

This program was originally posted in [Gnosis DAO forum](#)

Rewards Program for CoW Solvers in Gnosis Chain

Executive Summary:

This post creates a rewards program for CoW solvers to incentivise their deployment and active engagement in Gnosis Chain. The program will have a budget of 180,000 xDAI to be paid on a weekly basis (7,500 xDAI) for 24 weeks (~6 months), after which it might be adjusted and extended based on the program's performance.

Specification

The CoW team will be in charge of implementing this program and continuously advising on how to streamline and optimise it over the six-month duration.

This program will replicate the currently running program as defined by [CIP-38](#) and [CIP-27](#) with the following differences:

- 20% will reward price estimation
- 30% will reward performance.
- 50% will reward consistency, rewarding 20% more to the top 3 consistent solvers.

The parameters of the mechanism (i.e., the various caps included in the mechanism) will be adjusted so that the total rewards match the allocated budget.

Since Gnosis Chain is in continuous development as a DeFi ecosystem, new routes will keep surfacing that should be quickly added to the solver dilemma which is why the proposed program will reward consistency over performance at the start.

At the moment there are not a lot of routes and it might be hard for solvers to bring large price differentials vs the second one. As more solver integrations happen this should change which will in turn require solvers to maintain and update their routing paths.

The starting date will be Thursday 18th of April at midnight UTC.

Rationale

Gnosis Chain has seen a substantial increase in liquidity in the past 6 months, but volume has been lagging behind. While liquidity has improved, the price that users can get has not, and the main reason is due to inefficient routing. Here's an example:

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](<https://europe1.discourse-cdn.com/business20/uploads/cow/original/2X/d/de0a4dd541d7dc9b6f8c2262363486e451f5ca1e.jpeg>)

*Pictures taken on April 3rd at 10:48 UTC +2

As can be seen in the pictures, swapping 100 GNO for xDAI directly results in the receiving of 31,013 xDAI. However, if instead one swaps for wstETH, then for sDAI and finally for xDAI, it results in the reception of 32,831 xDAI: an improvement of 5.9%.

Budget

The required amount is 180,000 xDAI which will be distributed on a weekly basis, which will be taken from the incentives budget awarded on [GIP-24](#).