

# Proposal Discussion Topic

[Nomad](#) is creating this proposal in partnership with [Blockchain at Berkeley](#) to Deploy Uniswap V3 on Moonbeam.

## Summary

In support of furthering the vision of [Multichain Uniswap](#), we propose that the Uniswap community vote to authorize the deployment of Uniswap V3 to Moonbeam. We hope this proposal will serve as an example to create a generalizable, trust-minimized approach to cross-chain deployments, with the goal of supporting a multichain Uniswap ecosystem.

Moonbeam is a Polkadot parachain which features EVM-compatibility, allowing it to serve as a port-of-entry for Ethereum-native apps to participate in the greater Polkadot ecosystem. Deploying on Moonbeam will expand the Uniswap community to include users of the Polkadot ecosystem, helping Uniswap on its journey to become a leading product in the multichain world.

Moonbeam is a reputable chain which has enjoyed high stability and considerable activity since its launch in January, making it a great fit for Uniswap's trusted brand.

## About Moonbeam

Moonbeam is an EVM-compatible smart contract parachain of the Polkadot network; it is optimized for cross-chain use cases and natively interoperable applications. EVM compatibility and a comprehensive tool suite of integrations like Etherscan, The Graph, Chainlink, and more, allow developers to deploy existing Solidity smart contracts and apps to Moonbeam with minimal changes. Moonbeam also extends the EVM with native cross-chain integrations powered by [Polkadot's XCM](#), allowing Moonbeam apps to interact with assets and services from other chains in the Polkadot ecosystem in a trust-minimized way.

Moonbeam was the first parachain to go live on the Polkadot network, launching on January 11 this year. Like Moonriver, its sister parachain on Kusama, Moonbeam is expected to accumulate developer and user activity from the [100+ projects](#) building DApps and protocols on the network.

## Expanding Uniswap to Moonbeam

We believe that the timing is perfect for Uniswap V3 to deploy on Moonbeam.

Uniswap has been deployed on Ethereum, Polygon, Arbitrum, and Optimism, giving it great coverage within Ethereum and its most popular L2s. However, Uniswap has not yet expanded beyond the greater Ethereum ecosystem.

Unlike the other deployment targets, Moonbeam represents a much larger target market — Polkadot users. The growth potential of the Polkadot ecosystem is reflected in part by the fact that Polkadot consistently ranks in the top ecosystems for developer activity, despite having just enabled parachains auctions in December 2021. The Polkadot community has grown in parallel with the Ethereum community, and shares many of the same values — decentralization, censorship resistance, open access to finance, to name a few. However, the two communities have largely been discrete, and deploying Uniswap on Moonbeam brings them together in a meaningful way.

Moonbeam is the de facto DeFi hub for Polkadot. Blue chip DeFi projects have deployed or committed to deploying to Moonbeam, including Sushiswap, Lido, Curve, Chainlink and Covalent. As the ecosystem develops, we believe that deploying Uniswap V3 will position it to become a premier AMM on Moonbeam, and, more broadly, a large liquidity hub for the entire Polkadot ecosystem. This represents a massive opportunity to capture this untapped market, which could mean significant fee revenue for LPs and UNI token holders.

The Nomad team has worked on this proposal because [Nomad and Connex](#) have already been deployed as Moonbeam's main bridging solutions, and have begun to drive cross-chain liquidity from Ethereum into Moonbeam. By deploying Uniswap V3 on Moonbeam, Nomad would be able to route even more liquidity into Uniswap pools and additionally facilitate cross-chain communication for Uniswap governance.

## Trust-Minimized Bridging and Cross-Chain Governance

Decentralized cross-chain governance is a topic we are excited about working on within the Uniswap ecosystem. As Uniswap Labs highlighted in their post about [Multichain Uniswap](#), it is important that new chains have a trust-minimized arbitrary message passing solution to facilitate secure, decentralized governance of a deployment of Uniswap. The Moonbeam community already uses [Nomad](#) and [Connex](#) to bridge ERC-20 tokens from Ethereum; despite Moonbeam having only been live for two months, \$35M TVL is currently bridged to Moonbeam via Nomad, with over \$250M in total volume since deployment. However, Nomad is more than just a protocol for token bridging; at its core, Nomad is a protocol for trust-minimized arbitrary message passing, and Uniswap V3 deployed on Moonbeam can leverage Nomad for governance.

