

[Discussion] Governance amendment Season 1 / Sprint 4

****Title****: [Discussion] Governance amendment Season 1 / Sprint 4

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****Abstract****

In Season 1, the 4th sprint includes a governance review and amendment phase. Based on insights from previous sprints, we propose changes to address improvements and anticipate future challenges and technical opportunities.

****Proposal types****

State which proposal type this proposal belongs to.

SEP: Constitutional Proposals

☒ SEP: Governance Proposals

Other SEPs

****Proposal details****

*****Purpose and Background*****

What problem does it solve? What is the reasoning behind the proposal? What is the goal? Why should SafeDAO care about the proposal?

We are proposing the following changes to the SafeDAO governance processes:

- Introduction of partial delegation
- Revised voting mechanism for OBRA initiatives to not run into budgeting problems
- Adjustments to voting timeline to reflect Snapshot settings and voting in the last sprints
- Extension of soft launch for Season 2
- Clarification for OBRA initiatives with implementation dependencies

Changes to the governance framework

Original	New
B. Stakeholder overview II. Delegates 1. Delegation process	B. Stakeholder overview II. Delegates 1. Delegation process

The delegation process is offchain. Token holders can delegate their votes to any address of their choice. The current delegation system requires full delegation of the voting power. Partial delegation may be implemented. Token holders can redelegate or undelegate at any time.	The delegation process is offchain. Token holders can delegate their votes to any address of their choice. The current delegation system requires full delegation of the voting power. Token holders may delegate their voting power among multiple delegates in varying ratios (partial delegation). Token holders can redelegate or undelegate at any time.
2. Rights Delegates can vote on behalf of token holders who delegated their voting rights to them. Delegates may not delegate their delegated voting right to someone else.	2. Rights Delegates can vote on behalf of token holders or delegates who delegated their voting rights to them. Delegates can delegate their delegated voting power (including voting power delegated to them by others) to someone else.

Transition period: These changes only enter into effect in the sprint following the technical implementation on the Snapshot space.

Original	New
C. Scope of governance II. Proposal types [...] SEP: Governance Proposals // Changes to the governance framework and the resource allocation framework // offchain	C. Scope of governance II. Proposal types [...] SEP: Governance Proposals // Changes to the governance framework and the resource allocation framework // offchain SEP: OBRA Initiative Proposals // Approval of funding for an initiative // off-/onchain

Original	New
D. Dynamic governance II. Governance cycles Other SEPs; Grants Council Nominations for SGP	D. Dynamic II. Governance cycles Other SEPs; Grants Council Nominations for SGP, initiative approvals

Original	New
E. Decision-making process II. Proposal and voting sprints	E. Decision-making process II. Proposal and voting sprints
Week 3 // Submission to Snapshot // Tuesday // 23:59 UTC // Deadline submission of eligible proposals to Snapshot	Week 3 // Submission to Snapshot // Tuesday // 0:01 UTC - 23:59 UTC // Deadline Submission of eligible proposals to Snapshot + start voting delay
Week 3 // Voting // Wednesday // 0:01 UTC // Start voting delay	Week 3 // Voting // Wednesday // 0:01 UTC - 23:59 UTC // End Start voting delay (24h after start of voting delay)
Week 3 // Voting // Thursday // 0:01 UTC // Voting starts	Week 3 // Voting // Wednesday Thursday // 0:01 UTC - 23:59 UTC // Voting starts
Week 5 // Voting // Monday // 23:59 UTC // Voting ends	Week 5 // Voting // Monday // 0:01 UTC - 23:59 UTC // Voting ends

Original	New
E. Decision-making process V. Phase 2: Voting process 1. Voting system [...] Voting type: Single choice, multiple choice, weighted voting	E. Decision-making process V. Phase 2: Voting process 1. Voting system [...] Voting type: Single choice, multiple choice, weighted voting, single choice approval with sequential ranking
-	Single choice approval with sequential ranking Single choice approval with sequential ranking is a two-step process used for SEP: OBRA Initiative proposals. It determines which OBRA initiatives can get funded within the budget of an OBRA strategy: 1. Approval voting: Participants allocate their voting power to express approval ('Yes') or disapproval ('No') for each proposed project. This phase determines which projects have the

