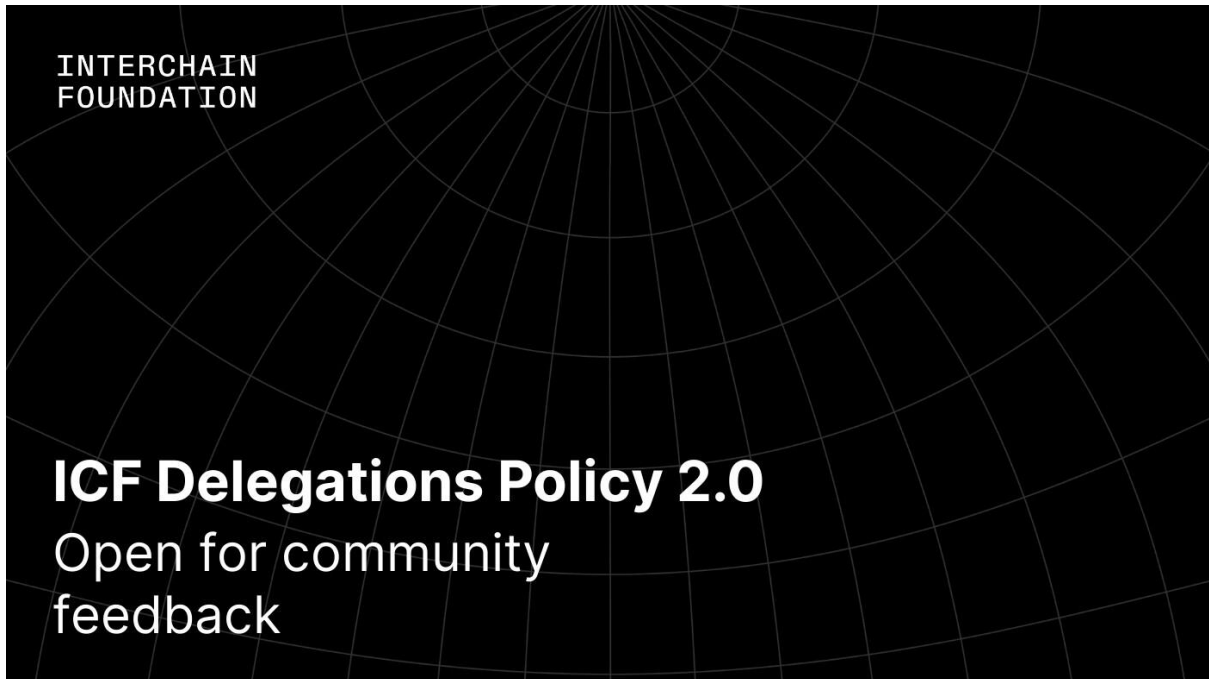# ICF Delegations Policy ver 2.0

The Interchain Foundation (ICF) is committed to [stewarding the Interchain](#) by supporting and
advancing the creation of an interoperable, sustainable, and community-owned ecosystem.

Differently from [the first version released one year ago](#), this revamped Delegations Policy seeks to consider and reward contributions made by validators to the wider interchain. It is based on the valuable feedback received in the last few months and aims to be applicable to multiple chains such as Cosmos Hub, Osmosis, IRISnet, and more.

This version of the policy is to be considered a living draft and we look to collaborate with our interchain community to ensure full alignment in both values and vision. To provide feedback feel free to leave a comment here in the forum.

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Overview of the New ICF Delegation Policy

Why have a Delegations Policy?
As stewards of the Interchain, the ICF supports the development and adoption of the Core
Stack through a variety of mechanisms including grants, training developers, and mentoring
This delegation program is intended to use the ICF's token holdings to recognize, empower, and reward the numerous and valuable contributions from validators of the Interchain.

About this ICF Delegations Policy Iteration
This ICF Delegations Policy is the second iteration.
During our first consultation with the Cosmos Hub community during the summer of 2022, in the interest of utilizing our delegations more effectively to promote decentralization and reward contributions of validator teams, several suggestions were made that didn't become part of the first version of the policy.
They were not included in the first iteration due to:
● Complexities around 1) the objective measurement of the metrics, which could be done
rapidly, consistently, and at scale, and 2) forming fair guidelines for certain subjective assessments
● We want to be able to deploy a policy, ensure its smooth and fair operation, and then
iterate on it.

