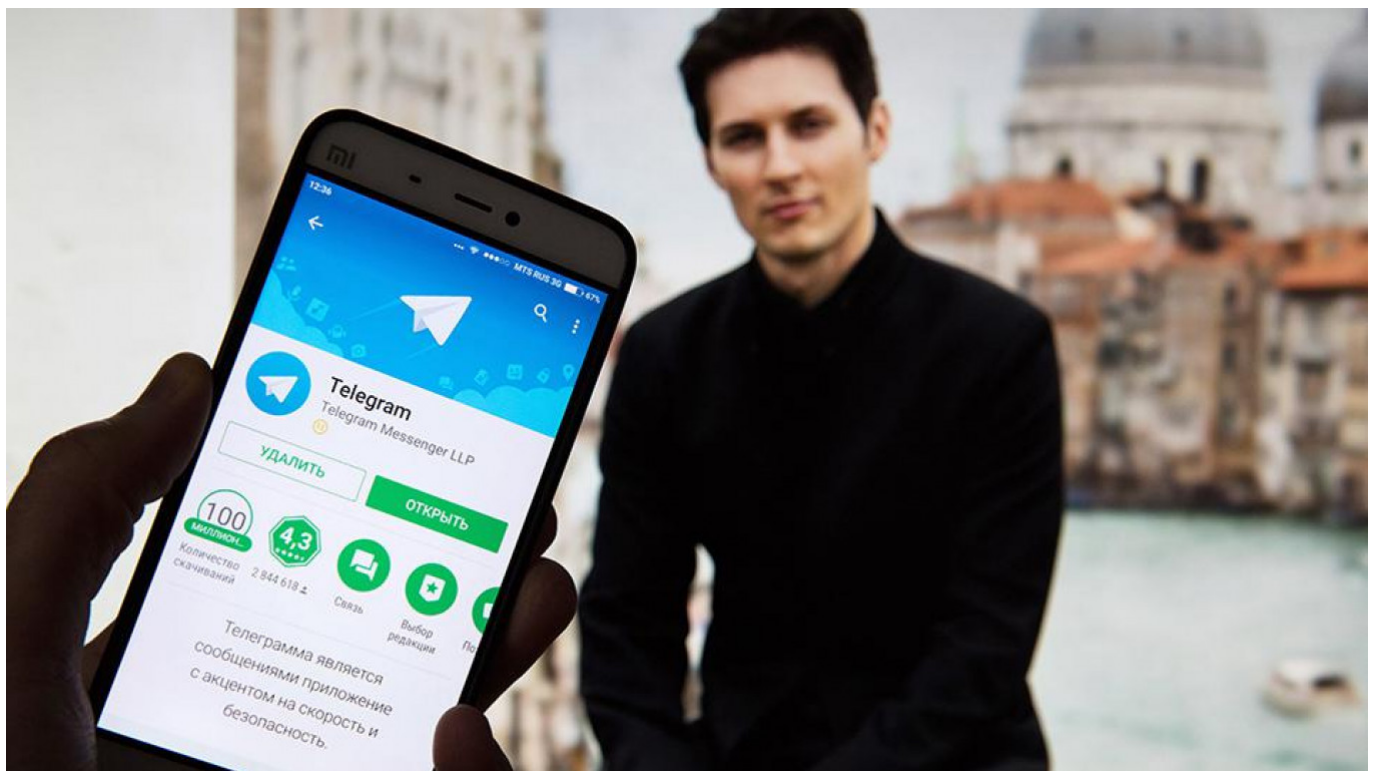


Telegram Ditches \$1.7Bln Blockchain Launch

Founder Pavel Durov slams U.S. rules on crypto after months of delays and investor unrest.

May 12, 2020



Telegram's TON project was supposed to launch in 2018. **Alexei Zotov / TASS**

Russian entrepreneur Pavel Durov dropped plans to launch Telegram's TON blockchain project Tuesday, attacking the U.S. justice system for killing off the initiative.

The Telegram and Vkontakte founder had been developing the TON blockchain platform and Grams cryptocurrency for more than two years, successfully raising \$1.7 billion from investors in an initial coin offering (ICO) in early 2018. It quickly ran into trouble, however, when the U.S. Securities and Exchange Commission (SEC) said the ICO was illegal and banned the sale of Grams in the U.S. and around the world.

Related article: [Will Telegram Ever Launch Planned \\$1.7Bln Blockchain Project?](#)

In a statement posted on his Telegram on Tuesday, Durov wrote: “We have made the difficult decision not to proceed with TON ... I am writing this post to officially announce that Telegram’s active involvement with TON is over.”

He added: “The technology we created allowed for an open, free, decentralized exchange of value and ideas. When integrated with Telegram, TON had the potential to revolutionize how people store and transfer funds and information. Unfortunately, a U.S. court stopped TON from happening.”

In an attack on the SEC’s oversight of the crypto space, Durov added: “The court decision implies that other countries don’t have the sovereignty to decide what is good and what is bad for their own citizens ... We — the 96% of the world’s population living elsewhere — are dependent on decision makers elected by the 4% living in the U.S.”

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