

Fantom x Questbook

Ecosystem Vault Proposal

Summary

- After one month of operation, the Ecosystem Vault has yet to disburse any funds. There are [very few active proposals](#), and those there have received very little visibility or support from the community. We believe that we can change this.
- We propose the Fantom Network Vault leverage a Delegated Domain Allocator (DDA) model to find and fund various teams building across the ecosystem.
- We propose an initial budget of ~30% of the [Ecosystem Support Vault](#) per month, but we are open to iterating this budget amount based on the response from the community.
- We propose starting with two individuals to manage the budgets and drive builder growth (*domain allocator*). These individuals would have expertise and builder networks in their respective *domains*. We would like to use this RFC to gather interest from the community on what domains would be most beneficial.
- The performance of each of these *domain allocators* will be publicly viewable and auditable using rich dashboards. At the end of every quarter, the community can vote to replace, continue domain allocators or increase budgets for each *domain allocator*.
- We ([Questbook](#)) will help facilitate setting up these *domain allocators* and provide the tooling to run the grant program efficiently and transparently. We have previously/currently set up the grants process for Polygon, Solana, Celo, and Aave, and we are using the DDA model to manage Compound's Grant Program ([CGP 2.0](#)).

Purpose

An active grant program is a great way to attract and incentivize builders to build on Fantom. By having *domain allocators*, we will be able to delegate the outreach and disbursements to members of the community who are the closest to builders. Giving them access to capital and authority to disburse will improve efficiency and revive the grant program for Fantom. Specifically, this program aims to:

- **Grow Fantom's Developer Ecosystem** - measured by the number of builders applying and building on top of Fantom.
- **Delegate capital allocation** - to identify, attract, and fund projects/builders that the Ecosystem Vault would otherwise not have funded by delegating capital allocation to community members rather than depending on the current application process of the Ecosystem Vault.

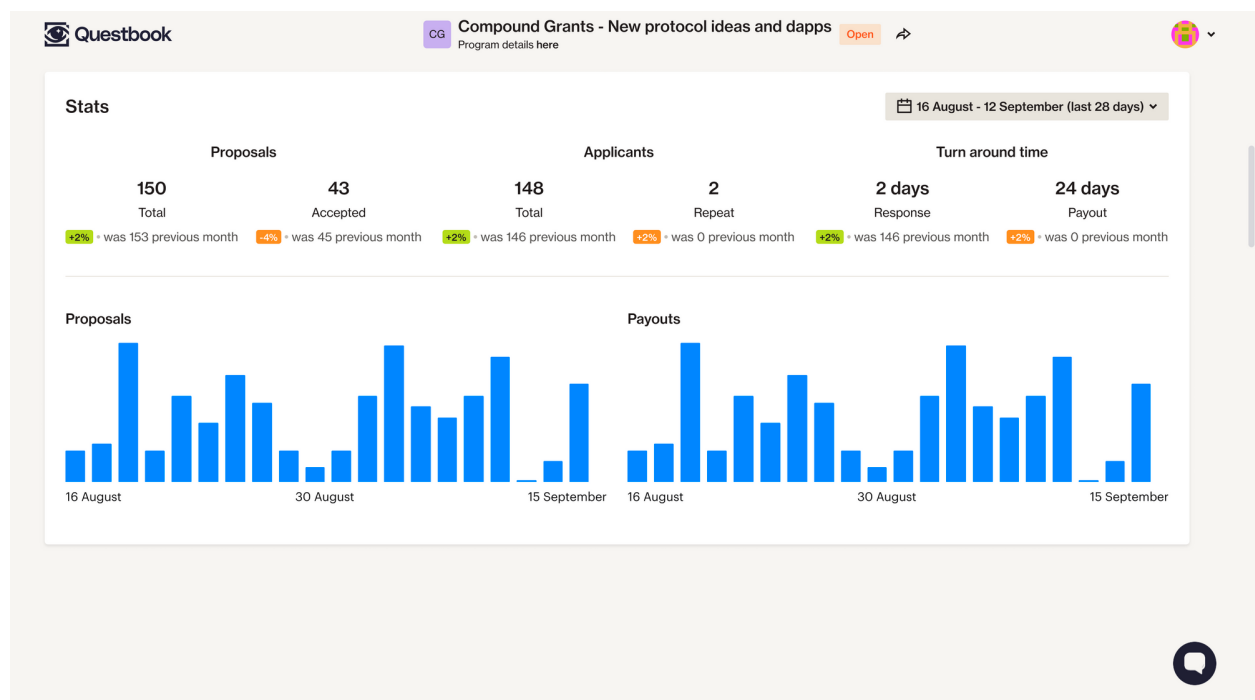
- **Strengthen the builder community in the bear market** - a crucial component of the community is to keep the builder activity alive even during the bear market. The building keeps innovation and optimism in an otherwise grim market condition. It also drives participation and transparency for the broader community.

