

Abstract

Applying on behalf of Gyroscope for an extension of its LTIPP Grant, in order to be able to distribute the remaining ARB.

This extension will run from September 2nd 2024 until 2nd October 2024, ensuring Gyroscope has enough time to distribute the allocated ARB in the most efficient manner.

Motivation

Gyroscope was granted a total of 100K ARB, of which around 80K ARB have been distributed so far.

In order to gather data and make informed decisions, Gyroscope deliberately used few of its grant funds in the beginning, but has been recently ramped up its ARB distribution. Each allocation is carefully crafted for maximum impact, always taking into account available co-incentive schemes and experimenting with different distribution methods and target APYs.

The delay can be attributed to two factors:

(1) some ARB was earmarked for integrations with Silo, Spectra, and CreditGuild, which are only now ready to start. And additionally for a further integration with Aave GHO, who is requesting a similar [extension](#).

(2) Similarly, in addition to the rollout of the yield-bearing version, sGYD, a dedicated staking infrastructure was developed that only went live last week.

Rationale

Generally, the LTIPP grant has been a great success for Gyroscope. ARB is being used to incentivize the use of the GYD meta-stablecoin and to encourage the adoption of Gyroscope's concentrated liquidity AMMs.

- Gyroscope pools saw a large capital inflow. In the latest period from Aug-26-to-date, the average TVL of Gyroscope pools with ARB incentives was [11m USD](#). Gyroscope's TVL on Arbitrum grew from 1.48m to 16.7m [over the course of LTIPP](#) so far.
- The stablecoin GYD has also seen a lot of adoption on Arbitrum due to ARB incentives. The newly launched yield-bearing version, sGYD, has 70% of its entire supply on Arbitrum, with the remaining 30% being on Ethereum.

The remaining 20274.4285716 ARB are planned to be used to bootstrap additional use-cases of sGYD on Arbitrum (via, for example, a Spectra yield-market), generally encourage (s)GYD adoption, and further incentivize Gyroscope AMMs that are coming to market now. Gyroscope plans to match incentives on Arbitrum after LTIPP through sGYD yield sharing mechanisms, SPIN points, and SPIN for Balancer incentive votes.

Key Terms

- Grant an extension on deadline to allocate remaining ARB from LTIPP Grant for Gyroscope to allocate.

Specifications

The extension will utilize the remaining ARB tokens from our original proposal for liquidity mining on Gyroscope.

Steps to Implement

1. The last, missing integrations with other Arbitrum DeFi participants are very close to being concluded. Even if they were to fail, key infrastructure is in place and existing incentive channels are showing great success.
2. Additional time to allow the last integrations to come in and continue to carefully allocate incentives for maximum impact is all that is needed.

Timeline

- Start Date: September 2nd 2024
- End Date: October 2nd 2024

Overall Cost

The extension utilizes the remaining ARB tokens from the originally approved 100k ARB grant. Over the 4 week period, this amount will be fully distributed as per our original LTIPP grant.

No additional funds are being requested beyond the original grant allocation.