# Treasury Withdrawal - Blockfrost Platform community budget proposal

## **Title**

Withdraw₳1,300,000 forBlockfrost Platform community budget proposal

## **Abstract**

This treasury withdrawal funds **Blockfrost Platform community budget proposal** which will provide the following services

Blockfrost is a powerful API platform that gives anyone access to the Cardano Blockchain and functionality without the need to run your own Node.

Our API is designed with developers in mind, and offers tools that remove the complexity of direct node interactions, so anyone can start building on Cardano and launch projects on an affordable, stable and user-friendly framework.

Blockfrost was originally developed by Five Binaries and is now maintained under the IOG umbrella.

This Treasury Withdrawal is submitted by Intersect on behalf of the vendor. The following sections; Abstract, Motivation, Rationale and Vendor Profile have been sourced from the approved proposal submitted by the Vendor as part of the Intersect budget process.

This treasury withdrawal funds one of 39 proposals to give effect to the approved budget info action for ₳275,269,340, administered by Intersect via gov\_action1u9x73kwufaxa70lfy59g4ynwyrcsaxdcd0gxzzmh67s9fxq4j8hqqk2phgh. The information provided herein is intended to fulfill the spirit of the constitutional requirement for a treasury withdrawal info action by also providing the details of the proposed solution, alignment to the budget, and amount to be withdrawn from the Cardano Treasury.

## **Motivation**

This proposal aims to solve the following problem:

The demand for a reliable infrastructure and tools that support development is what led to the creation of Blockfrost. If you have interacted with the Cardano Blockchain, there is a good chance you were interacting with Blockfrost in the background.

But this level of adoption has come with some trade-offs. At it's peak, Blockfrost was handling over 50% of all on-chain transactions on Cardano. We recognize this concentration is in contrast to the decentralized nature of the blockchain, and have actively been working to decentralize Blockfrost for the benefit of the Cardano community.

Together with Stake Pool Operators (SPOs) and node operators, we have started the initial phase of what we call the Icebreakers era, an incentivized program designed to decentralize Cardano data access and reward the incredible node operator community.

## **Rationale**

### Project Solution

**The Icebreakers**

The Icebreakers is a decentralized network of endpoints that allow developers to access Cardano data through a set of reliable node operators, instead of relying on a single centralized source.

By joining the Icebreaker program, SPOs and other Cardano node operators can monetize their existing infrastructure by processing API requests as part of the Blockfrost network.

**Deliverables**

To ensure transparency and to prevent vendor lock-in, we are open-sourcing all components of the deliverables. This includes the infrastructure, libraries and documentation.

Our primary focus is on two key projects: The Blockfrost Platform and the Blockfrost Gateway. Both are designed to expand the capabilities of the Icebreaker network.

* Blockfrost Platform

The Blockfrost platform is a next-generation backend designed to run on existing SPO relays, utilizing existing resources and rewarding operators with a share of Blockfrost's current revenue by serving our existing customers.

* Blockfrost Gateway

The Blockfrost gateway is the entry point for individual SPOs running the Blockfrost platform. Through the gateway, SPOs can receive requests from Blockfrost users. In return for processing these requests, they earn a share of the revenue.

With the Blockfrost Gateway, anyone can run their own Blockfrost instance with their own platform. We plan to use Hydra to open micro-payment channels between parties, enabling them to exchange ADA or other tokens for their services.

We are also developing the Solitary mode, which is designed for teams that require full ownership of their environment. Developers and enterprise customers can deploy a customized and independent Blockfrost instance with complete control of the infrastructure, uptime and security.

### Vendor Profile

Blockfrost is a powerful API platform that gives anyone access to the Cardano Blockchain and functionality without the need to run your own Node. Blockfrost aims to decentralize its Cardano Blockchain API through the Blockfrost Platform and Blockfrost Gateway, enabling a network of Icebreakers operated by SPOs and node operators to process API requests and share revenue. All components are open-sourced to ensure transparency and avoid vendor lock-in.

### Contract Management

A written off-chain Legal Contract will be created between the Vendor and the Cardano Development Holdings (CDH), as mandated by the constitution, and will be administered by Intersect. This will include details of the project delivery schedule and dispute resolution.

### Project Delivery

All milestones, acceptance criteria, payment amounts and expected delivery dates will be agreed between the Vendor and Intersect, acting on behalf of the CDH. The vendor will deliver according to the agreed-upon project schedule within the Legal Contract, of which the necessary information will be made public via the budget management platform via transaction metadata.

Defined by the milestones within a Legal Contract, the vendor will submit and attest

milestone acceptance to the community, Intersect or 3rd Party Assurer.

Project progress will be monitored via Intersect’s delivery assurance function which will be communicated to the community.

Acceptance of the above work is expected to be supported by a 3rd Party Assurer, who will be responsible for reviewing and signing off the work completed at each project milestone against the corresponding milestone deliverables detailed within the Legal Contract.. This work is funded from a portion of this treasury withdrawal.

