# **Grants: Special Operations Roundtable**

ſ

ArbitrumRoundtable

1552×873 328 KB

](https://global.discourse-

cdn.com/standard17/uploads/arbitrum1/original/2X/7/7ee4f60c61fb75d93bbf7d002f60b52f6cee0d31.jpeg)

#### **Abstract**

To establish a Special Operations Roundtable to draft, ratify, & administer a large-scale recurring grant program for projects within the Arbitrum ecosystem, run by nine projects within the Arbitrum Ecosystem.

Hold elections to fill steward roles with 8 Arbitrum Projects + Lead.

Stewards to establish the framework and procedures to ratify with the Arbitrum DAO.

Submit framework as formal AIP ratification.

Post ratification, to execute according to plan and distribute throughout 2024.

Notion Detailing the Ideas & Direction thus far → <a href="https://specops.arb.vote/">https://specops.arb.vote/</a> ←

#### Motivation

- No group exists driving a long-term vision for the Arbitrum DAO. Thought Leadership and Coordination are needed.
- The groups with the most to lose are the projects driving value to the Arbitrum Ecosystem. Thus, projects should be driving this initiative. No central point of failure should exist within this group.
- There is an opportunity cost to building on Arbitrum; other ecosystems are providing incentives like covering infra costs, funding development & investment, flagship representation & marketing, both in dollars, incentives, resourcing, and support. Projects do not want to leave Arbitrum; however, action is needed to remain competitive.
- Liquidity Incentives are nice, but projects need a mechanism to remove existing roadblocks to focus on building long-term value for the ecosystem.
- Peripheral service providers like research collectives, market makers, auditors (economic & security),
  marketing/growth/retention platforms, infrastructure providers, etc., want to get more involved with the ecosystem but
  are unsure how.
- The proposals hitting the forum are starting to get chaotic, and without proper focus and solid bedrock, we will continue to see growing governance fatigue. Teams are getting frustrated with the politics and time commitments, and we must cap the growing time waste and disdain.

Arbitrum can address these issues with a constructive and robust grant program.

We can architect an ecosystem grant program designed and overseen by elected project stewards to fund impactful projects and initiatives quickly and effectively. Constructed so that individual components can be hot-swapped when course correction is needed. This proposal aims to establish buy-in from the Arbitrum Community, elect the founding stewards, and get the process moving. The first deliverable will be the specifics of the frameworks, discussion, and submittal for ratification by formal vote.

#### Rationale

The roundtable model has precedent in Arbitrum's governance through the Security Council's and Data Availability Committee's role in Administration. Thus, this is considered a just and fair mechanism for carrying out the process. The roundtable stewards and support team's immediate focus would be to:

- 1. Onboard Support Team through RFP Process
- 2. <u>Determine & Discuss</u> the service categories eligible for shared resourcing or individual project grant spending through key pillar discussions.
- 3. Create procedures to onboard & approve service providers for eligibility for grant spend.

- 4. Create criteria for projects to apply for consideration for grant funding and to utilize shared resourcing, including reporting requirements.
- Create <u>documentation and procedures</u> with clear code of conduct requirements for<u>service providers</u> and <u>grant</u> recipients.

This is an example of the documents the roundtable would look to produce for ratification; however, this will be a fluid and iterative process, and the attached links are in no way final.

To avoid doubt, this proposal requests the remit to own and execute a grant framework for established projects in 2024. For early-stage and pre-launch projects, there are other initiatives like AIP-3; these definitions will be part of the deliverable.

Stewards should be projects with a deep understanding of the Arbitrum Landscape and a community to tap into. Treasure ARC stands out to me as a great example.

Stewards should not expect compensation. The steward's project will be eligible and encouraged to apply for grant funding post ratification (abstaining from self-voting). This can be changed after sufficient value has been established; however, it should not be expected until the grant process is in flight.

There will be a need for support. The Roundtable will need roles like:

Project Manager, Treasurer/Finance, Transparency & Reporting, Design & Marketing Assets, Technical Implementation, etc. - an initial budget to establish these roles with known Arbitrum contributors for two to three months is the only immediate funding ask.

The first month will have stewards and support focus on exploring these key pillars.

The first deliverable presenting an extensive framework for ratification.

If the proposed framework can not reach quorum or AIP ratification, then the initiative shall cease. If the proposed framework is ratified, it will continue under the terms outlined in the then-approved framework.

### **Specifications**

The Special Operations Roundtable will oversee the administration and governance of the pilot grant program:

- 9 Total Stewards
- There will be nine total stewards on the Special Operations Roundtable. 8 stewards will be democratically elected by
  the community to represent diverse perspectives. The 9th steward will be the proposer of this initiative; I am happy to
  drive the efforts forward until I am no longer needed and will abstain from voting unless, in an instance, there is a
  deadlock amongst the eight elected stewards. Election formalities to follow this onchain vote method.