Following up on this and many other feedback, we are delighted to highlight some of the points that heavily influenced this new iteration:
● We created a better-defined point system that is based on a range of points for each item considering complexity, time, and resources spent on it and not just 1 point per item
● Additionally, we implemented a CAP system to ensure fairness and distribution of resources and support among the whole active set
● We created a whole new category for Valuable Upcoming Contributions
● We are now opening the Delegation Program to two additional chains: Osmosis and IRISnet
● We cut the distinction between ecosystem/single-chain contributions

If you do have any further feedback on the policy or identify a significant oversight, please contact us by email: delegations@interchain.io

Why have a unified policy for all the chains?
As our main goal at the ICF is to empower and support teams, we wanted to be sure to write a standardized, reproducible process to improve validators' application experience. Having consistent high-level guidelines throughout all the chains will ensure improved clarity and fairness.

Which chains are going to be included in this 2nd round of the ICF Delegations and why?
The chains that we are going to open applications for in this second round are Cosmos Hub (ATOM), Osmosis (OSMO), and IRISnet (IRIS). Specifically, we choose OSMO and IRIS as they represent two of the largest token assets owned by the ICF excluding ETH and BTC as per the [2022 Annual Report](#). We are looking to add a new chain to the program every cycle.

How long will this 2nd cycle last?
The new policy will last for 1 year.
In the first iteration of the ICF Delegation Policy, we thought that the most balanced timeframe for the delegation would have been 6 months, following up on validators' and teams' feedback about the need for a more stable environment and in consideration of the new operational complexities that introducing multiple chains will represent, we decided to opt for have a one-year long cycle.

Choosing the right Validators
We are committed to providing a thoughtful and high-impact delegation policy for the Interchain community. A delegation from the ICF is effectively a "vote of confidence" in a validator. We expect that other token holders may replicate our validator selections for their own holdings, and so, we recognize our selections may have an impact beyond just our delegations.
Following numerous discussions that took place last year with the interchain community and the feedback received, we have created a set of criteria on how the ICF will select validators to receive delegations - we aim to support validators who embody the values and passion of the Cosmos Hub, Osmosis, IRISnet, and the wider Interchain.

Delegating voting power
The Interchain is an ecosystem of sovereign communities, and we firmly believe that those
Communities alone should decide on governance matters.
The validators we delegate to will have increased voting power on Cosmos Hub's governance proposals. As such, through our Delegations Policy, we want to empower validators who are active community members, validators who regularly take part in the governance process, and act in the best interests of the Cosmos Hub, Osmosis, IRISnet, and their own communities.

While the ICF reserves the right to exercise its voting power, we firmly believe the validators are the best representatives of the community to judge and vote on governance proposals directly as they are deeply connected in the day-to-day operations and they have solid awareness about the best for the growth and development of the single chain in the interchain context.

Supporting interchain Validators
Two of the recurrent topics in our 1:1 convs with validators that followed up the first deployment of the delegations were the difficulties for validators to mitigate the complexities of staying on top of every (non-spam) gov proposal and meeting the requirement set in the first Delegation Policy, as [vote in all governance prop (excluding spam)] and [limit your abstain votes]. In our path to empower validators and grow a healthy interchain, we:

- Started developing with Chainapsis a UX that will make it possible for the team to better manage the possibility of participating in governance breaking down complexities related to multi-sig wallet management.
- As you will see in the [Criteria to Maintain Delegations] section, we removed the request to limit the abstain votes. We understand that being a validator comes with potential exposure and liability and we want to make sure that our policy empowers key contributors, not expose them even more. Saying so, we will monitor the behavior of validators in this sense and if we see teams abusing this we might reconsider the removal of this requirement in the 3rd iteration of the ICF Delegations Program expected for mid-2024

With this, I want to express my deep gratitude to all the amazing teams and contributors who took the time to share with us their experience allowing us to improve our evaluation system and the process as a whole.

