https://mevblocker.io/ is a project by Cowswap in collaboration with Gnosis and Beaverbuild.

It provides a simple RPC endpoint for users to connect to. If they connect to this endpoint their transaction will not be sent to the public mem-pool, but instead they will be forwarded to specific block builder that must agree to treat those transactions in a specific way.

There are more details to the exact rules but a core idea is:

a) no frontrunning

b) no other form of deliberate ordering that put the user in a structural disadvantage

c) backruns are allowed by any searcher - but 90% of the value needs to be refunded to the user.

For MEVblocker the following challenge arises:

- to what builder to submit transactions.

Pro:

- submitting to more builders means faster inclusion time for users
- submitting to many builders prevents builder centralization

Con

- every builder poses a risk of misbehaving (either malicious or simply miss-configurations)

It had happened in the past that builders had muss-configured setups that lead to leaking transactions. Unfortunately it is not immediately attributable to one builder. So to detect the faulty builder we had to send individual “honeypot” transactions to different builders. By sending a transaction only to a single builder it is possible to reveal them as the faulty player.

Builder monitoring and curation is effort. Also, if builders misbehave there should be an option to “slash them” (make them pay for their damage - and potentially refund effected users if possible)

Those considerations lead to the conclusion that it makes sense for builders to be “bonded” in a similar way as Cowswap solvers are bonded. Finally, adding a revenue source to MevBlocker would allow the Cowswap team to put in more resources into MevBlocker and make sure it remains a high-quality endpoint that gives its users the desired properties. (max speed, max protection, max refunds).

I am proposing no a simple fee model with the interesting property that it will be neither at the expense of users nor builders, but instead validators.

Here is a statistic about how much MEVblocker transactions daily pay to validators.

[

Screenshot 2023-08-18 at 16.34.57

1352×1036 43.3 KB

](https://europe1.discourse-cdn.com/business20/uploads/cow/original/1X/b99f32a101c22ab22e6e6977626640f45cbc0327.png)

Right now it is on average around ~70 ETH per day. We could add a rule that builders are forced to convert 10% of that amount into COW tokens. 50% of those CoW tokens could be burned and 50% could be “staked/ locked” by the builder. Each builder would thus accumulate COW tokens that would be its “bond”. Eventually, those COW tokens belong to the builder but initially, they need to be locked until they reach a specific size.

Note that this rule will not cost builders money. Builders can decide for themselves how much of the total block value they give to the validator. Having access to the MEVBlocker order flow generally is an advantage for builders vs. those who do not have access. So as every builder has to pay the 10% fee - they can simply reduce the amount they bid to the validator.