Roles

image

[

1200×798 155 KB

](https://global.discourse-

cdn.com/standard17/uploads/arbitrum1/original/2X/7/789336da8ce20bf1a8c3f2078d571338eaff3f29.jpeg)

#### Initial Direction - To be included in the proposed framework.

- · 6-Month Terms
- Stewards will serve terms of 6 months. Elections will occur every 6 months, allowing stewards to be re-elected or replaced by the community over time. This must follow strict procedures that may enable methods outside a typical AIP approval flow; however always under DAO control. To be included in the ratified framework.
- · Three Seasons
- The pilot grant program will target three seasons for 2024. Grants will be evaluated and approved each season. Each season to allocate 25mm ARB across projects (capped amount) and shared resourcing.
- 600k ARB Operating Budget
- An additional 600,000 ARB will likely be requested to cover costs associated with administering the pilot program. To be included in the ratified framework.

- · Grant Categories
- The program will utilize pre-defined categories with recommended parameters around funding amounts and eligibility.
   To be included in the ratified framework.
- · Evaluation Criteria
- Grant applications will be evaluated based on criteria such as team, project details, estimated impact, and value-add to
  the Arbitrum ecosystem. Both quantitative and qualitative factors will be considered. To be included in the ratified
  framework.
- · Legal Compliance
- All necessary legal documentation and compliance processes will be required for funded grantees. Stewards will coordinate with the Arbitrum Foundation to ensure proper procedures are followed.
- · Proof of Work and Integrity
- Comprehensive data will be collected from funded projects to gauge performance and impact. Including <u>self-reporting</u> and third-party monitoring and enforcement. To be included in the ratified framework.

#### **Elections**

#### Phase 1 - Nominee Selection (7 days)

- Any Arbitrum native project who received the STIP can register as a steward candidate.
- · Community members are encouraged to change delegates if desired.
- Support RFPs are encouraged to submit at this time.

#### Phase 2 - Member Selection (7 days)

- 2a Full Weight Voting (3 days)
  - Community votes with the full weight of delegated ARB.
- 2b Decreasing Weight Voting (4 days)
  - Community voting weight decreases linearly to 0.
  - The eight nominees with the most votes at the end are elected stewards.

#### Phase 3 - Grace Period (7 days)

- Delay before elected stewards take office to hold official meetings.
- Stewards to discuss staff/support needs.

## **Implementation Timeline**

If approved, post <u>elections</u>, the following timeline is proposed for implementing the pilot grant program:

- 1. Ratification by End of Year
- : The goal is to have the Grant Framework proposal ratified by the end of the year. (Pre Ratification)
  - 1. Pod Set Ups
- : Stand Up Proof of Integrity and Proof of Work Independent Assessment Pods to monitor Grant disbursement progress. (Post Ratification)
  - 1. Three Seasons in 2024
- : The pilot program will run for Three Seasons in 2024. Exact timelines to be included in the ratified framework. (Post Ratification)

The goal is to have the pilot grant program operationalized on this timeline, with 3 full seasons of funding completed within the first year. This will allow sufficient time to gauge results, correct the course, and determine any changes required before expanding the program further.

### **Budget Requirements**

To fund the immediate coordination needs, the following budget allocation is requested from the DAO treasury:

• 200k for Onboarding Support Contributors to help research, coordinate, draft, and get the framework ratification ready.

Any ARB remaining from this operational budget at the end of the framework proposal will be returned to the DAO treasury if ratification is not reached. Any further ask will be included once value and preparedness have been established through the approved grant framework.

### **Transforming Vision into Action**

Implementing this pilot grant program will provide tremendous

value to the Arbitrum ecosystem, allowing the DAO to fund impactful projects and catalyze development. The pilot approach allows experimentation and validation of the best strategies to incentivize activity and growth.

The Vision

[

image

1000×1000 122 KB

](https://global.discourse-

cdn.com/standard17/uploads/arbitrum1/original/2X/c/c4fc6b63b97b5a7f822a6b8d4ae41592ec5ede9b.jpeg)

Projects get the funding needed to make a long-term impact on the ecosystem, and service providers have an opportunity to work directly with projects. A huge

benefit of the Arbitrum Ecosystem.

Comprehensive data collection and public accountability will ensure funds are used productively and transparently, building trust in the community. Oversight by proof of work and proof of integrity pods in lockstep with elected stewards puts community representatives in control over the direction and priorities of ecosystem funding. The process will be transparent, with regular update posts on progress, recorded meetings, and verifiable steward vote tracking. The accountability will not solely lie with the Project Steward but also with their respective community, enabling far-reaching involvement.

If the pilot proves successful, the model can be expanded and refined in subsequent iterations, establishing a robust, sustainable grants framework tailored to Arbitrum's needs. But for now, we are focused on executing this initial proposal to get a framework ratification ready and look forward to your feedback on how it can be strengthened.