

Purpose and Intention:

Identify successes from STIP (Both [round 1](#) and [Backfund](#)) and while work continues on the actual eventual Long-term plan, give delegates the ability to reinforce those that have performed well with grant extensions.

The current market conditions and competitive pressures from aggressive incentives programs from both legacy L2s and new chains have reached ATHs - and we should equip the major players within Arbitrum with the resources to keep Arbitrum as a market leader.

While LTIPP and various other programs are driving towards a permanent incentive program, Arbitrum must aggressively compete NOW for network growth.

This plan gives us the ability to empower existing flagship projects to continue helping our ecosystem to compete in these extraordinary market circumstances among aggressive Ethereum L2 peers (Blast, Mantle Bera, Manta, etc...) who are aggressively targeting users, TVL, and protocols from Arbitrum through airdrops, incentive loops, and grants.

Eligibility and Ask Recommendations

Eligibility

- Any protocol funded under STIP is eligible to apply for a bridge grant coinciding with the LTIPP distribution window.

Maximum Funding Size:

Maximum funding requests under this bridge grant are capped based on a percentage of the prior funding received under STIP:

- Greater than 500k ARB:

may make a funding request of up to 50% of their prior funding.

- Less than or equal to 500k ARB:

may make funding requests up to 100% of their prior funding, capped at 250k ARB.

Addendum on STIP Forum post:

After applying with an addendum on the respective project's original STIP forum post, projects will be included in a list of all extension applicants. The addendum is intended to be relatively lightweight, not requiring a full STIP type proposal but should still include:

- Requested amount (protocols have the option to size down their asks if they deem it more appropriate, including to help secure the support of delegates).
- Data on the performance of their activities during STIP.
- If the intended use of incentives is different than STIP, then details of the updated usage.
- Links to bi-weekly STIP performance reports and Openblocks Dashboard.

Cost:

Budget:

37.5M ARB

See estimated amounts [here](#)

Overhead:

- Assumed to be the same vendors and multisig as LTIPP without added cost.
- Analytics: This proposal should result in no material increase in work for the analytics vendor, given that the same team already covers STIP protocols, was mandated for making dashboards for the same, and is mandated for the entire time of LTIPP. Additionally, the multisig signing can be done at the same time as other disbursements.
- If there is an objection, a volunteer multisig from the DAO will be assembled and community grants can be allocated by the LTIPP special grants for taking over the existing dashboards from STIP, as they are open source and IP rights if

any already reside with the DAO.

Voting and Approval Mechanism:

- Voting mechanism will need to factor the potential for delegate fatigue given voting on the Double Down and LTIPP and the limited period of time and data for evaluating proposals, while still holding projects accountable to their overall performance within STIP and in general.
- Utilize an optimistic approval model which doesn't require affirmative votes for each protocol proposal but instead only those protocols that receive challenges (amount of votes and method of voting to be finalized) would undergo a full voting process to determine if they need to have a 66% super majority support. - Such an optimistic model has the potential (or maybe just hope) to reduce the load on all delegates to do a full vetting of each of the 70 proposals, but ensure that the DAOs full attention is placed on the more contentious proposals.

Timeline:

- Week 1 (March 11 - 17)
- Posted to Governance Forum
- If requested, Community Call including discussion of Voting Mechanism
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- Week 2 (March 18 - 24)
- Snapshot Vote for the creation of Bridge Program
- Start of 2-week window for protocols to submit addendums, protocols are encouraged but not obligated to submit early to allow delegates time to review
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- Week 3 (March 25 - 31)
- Tally Vote for establishing funding to LTIPP or community multisig
- Deadline for submission of addendum
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- Week 4 (April 1 - 7)
- One week Optimistic Approval / Challenge Vote Period
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- Week 5 (April 8 - 14)
- Protocols cleared in Round 1 can be set up and for distribution to commence
- Review and discussion period of remaining protocols not cleared in Optimistic / Challenge voting
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- Week 6 (April 15 - 21)
- Vote on remaining Protocols not cleared in Round 1
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- STIP.b & LTIPP incentives start on April 22nd, 2024