

Greetings Lido DAO community,

We, the P2P team, have been diligently working on the Lido on Solana project since March 2022 after [acquiring ownership from Chorus One](#).

We have made significant strides in both product and business development. However, to continue our efforts and take Lido on Solana to the next level, we seek financial support from the Lido DAO. This proposal outlines our achievements, financial standing, and the resources required to sustain and grow the project, as well as an alternative way that can be chosen.

2022-2023 Lido on Solana team achievements

Lido on Solana team was responsible for project development, including on-chain program and frontend, bugfixes, analytical dashboards, bugs-bounty program support, new wallets and DeFi protocols integrations, multisig and validator management, and other operational tasks.

Product development

- [Successfully acquired](#) ownership of the project's codebase from Chorus One
- Formed a strategy for the further development and [validator set vision](#)
- Successfully [released the second version](#) of the smart contract
- Reworked frontend part of the product: [staking widget](#), [DeFi page](#)
- Reworked wallet connection UI to improve user experience
- Released [frontend SDK and React Native SDK](#)

Business development

- Grew protocol TVL from 954k SOL (Dec, 21) to 4.1M SOL (Oct, 22) (330%).
- Achieved market share growth from 0,53% to 1% within Q2 and kept in until Nov 22 (FTX)
- The number of DeFi protocol integrations has increased from 4 to 22 and stSOL has been listed in 12 major wallets.
- The referral program launched with 21 trusted partners, attracting 192k SOL over 5 months.
- Partnership: Hubble, Kamino, Francium, Solend, and Aldrin

Analytics and operations

- Conducted two waves of onboarding, adding seven new operators to the pool to twenty-one.
- Provided analytical support for the LDO Incentivization Program for protocols. 4,405,908 LDO was distributed to Solana Defi protocols as user rewards (Q1 - Q3) to incentivize adoption.

2022-2023 Lido on Solana team profit and losses

In 2022-2023, P2P invested in Lido on Solana project approximately \$700,000, mostly in development and support. Revenue so far was around \$220,000 (developer fee + milestone reward), resulting in a loss of \$484,000.

Suggested scenarios

The Lido on Solana team cannot perceive any of the objectives outlined in the initial proposal as feasible within 2023-2024.

Achieving even 2% of the market share in 2023-2024 seems improbable, particularly in the current Solana market, without any marketing assistance and given [Lido DAO's committee resolution](#) to discontinue all incentives in Solana.

Considering the aforementioned information, we seek financial support from Lido DAO to sustain our efforts and elevate Lido on Solana to the next level. We have identified two fundamental scenarios:

Lido DAO financial support scenario

We can continue developing Lido on Solana with support from the Lido DAO. We aim to offer exceptional product development, analytics, and kickstarting marketing activities.

To sustain and grow Lido on Solana, we propose the following:

- Development Retainer: \$200,000 per quarter to cover development expenses

- Adoption Incentive Program: \$600,000 annually granted for establishing new partnerships and supporting adoption initiatives.
- Customer Support: \$100,000 annually to set up a customer support service that meets industry standards.

In a total of 1,5M USD in the next 12 months.

In this scenario, we expect during this period:

- to grow and get more than 1% of Solana staking market share;
- to develop and implement new features, making the product more competitive;
- to create consistent and rational marketing initiatives and dependable customer support service.

Regarding treasury income, a 1% share of the staking market in Solana will bring an income of 10,191 SOL for 12 months. At current prices, this amount is approximately 200,000 USD, but remaining on the Solana blockchain can offer a noteworthy benefit to Lido. We believe in the future success of the Solana DeFi market and anticipate that LS protocols will play a significant role in driving this growth.

Lido on Solana sunset

We propose starting a sunset process if financial support from Lido DAO is unavailable, similar to [Lido on Polkadot and Kusama](#).

Below is a rough timeline outlining the major steps of the process. We will provide more details and instructions for stSOL holders along the way.

2023-09-10 — New staking deposits are no longer accepted by Lido on Solana

2023-10-10 — Voluntary node operator off-boarding from the pool

2024-02-10 — Frontend support is halted, unstaking is available only through CLI

In this scenario, we seek 20K USD per month from Lido DAO to support our technical maintenance efforts for five months, starting from the 4th of September.

Summary

We will start voting in 4 weeks, providing Lido DAO a way to choose between these 2 options, but if we find better options in this discussion, changes can be made.

We firmly believe in the potential of the Solana ecosystem and are confident that Lido on Solana can play a pivotal role in its growth. The Solana network has shown remarkable promise in scalability, speed, and innovation, making it a fertile ground for DeFi projects and beyond. We are committed to leveraging these advantages to make Lido on Solana a cornerstone in the ecosystem.

However, to realize this vision, we need the collective support of the Lido DAO. With the proposed financial backing, we can not only sustain our operations but also innovate, grow, and contribute more value to the Lido DAO and the broader Solana ecosystem.

We are at a critical juncture where the decisions we make today will shape the future of Lido on Solana. We are optimistic about what we can achieve together and look forward to your constructive feedback. We aim to bring this proposal to a Snapshot vote as soon as possible, solidifying our shared commitment to the success and longevity of Lido on Solana.