Q2 Report 2022

EOS Network Foundation

Our Mission

The EOS Network Foundation's mission is to enable developers, businesses and individuals to build on EOS to further innovation.

The EOS Network Foundation (ENF) provides support, funding and the coordination of resources necessary to make EOS a thriving ecosystem. We're harnessing the power of decentralization to chart a coordinated future for the EOS Network as a force for positive global change.

Through direct investments, a grant framework, sponsored working groups, Eden(s), and Pomelo, the ENF takes a strategic multi-pronged approach towards funding and enabling the EOS community to create positive sum games to mature EOS into a best-in-class Web3 smart contract platform and blockchain ecosystem.

ENF Progress Report

During the second quarter of 2022, the ENF saw exponential growth as an organization as it rapidly expanded its team to scale its internal capabilities and ability to execute as stewards of the EOS Network.

As part of our organizational hiring strategy, ENF USA LLC was established as well as ENF Hong Kong Ltd. The ENF more than doubled its core team size in Q2 as it continued to expand its technical talent, including additional engineering talent and a splash hire in Nathan James as the Director of Developer Relations, as well as operations, product, and project management teams. To close out Q2, the ENF had an offer accepted for a high impact addition to its C-Suite—by way of an incoming Chief Marketing Officer—who will bring over 25 years of global marketing experience to the ENF.

As part of the on-going business development and marketing strategy for the EOS Network, the ENF also formed a strategic partnership with Zaisan to support a go-to-market strategy which will include a physical presence at 20+ trade shows and Web3 events per year throughout Europe and Dubai. The ENF also announced that it will be a title sponsor at Token 2049 as part of Asia Crypto Week. This event is expected to have a substantial EOS presence with Trust EVM also serving as title sponsors and keynotes featuring Yves La Rose and others within the ecosystem.

ENF Socials by the Numbers

31 Total Blog Posts	**68** Total Videos	**60.2k** Total Video Views (Across all Platforms)
299 Total Tweets	**2.2m** Tweet Impressions	**3,311 (+24%)** Increase in Twitter Followers

ENF Working Groups

Think tanks are an underestimated business development weapon that, the ENF has leveraged significantly throughout 2022 with over $1.5m being invested into R&D alone which resulted in 347 pages of academic research in the form of "Blue Papers" containing over 80 EOS Enhancement Proposals. These artifacts served as the foundational elements for advising the ENF where to direct its investments and future bets to make EOS a best-in-class blockchain at the forefront of Web3 innovation.

While the earliest working groups focused strictly on academic research, some of the more recently established groups have focused more on development and product delivery based on their initial research.

The ENF continued to support multiple working groups and initiatives throughout Q2 with a combination of funding, coordination, human resources, project management, as well as legal support and advisory services.

EOSIO+ Coalition

In the early half of 2022, the ENF led an unprecedented show of cross-network collaboration when it established an EOSIO+ working group. This group invited all EOSIO chains to collaborate towards creating a cooperative system that would allow all parties utilizing the EOSIO protocol to help fund, organize, and prioritize the future of the software.

After months of planning and deliberation this working group evolved into the EOSIO Coalition with representatives from EOS, Telos, WAX, and UX Network. On April 8, the Coalition made a public commitment to invest $8m in annual funding towards advancing and sustaining development of the EOSIO protocol. A shared Coalition treasury and MSIG was established on the EOS blockchain at eosioplus.wg with an initial $2m of USDT funded by the four chains.

After securing Coalition funding, the working group ranked the enhancement proposals outlined in the Blue Papers to determine the top feature priorities to deploy capital and resources towards developing for the benefit of the codebase shared in common by all coalition member chains. The resulting 22 priority items were then released as the Coalition's initial roadmap and request for proposals (RFPs) were published for Faster Finality and Wallet SDKs in late May.