Program Design

“We also believe that more decentralized funding is important for the future of the Ethereum ecosystem. We continuously try to allocate resources to third parties that we believe can make better decisions than us within certain domains.” - Executive Director Ethereum Foundation [\[link\]](#)

This program focuses on getting the community to participate in delegating capital.

Each *domain allocator* runs their program on-chain for full transparency. The data and performance across key metrics will be visible for the community to judge.



The screenshot displays the Questbook interface for the 'Compound dapps and protocol ideas (CGP 2.0)' program. The left sidebar lists 16 proposals, with 'Alcancia - Be your own bank for Latin Americans' highlighted as 'Approved'. The main panel shows the details of this proposal, including its description, team members (Juan Diego Oliva Heinsen, Juan David Torres, Levit Salcedo, Marino Espinal, Manuel Yañé, Royer Arenas), and a discussion section with a comment from 'allthecolors'. The right sidebar contains 'Milestones' (01: Actionable plan or product architecture, 7500 USD; 02: Proof-of-concept implementation demonstrating key features, 7500 USD), 'Reviews' (1 review by 'allthecolors'), and 'Payouts' (No payouts yet).

The disbursement happens on-chain from a multi-sig wallet controlled by the *domain allocator* and one person from Fantom Foundation, whose responsibility will ensure that the application is aligned with the domain and, in turn, aligned with Fantom's growth plan before signing the disbursement. The multi-sig ensures capital is protected, and the allocator is encouraged to make independent decisions.

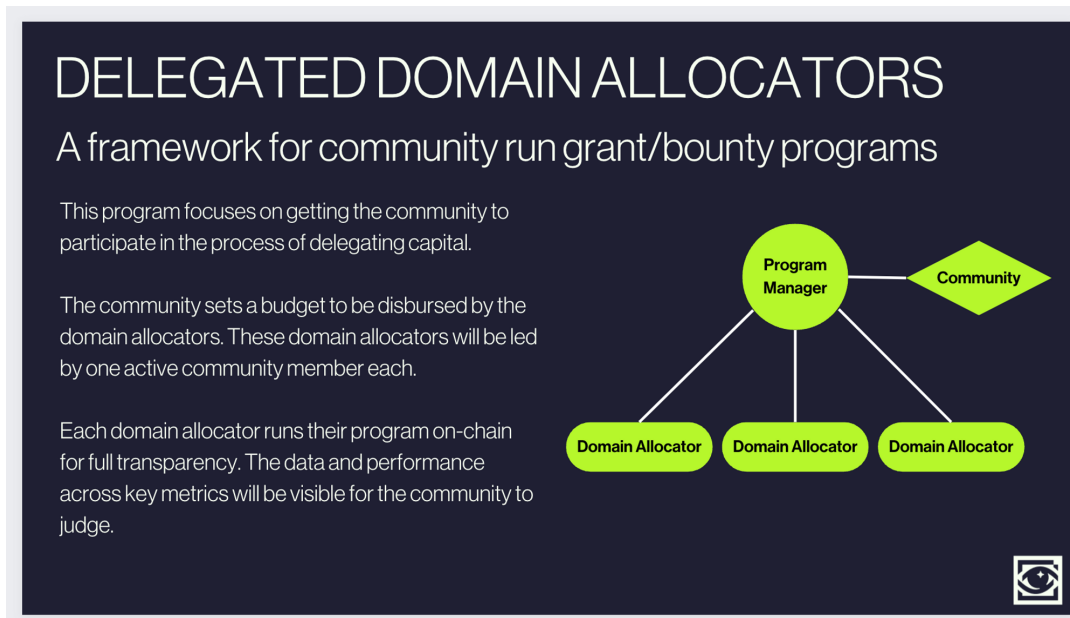
Every quarter, the foundation & the community shall evaluate the performance of each of the allocators using publicly available data. The allocators can have one of the following outcomes from this review:

- Discontinued domain: The grants manager (initially Questbook) will share the required voting to stop a particular domain once the domains are finalized, along with support from the community.
- Increased budget
- Replaced allocators: For replacement of allocators, or the resigned allocators, the Program Manager (initially Questbook) will find the new allocator from the community after discussing with the Fantom team. We are also working on making this process more decentralized.

