Cosmos Governance Working Group
Community Spend Proposal

[Figment Networks](http://figment.network)
January 14, 2020

Overview

This community spend proposal is being submitted by Gavin Birch (https://twitter.com/Ether_Gavin) on behalf of Figment Networks (http://figment.network), a validator operator and creator of the staking explorer Hubble (https://hubble.figment.network).

Our proposal is to **spend 5250 ATOMs from the community pool**. Passing this proposal will immediately transfer 5250 ATOMs from the community pool to this address, which is controlled by Figment Networks: cosmos1hjct6q7npsspsg3dgvzk3sdf89spmlpfg8wwf7.
Currently there is no way to return funds to the community pool.

Beginning in January 2020, we will commit to deliver **these items over the next three months**:
- A governance working group community & charter (ie. community)
- A template for community spend proposals
- A best-practices document for community spend proposals
- An educational wiki for the Cosmos Hub parameters
- A best-practices document for parameter changes
- Three governance working group community calls
- Three GWG month-end articles
- A Q2 2020 GWG recommendations article

Why this proposal? The Cosmos Hub launched with governance functionality, but without guidance for creating or assessing proposals. As governance functionality develops, potential participants will need to understand the potential implications of governance in order to authentically represent their values and interests on-chain.

Our solution? Initiate a governance working group that develops decentralized community governance efforts alongside the Hub's governance development. The GWG will build governance participation capacity with Cosmos stakeholders. How? By developing and documenting governance practices and features, and by communicating these to the broader Cosmos community.

What's next? We will publish our GWG recommendations before the end of Q1 2020 with the intention of submitting another community spend proposal to the Hub for Q2 2020.

Applicant(s)

Gavin Birch is applying on behalf of Figment Networks Inc.

Gavin hosts Figment's Staking Hub, a community dedicated to staking-based discussions with people involved in staking network research and development. Since April 2019, I've written a number of staking-related articles on the Cosmos Hub, Cosmos ecosystem networks, and projects in the broader staking space. Much of the content for these articles has been supported by my research work and inspired by the conversations that arise from my community-based activities.

Figment provides PoS protocols and their users with a comprehensive set of infrastructure and software tools, which include enterprise-grade staking node services and the multi-network Hubble platform.

Figment's mission is to enable the adoption and usability of the next generation of PoS-based blockchains. This is Figment's unique approach: providing not just enterprise-grade staking services to token holders, but also valuable open-source software tools (Hubble), compliance & reporting solutions, active community participation & governance leadership. Hubble, our open-source staking platform, is currently being used by a number of PoS protocols (including Cosmos and other Tendermint-based networks) to enable end-users to access and interact with these blockchains.

Based in Canada, Figment is the country's largest blockchain infrastructure and services provider. Figment has over 300 staking customers & partners worldwide across 14 PoS networks, with 9 PoS networks on (or announced to be on) the Hubble staking platform.

Co-founders Matt Harrop, Lorien Gabel, and Andrew Cronk have 25+ years of successfully starting and scaling internet infrastructure companies. This deep background in infrastructure and security combined with a passion for decentralized technologies led to the launch of Figment Networks in 2018.

Figment Networks - https://figment.network
Lorien Gabel - Co-founder & CEO (LinkedIn & Twitter)
Matt Harrop - Co-founder & CTO (LinkedIn & Twitter)
Andrew Cronk - Co-founder & Head of Product (LinkedIn & Twitter)
Gavin Birch - Research & Community (Twitter)

Problem & Solution

Prior to Figment's governance efforts, we found Cosmos Hub governance practices to be siloed, fragmented, and lacking development & documentation. We see a need to educate stakeholders and to lower the barrier to governance participation. As governance functionality expands, would-be participants must understand how to assess and create effective governance proposals and know what to pay attention to in order to authentically represent their values and interests on-chain.

As we discussed in this article (https://figment.network/resources/governance-and-the-validator), validators are currently the de facto governance decision-makers for the Cosmos Hub. This could make the Hub vulnerable in a few ways. We're concerned that without establishing community standards, processes, and driving decentralized delegator-based participation, the Cosmos Hub governance mechanism could be co-opted by a centralized power.

How do we propose to fix this problem?
Initiate a governance working group that expands decentralized community governance efforts by building governance capacity with Cosmos stakeholders. How? By leading discussions on the Cosmos forum and Telegram channel to develop and document governance practices and features, and then communicating these to the broader Cosmos community.

Why this solution?
We believe that these efforts will empower a diverse set of Cosmos stakeholders to participate in the network, and that a governance working group will be critical to the health and stability of the Cosmos Hub's development. The idea is for the working group to grow into a community, and our intention is also to inspire the broader Cosmos ecosystem.

