BNB Chain (Binance Smart Chain)

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Creation History

In 2019, Binance announced the launch of its blockchain called Binance Chain (BC), aimed at trading, cryptocurrency exchange, and token issuance. However, at that time, BC couldn't be used for decentralized applications and wasn't competitive enough. The main goal of Binance Chain was to provide high-speed trading under heavy network load, as well as staking and voting capabilities. However, the blockchain was a simplified version with limited capabilities.

In April 2019, Binance Smart Chain (BSC) was introduced, which became a more modern blockchain with high performance and flexibility, as well as the ability to deploy complex decentralized applications and smart contracts. In February 2022, Binance merged two of its networks - Binance Smart Chain (BSC) and BNB Beacon Chain - into the BNB Chain, the governance network of BNB Chain, combining the functionalities of both previous networks and supporting staking and voting.

Operating Principles

BNB Chain operates on a unique consensus algorithm called Proof-of-Staked Authority (PoSA). According to this protocol, only 21 validators can confirm transactions at any given time, making the BSC network less decentralized compared to others. However, despite this, the network throughput is impressive: in November 2021, Binance Smart Chain (BSC) set a record for the number of transactions in a day - 16.26 million.

Token Standard

Binance Smart Chain operates on the BEP20 token standard, and the BNB coin is the native cryptocurrency used to pay transaction fees on the network. The BEP20 token standard is widely adopted and supported by most wallets, including MetaMask, TrustWallet, Binance Chain Wallet, Ledger, Exodus, and others.

Network Fees

Currently, transaction fees on the BNB Chain are among the lowest in the market. The transaction fee is calculated in the denomination of Ether (ETH) - Gwei, which equals 0.000000001 BNB.

BSC Explorer

The website bscscan.com provides a convenient blockchain explorer that displays wallet balances, transactions, block data, BNB data, and more in real-time.

Perspectives of BNB Chain

According to DefiLlama, BNB Chain ranks second among networks in terms of TVL volume, which amounts to $4.79 billion. In March 2023, the number of unique network addresses exceeded 267 million, surpassing Ethereum. This indicates the high activity and reliability of the network, as well as the technological advancement of its blockchain and low gas costs. That's why BNB Chain is becoming a popular choice for both regular users and businesses.