IOHK launches $250k fund, enabling community to realise innovative applications of Cardano

- 'Catalyst' funding mechanism will allow members of the Cardano community to vote on proposals to build the Cardano ecosystem and will act as an innovation incubator for funded projects
- The fund forms an integral part of Cardano's goal to hand over the governance of the platform to its community
- Starting with a pilot of $250k worth of ada, the fund eventually aims to control around $70million per year
- Initial community submissions include proposals to combat the housing crisis, use cardano as a framework for decentralised, large-scale, medical trials, cut money transfer remittance fees, fight the 'racketeering of the big ticket reselling agencies and encourage diversity in the blockchain space

16 September, 2020: Leading blockchain research and development company, IOHK today announced the first funding round of the Cardano blockchain's decentralised governance component, 'Project Catalyst'. A $250k funding round, Catalyst is designed to encourage developers and entrepreneurs to build on top of the Cardano blockchain. Community members can submit proposals regarding the future development of the Cardano blockchain and decide, through a novel voting process, which proposals are funded. This is the first component of the 'Voltaire' phase of the Cardano roadmap to be launched, following the surprise announcement at Cardano Virtual Summit that 'Voltaire' would be delivered by the end of this year.

This first public funding round is made up of $250k worth of Cardano's native cryptocurrency, ada, which will be allocated to implement different proposals for the Cardano ecosystem. This fund will act as a pilot, eventually aiming to control around $70million of ada per year. Proposals can encompass a wide range of ideas, from marketing initiatives and infrastructure development to business planning and media asset creation. With this introduction of a voting and treasury system, network participants will be able to use their stake of ada to vote on proposals and have their say in the ongoing development of the platform This marks an exciting step forward in the development of Cardano, as it moves towards becoming a fully decentralized blockchain governed entirely by its community.

Proposals from the previous test stages which are seeking funding aren't solely related to the future of Cardano, but aim to use the tech to tackle big picture, real-world issues.

Proposals included:
- A tiny houses project, powered by solar energy and underpinned by the Cardano blockchain, to tackle the housing crisis, democratise land ownership and give the homeless the opportunity to to get off the streets.

- A remittance system underpinned by Cardano to tackle the difficulties offshore workers face sending money to their native countries - unfortunately, many lose around 5-7% every time they send money home, but with a blockchain-based system these fees could be almost entirely eliminated.
- Using Cardano to enable large-scale medical trials, harnessing existing medical data. This has the potential to provide good indicative data on the best course of action when identifying treatments in significant health emergencies, such as the current Covid-19 pandemic. Cardano would enable the provision secure and anonymous medical data, as well as allowing trial subjects to monetize their own medical data.
- A system to cut out the middleman when distributing tamper proof tickets and verifying access to events, combatting problems with outlandish fees and ticket touting.
- Building and promoting new channels to support and encourage women in the blockchain space.

Charles Hoskinson, CEO of IOHK, said: "Following the launch of Cardano's decentralised era, in July, the platform has continued to accelerate. One of our goals has always been to 'reinvent' venture capital and make it fairer, and this fund is the next piece in the puzzle to achieve this. The fund, combined with its democratic voting system, means that every ada holder can be a part of making key decisions for the future of the ecosystem.

"IOHK and Cardano are privileged to have a creative, committed and talented community behind us, who share our goals of democratising finance and essential services, and this shines through in some of the brilliant proposals we have received during the test processes. Looking ahead as we hand the keys to the community, this bodes very well for the future of Cardano."

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Notes
The fund (Fund 2) is the first to be open to the public and to award real cash to projects, and follows 'Fund 0' and 'Fund 1', successful, internal, IOHK 'test drives' of this new, on-chain governance system, the second of which was with a pioneer group of 50 developers.

https://iohk.io/en/blog/posts/2020/09/10/project-catalyst-voltaire-bring-power-to-the-people/
https://iohk.io/en/blog/posts/2020/08/05/philosophy-of-governance/