### Budget Management Tooling

To administrate treasury funds on-chain, Intersect will utilize the treasury management smart contract framework developed by Sundae Labs. The smart contracts have been [extensively tested](https://github.com/SundaeSwap-finance/treasury-contracts/tree/main/offchain/tests) including audits from TxPipe and MLabs. Examples of the usage of these contracts can be seen across mainnet described across Intersect authored [Blog 1](https://www.intersectmbo.org/news/smart-contract-mainnet-demo-a-step-toward-on-chain-treasury-withdrawals), [Blog 2](https://www.intersectmbo.org/news/smart-contract-mainnet-demo-day-two-update) and [Blog 3](https://www.intersectmbo.org/news/smart-contract-mainnet-demo-day-three-update).

Final mainnet validation test can be seen described **{to-do once done}.**

With the confirmed withdrawal address being: stake\_test17zzc8pt7fgf0lc0x7eq6z7z6puhsxmzktna7dluahrj6g6gsa7zk7

#### Specifics

Intersect will utilize a single Treasury Reserve Smart Contract (TRSC), with many Project-Specific Smart Contracts (PSSC), managed by Intersect. Intersect’s management consists of three ‘admin’ and two Intersect ‘leadership’ roles. An Oversight Committee consisting of five external, independent third-party entities will provide checks and balances on Intersect, and safeguard against errors and unilateral control. The administration of both TRSC and PSSCs will be managed by Intersect, with external oversight on certain actions from the Oversight Committee.

The Oversight Committee consists of Sundae Labs, Cardano Foundation, Dquadrant, Xerberus and NMKR. Their role is to independently verify key administrative actions using on-chain logic, ensuring accuracy and consistency without exercising discretion over governance decisions.

For all details on Intersect’s configuration please see the [**Smart Contract Guide**](https://docs.intersectmbo.org/cardano-facilitation-services/cardano-budget/intersect-administration-services/smart-contracts-as-part-of-our-administration) on the knowledge base.

The high level permissions are as follows:

* TRSC Fund and PSSC Modify
  + Two of the three Intersect admins, two of the five trusted entities and one of the two Intersect leadership sign-off must authorize
* TRSC Disperse
  + Two of three Intersect admins, three of five trusted entities and two of two Intersect leadership sign-off must authorize
* TRSC Pause and Resume
  + Two of three Intersect admins, and one of two Intersect leadership sign-off must authorize
* TRSC Sweep
  + One of three Intersect admins, and one of two Intersect leadership sign-off must authorize
* TRSC Reorganize
  + Two of three Intersect admins and three of five trusted entities must authorize

#### Processes

Upon enactment of this governance action, funding for this project will be directed into the TRSC’s stake account. The TRSC and PSSC can not be staked with a SPO and will be delegated to the auto-abstain predefined DRep. From here funds will be withdrawn into a UTxO remaining at the TRSC.

When the Legal contract is prepared and the vendor is ready, funding for this project will be transferred using the Fund action to a PSSC. All milestones will be outlined within the metadata.

A dashboard will be available for the community to audit the TRSC or PSSC and track metrics related to this withdrawn ada as well as being immutably verifiable on chain.

## **References**

Github budget proposal link request

* <https://github.com/blockfrost/blockfrost-platform/pull/310>

Github budget proposal rendered version

* <https://mmahut-2025budget.blockfrost-platform.pages.dev/budget>

Blockfrost.io

* <https://blockfrost.io/>

Blockfrost platform Github repository

* <https://github.com/blockfrost/blockfrost-platform>

Icebreakers' public Grafana dashboard

* <https://icebreakers.blockfrost.io/>

Blockfrost.io X account

* <https://x.com/blockfrost_io>

Project Proposal In Ekklesia

* <https://2025budget.intersectmbo.org/ballots/680d1b63565577986442d123/proposals/680d1b63565577986442d14a>

Approved Budget Info Action submitted by Intersect via GovTool

* https://gov.tools/outcomes/governance\_actions/e14de8d9dc4f4ddf3fe9250a8a926e20f10e99b86bd0610b77d7a054981591ee#0

Details of all successful proposals (CSV)

* ipfs://bafybeicwrop4q7xvnyjdd5drumbe56sqtm5lbe2ul3c262zt4hgguzdycm

Automating Accountability: Cardano’s Smart Contract Framework Blog

* ipfs://bafybeihqx4ae72z7suqfnxrpqpqithp43cai7o2uuewnqtezgaoyc3ptyq

Sundae Labs Budget Management Smart Contracts Github Repository

* https://github.com/SundaeSwap-finance/treasury-contracts

Budget Management Smart Contracts TxPipe Audit Report

* ipfs://

Budget Management Smart Contracts MLabs Audit Report

* ipfs://

## **Authors**

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