Funding these core protocol features and upgrades through the Coalition's shared treasury provides a significant cost savings to the EOS Network because it allows the costs to be shared across multiple chains utilizing the technology and taps into a much wider talent pool than within EOS itself. The ENF engineering team will also be able to offer significant cost savings to EOS token holders by bidding on future development work through Coalition RFPs, which will allow the ENF to recoup a portion of the funds invested into the Coalition's shared treasury rather than having to fund development itself without the Coalition.

Top 22 EOSIO+ Coalition Priorities

Faster Finality	Trustless Cross-Chain IBC	Contract Pays
Secure Smart Contract Libraries	Unsellable RAM	Provable State Domains
Synchronous Calls	Staking, REX, Voting	dStor Concept
Wallet SDKs	P2P Code Re-write	Read-Only Actions
Application Registry	Automated Security Auditing Tools	Central API Service
API Research and Standards	Improved Token Standards	Request for Permission
Transaction Lifecycle	EOSIO External Code Security Audit	
Specialized APIs	RAM Limitation Fixes	

EOSIO Rebrand

Early on in the Coalition, it was agreed that a re-brand of EOSIO was necessary to establish a new identity for the community fork to unite all of the chains utilizing the community-driven version of the technology stack. A professional design studio conducted market research throughout Q2 alongside the Coalition to establish the new name and branding for the community edition of the EOSIO technology stack. The new name and branding will be rolling out publicly in early Q3.

Scalability+

The ENF Scalability+ working group is the first working group to be established out of the EOSIO+ Coalition rather than by the ENF itself.

Scalability+ is a collaboration between WAX and UX Network to research the current status of EOSIO technologies and to outline a path towards the many improvements that could be made to ensure better horizontal, vertical, and operational scalability of EOSIO networks to meet the demands of growing Web3 application adoption.

A Blue Paper will be published in Q3 that offers an overview of where Scalability+ believes there are weaknesses in the current ecosystem and a detailed breakdown of their recommendations going forward. The intent of the recommendations are to ensure that the EOSIO ecosystem can support rapid growth of active wallets and adoption of new Web3 applications being deployed and operated. Some of the core focuses of the Scalability+ Blue Paper will be faster finality, trustless cross-chain IBC, and RAM limitation fixes.

Yield+

Yield+ is a working group and community initiative that was formed to make EOS a more competitive and attractive platform for DeFi applications, builders, and users. It was created with the intent to help develop the EOS DeFi ecosystem, grow the amount of total value locked in EOS DeFi, and increase opportunities for users to earn yield off of their EOS assets.

DeFi has quickly proven itself to be one of the killer apps of blockchains and smart contract platforms. DeFi competes with legacy finance by offering users more control, ownership, and earning potential. Today, a number of smart contract platforms have robust DeFi ecosystems that compete for users across the crypto space.

The Yield+ working group published a Blue Paper in Q2 that assessed the decentralized finance (DeFi) landscape across other blockchain ecosystems and proposed a liquidity incentivize program for DeFi protocols to attract and deploy liquidity on-chain for both native EOS and the EOS EVM.

The Blue Paper outlined both the details of a liquidity incentive program as well as proposals for the technical infrastructure required to execute such a program. The ENF approved the milestone based budgets proposed by the Yield+ working group to build out this infrastructure which includes the Yield+ Application Portal, Yield+ Smart Contracts that include time-weighted average price oracles, as well as an on-chain analytics and reporting system.

All of the Yield+ technical developments are expected to be completed in Q3. After code audits and testing are completed, the EOS liquidity incentive program and an aggressive DeFi marketing campaign will begin.

Recover+

The Recover+ working group was established in Q1 and led by the team at PIZZA DeFi. The goal of Recover+ is to create a crisis management framework for EOS with deliverables such as developing emergency contracts, protocols, best practices guides, FAQs, and advice on who to contact for help and support immediately after an exploit occurs.

