

Proposal to Temporary Extend Delegate Incentive System.

Abstract

We would like to introduce a temporary extension of the current Delegate Incentive System for up to two months.

Motivation

SEEDGov is working on the v1.1 of the Delegate Incentive System. This new version will try to implement significant changes that we believe are going to improve the actual version of the system.

Considering that the actual program concludes on August 31, that the following iteration will probably need more than one week of discussion, and that we adapt to the recent approved [DAO Calendar](#), we are presenting a temporary extension of the program with the objective of not interrupting delegates incentives while v1.1 is being discussed.

Rationale

Approved Delegate Incentive System has proved to be cost-efficient. To date, 1,1 million ARBs are still in the DIS multisig out of a total of 1.58M initially transferred.

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](<https://canada1.discourse-cdn.com/flex029/uploads/arbitrum1/original/2X/0/0b433bafa3b04302b925bc77a19e2fce7f493cec.png>)

Note: Special thanks to our frens [@r3gen_Finance](#) for an early delivery of their Arbitrum Token Flow Report. The Full Flow Report will be published soon.

Note II: Data as of July 31, 2024.

With the objective of maintaining the delegates engaged and incentivized while v1.1 of the system is discussed, we propose to extend the current one for a period up to two months.

This proposal will be attached to the new Delegate Incentive System. If the new version of the system is approved before the temporary extension ends, this version will be deprecated to make way for v1.1 of the System.

Costs

As an important clarification, cost structures won't be changed during this temporary extension. Funds will come from the [Delegate Incentive System Multisig](#).

- Monthly Delegates Incentives: TBD (Average Monthly ARB incentives: 108,7k)
- Karma Administration Costs: 3750 ARB per month.
- SEEDGov Administration Costs: 3.333 ARB per month.
- Multisig Administration Costs: 5.000 ARB per month.

Note: We know that costs are out of date. In order to smooth the process we'll keep the same operational costs until the release of Delegate Incentive System v1.1

Next Steps

According to the recently approved [DAO Calendar](#), vote will go live on Snapshot on Thursday, August 15.