

The Arbitrum Incentive Program Working Group

TLDR: This post calls for a working group to create a minimum viable incentive program framework to help address immediate needs voiced by stakeholders. We invite the community to join our first working group call on Tuesday, August 15 at 12PM ET to get involved.

Introduction

Arbitrum DAO faces the difficult challenge of balancing the urgent desire to fuel network growth via incentives with the equally important need for responsible delegate oversight and community consensus. Following [Arbitrum DAO Community Call #4](#), we're calling for a group of [stakeholders](#) to triage the current issues raised on calls and the forum ([1](#), [2](#)) to advance Arbitrum's incentive program with the goal of enabling the progression of Arbitrum DAO incentive programs via a short-term Arbitrum Incentives Framework.

Our next meeting will take place on Tuesday:

Arbitrum Incentives Working Group - Community Call #1

Tuesday, August 15 · 9:00 – 10:00am

Time zone: America/Los_Angeles

Google Meet joining info

Video call link: <https://meet.google.com/wqb-tvzo-gkw>

You can add this to your calendar [here](#).

What is the Working Group?

An informal group comprising key Arbitrum stakeholders including protocol teams, community leaders, major delegates, and (hopefully) the Arbitrum Foundation. This group is an experiment to understand, articulate, and communicate stakeholder feedback into a proposal around an incentive framework for the Arbitrum DAO.

Who will the Working Group Comprise?

This working group comprises industry stakeholders, delegates, and community members to come together with the outright goal of reaching consensus on a number of community standards for incentive proposals. This group is open to all major stakeholders, not just those listed.

To date, this group has comprised stakeholders such as [@Myrddin](#) (Camelot), [@Matt_Gauntlet](#) (Gauntlet), [@raho](#), [@ameeradmi](#), [@coinflip](#) (GMX), [@DisruptionJoe](#) (Plurality Labs), [@saurabh](#) (Questbook), and more.

We invite [@stonecoldpat](#) [@cliffon.eth](#) and other Arbitrum Foundation members to attend.

How Will This Working Group Operate?

Over the next few weeks, this working group will participate in weekly meetings working towards establishing a community driven framework and roadmap for the creation of various initiatives designed to support the creation of a robust incentives program framework and standards.

What would the Working Group Accomplish?

The primary goal of this working group is to facilitate communications between delegates, protocol teams, and network layer stakeholders to create a minimum viable framework to enable the approval of Arbitrum Incentive proposals in the next month.

The working group's second objective is to create a long-term Incentive Program framework. This will draw from broader incentive ecosystems to foster infrastructure that emphasizes program design, DAO-sponsored analytics, reporting, transparency, and decision-making processes for responsible grant disbursement and capital efficiency.

What is a Minimum Viable Framework?

A minimum viable framework represents the quickest framework the DAO can create that meets the most possible demands and requirements across each major stakeholder group. The framework's specific intent is to catalyze the creation, review, and judgment of protocol driven incentive proposals by bridging the gap between DAO and grantee concerns.

In practice, this working group will consolidate consensus from community members into an approvable template that incorporates delegate approved guidelines on budget guidance, reporting requirements, and design requirements into a lean and efficient temporary framework. Specific needs this template might address include:

- Program goals and objectives.
- Project eligibility standards.
- Eligibility Tiers.
- Native or non-native.
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- Native or non-native.
- Requirements for Proposals.
- Disclosures.
- KYC.
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- Evaluation criteria
- Program Design.
- KPI/Objectives.
- Intrinsic Merit.
- Budget.
- Alignment with Arbitrum.
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- KPI/Objectives.
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- Budget.
- Alignment with Arbitrum.
- Budget.
- A per-proposal maximum budget.
- A total budget for the duration of the short-term program.
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- A total budget for the duration of the short-term program.
- Program Design Requirements
- Milestone based funding.
- Objectives.
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- Objectives.
- Budget Management and Disbursement
- Committee and Multisig.
- Task the Foundation with fund disbursement.

- Fund streaming (Sablier, Hedgey).
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The learnings of the interim framework will be used to inform the design of an eventual long-term framework.

How Can Delegates, Protocol Teams, and Stakeholders Get Involved?

Our next call will take place on Tuesday, August 15 at 12:00 PM ET.

A Few Notes:

As expressed adamantly by [@coinflipcanada](#), the DAO holds explicit power to allocate DAO funds without the need for formal frameworks, standards, or processes beyond those articulated in the DAO's constitution. This working group aims not to hold up progress, but rather to triage an existing gap between stakeholders. This working group will not aim to delay, impede, nor replace external community proposals.

Incentives are highly complex, and while they can be incredibly effective in driving network growth by attracting capital and users, they also run a risk of wasting large amounts of capital quickly. As we navigate these complex tradeoffs - we encourage everyone to observe lessons from the entire space...