 1 小节

## Software application



# System architecture



## 第 4 节

# Security issues: privacy



## 第 4 节

# Security issues: privacy

## 第 1 小节

# Single point of failure



## 第 5 节

# Quality management: incentive



## 第 5 节

# Quality management: incentive

## 第 1 小节

# Mechanism design: multifactor



# Mechanism design: multifactor

- Based on three parameters:
  - ① Workers' bidding
  - ② Reputation
  - ③ Recent data quality estimation
- Analytic Hierarchy Process (AHP) framework → (top-down)
  - ① Objective level: winning workers
  - ② Criteria level: parameters criteria
  - ③ Alternative level: workers available

## Multifactor worker evaluation approach

$$\theta_i = \omega_1 B_i + \omega_2 R_i + \omega_3 Q_i \quad \text{where } \omega_i \geq 0 \text{ and } \sum_{i=1}^3 \omega_i = 1$$





## 第 5 节

## Quality management: incentive

## 第 2 小节

## Mechanism design: issues



# Mechanism design: issues

## ① How to select appropriate workers?

- **Proposal:** decentralized architecture (blockchain technology) that lacks a single point of failure, and enhances privacy with asymmetric encryption and digital signature technology

## ② How to distribute the rewards to the workers?

With the help of **mechanism design theory**<sup>article56</sup> two important properties for the incentive mechanism are guaranteed:

- **Incentive quality (IC):** the truthful submission of sensing cost is the worker's optimal bidding strategy
- **Individual rationality (IR):** the reward must compensate for the worker's cost (non-negative)



## 第 6 节

# Conclusions



## 第 6 节

## Conclusions

## 第 1 小节

## Application



# Results

A consortium blockchain-based incentive model for crowdsensing system is proposed

- **Benefits of consortium blockchain technology:**

- resistant to the single point of failure (system security)
- cooperative management (by requesters) reduces cost and enhances the flexibility of the system (selection criteria)

- **Benefits of hybrid incentive mechanism:**

- encourages workers to contribute valuable data (and penalizes malicious ones)
- ensures favorable short-term and long-term incentives for workers



## 第 6 节

## Conclusions

## 第 2 小节

## Limitations



# Limitations

Further research:

- ① Dynamic situation where evaluations attributes are changing
- ② Optimization of consensus protocol (better performance)
- ③ Further protection of worker privacy

## Possible solutions

Application of ML techniques to blockchain-based system



## 第 6 节

## Conclusions

## 第 3 小节

## Further research





## 第 I 部分

# 附录

## 参考文献

# 参考文献 I

- [1] JIANG X, WANG H, CHEN Y, et al. MNN: A Universal and Efficient Inference Engine[EB/OL]. arXiv. 2020. <https://arxiv.org/abs/2002.12418>.





谢谢