Hey everyone, I'm Venky, co-founder of [Metrom](#)! We're excited to introduce ourselves to the community and share how we can help make UNI incentives on each chain more efficient and targeted.

With Metrom, protocols can achieve the same or greater liquidity depth while saving 20–50% of emissions. Imagine sustainable incentives that align rewards with your goals, benefiting both Uniswap and its users.

Metrom - Programmable Incentives for sustainable liquidity

Metrom is a programmable incentive platform designed to help protocols create smarter, more sustainable reward mechanics for liquidity providers. By leveraging strategies like KPI-based and range-based incentives, Metrom reduces inefficiencies, aligns rewards with protocol goals, and fosters long-term liquidity sustainability.

Vision and Motivation

Our vision is to create an ecosystem where liquidity mining evolves into a performance-driven, value-focused practice. Metrom empowers protocols to optimize their incentive structures, benefiting both projects and their communities.

Why Now?

AMMs face persistent challenges like mercenary capital, APR leakage, and indiscriminate reward distribution, leading to inefficient emissions and unsustainable liquidity.

1. Mercenary Capital:

Liquidity that enters solely for high APR rewards and exits as soon as emissions end, leading to unstable liquidity pools due to short-term capital movement

1. APR Leakage:

Unsustainably high APRs, depleting emissions without achieving long-term goals.

1. Lack of Targeted Incentives:

Rewards are distributed indiscriminately across LPs, regardless of their contribution to protocol objectives.

Who Are We and Why Are We Building This?

Metrom is built by a team deeply rooted in the DeFi ecosystem, with expertise in designing and managing incentive structures for AMMs. Our journey started within DXdao and Swapr, where we also introduced DIY campaigns. We found that the token incentives were not sustainable and it led to the evolution of Carrot, a platform that introduced early forms of KPI-based incentives.

Through these experiences, we identified challenges running on-chain calculations and inefficiencies in liquidity mining. Metrom was born as the solution—an advanced, scalable platform that combines these learnings to empower protocols with tools for smarter incentivization. By shifting computations off-chain, we've unlocked new possibilities for designing and structuring incentives.

For a detailed look at our journey and the origins of Metrom, you can read [our story here](#)

Innovative KPI-Based Distribution

KPI-based/goal based incentives are at the heart of Metrom's value proposition. Traditional liquidity mining rewards all LPs equally, regardless of impact. Metrom flips this by aligning rewards with measurable TVL KPIs ensuring emissions directly support protocol growth.

For instance, if a pool's target is 10 million USD TVL with 250K UNI as reward, and the pool only reaches $5M TVL, only 125k in UNI would be distributed. More use cases could be found here: https://docs.metrom.xyz/kpi/usecases

Currently, we only use TVL as KPI metric, we will be adding newer KPIs like time, volume and combination of these as KPIs in the future.

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Advantages of KPI-Based Incentives:

1. Efficiency

: Protocols can allocate rewards based on performance metrics like TVL, volume or liquidity, ensuring emissions directly support protocol growth. Currently, we support TVL based KPIs and will expand the KPIs based on adoption and feedback.

   1. Alignment with Protocol Goals

: KPI incentives align LP rewards with the protocol's broader objectives, such as improving liquidity depth and reducing volatility.

   1. Flexibility

: Campaigns can be customized to target specific behaviors, allowing projects to experiment and iterate without overcommitting resources.

By rewarding outcomes over inputs, KPI-based incentives help reduce the 'mercenary capital' effect while signaling to the community and chains the target TVL for bluechip pools relative to the $250K incentives spent.

Creating a KPI campaign is super simple with Metrom and should take under a minute to set it up.

Range/Tick based incentives

Range-based incentives are a powerful tool for optimizing liquidity allocation, particularly in concentrated liquidity pools like Uniswap V3. Instead of distributing rewards evenly across all liquidity providers, these incentives focus emissions on LPs supplying liquidity within targeted tick ranges, aligning rewards with areas where liquidity is most needed.

The current approach to distributing incentives targets all in-range positions. Introducing range-based incentives will allow the creation of campaigns that focus on specific price ranges or bands.

For example, in a DAI/USDC pool, a narrow range (0.995 – 1.005) could be incentivized to concentrate liquidity where it's most needed. It would also work great for yield bearing pools like WETH/wstETH.

