

V2 Incentives Program - Working Group (STIP Round 2)

TLDR:

This post calls for a workgroup to create a V2 incentive program framework to help address immediate needs voiced by stakeholders.

We invite the community to participate in the discussion:

- AMA on Monday, November 13th at 12 pm EST: <https://twitter.com/SavvyDeFi/status/1724012348212416898>
- Our first working group call is scheduled for Friday, November 17th at 10 am EST.

V2 Incentive Program Work Group - Open Call

Friday, November 17 · 10:00 – 11:00am

Time zone: America/New_York

Video call link: <https://meet.google.com/zyf-yinx-dcv>

- Join our Telegram group: [V2 Incentive Program - Open Group](#)

Introduction:

The Short Term Incentive Program (STIP) was designed specifically as a one-time program, to allow incentives while the DAO designs a more robust, sustainable program in the months throughout the end of the year.

Over the last two months, the Arbitrum DAO and its stakeholders have accomplished great feats and gathered learnings on incentivization, collaboration, and the needs of Arbitrum projects. While the initial STIP was certainly not perfect, this was expected and one of the main motivations of the program was to conduct experiments on grant distribution to find an optimal system that supports healthy network growth.

The initial STIP further stipulated that if there is no program in place at the end of the year, protocols can put forth direct votes to on-chain governance to extend their programs.

This post calls for a new working group of Arbitrum stakeholders from all verticals and project sizes to build on the STIP framework with the data that will be gathered from the Round 1 grantees to implement a scalable and replicable incentivization framework going forward.

We believe a cohesive but diverse working group representing all of the Arbitrum ecosystem is extremely beneficial for the structuring of further incentive initiatives.

Motivation / Goals

Outcomes & Goals

The proposed working group is expected to work in tandem with the Liquidity Group to bring:

- Better representation of different stakeholders in the Arbitrum Ecosystem including but not limited to dApps, games, developer tooling, and infrastructure to drive network and ecosystem growth.
- Decreased information asymmetry due to wider representation to ensure all verticals get a chance at their voice being heard.
- More frequent, productive meetings to analyze collected data from the Round 1 disbursements and better unpacking of such data by having more points of view.
- Share the workload of the current working groups to shorten the action cycle and provide opportunities for Arbitrum builders who have not participated in Round 1 swiftly.

Specifications for Work Group

Focus Areas

This working group will expand on the minimum viable framework initially published in the Arbitrum Incentives Program - Working Group forum post by tnorm and try to provide tangible and actionable answers to:

- Calculation and estimation of ROI for a wide range of project verticals
- Assessment of innovation of a project and the value added to the Arbitrum ecosystem
- Reforming eligibility and evaluation guidelines and creating upper limits on allocations
- Creating a unified framework for calculating budget limits
- Improve dialogue and feedback between projects and the Arbitrum community
- Reduce unnecessary workload for delegates and voters

Representatives

Over the last month it has been clear that the previous working groups and proposals were not fully representative of the Arbitrum ecosystem. This group aims to bridge that gap by including representatives from:

- Arbitrum Foundation
- Round 1 working group members
- Gaming
- DeFi
- Developer tooling
- Infrastructure
- News
- Data / Analytics
- Treasury / Tokenomics
- Community advocates

All interested parties can apply to be a part of this working group. The exact number of representatives and their distribution across the above verticals are to be decided on in the initial working group call with the founding participants. As this group focused on broad representation, newcomer projects are welcome to join as much as the incumbent ones. Please refer to the “Next Steps/How to Get Involved” section for further details.

Timeframe

Given feedback from projects waiting for the next round of STIP funding, we hope to accelerate the formation of the working group and reach project proposal fund dispersal by the end of 2023 or early 2024. Below are the proposed dates for the different landmarks of the working group processes.

Working Group Formation and STIP V2 Drafting

Working Group Formed - 11/17/23

First Draft STIP V2 - 11/24/23

Finalized Draft and Temp Check - 12/1/23

STIP V2 Drafting/Feedback, Budgeting, and Voting [December 2023 - January 2024]

The working group will finalize the structure of STIP V2, to start funding of approved projects before the end of January 2024.

Budgeting / Cost for Work Group

The cost is expected to be minimal, but it is highly suggested to allocate a budget for a project manager to lead this initiative.

Until a formal project manager is assigned, a member of the STIP Inclusion Workgroup will help organize workgroup programming.

References

- [The Arbitrum Incentive Program Working Group](#)

- [Domain Allocator Nominations](#)
- [Arbitrum Treasury and Sustainability - Working Group - DAO Grant Programs](#)
- [Latest Incentive Framework \(Round 2\) topics - Arbitrum](#)
- [Arbitrum Incentives Working Group Call #4 - Call Notes](#)
- [Miro board from Liquidity working group – \(Spreadsheet with the feedback\)](#)
- [Reflections on the Short-Term Incentive Program](#) (Forum post from L2Beat)
- <https://forum.arbitrum.foundation/t/arbitrum-short-term-incentive-program-for-games/19184>
- <https://forum.arbitrum.foundation/t/grants-funding-framework-discussion-how-to-excel-at-being-a-dao/13818>

Next Steps / How to Get Involved

We invite the community to participate in the discussion: (same as TLDR)

- AMA on Monday, November 13th at 12 pm EST: <https://twitter.com/SavvyDeFi/status/1724012348212416898>
- Our first working group call is scheduled for Thursday, November 16th at 1 pm EST. (Will update with a meeting link, message [@AlexLumley](#) for a calendar invite)
- Join our Telegram group: [V2 Incentive Program - Open Group](#)