

Kraken Now Lets Users Back Contender Projects on Polkadot's Kusama Platform



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Cryptocurrency exchange Kraken is adding support for parachain auctions ahead of the first rounds set to take place on Polkadot's pre-production environment, Kusama.

The crowdloan period, where users can contribute KSM tokens to their favorite projects, starts now, a Kraken spokesperson said Tuesday. The Kusama parachain auctions themselves start [June 15](#).

Winning an auction for a slot allows successful developers to leverage the Kusama relay chain, where [transactions are finalized](#), for their projects. The mechanism lets them build new crypto assets and decentralized applications while tapping into the security of the Polkadot ecosystem, according to a [Kraken webpage](#). It also allows interoperability among different blockchains.

“Rather than give the projects with the most funding a parachain slot, the Polkadot team came up with parachain auctions as a method to distribute the available slots in a more equitable manner,” according to the webpage.

“Parachain auctions open up a whole new vista for cryptocurrency holders so they can back projects that will likely make substantive changes to various aspects of our lives,” Jeremy Welch, Kraken’s chief product officer, said in a press statement.

Currently only for Kusama, parachain auctions will launch on Polkadot later this year, so users will be able to bond [DOT \(-11.57%\)](#) tokens too.

In return for taking part, supporters may in return receive airdropped tokens or other rewards from the projects.

The auctions “enable free and fair community support for early stage projects to flourish, while discouraging bad actors from attempting to exploit the mechanism as a quick cash grab,” said Brian Hoffman, Kraken’s crypto platform lead. “By offering support for Parachain Auctions through our platform, Kraken clients can directly participate ... without having to move their KSM off the exchange.”

Parachain auctions are not currently available to Kraken users in the U.S., Canada, Japan or Australia.

At time of writing, KSM is up 5% over a 24-hour period and is changing hands for around \$414, according to data from [CoinGecko](#).

Kraken has also renamed its staking product – in which users can commit cryptocurrency to support a blockchain for rewards – to “Earn.”