

What is a BIP?

A Bitcoin Improvement Proposal (BIP) is a formal document that proposes changes, enhancements, or new features to the Bitcoin protocol, software, or ecosystem. BIPs serve as the primary mechanism for Bitcoin's decentralized governance, allowing developers, researchers, and community members to suggest and discuss improvements without any central authority making unilateral decisions. This process represents Bitcoin's governance layer, where technical evolution is achieved through open collaboration, transparent deliberation, and community consensus rather than top-down mandates.

The BIP lifecycle can be described in four stages:

1. Deliberation

Informal Review. Authors may seek preliminary feedback through informal discussions on external platforms such as Bitcoin Forum, Reddit, mailing lists, and X (Twitter). However, informal review is not mandatory and its timing varies. Some authors gather feedback before submitting a formal proposal, while others engage in informal discussions concurrently with the formal review.

Formal Review. The author writes a BIP draft and creates a Pull Request (PR) on GitHub, beginning the formal review process. A BIP editor then assigns a BIP ID to the proposal. During this phase, users discuss the PRs, the author comments on the PR, and BIP reviewers decide whether to merge or reject the PRs. If there is strong opposition, the BIP editor may reject the proposal. The author may also choose to withdraw or defer their BIP at this stage.

2. Ratification

Once consensus is reached through deliberation, BIP editors update the status to either "Proposed" or "Active." Before 2024, only one BIP editor held the authority to modify BIP status. After 2024, five new BIP editors were appointed to take on this responsibility.

3. Implementation

Developers implement the code and work toward reaching consensus on the technical implementation. The BIP editor then updates the status to "Active" or "Final." During this phase, if a BIP is superseded by another proposal, its status changes to "Replaced." If it is no longer used, it becomes "Obsolete."

4. Adoption

In the final stage, developers implement the BIP in wallets or other tools, leading to wide adoption. After this is achieved, the BIP editor marks the status as "Final."