

## Summary

This proposal outlines the Uniswap Delegate Reward Initiative, a compensation program designed to improve participation quality and dedication among Uniswap delegates. The initiative was developed by several members of the Uniswap Delegate Reward Working Group, which conducted extensive research and produced findings supporting the implementation of such a program.

## Background

In late February 2024, StableLab proposed the [Uniswap Delegate Reward Initiative](https://gov.uniswap.org/t/findings-from-uniswap-delegate-reward-working-group/23702). After the GovSwap event in Denver, further research to plan and implement the Delegate Reward Initiative was highlighted, leading to the formation of the Uniswap Delegate Reward Working Group, composed of 8 members from different organizations. After extensive research for more than a month, the Working Group produced several findings, which can be found here: <https://gov.uniswap.org/t/findings-from-uniswap-delegate-reward-working-group/23702>

The details of the findings were slightly different. However, this conclusion summarized the findings quite nicely:

“There was a general consensus across most categories that a compensation program for delegates could improve participation quality and dedication. However, the enthusiasm varied, with those deeply involved in governance showing the strongest support.”

The Uniswap Delegate Reward Working Group explored several frameworks for implementing rewards, including a Committee structure that allows several non-delegates to get rewarded for helping to contribute to various scopes. However, some non-delegates in the Working Group preferred the Delegate-only model while other non-delegates in the Group suggested other alternatives.

Therefore, we believe that the delegate-focused structure can be launched, but other members can also propose structures that focus on different aspects, ultimately leaving the decision up to governance.

## Proposal Details

### Application Eligibility

There will be a week-long period for delegate candidates to submit their applications. If there are more than 11 eligible candidates, then the top 11 will be decided based on objective metrics outlined below. Considering past onchain votes, 19-21 delegates have been a consistent contributor amount to the voting, this acts as a mechanism to prevent sybil attack while also ensuring delegates who might have lesser voting power can be rewarded as well.

For the first cycle, the eligibility for the application will be

1. At least been an Uniswap delegate for 3 months or more (Voted on Snapshot or Onchain vote at least 3 months ago)
2. Voting Power of 10k \$UNI or more OR Authored or co-authored a proposal that at least passed the Snapshot Vote

The reason for the application eligibility was that the first cycle should be focusing on Delegates that have been committed to Uniswap DAO, and ideally, the Initiative can encourage more to participate and thus more delegates will be eligible by Cycle 2.

### Metrics for Selection of Top 11 Candidates

In case there are more than 11 eligible applicants, the top 11 will be chosen by the following objective metrics. The highest point would be 10.

1. Voting Participation

-Considering one of the primary roles of the delegate is to receive voting power from their delegators to vote on behalf for the best of Uniswap, voting participation are crucial to ensure quorums are met and malicious proposals are prevented. The Full point from this category is 5.

The onchain part is weighted more heavily due to its usual frictions such as gas cost, as well as its importance that its votes directly can dictate code changes or treasury. The voting rate is based on the past 3 months.

1. Offchain Voting (Snapshot)
2. 80% and above : 2
3. 70% till 80% : 1.5
4. 60% till 70%: 1
5. 50% or below but above 0%: 0.5

6. 0% : 0

## 2.Onchain Voting

1. 80% and above : 3

2. 70% till 80% : 2.25

3. 60% till 70%: 1.5

4. 50% or below but above 0%: 0.75

5. 0% : 0

6. Proposal Authorship

-Helping to write proposals for Uniswap DAO is important. However, we also want to prevent low-quality or malicious proposals. Therefore, only passed votes would count. The full point for this category is 4.

The onchain part is weighted more heavily as it's more difficult to have a proposal to pass the onchain vote as well as its importance that its proposals directly can dictate code changes or treasury.

In case of non-binary proposals, if the choice equivalent to "No" was present, and the end voting result was another choice than "No", then it would be considered as valid for below. For example, Uniswap Treasury Working Group (UTWG) Election wouldn't be valid for the points as there's no "No" vote . But [Temp] Uni Onboarding Package - BSC would be valid for the points as there was a choice of "Against". And the voting result was "\$1m".

1. Authored or Co authored a proposal that passed offchain (snapshot) vote before.

2. Yes, 2 or more : 1

3. Yes, 1 : 0.5

4. No: 0

## 2.Authored or Co authored a proposal that passed onchain vote before

1. Yes, 2 or more : 3

2. Yes, 1 : 1.5

3. No: 0

4. Other Governance Participation

-The full point for this category is 1.

This category is to recognize other ways one could contribute to discussion regarding Uniswap Governance. This can be achieved by either

1. Joined Uniswap Gov Workshop Before

2. Yes: 1

3. No: 0

Or

1. Joined Uniswap Community Call Before

2. Yes: 1

3. No: 0

## Tie Breaker

-In rare cases if there are ties, this will be first decided by how many "likes" one received on the forum. Considering likes would ideally be tied to how many posts one has made and also how liked their posts are. We believe this is a fair way to have them as Tie Breakers.

## Delegate Reward Eligibility

Once Delegates have passed the application process, the Delegates need to fulfill the following to be eligible for up to

\$6,000 USD worth of \$UNI reward per month.

#### Requirements

1. Maintain 80% onchain and offchain voting participation for the past 3 months. Achieving this will provide \$3,000 USD worth of \$UNI

Additional (only available if the above Requirement of Voting Participation is fulfilled)

1. Write rationale for the voting on their delegate profile. Achieving this will provide an additional \$3,000 USD worth of \$UNI

#### Budget

We are requesting 198,000 [  $6000 * 3 * 11$  ] USD worth of UNI for the Uniswap Delegate Reward Initiative, plus an additional 64,000 USD (40 hours \* 8 members \* 200 USD per hour) worth of UNI as a retroactive reward for the Uniswap Delegate Reward Working Group.

The total amount of 262,000 USD worth of UNI, once approved, will be sent to the Accountability Committee, which will be responsible for the monthly distribution of rewards to eligible delegates and retroactive reward for the Working Group members. In the unlikely scenario that the budget is depleted before the end of the 3-month cycle, Cycle 1 will end early.