

Following the recent approval of the delegate incentive proposal in tally, we did an initial test with the objective of showing the workflow at a high level and having an overview of the delegate participation status.

## Incentive compensation criteria

As the [proposal](#) states, certain rules must be complied with in order to obtain compensation at the end of each month. These are as follows:

1. Voting Power Greater than 50,000 Voting ARB Tokens:

According to the information collected from this [dune](#), at the time of writing, there are a total of 175 delegates that meet this criteria.

1. Historical Tally Participation Greater than 25%:

This value is taken directly from the tally, specifically from the profile of each delegate, only those with a participation greater than 25% will be considered as eligible. It is important to note that for the calculation of this parameter only participation in proposals that are not tests

or those with the prefix “[OLD]”

are taken into consideration, which are:

- [Core Test Proposal](#)
- [Treasury test proposal](#)
- [\[OLD\] AIP-1.1 - Lockup, Budget, Transparency.](#)
- [4 \[OLD\]Proposal to Establish the Arbitrum Research & Development Collective](#)
- [\[OLD\] Experimental Delegates Incentive System](#)
- Monthly Participation Greater than 60% (TP +60%):

With the information provided by each delegate in the month, the monthly score or participation is calculated. Only those delegates with a score greater than 60% will be eligible.

1. Application Template:

As mentioned in the proposal, all delegates who wish to participate in the program must fill out an application template which will be posted in a dedicated forum thread.

- The confirmation template is as follows:
- Forum Username (Link):
- Twitter Profile (Link):
- Snapshot Profile (Link):
- Tally Profile with Exact All-time Participation Rate % (Link):
- Forum Username (Link):
- Twitter Profile (Link):
- Snapshot Profile (Link):
- Tally Profile with Exact All-time Participation Rate % (Link):
- Complete Foundation KYC:

Once a delegate's application has been confirmed

, in order to receive any sort of compensation, it is necessary for delegates to complete a KYC process administered by the Arbitrum Foundation. Applicants should send an email requesting the foundation's KYC process to [compliance@arbitrum.foundation](mailto:compliance@arbitrum.foundation).

Note:

It is important to note that in the event that there are more than 50 delegates

who meet all the rules, only the 50 with the highest scores

will be chosen to receive compensation. However, if there are fewer than 50 delegates

who meet the criteria, only those who meet the criteria

will be compensated.

## Test

With these criteria, we proceeded to manually load the data of all the delegates in a table. The following [raw data](#) were obtained.

### Test month

For the elaboration of this test we took as a sample the month of December 2023. The study was carried out separately for each month in question.

### Proposals considered

For the elaboration of the table we took into account the proposals initiated in December, both in Snapshot and Tally, which were:

Snapshot

:

- [Timeline Extension for STIP and Backfund Grantees](#)
- (Started on December 2)
- (Started on December 2)
- [Proposal: Experimental Incentive System for Active ArbitrumDAO Delegates](#)
- (Started on December 7)
- (Started on December 7)
- [Proposal \[Non-Constitutional\]: Establish the 'Arbitrum Research & Development Collective](#)
- (Started on December 11)
- (Started on December 11)

Tally:

- [AIP: ArbOS Version 11](#)
- (Started on December 21 and ended on January 8, 2024 as well as included in the December accounting)
- (Started on December 21 and ended on January 8, 2024 as well as included in the December accounting)

### Summary of table parameters

- Activity Weight (%)

: Total activity of the delegate in the month. \* Participation Rate (PR) - Weight 20%:

Historical participation in the Tally.

- Snapshot Voting (SV) - Weight 15%:

Participation in Snapshot voting for the month.

- Tally Voting (TV) - Weight 25%:

Participation in Tally voting for the month.

- Communicating Rationale (CR) - Weight 25%:

Communication of voting rationale in the forum or communication thread for the month.

- Commenting on Proposals (CP) - Weight 15%:

High-impact comments or contributions to the debate in the month.

- Bonus Point (BP) - Extra +30% TP (Total Participation):

Bonus, awarded to those delegates who make significant contributions in the month.

- Participation Rate (PR) - Weight 20%:

Historical participation in the Tally.

- Snapshot Voting (SV) - Weight 15%:

Participation in Snapshot voting for the month.

- Tally Voting (TV) - Weight 25%:

Participation in Tally voting for the month.

- Communicating Rationale (CR) - Weight 25%:

Communication of voting rationale in the forum or communication thread for the month.

- Commenting on Proposals (CP) - Weight 15%:

High-impact comments or contributions to the debate in the month.

- Bonus Point (BP) - Extra +30% TP (Total Participation):

Bonus, awarded to those delegates who make significant contributions in the month.