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Aligning rewards with targeted tick ranges will improve pricing for traders and enhance market depth. Additionally, this approach enables greater capital efficiency by optimizing the liquidity provided and the incentives distributed.

How This Benefits Uniswap Compared to Current Incentive Structures

AMMs has historically faced challenges with liquidity incentivization, including the impact of mercenary capital, which enters for high APR rewards and exits once emissions end. This results in a rapid decrease in TVL, weakening their position and leaving gaps in liquidity depth.

   1. Reducing Mercenary Capital: KPI-based incentives ensure that rewards are tied to meaningful outcomes, such as maintaining liquidity over time or boosting trading volume. This discourages short-term participation and rewards LPs who contribute to Uniswap's long-term success.

   2. Preventing APR Leakage: Traditional rewards have often resulted in APRs spiking to unsustainable levels (e.g., 100–

200%), depleting emissions faster than necessary. With conditional KPIs, Uniswap could maintain an ideal APR of 15–25%, stretching incentives over longer durations while achieving the same TVL and activity goals.

3. Communicating clear goals: Uniswap could communicate clear goals such as achieving $10M in TVL on each chain in exchange for $250K in incentives. This ensures a balanced benefit: the chain and the community secures significant liquidity depth, while Uniswap maximizes the impact of its emissions.

Savings through Metrom's KPI - a simulation

To illustrate the potential impact of Metrom, we analyzed Uniswap's emissions on TAIKO and modeled two different KPI-based incentive setups. We can see that the once the incentives stop, the WETH-USDC pool has lost almost all of the TVL.

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By shifting to KPI-based incentives, Uniswap could have saved over 30,000 TAIKO (~50%) in emissions on a single pool over just 30 days. Even with a 50/50 KPI split, savings still exceed 15,000 TAIKO—proving the efficiency of Metrom's approach. All these saved rewards will be recovered by the campaign owner and could be sent to DAO or to extend campaigns for longer duration.

Simulation parameters:

Pool

: WETH-USDC

TVL KPI

: 5 million USD

Total reward

: 60000 TAIKO over 30 days

Results

:

Setup 1

(100% KPI based): 30,022 TAIKO saved

Setup 2

(50% KPI and 50% traditional): 14,988 TAIKO saved

The two different KPI setups in the providedspreadsheet are:

Setup 1 - 100% KPI based distribution

Here, the entire reward pool is distributed based on 100% KPI achievement.

Total savings - 30022 TAIKO

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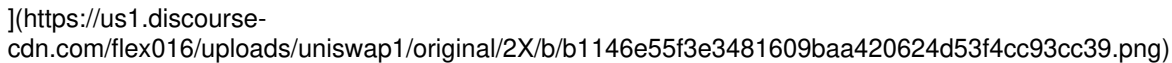## Setup 2 - 50% KPI and 50% minimum payout

In this setup, half of the rewards are distributed as a guaranteed minimum payout, while the other half is contingent upon meeting specific KPIs. This structure ensures that all participants receive a baseline reward, with additional incentives tied to performance metrics.

Total savings - 14988 TAIKO

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Fee proposal

To demonstrate value and build trust, Metrom proposes a 0% fee for all campaigns during H1 2025. From H2 2025 onward, a 10% performance-based fee will only apply to emissions saved—ensuring alignment with Uniswap's goals. Also, all the unclaimed fee after 400 days will be redeemable by the campaign owner.

Conclusion:

Metrom's KPI-based and range-based incentive models are designed to complement Uniswap by making emissions efficient and aligning LP behavior with Uniswap's KPI goals. By leveraging Metrom, Uniswap can unlock sustained liquidity across expanding chains—solidifying its status as the most capital-efficient DEX in DeFi.

We invite Uniswap DAO to explore and share feedback on this innovative approach to liquidity mining. Together, we can redefine incentive programs to be more effective, efficient, and sustainable for the ecosystem. We would love to hear your thoughts and discuss potential pilot campaigns to bring these ideas to life.

Links:

Dapp

: https://metrom.xyz

Github

: https://github.com/metrom-xyz/

X

: https://x.com/metromxyz

Discord

: https://discord.com/invite/S2kBEAGWbM

You can reach out to me on my X:https://x.com/0xVenky or my tg: https://t.me/venky0x