Most importantly, we think that a grassroots approach to governance should help to decentralize control of the Cosmos Hub, lower the barrier to network participation, and drive the development of better software-based governance tools and functionality.

What is our motivation?
As a company, we see this work as both a way to differentiate ourselves as a validator service and as being critical to the success of a network that we're invested in. We think that governance work is important for high network function, so solving this problem would help to build our understanding, our reputation, and to inform the design of open source governance software that we aim to build for the Cosmos ecosystem.

Who does this help?
As a Cosmos Hub stakeholder (app dev, staker, validator, etc), I can join a distributed, grassroots community that helps me to 1) understand the implications of proposals and 2) vote on them in a way that's in keeping with my values. With enough education and engagement, I can help this community to evaluate and/or create new proposals.

Community Spend & Deliverables

Amount to spend from the community pool: 5250 ATOMs

Timeline: Q1 2020

Deliverables:
1. A governance working group community & charter
2. A template for community spend proposals
3. A best-practices document for community spend proposals
4. An educational wiki for the Cosmos Hub parameters
5. A best-practices document for parameter changes
6. Monthly governance working group community calls (three)
7. Monthly GWG articles (three)
8. One Q2 2020 GWG recommendations article

How will funds be spent?
Funds will be used to pay operational expenses, project management costs, and primarily to cover the time dedicated to the deliverables outlined and activities associated with this Cosmos governance working group.

What are the milestones?
By end of Month 1, the Cosmos Governance Working Group (GWG) should have been initiated and led by Gavin Birch of Figment Networks. By end of Month 2, Gavin Birch is to have initiated and led GWG's education, best practices, and Q2 recommendations. By end of Month 3, Gavin Birch is to have led and published initial governance education, best practices, and Q2 recommendations.

Detailed milestones and funding:
See Appendix or this spreadsheet -
https://docs.google.com/spreadsheets/d/1mFEvMSLbiHoVAYqBq8lo3qQw3KtPMEqDFz47ESf6HEg/edit?usp=sharing

Beyond the Milestones
Gavin will lead the GWG to engage in and answer governance-related questions in the Cosmos GWG Telegram channel, Twitter, the private Cosmos VIP Telegram channel, and the Cosmos subreddit. GWG will engage with stake-holders to lower the barriers to governance participation with the aim of empowering the Cosmos Hub's stakeholders. GWG will use these engagements to guide recommendations for future GWG planning.

Relationships & Disclosures

We have not yet received any grants or investments related to governance work. We intend to apply to the ICF simultaneously, and will withdraw this application if this community-spend proposal is approved by the Cosmos Hub.

Relationships with all Cosmos Hub stakeholders, including validator operators, protocol and tool (wallet, staking interface) developers, ATOM stakers, and yet-to-be identified stakeholders will be critical to carrying out these activities.

How will the final products be delivered?
Gavin will publish articles via All in Bits' Cosmos Medium blog. I'll also publish on the Figment Networks website. The GWG charter, community spend template, and best-practices documents will be pinned with IPFS and shared via Google Docs. Community calls will likely be streamed via Youtube. The educational wiki will likely be published via Github. Communications about these deliverables will take place primarily on All in Bits' Cosmos forum and Telegram, and will also distributed via Twitter, and in the Cosmos subreddit:
https://www.reddit.com/r/cosmosnetwork.

How can the quality of the deliverables be assessed?
Success will involve growth in the amount and distribution of involvement in Cosmos Hub governance (ie. assessing & creating proposals), higher-quality governance proposals, and better governance communication & coordination.

Measuring this will be difficult. For now, we think that rough consensus from the community will help us to assess the quality of our deliverables. We will seek feedback while developing deliverables, and will address questions and suggestions after publishing the drafts and first-version deliverables.

How will we benefit?
We will increase our ATOM holdings, build our relationships & reputation within the Cosmos community and beyond, and we will use what we learn to develop open source software.

What is our plan for the future of this work?
We plan to introduce a community-spend proposal to the Cosmos Hub for each quarter to continue these efforts if the Cosmos community continues to value our involvement.

What are the risks involved with this work?
There is the risk that mistakes in documentation could result in proposals for unintended parameter changes. Guidance from this work could lead to the loss of proposal deposits due to no-with-veto votes, failure to reach minimum deposit, or failure to reach quorum. The reputation of participants potentially misled by mistakes in this work is also at risk.