The Recover+ team published their Blue Paper in Q2, which examined how to build an asset recovery framework for hacking incidents around the DPoS governance system of EOS and established the product logic and functionality for the EOS Recover Portal.

Throughout Q2 and into Q3, the Recover+ working group will continue developing and maturing its recovery program on EOS through milestone-based funding towards an on-chain reporting functionality, testnet rehearsals, and eventually an InsuranceDAO.

After witnessing billions of dollars lost in DeFi from hacks and exploits over the years, the ENF believes that DeFi 3.0 will have an insurance layer to reach massive adoption and it will be spearheaded on EOS via Recover+.

API+

One of the most important goals for any blockchain is to grow the ecosystem by attracting and retaining developers, businesses and individuals to build, operate and use the network. That was ENF's target when it commissioned the sponsored working groups and Blue Papers.

In the API+ Blue Paper published in Q1, Greymass, EOS Nation and EOS Rio mapped out the needs for more robust, reliable and performant API solutions. One of the proposed solutions outlined in the Blue Paper was to fund Specialized API developers and providers to execute on these underlying needs.

In Q2, the ENF funded the three teams in API+, who develop and operate the network's core API and history solutions, with a collective budget of $1,000,000 to ramp up maintenance, support, and new developments.

- **Software Maintenance** - Support the on-going development of the external API software and adapt to the upcoming changes of the core EOSIO software. Maintain security updates, work with SDK developers, update documentation, and offer developer/operator support.
- **Support Existing Operations** - Ensure that specialized API software and services are being maintained and operations continue to meet public API needs.
- **Increase Availability** - Expand operations to add capacity and/or redundancy, either by supporting existing teams or by offering opportunities to new teams.
- **Compatibility with Core Protocol Upgrades** - With significant development to the core EOSIO protocol, continuous compatibility with Hyperion, dfuse, and Roborovski is required to ensure that the network continues to operate without interruption.

EVM+ (Trust EVM)

The EVM+ working group was established in early 2022 with a mandate for delivering an Ethereum Virtual Machine (EVM) on EOS with full RPC compatibility, deterministic gas usage / billing, and ETH precompiles as EOS intrinsics.

Development for the EOS EVM began in January and by April, it was successfully deployed onto the Jungle 4 Testnet. A Twitter Spaces launch event with 400+ in live attendance was held on April 19 to celebrate the testnet deployment, and discuss the current status of the EVM. The name of the EOS EVM product that would leverage the technology built by the EVM+ working group was revealed as Trust EVM.

Throughout Q2, the ENF provided engineering support to the Trust EVM team both directly to the EOS EVM itself as well as to the Mandel 3.1 codebase, which includes host functions for crypto primitives to reduce the CPU costs of executing cryptographic functions available in EVM precompiled contracts. The next major Trust EVM upgrade (Phase 2) will occur on the Jungle 4 testnet in early Q3 alongside the Mandel 3.1 RC2 release with new features being activated that were enabled by Mandel.

This quarter also saw the Trust EVM team continue to refine the project's economics, marketing, and onboarding strategies for its production launch scheduled in October. Trust EVM also continued developing and forming strategic partnerships to deliver a full suite of complementary products including wallets, bridges, DEX, launchpad, and block explorers for the most performant EVM on the market.

Trust EVM will provide an instant on-ramp for Solidity developers to build on EOS while leveraging all of the tools, libraries, and open source code that they are already familiar with. To accelerate the onboarding of Solidity projects, developers will be able to access EOS funding via Pomelo, direct grants, as well as the EOS Yield+ liquidity incentive program.
More details about the EOS EVM will be shared in the coming weeks through the Trust EVM team's formal communication channels.

Pomelo Season 2

Pomelo is an open-source crowd-funding platform inspired by Gitcoin to fund EOS-based projects using a quadratic funding mechanism to multiply community contributions. Quadratic Funding (QF) has proven to be the mathematically optimal way for funding public goods in a community by giving greater weight to the number of unique contributors when determining the actual amount funded. With the magic of quadratic funding, more matching funds go to the grants with more unique donors.