We have worked with developers at Uniswap Labs to research, understand, and document the current state of [cross-chain governance for Uniswap](#) deployments. It became clear that, currently, cross-chain governance solutions have been patched together differently for all three of the chains that Uniswap is deployed on, leading to significant complexity and overhead for governance participants who wish to execute proposals governing deployments on other chains. This problem will multiply as Uniswap is deployed to more chains.

Nomad can provide an out-of-the-box solution for this problem. Nomad's own contracts are governed by a decentralized cross-chain [governance app](#) built on its arbitrary message passing rails. This application can be [tailored](#) for the purpose of governing Uniswap deployments on chains other than Ethereum mainnet. Rather than attempting to introduce this change on all chains at once, however, we can demonstrate the value of this solution in a de-risked manner by leveraging it first for a new deployment, Moonbeam.

## Rewards and Grants

As part of this proposal, Nomad, via a grant from the Moonbeam Foundation, will commit \$2,500,000 to the Uniswap Grants Program to help grow the Multichain Uniswap ecosystem.

Through collaborative discussions with members of the Uniswap community, we learned that there were likely higher-leverage ways to enrich the Uniswap community than just providing liquidity mining rewards. As Uniswap develops into a multi-chain ecosystem, we want to support developers working to create high-quality multichain apps building on-top of Uniswap, and better multichain experiences for Uniswap users. These grants will promote long-term protocol development, developer activity and innovation towards this goal.

To borrow language from the [Uniswap Grants + Gitcoin](#) announcement, we hope for this initiative to fund “bounties, hackathons, and grants” for “developers, designers, community organizers and other web3 builders” working on multi-chain projects which improve, extend, promote or build upon Uniswap in a cross-chain manner.

Examples of projects that could be funded with this grant include:

- Building a cross-chain application which allows Uniswap LPs to close a position on Ethereum and open one atomically on Moonbeam
- Improving open-source wallet softwares to create better multi-chain user experiences for Uniswap users
- Building a frontend application which allows governance participants to more easily construct cross-chain governance proposals for Uniswap
- Leveraging Substrate's native interoperability protocol, XCM, to build an application which composes Uniswap on Moonbeam with another substrate chain

Funding office hours to educate new users about multichain crypto experiences

We are so excited to see what members of the Uniswap community come up with to leverage this grant!

## Conclusion

We are excited about the possibility of the Uniswap community entering the Polkadot ecosystem via a V3 deployment on Moonbeam. To reiterate, we feel that this is a fantastic opportunity for the following reasons:

- Expansion into Polkadot

: Uniswap will be able to tap into a brand new market and all the community members in the Polkadot ecosystem. Moonbeam's EVM-compatibility makes it simple to deploy existing Solidity code, while simultaneously providing access to other parachains using XCM. By leveraging XCM and Moonbeam's position as the DeFi hub for Polkadot, Uniswap has the opportunity to become the premier AMM across Polkadot.

- Trust-minimized Governance

: Per Uniswap's goal of becoming a multi-chain protocol while remaining trust-minimized, we propose using Nomad's trust-minimized channels to deploy Uniswap V3 on Moonbeam. This can serve as an opportunity to test this improved decentralized governance application within a safe container, with the potential of rolling it out to other V3 deployments in the future.

- Rewards for Uniswap Grants Program

: Instead of simply offering liquidity mining incentives, we want to fund community members working to develop and enrich multichain experiences built with Uniswap. We will commit \$2.5M to the Uniswap Grants Program to fund cross-chain development deployed within the Uniswap ecosystem, in order to further expand Uniswap's multi-chain presence.

We are excited to engage with the Uniswap community and governance process to discuss more around bringing Uniswap

V3 to Moonbeam. Please let us know any and all feedback and criticism, so that we can improve this proposal and expand Uniswap into Moonbeam and Polkadot!

Link to snapshot: [Snapshot](#)