

Challenge 3: M+ Community Fund Management

Prize Title

Design and Implementation of M+C Community Fund Management Platform (based on Quadratic Funding and Voting)

Prize Bounty

1st Prize: 1500 DAI, 2nd Prize: 1000 DAI

Challenge Description

Why

Climate change is the mother of all market failures: it is the direct result of individual actions aggregating to a catastrophic outcome, because individual choices are trapped in an incentive system that rewards exploitation and environmental harm and penalizes responsible consumption. There is no path leading a bright, low-carbon future that doesn't go through hacking the market. This is what we're about.

M+C is an initiative to pilot and scale a community-based currency linked to climate-positive consumption choices. This currency - M+C - is backed by retired carbon credits¹, and aims to reward climate-positive consumption choices. The aim of this initiative is to prototype a platform that can support alternative currencies in cities around the world, ensuring the seamless interoperability of these different currency schemes.

M+C rewards net GHG emission reductions (= a social good) through the issuance and transfer of an M+C token to a) the entity that retires a carbon credit (referred to as Net Reducers (or NR in short)), and b) the Global M+ Community Development Fund (M+ GCDF). NR and M+GCDF then use their M+ token to incentivize climate positive action.

- NR can transfer M+ tokens to employees, clients, suppliers, other stakeholders, relevant communities or use them to donate to / vote for M+ related projects in global or local M+ communities.
- The M+GCDF uses their M+ to a) develop the M+ "toolbox" and governance system, and b) co-fund the launch of Local M+ Community Funds (M+LCDF).

M+ thus creates an alternative, climate positive economy and currency system that:

¹ The M+Climate token (M+C) is a reward/ alternative currency system that is created through the voluntary retirement of a carbon credit, thus creating a net GHG emission reduction. These M+C token are issued to the entity that retires the carbon credit, usually within the context of fulfilling a voluntary net zero carbon footprint pledge.

- a) rewards entities that make net zero pledges/commitments,
- b) allows them to engage their entire up- and downstream value chain & their communities using a circular, natural-capital asset backed alternative/loyalty currency, and
- c) provides for the funding of climate-positive, community driven actions to protect the global and local commons using a radically democratic governance process.

The M+GCDF and LCDFs are governed on the basis of Quadratic Voting and Funding principles to allow for optimal provision of public goods. Its governance allows the emergence of a decentralized self-organizing ecosystem to drive investment into Community Projects with the highest utility for the community.

The M+GCDF and LCDF shall be piloted in the real world in 4 pilot communities that are expected to be Camden Borough in London, the 10th Arrondissement of Paris, Taipei and Bangkok.

This Challenge

The purpose of this challenge is to create a blueprint, in the form of a replicable digital platform and toolkit, that would:

- a) allow the M+ global team to operate the M+ GCDF and every local community to set up its own M+LCDF which holds “tax” revenues and voluntary contributions from M+ community members (linked to a digital wallet holding community M+ tokens),
- b) ensure the integration of the M+GCDF with the M+ token issuance and transfer process (a separate challenge (challenge 2) in this hackathon),
- c) establish the processes required to solicit, publish and fund M+ community projects (via the replication of the RxC bitcoin functionality), including:
 - A process that validates which entity (a local NGO for example) will manage the M+LCDF in new territory. The new entity will be validated by the M+ GCDF administrators. The M+ GCDF will then be able to allocate and transfer a M+ budget to the M+LCDF for its launch
 - A process for designating administrators of the M+LCDF, using a first quadratic vote to choose the administrators amongst local M+C holders, and then regular votes to renew administrators
 - A platform allowing any M+C holder to present a community project (see below an example of such a platform), including a simple eligibility evaluation on objective criteria to be determined by each administrator (for example : project is located on the community’s territory, project budget is in a given range, project owner is identified)
 - A simple online eligibility process allowing administrators to vet submitted projects (for example : the project contributes to the creation of a public good)
 - An eligibility process allowing to define whom can vote (for example : holders of M+C residing in the Community)
 - An online voting process using quadratic voting to determine funding for proposed Community Projects (these votes will happen for example every 6 months) , and to communicate back to eligible voters the results of the vote
 - A process allowing to transfer M+C from the holders to the funded projects

- A process to track usage of funds by the funded projects and for project holders to report on progress towards the project objective, and for voters to see the progress

The winning platform will serve the first communities to adopt the M+C, such as Camden in the United Kingdom, Paris in France, Bangkok in Thailand and Taipeh in Taiwan.

We are open to all kinds of technical approaches but want you to comply with the above design guidelines. Let us know if you have any questions.

Background

- [Liberal Radicalism: A Flexible Design For Philanthropic Matching Funds by Vitalik Buterin, Zoë Hitzig, E. Glen Weyl](#)
- Example of a process to submit green projects to the city of Paris : [Le permis de végétaliser - Ville de Paris](#)
- Example of the New York participatory budget process : [About PBNYC - Participatory Budgeting](#)

Submission Requirements

Ideally, you will upload your code and documents to github and show (in a video) the functionality of the solution you created.

Submission Deadline

All submissions must be received no later than 11:59 PM (ET) on November 1st, 2020 to be considered.

Judging Criteria

We are looking for a robust platform that can be flexibly adopted by a local NGO in any country. We will award the prize to the individual / team that produces the most compelling and easy to use platform in line with our design guidelines.

The M+ Team has formed a jury to assess complete submissions against these criteria.

Winner Announcement Date

We will assess submissions following the end of the hackathon on Nov1st 2020. Winners will be announced by 11:59 PM (ET) on Nov 5th 2020.