Matching Pool Commitment

Pomelo held its second season in Q2 with the ENF participating as the sole matching pool partner with a commitment of $888,888. This capital was distributed across 141 grant proposals made using the quadratic formula to allow the EOS token holders themselves to dictate how the public goods funding was to be allocated rather than the ENF itself.

Direct Pomelo Contributions

After the grant contribution period ended and the matching funds were calculated, the ENF awarded an additional $125,000 of direct contributions across 38 Pomelo grant proposals. The recipients were selected as a way to support proposals that the ENF believed would be valuable to the EOS ecosystem, but were either underfunded or where it was believed that they would be able to accomplish even more with an additional top up in funds.

The combination of the matching pool and direct funding contributions brought the ENF funding total for the EOS community through Pomelo Season 2 to over $1,000,000!

Pomelo Season 2 Statistics

140
Approved Grants

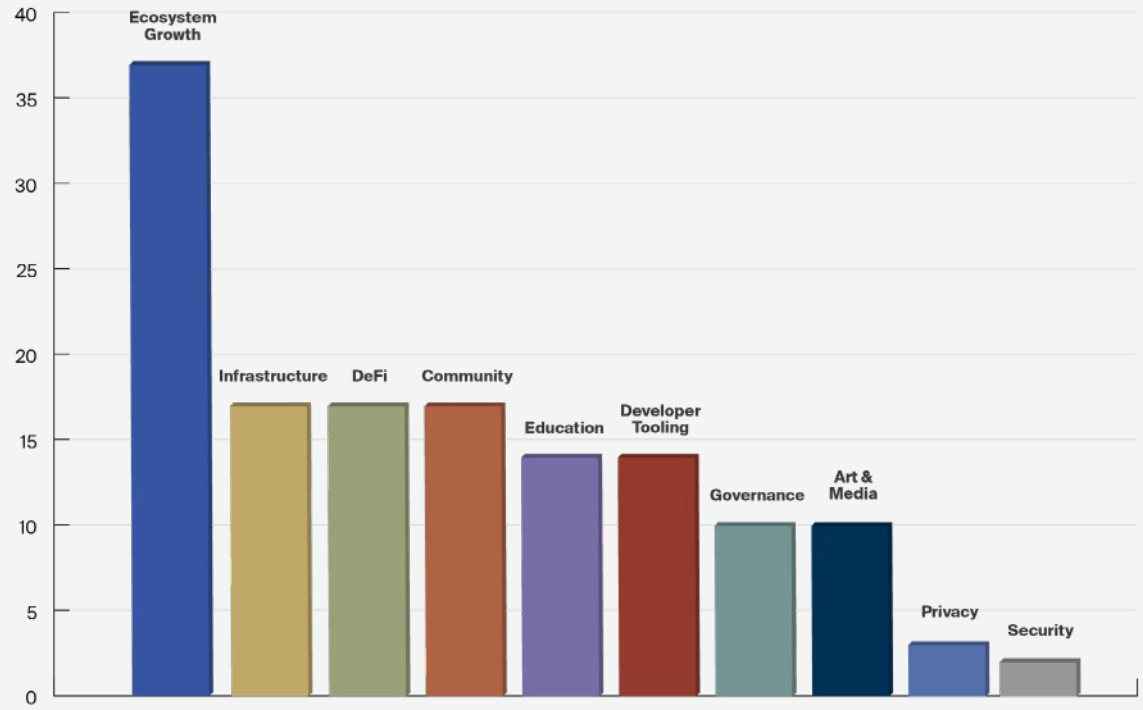
$148,836
Total Dollars Raised

1790
Unique Contributors

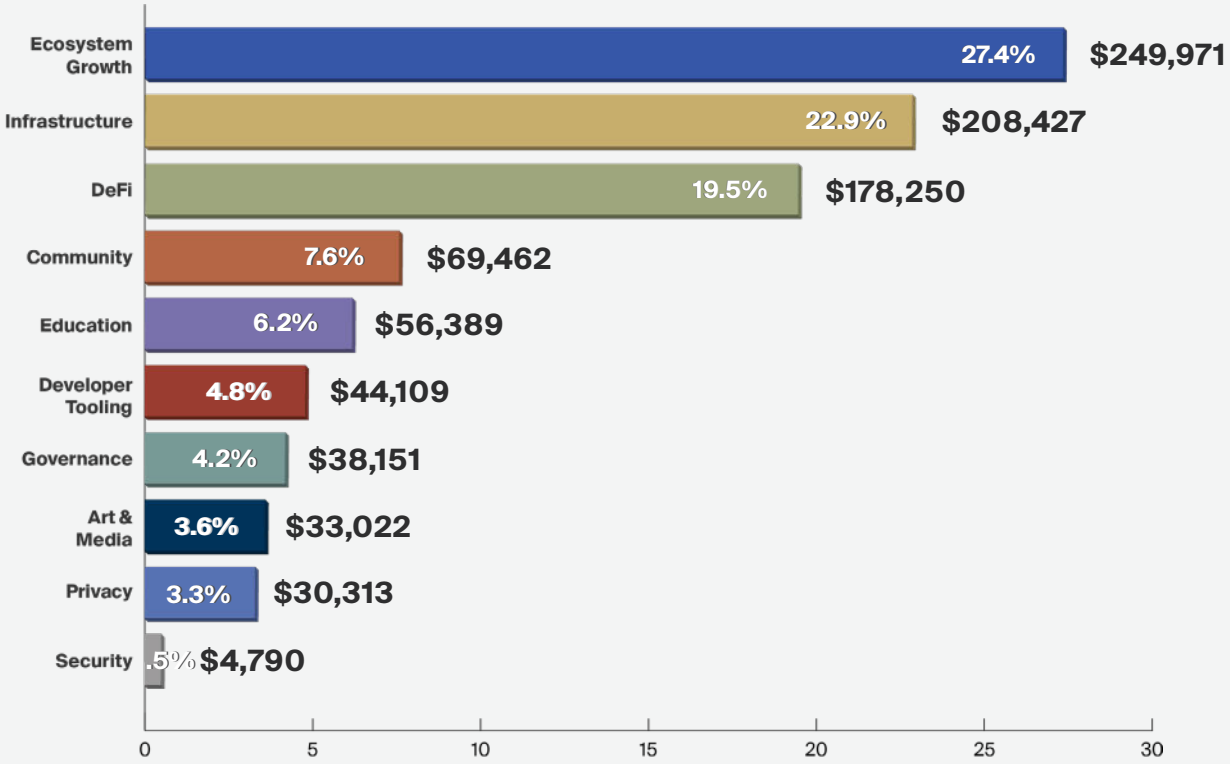
$912,884
Total Dollars Matched

$125,000
Direct Contribution from ENF

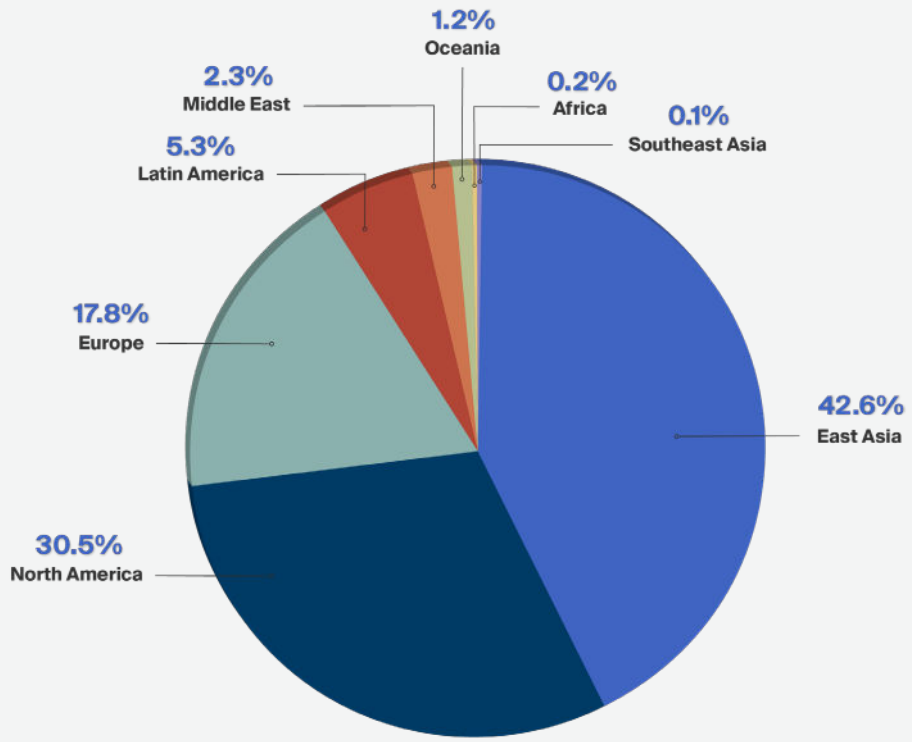
Number of Grants based on Categories



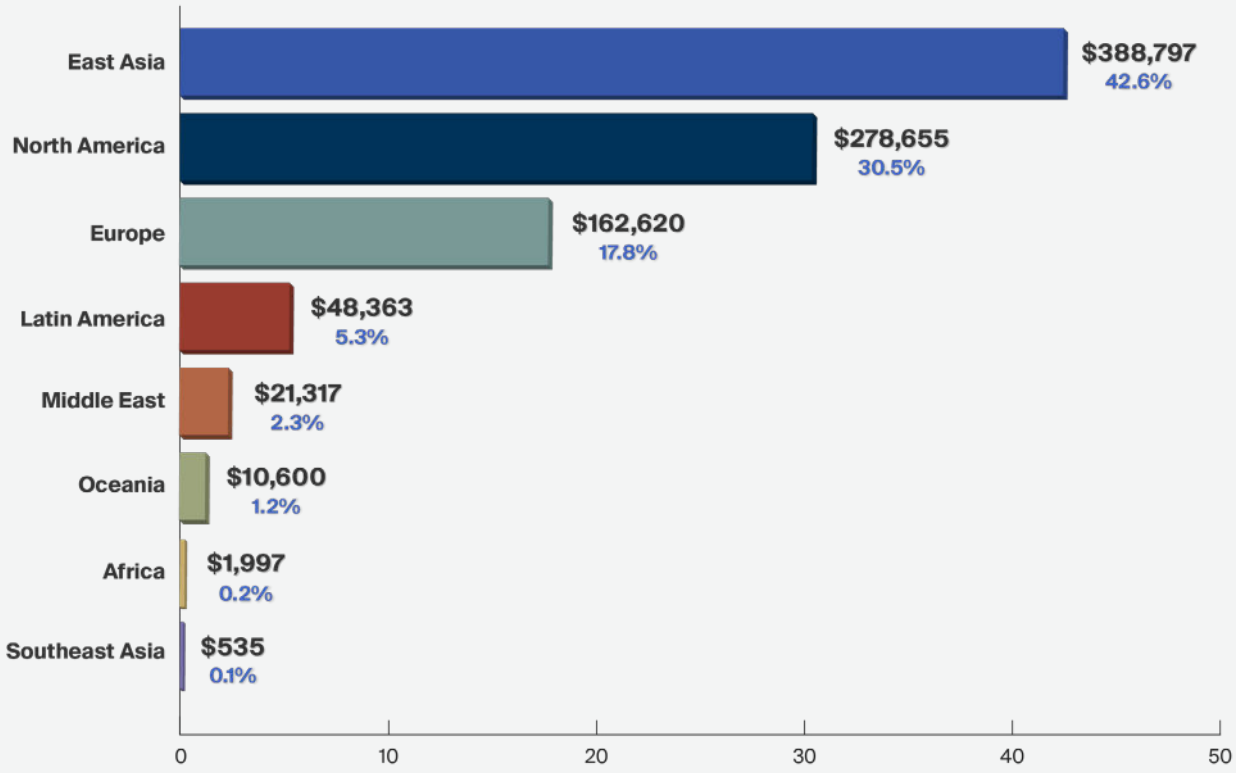
Amount Distributed based on Categories (USD)