For Applying Validators

Overview of the 2nd Delegations Cycle
As previously mentioned, the 2nd ICF Delegations Cycle will run for 1 year - so 12 months from the deployment, you can expect us to re-evaluate the current delegations and consider new ones.
In order to be selected:
● Validators must submit an application, different for each chain (so a max of 3 forms), with comments and details on how they meet the evaluation criteria, within the specified deadlines for that Delegations Cycle.
● Validators must meet the Mandatory Criteria for Selections
● The Delegations Team will then award points based on the Evaluation Criteria and calculate the ATOM, OSMO, and IRIS value per point accordingly
● The ICF will then deploy delegations based on the point allocations. Delegations will be
stable for a period of 12 months (the Delegations Cycle)
● During that 12-month period, the validator must meet the Criteria to Maintain Delegations.
Breach of these criteria may result in ineligibility for the next round of delegations or result in immediate undelegation, depending on the infraction.

2nd Delegations Cycle Timeline
This Delegation Cycle will run for roughly 12 months - during this period we will not change our delegations except for exceptional circumstances. (See Criteria to Maintain Delegations).
All the operational phases are expected to last 1 month each.
● Validator Applications Period ~ September 1st
● Evaluation Period ~ October 1st
● Delegations are expected to be deployed in the timeframe Nov 1st ~ Dec 1st
We consider "Day 1" of the Delegation Cycle November 1st, as the day on which we are going to announce to the public the selected validators for this cycle (Cosmos Hub, Osmosis, IRISnet). To ensure transparency and clarity throughout the whole deployment process we will timely follow up with validators and the community via public comms.

To recap:
● 1 month of Applications Period
● 1 month of Evaluation Period
● 1 month of Deployment Period
● 12 months of Delegation Cycle (from "Day 1")

About the Validator Application Forms

As mentioned earlier in the document, for this second round we will open up to two additional tokens, OSMO and IRIS, that will be added to the previously available ATOM.

For the sake of keeping things easy and immediate for everyone, we created three different forms for each chain. They will be the same almost entirely, with only a few distinctions:

- Past valuable ecosystem contributions section will be available only in the Cosmos Hub form and this is the last cycle that we will allow submissions of this kind
- You will find the section #5 [Consumer Chains Kickstart] only in the Cosmos Hub form
- In the Osmosis and IRISnet form, you will find a square to mark confirming that the validator submitting the form is not part of the Foundation/Head Dev Team leading that same chain.

About the Emergency Contact

While completing each Application Form, please keep in mind that you are required to leave a primary/emergency contact that we can use anytime during the evaluation process and the whole delegation cycle. We might contact you if we need more information, as well as if you are not complying with the Criteria to Maintain Delegations.

To ensure that the mail was correctly input in the application form, we will ask you to verify it during the evaluation period.

The Application Period

Validators must use the Validator Application Forms available to submit their application and supporting evidence, during the Application Period. Differently from the previous iteration, submissions received late or through other channels will not be accepted.

The Evaluation Period

Using the criteria listed in this document, validator applications will be evaluated by the ICF
Delegations Team, composed of Catdotfish, Zoltan, and the specialists nominated to assist with technical applications.

While evaluations will be largely objective, we acknowledge that some criteria require subjective assessment, which will be conducted by the Delegations team as a whole, such assessments, will be final.

Saying so, before the public announcement and as the final step of the evaluation period, the list of selected validators and motivations will be shared with the ICF Board of Management (Maria Gomez) and the Foundation Council to ensure total fairness and alignment of the evaluation with the values and mission of the ICF itself.

At the end of the Evaluation Period, which might differ in days for each chain involved, we will publish a breakdown of the validators selected for the 2nd Delegations Cycle, along with a high-level summary of the reasons for their selection.

The Deployment Period
At the time of writing, August 2023, the ICF holds approximately 13.7 million ATOMs, 321k OSMO, and 63.8 million IRIS.
In this second Delegations Cycle, our target is to stay consistent in staking at least 55% of our overall balance.
A reminder that the balance to be staked at each Delegation Cycle will vary depending on the operational needs of the Interchain Foundation.
We reserve the right to increase the percentage of token that are going to be staked closer to the Deployment Period: In this case, we will let the community know about this change during the Announcement of the selected validators on November 1st
Rewards accrued from our delegations will be withdrawn at least at the end of each cycle. These tokens will be kept liquid by default.

