

Hey everyone! On behalf of Golem Foundation, we'd love to introduce Octant and explore positive-sum synergies with Arbitrum ecosystem.

## Introducing Octant

[Octant](#), part of [Golem Foundation](#), is a project that facilitates sustainable, community-coordinated impact funding at scale. We've demonstrated the power of sustainable funding of impactful projects by staking 100,000 ETH (~\$333M as of today) and using much of the yield to fund broad based public goods in the Ethereum ecosystem.

Over the past year, we've distributed millions of dollars to hundreds of open-source and impactful projects builders, supporting important projects such as Protocol Guild, Tor Browser, Funding the Commons, L2BEAT, BuidlGuidl, [and many others](#).

## Need for Sustainability

Our experience has shown that most impactful, open-source projects / initiatives lack sustainability, often relying on one-time (grant) allocations without a sustainable flywheel.

We aim on solving this by:

- Creating a provably fair, open, and minimally biased funding mechanism
- Leveraging substantial treasury resources and funding streams for maximum impact, powered by the Web3 ecosystems native value generating streams
- Fostering a sustainable ecosystem for open-source, real-world impactful projects development
- Rewarding users for participation in the sustainable impact funding ecosystem
- Coordinating with other web3 ecosystem on funding specific deliverables/initiatives

By staking 100,000 ETH and donating the yield, we're not just talking about change — we've actively started driving it. Our goal is to contribute to a better, more accessible, fair, and open world by making funding impactful projects truly sustainable.

## Alignment with Arbitrum DAO

In [The Amended Constitution of the Arbitrum DAO](#), Sustainability is among core Community Values, stating that:

Arbitrum should be built and operated with an eye to the medium to long term. Decisions about technology, economics, and resource allocation should not value short-term optimization over the longer-term health and thriving of the Arbitrum protocol, technology and community.

The Arbitrum ecosystem — from Arbitrum DAO and Arbitrum Foundation to other critical ecosystem participants — has been leading various experiments in sustainability and ecosystem funding mechanisms — from [Arbitrum DAO Pluralistic Grants program](#), [Arbitrum Foundation grants, and other grants programs](#) to ongoing experiments like the [Treasury and Sustainability Working Group](#), [\\$ARB staking discussions](#), and beyond.

Longer-term progress around growth and sustainability of the ecosystem, as well as funding and allocation mechanisms, plays a critical role in ensuring the success of Arbitrum DAO and the greater Ethereum ecosystem success. With that said, we believe in the great alignment of Arbitrum DAO with the SustainablePGF program, and that together we could create long-lasting, sustainable impact while funding what matters at scale.

## Octant V2 Vision

The DeFi space has largely been disconnected from regenerative models (ReFi) and use cases such as impact investing and public goods funding. We need to bridge this gap and align incentives in a way that benefits both individual users and impactful projects.

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Octant v2

1409×933 242 KB

](<https://canada1.discourse-cdn.com/flex029/uploads/arbitrum1/original/2X/7/70395b730361ffc3741415a7f6a5882bcf193671.jpeg>)

The image above illustrates Octant V2 flywheel, which brings together diverse ecosystem participants and creates incentives for collaboration. Our goal is to align ecosystem players with varying motivations, fostering cooperation to achieve a balance between individual rewards and funding for impactful projects.

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Dragon

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The diagram above illustrates the workflow of a Dragon (project with substantial principal capital) engaging with the system. The protocol allows individual Dragons to join and deposit capital into their own Dragon Vaults, while all Dragons contribute a percentage of their yield to the Sustainability Pool.

You can think about the Sustainability Pool as a Sovereign Wealth Fund that is used to fund public goods and impactful projects across the broader Ethereum ecosystem.

The Dragon Vault deploys that capital into yield-generating strategies. These strategies may include ETH staking protocols, DeFi protocols, etc. The Vault distribution is decided by the Dragon and can be divided between the Dragon Pool, Sustainability Pool, Regen Vault, and other pools/vaults the Dragon wants to utilize.

The community creates funding rounds from the continuously flowing funds into the Dragon Pool. Regens (community members) then vote with the accumulated tokens using an allocation method, and these votes determine how the funds are distributed.

## Opportunities and Collaboration

We're openly inviting Arbitrum DAO to share your feedback and suggestions on this intro forum post. We see this as the beginning of our long-term, positive-sum collaboration that will directly benefit both Arbitrum ecosystem and the larger web2 and web3 spaces.

With that said, here're some collaboration opportunities:

### 1. Community Activations

creative community activations (incl. events), Streamed Quadratic Funding (SQF) for ecosystem projects, participating in / co-leading Octant Accelerator focused on achieving sustainability for builders & their projects, co-running other builder/creator initiatives, and more!

### 1. Sustainable Impact Funding

Allocating a % of the ARB treasury to generate yield in the Protocol, and streaming a portion of those rewards to the Sustainability Pool

### 1. Integrations with the ecosystem

Powerful integrations synergies, such as Arbitrum native DeFi protocols / strategies.

### 1. Governance Contribution

Engage in shaping the future of Impact Funding via collaborative governance.

## It's time for sustainable evolution

Our industry desperately needs bold experiments in sustainable funding for what truly matters. While experimental approaches may not always succeed, our efforts since Octant launched in summer '23 have already shown tangible results and meaningful impact.

We believe that co-creating and nurturing impact funding flywheel will lead to the evolution of how impactful projects and initiatives are funded, laying the groundwork for a sustainable future across the entire ecosystem.

We look forward to hearing your feedback. Thank you!