

The Arbitrum DAO Token Flow Report aimed to give readers insight into both the history and structure of the Arbitrum DAO, as well as an overview of its financial history since inception. The report was funded as part of the Plurality Labs Firestarter Grant Program.

Note that any reference made to the Arbitrum DAO refers to the consensus mechanism whereby Arbitrum token holders vote on AIPs using their token holdings.

The objectives of the report were to:

- Outline the history and governance structure of the DAO;
- Quantify the transaction fees earned on Arbitrum-governed chains and specify the portion of those fees that flow into the DAO's treasury;
- Illustrate the treasury the DAO controls and how it is allocated across various cryptocurrencies and/or tokens;
- Provide an overview of DAO spending on developing the DAO's core operations, grants, ecosystem incentives and multisig signing fees; and
- Give delegates and readers of the report a single reference point for the various programs and initiatives the DAO has implemented, as well as the person(s) involved in those programs as advisors, committee members, wallet signers etc.

Key insights and data points illustrated in the report are outlined below. Note all figures are approximate and have been rounded to the relevant order of magnitude. Where USD conversions are used, an ARB price of 1.6634 has been used.

- 39k ETH (64M ARB) generated in transaction fees with 27k ETH (45M ARB) relating to sequencer fees, leaving 12k ETH (19M ARB) or 31% of fees accruing to the DAO's treasury;
- 69M ARB DAO expenditure from inception to 31 March 2024, resulting in a net ARB holdings decrease of 49M for the period;
- 3.5B ARB holdings at the end of the reporting period (USD5.9B), representing 99% of total DAO treasury holdings. ETH made up the balance of holdings (other than immaterial stablecoin holdings), raising the consideration around how that ETH could be deployed more productively across DeFi protocols (12k ETH available);
- DAO expenditure based on the most recent 3 months averaged 13.8M ARB. Based on treasury holdings, the DAO can maintain operational expenditure at these level for 251 months;
- Budgeted DAO spend across all programs allocated 94% of funds towards incentivising users, 3% towards direct grants and grant programs and 3% towards long-term programs, committees or groups supporting the effective functioning of the DAO; and
- Across 6 DAO-enabled programs and initiatives, 158k ARB was allocated to multisig signing fees. If you annualise that cost, it totals 470k ARB (USD914k) over a 12 month period.

The link to the full report can be viewed here:

[Full Report](#)