The second month of the Delegates Incentive Program has concluded, and next month marks the halfway point of the first iteration approved by the DAO. Our experience during this phase was intense and filled with learning opportunities. Although the program officially kicked off in March, we conducted several tests throughout <u>January</u>, <u>February</u>, and <u>March</u>. We dedicated a considerable amount of time in the program, managing data, gathering feedback, addressing delegate concerns, and striving for clear and concise communication.

Many of our initial assumptions turned out differently, and there were aspects we hadn't anticipated, which evolved alongside the DAO's dynamics. Looking back, we were right to label this program as experimental. Ultimately, being administrators of the program doesn't imply ownership; it belongs to the DAO, and this is an invitation to collective improvement.

Key Developments

Throughout implementation, we recognized the program's potential for change. Collaborating with<u>@mmurthy</u> and the Karma team, we continuously enhanced existing aspects, particularly with the delegate dashboard. Some of the job done so far:

- Adding relevant information about the parameters measured by the program.
- Updating data for delegates who have reached +50K ARB delegations
- · Pushing constant fixes
- Developing automation for the Communication Rationale parameter. Improving significantly and giving a clear breakdown of both onchain and offchain communication rationale.
- · Automating the Commenting Proposals parameter.

In that process, we also fine-tuned the scoring parameters and established direct communication channels with the delegates. The program facilitated daily interaction with stakeholders committed to the Arbitrum ecosystem, which we thoroughly enjoyed. Additionally, we received unwavering support from the Tally team, and we are grateful for their assistance at all times. Last but not least, we must recognize the invaluable feedback and comments provided by the delegates, which served as the cornerstone for the changes we intend to propose.

Learning, Mistakes, Improvements

During the process, we encountered scenarios where it was necessary to make unilateral decisions, responding to the circumstances in order to efficiently resolve the situations as they arose:

- LTIPP: We faced the challenge of addressing 77 proposals within a short timeframe. Considering the large volume of
 proposals, we communicated that it wasn't necessary to comment on each one to avoid excessive spam and overload
 for delegates. We prioritized ensuring delegates had sufficient time to vote, given the sheer volume of proposals
 during that week.
- The same approach was taken with the 17 proposals labeled 'Post Council Feedback', as highlighted by Bob-Rossi in his comment.
- ARDC Elections: During the ARDC elections in March, we decided it wasn't necessary to comment on each individual
 election. Since there were no forum posts for each vote and it didn't add much value, we solely considered the voting
 rationale.
- Council Elections: Initially, we were unsure how to incorporate the work of delegates who dedicated time to selecting the best Security Council members. Due to the sensitive nature and voting dynamics of this election, to avoid confusion among delegates, we chose not to include it in this first iteration of the program. We are working on how to include it for the next Security Council election.

Our decisions were made with the following considerations in mind:

- · Avoiding unnecessary noise and spam
- · Minimizing additional workloads
- · Preventing gameability

We want to expand the discussion to include you all, so together we can devise a mechanism to prevent arbitrariness when addressing ongoing issues. Arbitrum DAO is incredibly dynamic, and new challenges will continue to arise... We aim to enhance the program experience based on the feedback we've received and ensure that the best possible decision emerges from the consensus of the DAO.

Looking Ahead

During the past few weeks, we've been actively seeking feedback from some delegates with the aim of swiftly improving and iterating the program. As a result, we would like to implement some minor changes that we believe can enhance the program:

- Ceasing the requirement for Commenting Proposals (CP) and Communication Rationale (CR) in technical proposals:
 We've noticed that unless delegates have a high level of technical knowledge, it's challenging for them to provide
 valuable input on these types of proposals. To avoid forced comments, we propose discontinuing the inclusion of CP
 and possibly CR for technical proposals, which are typically driven by the Arbitrum Foundation.
- 2. Adjusting the Participation Rate parameter: Instead of considering the entire historical data, we propose considering the last 90 days. This change, inspired by feedback from ocp0x, would be fairer to users actively engaging in the DAO's day-to-day operations.
- 3. Lowering the token delegation threshold for program participation from 50k to 25k ARB: Inspired by feedback from the Arbitrum Foundation, we believe this adjustment would enable more delegates to participate in the program.

Executing Changes

Our plan is to discuss these proposals with delegates and vote on them via Snapshot to ensure consensus within the community. In addition to the various individual conversations we've had with delegates, we aim to continue seeking feedback so that each decision is thoroughly deliberated and achieved through consensus. We want to hear from you, which is why we will host a public call to discuss the proposed changes to the incentive program on Friday, the 17th at 12:00 UTC. You can check the Arbitrum Calendar for details. We hope you'll join us so that together we can steer this incentive program to its best possible outcome.