

## Cardano Developers Win Approval for \$71M Upgrade Plan

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Cardano's core development team, Input Output Global (IOG), has secured community approval to access 96 million ADA, equivalent to approximately \$71 million, for a series of strategic upgrades scheduled across the next year.

The funding proposal passed with strong support, receiving 200 votes in favor, six against, and seven abstentions. This marks the first time that Cardano's treasury will directly finance

core development based on a community vote.

The release of funds will occur in phases, contingent on progress milestones verified by Intersect, an independent governance body that oversees Cardano's ecosystem. IOG is required to provide monthly development reports, timesheets, and quarterly budget updates. Oversight mechanisms include smart contract enforcement and a dedicated accountability committee.

Key upgrades include Project Hydra, a scalability protocol aimed at enabling faster and cheaper transactions. Another initiative, Project Acropolis, will restructure the Cardano node to improve modularity and make it more accessible to external developers, an important step in decentralizing development contributions.

In addition to these structural enhancements, IOG plans to cut operating costs by reducing RAM requirements for stake pool operators. Other improvements focus on preparing Cardano for advanced smart contract capabilities and better interoperability with other blockchain networks.

Cardano currently processes blocks every 20 seconds on average, with a transaction cost of about 0.34 ADA, according to blockchain analytics firm Messari. The proposed upgrades are expected to increase network performance while lowering costs for users and operators.

Despite the successful outcome, some members of the Cardano community raised concerns over the scale of the funding request and called for greater transparency in resource allocation. A number of voices suggested that splitting the proposal into multiple, independently voted sections might have been more appropriate.

A rival proposal from Cardano's Technical Steering Committee was also submitted but was not endorsed by Intersect.

Intersect board member Adam Rusch commented on the outcome, saying, "The community has chosen a direction, and it's now up to the development team to deliver."

The Cardano upgrade plan follows broader trends in blockchain development. Solana recently expanded its block capacity by 20%, reaching 60 million compute units, while Ethereum's Proof of Work hard fork in May raised its gas limit to nearly 45 million, with additional changes expected in 2025.

Cardano founder Charles Hoskinson recently stated that an audit of IOG's ADA holdings is nearing completion and will be made public via a livestream once finalized.

The audit follows public allegations earlier this year. NFT artist Masato Alexander accused Hoskinson of using a "genesis key" to take control of \$619 million during Cardano's 2021 Allegra hard fork. Hoskinson has denied the accusations, calling them unsubstantiated.

While controversy around the project's early days persists, the community's approval of this substantial funding package reflects ongoing confidence in Cardano's long-term vision and development.