Project links

- dApp: www.questbook.app
- GitHub: <https://github.com/questbook>
- Twitter: <https://twitter.com/questbookapp>
- Product Wiki: <https://questbook.notion.site/Product-Wiki-for-Grant-Programs-1d43dd8af8ee4d6181e1d51a285bf226>

Domain Allocators



[Based on a recent letter from Andre, the core foci for Fantom were defined](#), and we propose the following domains. Still, we would appreciate any feedback from this community on alterations to the suggestions and prioritization:

Domain	Why is it relevant?
Gas Fees Innovation	Allows for overall ecosystem growth through creative thinking and development. Creates long-term sustainability through income for high-performing teams. This includes: - Gas Subsidies - Economic abstraction for gas fees - Account abstraction - Gas Monetization
New Middleware (Fantom VM, Storage Mechanisms)	The EVM is still the primary bottleneck of the network today. Being able to unlock this will allow Fantom to reach the physical limitations of the hardware.
Performance Engineering	Continue optimizing until the hardware limits of throughput are met (PebbleDB, flat storage, etc.). Augment development of tools that Fantom teams and others have already been developing.
Documentation & Training	Helping update documentation and training for new builders and non-blockchain native developers.
New Protocol Ideas and dApps	Creative, actionable ideas for advancing the Fantom Ecosystem, broadly defined. New dApps that integrate with Fantom in secure, creative, and novel ways are a priority of this domain but not its exclusive focus.

Domain Allocator Roles & Responsibilities:

We propose the following roles and responsibilities. We have developed this based on our knowledge and experience working with grant programs and are open to community feedback and suggestions from this community.

1. Time commitment per week: Estimated at 5 hours initially based on the current volume of applications. We have seen the time commitment for more active programs be 10 hours per week and we hope, through DDA, we can scale up the interest and activity to this level.
2. Reviewing applications: The Program Manager (Initially Questbook) will ensure a two days turnaround time (TAT) for the applicants.
3. Allocation of amount for the accepted grant proposals
4. Using the Questbook tool to disburse the funds. It's seamless; you can check it out [here](#).

Questbook will proactively manage the tasks of the domain allocators but would be open to identifying and electing someone from the community to fill this role.

Compensation:

1. Domain Allocator: \$100/hr

2. Program Manager: \$125/hr

What does success look like?

Objective

- The prime objective of this model is to have domains that align with [Fantom priorities, as laid out in this recent letter from Andre](#). This way, the project's contribution to the grants program directly adds value to the broader ecosystem and the token holders.
- Increase in the number of quality builders & projects funded
- Increase in homegrown leadership to run grant programs (measured by the number of people running grant programs)
- Increase in community members' participation to keep grant programs accountable (measured by the number of people looking at the dashboard and participating in no-confidence motion votes)
- Diversity in funded projects - across technologies, geographies, demographics, etc.
- Increased engagement in builder communities
 - Discourse
 - Discord, Telegram
 - Social media (Twitter, Reddit)
 - GitHub, Radicle
 - DAO Tools - DeWork, Gnosis, etc.

Subjective

- An increase in community involvement keeps the grant program accountable
- Builders' sentiment toward Fantom Ecosystem
- Fantom Network brand recognition in builder circles

About Questbook

Credentials

- Questbook (YC-W21) is a decentralized grant orchestration tool Polygon, AAVE, Celo & Solana uses.
- [Sov](#) will take the Program Manager role until we find a community manager. He has researched crypto grants ([including Fantom](#)) since 2021 and has extensive knowledge of their structure and operations. You can find more of his writings and background [here](#).

Questbook Usage Metrics

- 20K+ MAU.

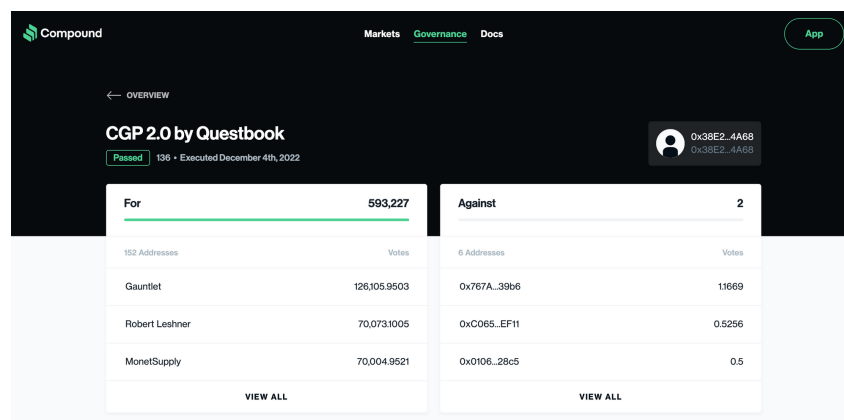
- Grant managers have created, reviewed, accepted, tracked, and facilitated grants worth \$2.1M.
- 10K transactions per month.
- 1500+ Builders have applied for various grants, reported milestones, and funding, and received feedback.

