

On the 18th of January 2024, the Arbitrum Foundation announced the [Arbitrum Expansion Program](#) which allows projects to fork the Arbitrum codebase, modify it to their business needs, and deploy it on any chain that derives security from Ethereum. In return, the new Orbit chain is expected to share 10% of their chain's profit back to the wider Arbitrum ecosystem. This includes 8% for the ArbitrumDAO and 2% for a new Arbitrum Developer Guild.

Support chains other than Ethereum?

One restriction of the Arbitrum Expansion Program is that a new Orbit chain must be deployed on any chain that derives security from Ethereum.

More specifically:

The "Arbitrum Expansion Program

" is a suite of tools and services maintained and provided by the Arbitrum Foundation, a Cayman Foundation Company (the "Foundation") designed to enable you to deploy and operate a trust-minimized network that has its security depend on the security of the Ethereum blockchain, which by way of example, is intended to include optimistic rollups, zk-rollups, optimiums and validiums that settle to Ethereum (each, an "Arbitrum Nitro Instantiation").

Over the past few weeks, the Arbitrum Foundation has received inbound interest from projects that want to deploy their own Orbit chain on other networks including, but not limited to: Bitcoin, Binance Smart Chain, Cosmos, and others. We expect this type of interest to increase over time as the Arbitrum Tech Stack gains popularity on Ethereum.

This leads to the following question:

- Should the Arbitrum Expansion Program be changed to allow Orbit chains to be deployed on blockchain networks other than Ethereum?

The Arbitrum Foundation is requesting the ArbitrumDAO to decide on whether the Arbitrum Expansion Program should further expand and allow new Orbit chains to be deployed on chains other than Ethereum (and its derivatives).

There are a few points to consider when evaluating the above question:

- Revenue share. Allowing widespread deployment of Orbit could potentially increase the revenue generated for the ArbitrumDAO simply due to the increased number of deployments.
- EVM dominance. It can be argued that the EVM and Solidity has become dominant across the industry as it was easily adoptable by blockchain projects including rollups like Arbitrum. Accordingly, allowing widespread deployment of Orbit can further bolster EVM and Stylus (EVM+) dominance across the industry.
- Ethereum's competitive advantage. Restricting Orbit chains to only Ethereum can potentially act as a competitive advantage for the Ethereum ecosystem, but there is a potential tragedy of the commons if the Arbitrum Tech Stack is only restricted to Ethereum while other rollups can be freely deployed elsewhere.
- Alleviate confusion on definitions. There are increasingly blurry lines on what it means to settle on a particular chain as projects adopt different data availability layers, host chains, and bridge configurations. It may even be possible for a single rollup to have multiple validating bridges across different blockchains. Changing the license can alleviate the need to resolve these blurry lines and allow projects greater certainty when deciding to deploy an Orbit chain.

Of course, the above is not an exhaustive list, and there are other points the community may want to consider when making their decision.

Implementation

Assuming the ArbitrumDAO approves Orbit chains to be deployed on any chain, then the Arbitrum Foundation will be responsible for collecting the 10% chain profit revenue share on the new chain and eventually migrating the funds into the ArbitrumDAO's treasury and the Arbitrum Protocol Guild.

The only requirement a project should consider before deploying on a chain is to check whether the Arbitrum Foundation has deployed a multisig to collect the revenue share. A multisig will be required to help the Arbitrum Foundation collect the fees and periodically bridge it to the ArbitrumDAO's treasury.

Additionally, the Arbitrum Expansion Program's description will be updated with the following:

Arbitrum Expansion Program

The "Arbitrum Expansion Program" is a suite of tools and services maintained and provided by The Arbitrum Foundation, a Cayman Islands foundation company (the "Foundation") designed to enable you to deploy and operate a trust-minimized scaling solution on a public blockchain network (each, an "Arbitrum Nitro Instantiation"). Subject to the terms of, and your

compliance with, this Arbitrum Expansion Program Agreement (“Agreement”), the Foundation hereby agrees to make the Arbitrum Expansion Program available to you to develop and launch an Arbitrum Nitro Instantiation. The Foundation will also help you pursue modifications and improvements to the Nitro Software (as defined below) in cooperation with the Arbitrum DAO and in accordance with the Arbitrum DAO Constitution, as amended, available at [The Amended Constitution of the Arbitrum DAO | Arbitrum DAO - Governance docs](#) (along with the Arbitrum Expansion Program, the “AEP Services”). The Foundation reserves the right to determine the AEP Services available to you, and it may change the nature of the AEP Services available to you under this Agreement from time to time in accordance with the values and decisions of the Arbitrum DAO.

Discussion and Voting schedule

We plan to organize 2 governance calls to allow the community to discuss the merits on whether the expansion program should be extended:

- 22/4/2024 → 10:00 UTC
- 26/4/2024 → 16:00 UTC

After community discussion, the proposal will be put up for a temperature check on Snapshot with the following voting options:

- Any blockchain network
- Only Ethereum L1

There is no need for an on-chain governance vote (via Tally) as the license is managed by the Arbitrum Foundation. We will require the snapshot vote to reach the same Quorum as required by a Constitutional AIP.

If the ArbitrumDAO decides to change the license, then the Arbitrum Foundation will endeavor to implement the necessary changes.