	majority support based on the accumulated weighted 'Yes' votes. 2. Sequential Ranking: Projects that received a majority of 'Yes' votes are then ranked according to the total voting power in favor of them. Funding is then allocated to the projects in the order of their ranking, up to the point where the budget limit of the specific strategy is reached. Projects ranked below the budget cutoff point can be funded (if available) partially by the remaining budget of the relevant strategy and the remaining amount of the wildcard strategy. Initiatives applying directly for the wildcard strategy and initiatives that would exceed the budget of a different strategy are ranked in the same category. This method ensures that only the most favored and viable projects, as determined by voter approval and ranking, are funded within the constraints of the available budget.
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Original	New
E. Decision-making process V. Phase 2: Voting process 4. Voting power b. Delegated voting power Delegates may vote on behalf of token holders that delegated voting rights to them. Delegation does not restrict token holders from voting themselves; in the event of token holders exercising their voting rights, their vote takes precedence over any vote cast by their delegate. Token holders can delegate or redelegate any time.	E. Decision-making process V. Phase 2: Voting process 4. Voting power b. Delegated voting power Delegates may vote on behalf of token holders or delegates that delegated voting rights to them. Delegation does not restricts token holders from voting themselves; in the event of token holders exercising their voting rights, their vote takes precedence over any vote cast by their delegate. However, tToken holders can delegate or redelegate any time.

Transition period: This change only enters into effect in the sprint following the technical implementation on the Snapshot space.

Original	New
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H. Annex 1: Season 1 For the inaugural season, Season 1, the goal is to utilize the new governance framework in practice and gather experience. Therefore the changes to the voting types are minimal, only adding multiple choice voting. For Season 1, the governance framework will operate under a soft launch protocol. Recognizing the need for flexibility during the formative phase of SafeDAO, the Foundation retains the prerogative to deviate from the processes laid out in D.II. Governance cycles and E.II. Proposal and voting sprints if necessary to ensure an efficient decision-making process. Any deviations will be communicated transparently and are subject to review in the review and governance amendment sprint. This exception is limited to Season 1 and is introduced to allow a smoother transition into the new governance framework.	H. Annex 1: Season 1 and 2 For the inaugural season, Season 1 and 2, the goal is to utilize the new governance framework in practice and gather experience. Therefore the changes to the voting types are minimal, only adding multiple choice voting. For Season 1 and 2, the governance framework will operate under a soft launch protocol. Recognizing the need for flexibility during the formative phase of SafeDAO, the Foundation retains the prerogative to deviate from the processes laid out in D.II. Governance cycles and E.II. Proposal and voting sprints if necessary to ensure an efficient decision-making process. Any deviations will be communicated transparently and are subject to review in the review and governance amendment sprint. This exception is limited to Season 1 and is introduced to allow a smoother transition into the new governance framework.
-	SEP: OBRA Initiative Proposals // 10.000.000 SAFE // Simple majority // Single choice approval with sequential ranking // Public

Changes to OBRA

Original	New
-	E. Implementation dependencies If the implementation of an initiative requires any prior changes in the current governance processes, e.g., amendments to the governance framework, or has any other dependency, the approval of the initiative generally shall be dependent on the previous approval and (if necessary) successful implementation of such governance amendment or any other

	dependency.
E. Compliance with relevant regulations	EF. Compliance with relevant regulations

Original	New
F. Soft launch [...] This exception is limited to Season 1 and is introduced to allow a smoother transition into the new resource allocation framework.	FG. Soft launch [...] This exception is limited to Season 1 and 2 is introduced to allow a smoother transition into the new resource allocation framework.

Effects and Impact Analysis

What are the effects of the proposal? What are the pros and cons? What are risks?

Effects are outlined in the above introduction. This section will be filled out for Phase 1 incorporating the feedback of SafeDAO members.

The proposed amendments collectively aim to streamline SafeDAO's governance process, making it more efficient and responsive to individual circumstances. By introducing mechanisms such as partial delegation, extension of voting mechanisms, and a revised voting mechanism for OBRA initiatives, the governance framework becomes more adaptable and capable of reflecting more granular interests of its members. Further, these amendments will result in lowering barriers to participation and encouraging a broader section of the community to engage in SafeDAO governance.

The main risks are that amendments in nuanced voting processes or delegation models can increase the complexity of participation for SafeDAO members, potentially making it more difficult to engage in governance, and that executing the amendments may increase the burden on the technical implementation side. However, we believe that we can mitigate this by maintaining our focus on educating our members and by recognizing that the advantages outweigh these risks.

Alternative Solutions

What alternative solutions have been considered? Why have they been discarded?

An alternative solution is to not change the governance framework. While this is possible, it would mean not incorporating our learnings into the optimization of governance, which we aim to do continuously. This approach wouldn't necessarily present a major blocker, but it could slow down our pace of progression.

Implementation

Does the implementation of the proposal require new code? How is the security of the code ensured? How is the implementation of the proposal carried out?

X Own implementation possible

Own implementation but with funding (how much % to implementation)

Request for technical support through Safe matter experts:

- * Who is needed?

- * Did you reach out?

- * Is there a roadmap?

Open Questions

Anything that needs to be cleared up before the community can make an informed decision?

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