Questbook Case Studies

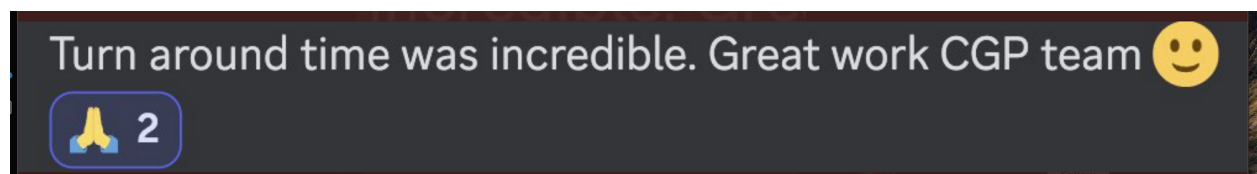
Compound Grant Program

CGP 1.0 concluded in September 2021 and [was paused due to grant management and operations issues](#).

Over six months, [we worked with the Compound community to bring back the grants program](#). We received considerable [support from the community](#). We also adapted the tool to ensure that CGP 2.0 can work with the [DDA model](#).



Questbook enabled Compound to bring back the grants program. The community's demands for increased transparency are also now met owing to the tool. We expect that CGP 2.0 will [disburse \\$1M through the tool](#) over the next six months.



Polygon DAO Grant Program

Polygon has run grant programs in one form or the other since 2019. [We decided to work with Polygon to analyze the applicant experience](#). We spoke to 400+ applicants and figured out where the friction was. There also needed to be a better match.

Builders needed more transparency in the process and feedback. Grant managers needed to coordinate over different platforms. There were delays in sending funds. TAT was also high owing to workflow inefficiency.

QB took the lessons to craft the tool to create, receive, review, track, and disburse grants all in one place, leading to the following:

- Reducing the TAT to 15 days from 3 months.
- transparent evaluation processes based on rubrics
- timely disbursement of funds using batch payments
- and increasing the builder experience

Polygon used the tool to disburse \$500k+ on-chain in 3 weeks, improving builder satisfaction through quicker feedback loops.

Perpetual Grant Program

Perpetual protocol is one of the largest trading platforms. They have a total trading volume of \$15B with ~30k active weekly users. In addition, they used the tool to disburse a \$40k grant to build an Automatic Liquidity vault on the protocol.

Optimism - 30-Day Project Usage Summary						 @optimismfnd
Project	# App Txs	# App Addresses	# App ETH Fees	# Txs with Log		Annual
Galxe	1.56m	256.58k	138.98	1.67m		
Perpetual Protocol	955.39k	169.45k	74.61	1.06m		
Other Arb/Bots	852.21k	249	68.92	597.21k		
Pika Protocol	832.05k	153.78k	83.08	685.58k		
Uniswap V3	823.28k	232.80k	82.80	1.45m		

The protocol launched its grants program on August 2021 and ran it without the tool until May 2022. They needed help in fostering interest in their top priority RFPs. The community also asked for more transparent processes.

Using the tool, they received 60+ applications for their top RFPs. Perpetual accepted one to create an automatic liquidity vault, a top-priority RFP that has been open for a while. Completing the RFP increases liquidity, transaction volume, and a better user experience, and it impacts at least 10k active traders who want to provide ETH liquidity on the protocol.

Since everything was on-chain, the community could easily track progress. So, for example, Perpetual could see what projects were funded, what milestones they met, and the funding they got.



Lawrence

Questbook has allowed for greater discoverability for our grants program, bringing in applicants to some of our most requested RFPs that mainly found out about our grants program through Questbook. One of our RFPs that is currently undergoing completion RoboVault helps users provide liquidity on Perpetual Protocol in an automated way, allowing for greater liquidity for traders on our ETH market but also gives less sophisticated LPs an easy way to provide liquidity on Perp. This could impact at least 10k users who currently trade on our ETH market and many more who want to provide liquidity to Perpetual Protocol. Overall Questbook has helped our grants program find and fill important RFPs.



The QB tool helped Perpetual find the right builders, increasing visibility for the RFPs and managing the grant flow efficiently. It also enabled community participation, ensuring support for future rounds.

Community buy-in and next steps

This proposal is to gather interest, invite comments from the community, and vote on what this community believes should be the initial domains if this proposal should move forward. We appreciate the consideration of this community.