

Abstract

This document describes the concept of the decentralized governance framework built on NEAR.

We introduce basic abstractions required to build a decentralized process of funding ecosystem initiatives and a high level plan for implementation of introduced abstractions.

Described framework is not intended to present a unified vision of how a decentralized funding process should be organized but rather covering a specific family of scenarios which we consider useful for NEAR Ecosystem development. Parts of the framework can be customized and used independently in scenarios we did not cover in this document - e.g. "DAO" concept can be used in some scenarios completely separate from the "Funding node" concept.

While designing the framework we are focusing on efficiency, transparency and scalability. We describe every component in context of these key priorities in the Framework architecture section.

Historical context\Rationale

This concept is based on lessons learned from implementation of decentralized governance in NDC. Core tools to create and manage DAO's used in NDC was the Sputnik-DAO contract with AstroDAO and Astra++ as UI. We outline several issues which are the basis of our proposal to refactor Astra++ keeping Sputnik-DAO as a base contract.

- Lack of ownership and absence of long term vision-strategy for the products. The outcome is that the product becomes a pile of features (like a pizza - similar to what we have in "pizza coding" when developers just pile their code on top of the previous developers without having a single owner and without understanding of the approach that was taken by the previous developer). – *Show how DAO management works in Astra*
- Dependency on closed sourced indexers. Core contracts lacking view methods and data about DAO's is retrieved through an indexer developed by a 3-d party which is closed source. Indexers in general are very unreliable and are the source of errors. For example even a mature and well recognized NEAR indexer built by Pagoda contains data errors which we found during our work - indexers are complicated in NEAR in general and wherever there is a complicated component there is a room for an error. Moreover architecture with indexers hinder scalability drastically, especially closed sourced indexers.
- Lack of UX design - product looks as a product for developers by developers which is raising up the entry barrier and results in creation of DAO's only just to create a formal structure for funds funneling - interface is not engaging people into the decentralized governance.

We offer to restructure DAO management tools in a completely open sourced fashion with usage of native view methods instead of indexers. We also offer to add a couple of application level components to showcase the framework potential.

Framework architecture

Core abstractions

- **Funding node** - a governance body that can decide on distribution of some NEAR treasury(can consist of multiple entities). Funding node is responsible for execution of funding strategy including:
 - Legal alignment
 - Participation criteria
 - Financial compliance
 - General marketing
- **DAO** - Decentralized Autonomous Organization, responsible for funneling funds to projects within specific areas\verticals e.g. DeFi, ZK, Gaming, NFT. Assists to projects with marketing and development. DAO councils may not be developers or technical people but need to have expertise for project assessment in the relevant vertical
- **Project** - A smart-contract built on NEAR. While DAO councils can be various experts in the relevant vertical project members are actually people who build the project and participate directly in engineering routines.
- **Proposal** - A proposal to fund development or a marketing campaign
- **Report** - A report on progress on project milestones or executed marketing campaigns

User flows

Implemented:

- User can create and manage DAO - currently implemented in Astra++ need reimplement with new UX design
- User can create and manage content for the DAO landing page
- User can submit reports and proposals and engage in general conversation\discussion with likes, mentions and comments
- Dashboard to show metrics based on project usage

Planned

- User can add and manage events. -
- Community Voice revamp. New UX\UI, migration of posts -
- User can add referral functionality on the landing page for their DAO
- Wizard to create DAO (new UX and implementation)
- Revamp of DAO management UX (including mobile version) - to align with other pieces
- Guides on DAO creation/management
- Define Categories\Verticals (assumed by the Sputnik-DAO DAO abstraction)
- Extend dashboard for key funding node reporting
- Abstraction of voting (parametrize snapshot, Work on pure stake-weighted voting without a snapshot)

Technical components

Dashboard

The project's architecture represents a fast and dynamic solution for data analytics, aimed at analyzing DAO operations and community engagements within the NEAR blockchain ecosystem. It comprises four key components, each tailored to efficiently handle specific aspects of the data workflow:

1. Substreams Script: A script that reads, transforms, and stores historical data from the NEAR mainnet into a Clickhouse database. This component serves as the foundation for data collection and preprocessing.
2. DAOs Smart-Contract: Provides organized lists of DAOs and their associated communities smart-contracts list, enabling structured queries and analysis of DAO activities.
3. NodeJS Endpoints: Backend endpoints that aggregate and retrieve processed data from the Clickhouse database, facilitating dynamic data analysis and insight generation.
4. Dashboard Frontend: A user-friendly interface for visualizing statistics and insights, including user retention, DApps usage rate, acquisition cost, and social engagement scores.