- Total Participation (TP):

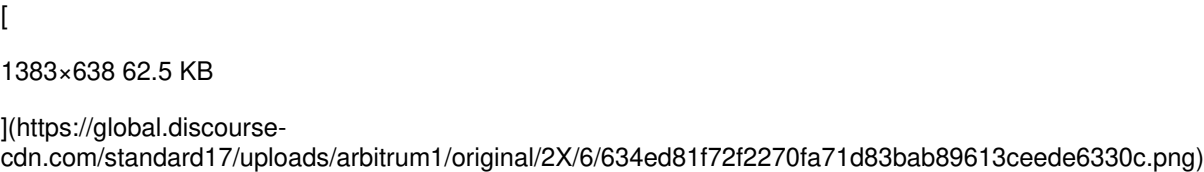
Total participation of the delegate in the month.

Note:

For this case study, the Bonus Point (BP) bonus will not be considered for the month's participation calculations.

**Table 1: DEC 2023 (+60% participation)**

According to the criteria expressed above (TP +60%), in addition to the results of the calculations in the table, the delegates that would receive compensation would be the following:



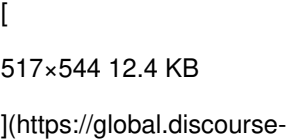
Click [here](#) to see the complete table.

As you can see, even though the proposal seeks to give incentives to the TOP 50 of delegates who meet all the criteria, for the month of December, only 11 delegates had enough attributes to obtain compensation.

In fact, there were only 21 delegates

who reached the 60% TP value

, these separated themselves from the rest by actively voting on most of the proposals and communicating their voting reasoning in the forum, as well as commenting their opinions and contributing to the debate of the proposals in the forum.



As can be seen the requirements to be met were not exhaustive. Even if you are a delegate with a low Participation Rate but with an active participation during the month you can exceed 60% of the required PT.

**In case there is any error in the data upload or any other concern, we encourage the community to give feedback to make this process as accurate as possible.**

## Considerations

- As a source of truth we use Tally votes, Snapshots and delegate comments posted on the Forum ([here](#) we made a complete collection of every comment significant to the debate or that will add value to the proposal). While we understand that delegates use other means to debate for the moment we will only use these means as a source of truth. In the future if the DAO wishes we will add new sources - but we believe that we should encourage delegates to have more discussions on the forum instead of private group chats that are not transparent and inaccessible to the public.
- Some comments from delegates collected during the month of December were published one or two weeks after the voting ended, although it is not specified in the proposal, the idea of the program is that delegates comment and expose their rationale within the period in which the proposal is in voting.
- As mentioned in the [proposal @cattin](#) should not be included in the accounting.

## Additional data

With the data collected in the table we have a more specific picture of delegate participation in governance:

- Only [174](#) delegates have more than 50k Voting Power.
  - If the requested TP had been 30% only [49](#) delegates would've qualified for this program instead of 69.
  - If the requested TP had been 30% they would have received incentives [49](#) delegates.
  - The expense that the DAO would assume for the month of December for delegate incentives alone would be 66715 ABR
- .
- Any delegate with a 25% PR

in tally, having participated in all the voting (tally and snapshots) and commented at least 50%

of the proposals or issued only the rational, exceeds the 60%

of TP that allows him/her (as long as he/she is within the 50) to access the incentives.

## Final Considerations (Invitation to Delegates)

At the end of the day, we share a fundamental goal: to drive the continued progress of the Arbitrum ecosystem. Therefore, it is important to actively support high-impact initiatives emerging within Arbitrum to achieve this collective purpose.

To ensure that the performance of this framework has a significant impact in the upcoming months, the active participation of delegates becomes crucial. They are the vital actors that give shape and meaning to the dynamics of the DAO and the forum in general.

Their active involvement not only strengthens the community, but also enhances the chances of success and progress for all.

We encourage everyone to join this program and are confident that your participation will make a difference in Arbitrum's future.

## Conclusion

Just like any other experimental program, it is important to test in order to determine the weak points to strengthen them in order to obtain a well-structured framework, this is also useful to get first feedback and then implement them in Karma

.

We understand that the low participation in the forum reflects how overwhelming governance can be at times. Also, once the incentive program starts, we believe that the overall motivation of the forum will increase, leading to higher participation - this does not mean however that any type of comment will be counted towards the delegates' final score, since those trying to spam the forum for points will be swiftly eliminated from the program.

This is the first test, as a team we would like to mention that we plan to present another test of the framework

with delegate data for the month of January 2024

, which is currently under construction.

We encourage delegates to participate and give their best effort in order to improve participation in the forum and the arbitrum ecosystem in general.