2022 statistics on MakerDAO vote delegation

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WELL THAT SOUNDS LIKE A COMPANY WITH EXTRA STEPS
## Quick facts: MakerDAO

**October 2nd, 2022**

<table>
<thead>
<tr>
<th>DeFi Pulse ranking</th>
<th>#1</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Value Locked</strong></td>
<td>$7.6 billion USD</td>
</tr>
</tbody>
</table>
| **MKR circulating supply** | 977’631 MKR  
(+/- $738 million USD) |
| **MKR holders**          | govern MakerDAO by participating in 
“governance polls” and “executive votes” |
| **Voting power**         | 1 MKR token = 1 vote |
Problem:
Voting takes time and money!
Section 1

Summer 2021:
Maker introduced delegated voting
Maker delegated voting

MKR holders can delegate MKR to trusted representatives who will vote on their behalf.

MKR holders can “undelegate” MKR at any point.

2 types of delegates:
- Shadow delegates (Permissionless)
- Recognized delegates (Approved and monitored by MakerDAO governance facilitators)
Section 2

Some metrics
<table>
<thead>
<tr>
<th>Category</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total delegates</td>
<td>115</td>
</tr>
<tr>
<td>Recognized delegates</td>
<td>23</td>
</tr>
<tr>
<td>Shadow delegates</td>
<td>92</td>
</tr>
<tr>
<td>Total MKR delegated</td>
<td>142,669</td>
</tr>
<tr>
<td>Percent of MKR delegated</td>
<td>14.59%</td>
</tr>
<tr>
<td>Total Delegators</td>
<td>227</td>
</tr>
</tbody>
</table>
https://www.makerdao-governance-dashboard.com/
Governance polls: MKR Q2 2021 vs Q2 2022

(Courtesy of Tadeo from MakerDAO data insights core unit)

<table>
<thead>
<tr>
<th></th>
<th>Q2 2021</th>
<th>Q2 2022</th>
<th>Evolution</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Number of polls</td>
<td>83</td>
<td>61</td>
</tr>
<tr>
<td>2</td>
<td>Median poll participation (# of MKR)</td>
<td>14,401.58</td>
<td>92,235.36</td>
</tr>
<tr>
<td>3</td>
<td>Median poll participation (# of addresses)</td>
<td>24</td>
<td>17</td>
</tr>
<tr>
<td>4</td>
<td>Poll with max participation (# of MKR)</td>
<td>82,814.35</td>
<td>293,911.43</td>
</tr>
<tr>
<td>5</td>
<td>Poll with max participation (# of addresses)</td>
<td>46</td>
<td>73</td>
</tr>
<tr>
<td>6</td>
<td>Poll with min participation (# of MKR)</td>
<td>9,293.83</td>
<td>62,783.10</td>
</tr>
<tr>
<td>7</td>
<td>Poll with min participation (# of addresses)</td>
<td>11</td>
<td>13</td>
</tr>
</tbody>
</table>
Takeaways

● Whales delegate their MKR as a way of decentralizing themselves
● Median participation in # of MKR has increased very significantly between Q2 2021 and 2022 → MakerDAO is less exposed to governance attacks

Questions

● What is the optimal level of recognized delegator oversight?
● Is the current compensation of delegates appropriate? (approx cap 120k DAI / year for 10k MKR delegated = 8’730’000 USD)
● Should we also incentivize voters and delegators, or just delegates?
● If we want whales to decentralize themselves more, should we implement delegation contracts locked for a certain period of time?
Thanks to those who granted interviews to Emilie and shared their thoughts on DAO governance!

Jared Flatow
  Compound, VP of engineering
Derek Flossman
  MakerDAO, Head of protocol engineering
Derek Hsue,
  Reverie, Co-founder
Torgin Mackinga,
  PoolTogether, Grants committee lead
Thank you!

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Compare participation levels in Q2 2021 vs Q2 2022

Total DeFi TVL (DeFi Pulse)
https://www.defipulse.com/?time=All

MKR token price and marketcap (Messari)
https://messari.io/asset/maker/chart/mcap-circ
MKR support vs # of addresses which voted with more than 0.02 MKR