Do we have conflicts of interest?
Yes. Figment runs a Cosmos Hub validator and holds ATOMs, and every member of the Figment team personally holds ATOMs. Therefore we stand to benefit from influencing

governance decisions that prioritize our business and/or investment interests over those of the broader Hub.

Appendix

Cosmos GWG by Figment Networks

PROJECT TITLE	Cosmos Governance Working Group		COMPANY NAME	Figment Networks
PROJECT MANAGER	Gavin Birch		DATE	12/20/19

		PROJECT DETAILS				DELIVERABLES	HOURS
Item	START DATE	END DATE	DURATION (days)	LEAD	DESCRIPTION	DELIVERABLE	ESTIMATED HOURS
Milestone 1: Initiate the Cosmos Governance Working Group (GWG)						**2000 ATOMs**	**64**
GWG Participants	1/2/20	1/31/20	30	Gavin Birch	Establish a participants list & bootstrap stakeholder membership; engage within forum & Telegram channel; promote awareness outside of channel	A community w 10 validator operators	8
GWG charter	1/2/20	1/24/20	23	Gavin Birch	Establish the mission, vision, and values of the GWG	A charter for the GWG	4
Community-spend best practices doc	1/2/20	1/31/20	30	Gavin Birch	Initiate best practices for community spend proposals (research, feedback, formatting, draft)	Draft community-spend best practices	16
Parameter wiki	1/2/20	1/31/20	30	Gavin Birch	Initiate educational wiki for parameter changes	Draft wiki & parameter documentation	16
GWG community call	1/26/20	1/27/20	2	Gavin Birch	Prep, host & record first GWG community call	GWG community call & recording	4
End of month article	1/28/20	2/3/20	7	Gavin Birch	Publish one article describing what GWG has completed and what will come next. Format accessible to the broader Cosmos community.	Month-end GWG article	8
Other	1/2/20	1/31/20	30	Gavin Birch	Misc. hours for incidentals involved with bootstrapping new initiative		8
Milestone 2: Initiate education, best practices, recommendations						**1750 ATOMs**	**56**
Community-spend best practices doc	2/3/20	2/10/20	8	Gavin Birch	IPFS-hosted doc for best practices when drafting & evaluating community spend governance proposals, with accompanying blog article	Best practices v1.0 & article	10
Community spend template	2/3/20	2/14/20	12	Gavin Birch	Publish the first version of a template for drafting & submitting community spend proposals	Proposal template for community spe	8
GWG Participants	2/3/20	2/28/20	26	Gavin Birch	Engage with and grow GWG participation	Participant growth of: 10 validator ope	8
Param wiki & documentation	2/3/20	2/28/20	26	Gavin Birch	Initiate educational wiki and documentation for parameter changes	Second draft wiki & parameter docum	12
Best practices for param changes	2/3/20	2/28/20	26	Gavin Birch	Initiate best-practices doc for parameter change proposals	Draft param change best practices do	6
Quarterly recommendations	2/17/20	2/28/20	12	Gavin Birch	Initiate list of recommendations for GWG's next quarter initiatives	Draft of recommendations for Q2	2
GWG community call	2/24/20	2/24/20	1	Gavin Birch	Prep, host & record second GWG community call	GWG community call & recording	3
End of month article	2/26/20	3/3/20	7	Gavin Birch	Publish one article describing what GWG has completed and what will come next. Format accessible to the broader Cosmos community.	Month-end GWG article	5
Other	2/3/20	2/28/20	26	Gavin Birch	Misc. hours		2
Milestone 3: Publish initial education, best practices, Q2 recommendations						**1500 ATOMs**	**46**
Parameter wiki	3/2/20	3/27/20	26	Gavin Birch	Publish parameter wiki v1.0 and documentation for parameter changes	Param wiki v1.0 & documentation	16
Best practices for param changes	3/2/20	3/20/20	19	Gavin Birch	Publish first best practices doc for parameter change proposals	Parameter change best practices v1.0	8
GWG Participants	3/2/20	3/31/20	30	Gavin Birch	Engage with and grow GWG participation	Participant growth of: 10 validator ope	8
Quarterly recommendations	3/2/20	3/13/20	12	Gavin Birch	Final recommendations for GWG's next quarter initiatives doc & article; can be used for a Q2 community spend proposal	Final recommendations for Q2 article	8
GWG community call	3/30/20	3/30/20	1	Gavin Birch	Prep, host & record third GWG community call	GWG community call & recording	2
End of quarter article	3/30/20	4/6/20	8	Gavin Birch	Publish one article describing what GWG has completed and what may come next. Format accessible to the broader Cosmos community.	End of Q1 GWG article	4