Calculating the actual token value of each point
Since the number of ATOMs, OSMO, and IRIS to be delegated is fluid, so is the "ATOM value" of each point a validator receives during their evaluation.
Once we complete the evaluation of all validator applications, we will tally up the total points
awarded, and use that to calculate the number of tokens to be delegated by point, using the
formula below:
Chain tokens to be delegated this cycle / Points awarded across all validators as per submissions to that specific chain = tokens value per point
As a note, in the first Delegation Cycle 1 point = 13,777 ATOMs

Scoring System and Validators Points Cap
With this new iteration of the policy, we introduce an improved system of evaluation, based on both feedback from our validators' community and our experience with the evaluating process of phase one.

Contribution Type #1-2-3
Validators may receive between 1~5 point for each eligible activity/project, according to factors such as complexity, time, and resources spent on it

Contribution Type #4
Validators may receive up to 10 points according to factors such as complexity, time, and resources that they might need to complete the project presented.

Contribution Type #5
[Exclusive of the Cosmos Hub] Validators from the Cosmos Hub may receive between 1~5 points *if their uptime in the Hub Consumer Chains is above 80%.*

Validators' Points Cap
To ensure fairness and distribution of resources and support among the whole active set, we introduce a CAP system that will be taken into account for the final scoring of each validator.
This system will be applied to all the chains included in the ICF delegation program. We are going to calculate the CAP from a snapshot of the active set that is going to be taken on October 1st at 12 AM UTC

Position Active Set: 1-10 ~ excluded by Policy's rules
Position Active Set: 11-20 ~ up to 5pts
Position Active Set: 21-30 ~ up to 10 pts
Position Active Set: 31-40 ~ up to 15 pts
Position Active Set: 41-50 ~ up to 20 pts
Position Active Set: 51+ ~ no CAP

Undelegate vs Redelegate
For what concerns OSMO and IRIS this is not a point of concern as tokens are today unbounded.
Referring to ATOM, preferably, in this second Cycle we would like to opt for simple redelegation as per default. We will reserve ourselves the right to unbound (partially or totally) in the case we see that the set of validators selected for this cycle differs too much from the previous one, adding too many complexities on an operational level.

Mandatory Criteria
Validators must meet the following criteria to be considered for and to maintain our delegations.

Criteria for Selection
These criteria are designed to ensure that our delegations help promote stability and decentralization amongst Cosmos Hub's validators.
A validator will only be eligible for evaluation if they:
● Are not a centralized exchange or a custodial entity

● Are not in the Top 10 validators on by voting power at the time of your application
● Implement appropriate measures to maintain a secure and stable infrastructure
● Charge a commission between 1.00% and 10.00% (inclusive)
● Have at least one eligible contribution that can be submitted for evaluation.

Validators outside of the active set are eligible for delegations, so long as:
● They meet all other criteria; and
● the ICF's delegations push them into the Active Set
● During the evaluation period they have a node up and running

Please note:
Where our delegation pushes a validator to the Top 10, they will keep our delegation for this
Delegations Cycle, but will be disqualified for the next cycle. They can however re-apply for
subsequent cycles provided they are outside of the Top 10 at the time of application. Additionally, should a validator we delegate drop out of Active Set during a Delegations Cycle, we will give them a grace period of 30 days before undelegating from them. This is to allow them time to seek out additional delegations from the community.
Eligible contributions are activities that are described in the Evaluation Categories below. Solely running a validator node does not count as an eligible contribution. Additionally, you can not submit an activity for consideration, if:
  ● *The ICF is already funding that particular scope*
  ● *The community pool of the chain you're submitting your application for is already funding it (directly or through a grant program i.e. AADAO, Osmosis Grant Program, ….)*
  ● *You are part of the Foundation/ Head Dev Team of the chain you're submitting your application for*

Criteria to Maintain Delegations
The following criteria are designed to ensure that the validators we have delegated to remain
active in the chain they made the application for and contribute positively to the network health.
Unless otherwise stated, a validator's performance against these criteria will be judged at the
next Delegations Cycle (i.e. performance over a ~12-month period) and may result in deselection/ineligibility to apply again.
Some metrics will be monitored throughout the delegation cycle.
At the sole discretion of the Delegations Team, depending on the severity, failing these criteria may result in the immediate termination of delegations to that Validator.
To maintain ICF delegations, during the current Delegations Cycle, a validator:

