Inspired by The Graph's curation model and Curve gauges.

The Problem

UNI rewards can build deep liquidity for pools but the method for choosing the right pool to reward is not formalised.

While governors can vote to incentivise certain pools, I expect that it will be hard to expand beyond the handful of pools that the community can agree on as being "essential".

For example, there may be a coin that some expect will have enormous volume but the majority have never heard of it. Rendering it impossible to incentivise the pool even if those governors were confident enough to "put their money where their mouth is".

The Goal

If we can accurately incentivise pools ahead

of time we can have liquidity ready to provide low slippage, creating a better experience for users while reducing the inefficiency of providing a large amount of liquidity to pools that are not traded - or not enough liquidity to pools that are heavily traded.

While the pool fees should act as a good way to motivate LPs, LPs would benefit from signals from the community as to what pools should receive liquidity.

The Solution

UNI could have an additional mechanism that allows it to be staked on a bonding curve for each pool.

The more UNI staked for a pool, the more UNI from the rewards are distributed to the LPs for that pool.

Staked UNI will also receive a % of the UNI distributed as rewards.

In a similar way to GRT in The Graph, early stakes will receive an advantageous return, motivating users to discover new pools.

If the pool is never traded, there will be no UNI rewards paid to the LPs and therefore none to the staker. There is a strong motivation for stakers to stake in actively traded pools, or in pools that the staker believes will

be actively traded.

The logic for distribution would be a discussion in itself. And mitigating the ability for projects to game the system would need to be thought through.

However this suggestion could do a few things:

- increase efficiency of liquidity distribution across Uniswap pairs - not just to the ones governors reach consensus upon.
- provide added value to UNI - a large LP for say, ETH-YFI, would want to stake more UNI on this pool to boost their rewards.
- increase efficiency of UNI distribution - distributing not too much or too little UNI to different pools and expanding the long tail of UNI rewards in an optimal way.

I'm aware that there are questions and issues that would need ironing out. For instance, UNI rewards would quickly dilute across an enormous number of pools.

But very interested to hear the community's thoughts on this approach.