● Must be active in the Governance of the chain they made the application for and vote on all the governance proposals that are not considered spam.
In this iteration of the policy, Abstain votes are permitted. *We make an exception with Osmosis in which we ask validators for at least 80% of governance participation starting from the day of the delegation announcement.*
● Must maintain uptime of more than 95%
● Must not increase commission above 10% or decrease to 0%
● Must not be slashed more than once for downtime or double-signing
● Must be in the active set

Please note:
Once the Delegation team acknowledges that one of the above mandatory requirements wasn't respected, we will proceed on reaching out to the validator via the emergency contact we requested you to leave in the form, communicating that:
- *You have 30 days to go back to the active set if you fall off it*
- *You have 7 days (governance votes/consistent uptime) to fix the issue*
- *You have 2 working days to fix the commissions if not in the right range*
About the slashing event, this always brings to an immediate undelegation.
If we don't receive a reply to our first interaction within ~1 working day (we will be mindful and check possible public holidays) we will send a second mail. Once the second mail is sent, we will consider the message delivered and the countdown as per the above start.

In addition, we will undelegate immediately if a validator, in any given 30-day period:
● Has less than 80% uptime for 5 days in a row
● Is jailed for 5 days in a row

Evaluation Categories
The ICF's aim is to reward contributions to the interchain, in addition to key contributions to the chain part of the program (in this iteration Cosmos Hub, Osmosis, and IRISnet).
We are looking to support teams that add value to the ecosystem by building and/or maintaining useful tools, platforms, public goods, and public services.
In addition to engineering and public good contributions, the ICF wants to support teams that
are actively helping grow and maintain communities, across the Interchain.
In the following pages, we break down the 5 types of contributions we are looking for, with
examples of activities for each category. These examples are not an exhaustive list, so please submit any activity that you believe may be relevant to the category.
Not every submission in each category will be awarded points - the Delegations Team will be

exercising discretion to reward the quality of the contributions, not just the quantity. You can submit the same item in multiple forms if it fits, ie Cosmos Hub form, Osmosis Form, and IRISnet form, but be mindful that only the Delegation Team will have the final decision on granting points for it or not at all.

Important notes:
- *[COSMOS HUB] This is the last cycle we accept submissions for past contributions*, Validators must note that from the next one, the 3rd cycle of the ICF Delegations, only the contributions ongoing or made in the last 12 months (Sept 1st 2023 > Sept 1st 2024) will be taken into account. So Validators that didn't participate in the first delegation cycle can submit in the second cycle contributions ongoing or made in the April 2019>September 2023 timeframe. If the validator already applied for past contributions in the first cycle of ICF Delegations they are not going to be allowed to apply for past contributions again, but only for contributions ongoing or made in the last 12 months (Sept 1st 2022 > Sept 1st 2023) will be taken into account. [OSMOSIS, IRISnet] Validators must note that we are going to accept only the contributions ongoing or made in the last 12 months (Sept 1st 2022 > Sept 1st 2023) will be taken into account.*
- *Validators cannot re-submit past contributions* from the first delegation round. This doesn't involve relevant ongoing efforts such as maintaining explorers, wallets, and more.*
- *Validators can submit applications for past contributions* to the ecosystem only in the Cosmos Hub form.*

* Past Contributions are intended as per contributions that happened before the start of the Evaluation Process of the first delegation cycle, April 2019>October 2022

#1 Engineering Contributions
Validators may receive between 1~5 points for each eligible activity/project, according to factors such as complexity, time, and resources spent on it
Contributions submitted in this category might be for both the ecosystem and/or the specific chain. Please note that only highly impactful contributions will be awarded.

● Wallets:
Wallets that support the management of assets and governance participation across multiple chains of the Interchain. Wallets that support the management of assets and governance participation. However, we will not support any wallet that only supports one chain.
● Explorers:
Platforms that display data from across the Interchain, providing insight and utility to users. Explorers must be open for all users - with no registrations, paywalls, or the need

to connect a wallet. We will accept explorers where some functionality is hidden behind a
free registration/wallet connection. Additional points might be rewarded in case the explorer would offer specific chain features and to teams that are building solutions leveraging or utilizing Interchain Security - explorers (this last point is only for the Cosmos Hub Form),
● Dashboards:
Platforms that display data from across the Interchain, providing insight and utility, specific to a user's wallet. These can be tools that allow users to vote across chains, tax/transaction listing platforms, etc. Additional points might be rewarded in case the dashboard would offer specific chain features and to teams that are building solutions leveraging or utilizing Interchain Security - explorers (this last point is only for the Cosmos Hub Form), dashboards, dApps, and other tools
● L1 Builders:
Teams that are building an L1 Chain using the Cosmos-SDK. In this section, we see as fitting teams that are building solutions that launched/are going to launch as a consumer chain of the Cosmos Hub.
● Core Stack Contributions:
Teams that actively contribute code, of substantive value, to the Core Stack. The stack
includes both the core products like IBC Protocol, CometBFT, and Cosmos-SDK, as well as modules like CosmJS, CosmWasm, etc.
● Specific Chain Contributions:
Teams that actively contribute code, of substantive value, to the Cosmos Hub, osmosis, and IRISnet depending on the form.

#2 Public Good Contributions
Validators may receive between 1~5 points for each eligible activity/project, according to factors such as complexity, time, and resources spent on it
Below are a few examples of activities that would receive a point. This is not an exhaustive list.

● Public Infrastructure Providers: Validators who run public RPC nodes
● Onboarding/Education Materials: An educational platform or documentation that will help onboard new end-users to the
ecosystem
● Guided/Supported On-boarding: Validators that offer grants, support, or mentorship to new developers or contributors
● Community Tooling: Validators that develop, maintain, or otherwise provide tools that help to engage and empower Interchain communities. Examples include alert bots, multi-channel
governance alert tools, asset tracker, etc

● Improving End-User Adoption (for multiple projects): A payment app integration that supports Interchain wallets and IBC tokens
● Other Engineering Contributions:
Any other open-source code contributions, that directly and in tangible benefit developers and/or users of the Interchain, and are not already covered by categories #1 or #2.

#3 Community Contributions
Validators may receive between 1~5 points for each eligible activity/project, according to factors such as complexity, time, and resources spent on it

A note on this section:
Consistency in the contributions will be a key to the evaluation, and one-time content will most likely not be considered.
When noted with [CHAIN-SPECIFIC]*, the contribution is related to the specific chain that you're submitting the form.*

Below are a few examples of activities that would receive a point. This is not an exhaustive list.
● Moderate a non-English local language community for any Interchain chain, for which
you are not already fully funded by the chain, guaranteeing moderation at least 5 days a
Week. The group must be meaningful and active (+100 active users, we will request a screenshot of the stats in the platform) as well has to be clear about the validator's direct contribution to it.
● Translate significant content / Interchain documentation to a non-English local language
● Create community events like conferences, meetups, or workshops
● Run local meetups focused on the ecosystem and the Core Stack (at least once per
Delegations Cycle)
● Promote the Interchain through community initiatives like podcasts, Twitter spaces, and
youtube shows
● Provide and maintain valuable tutorials to lower the barriers of entry to end-users and
favor the correct usage of the wallets/application in a secure way
● Write and publish valuable content on Medium/Twitter/Youtube/Email that highlights the
Interchain (at least once a week)
● [CHAIN-SPECIFIC] Participate actively in on-chain governance - taking part in discussion both before a proposal goes on-chain and during the voting period.

#4 Valuable Upcoming Contributions.

Validators may receive up to 10 points according to factors such as complexity, time, and resources that they might need to complete the project presented.
Validators on the 11~20 position can still apply for this section but their cap (max 5pts) will be applied.
Each validator can present only one item in this category.

Validators who signal the intent to make very impactful (on an ecosystem level) engineering and/or public good contributions that have to be finalized before the upcoming 3rd Delegation Cycle (Application Phase).

In this special category is mandatory to submit a detailed prospect in addition to a profile of the team/people involved. The Delegation Team reserves the right to follow up only with the submissions that aim to be a key star in the next 1 year of the Interchain

#5 Cosmos Hub Consumer Chains Kickstart

[Exclusive of the Cosmos Hub] Validators from the Cosmos Hub may receive between 1~5 points if they validate on Consumer Chains and their uptime [CC] is above 80%. This contribution type follows a cap system similar to the one that rules the whole policy:

Position Active Set: 1-49 ~ excluded
Position Active Set: 50-99 ~ 2 pts
Position Active Set: 100-149 ~ 3 pts
Position Active Set: 150 + ~ 4 pts