Contributors based on Region



Amount Distribution based on Region (USD)



Direct Grant Framework

The ENF is dedicated to empowering developers, businesses, and individuals who wish to build on EOS. At the start of Q2, the ENF launched its direct grant framework to kickstart a new era of development that gives those wishing to build on EOS access to an efficient, transparent, and milestone-driven grant investment framework that was previously unavailable to network participants.

The ENF Grant Framework is open to individuals, small teams, and companies alike, with grants scaled to fit the scope of each initiative. All forms of projects are encouraged to apply for grants however preference will be given to those with strong technical projects that clearly add to the public good.

ENF Grants have clear guidelines, an application process, a multi-stage approval process, and a milestone based pay-out system. A non-exhaustive guide to popular grant categories includes: Core EOSIO Chain / Sub-modules, Development Tools, UI Development, Backend Development, and Cryptography. Grants are available to both “for profit” and “public good” entities, with the goal that all grants will benefit the EOS ecosystem.

Throughout Q2 the ENF made significant strides in enabling community driven projects to solve a variety of challenges, retain talent, and bring significant value into the EOS ecosystem. Since launching the direct grant framework, the ENF has approved 7 milestone-driven grant applications and continues to evaluate new proposals on an ongoing basis.

The ENF will continue to maintain communication with the EOS community as projects begin to move through the application process, receive funds, and reach milestones. We are at the cusp of a new era in development on EOS, and proud to be here with such a steadfast and resilient community.

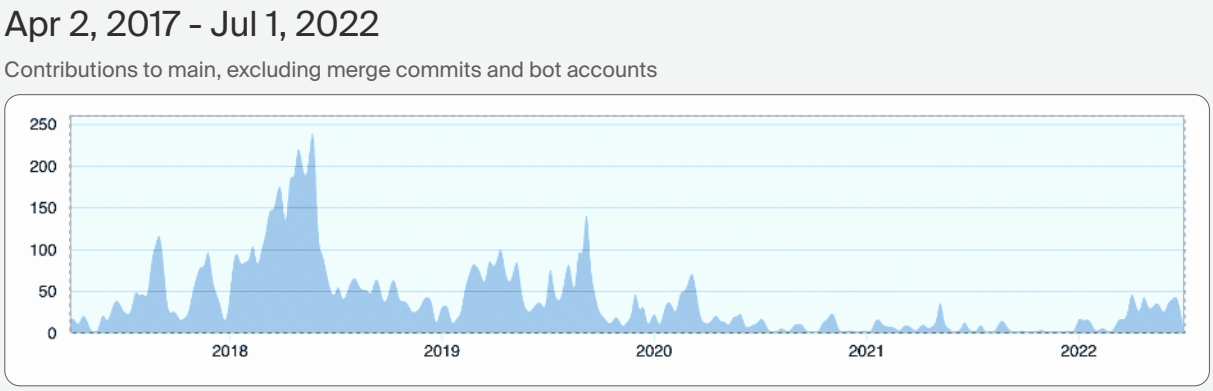
Core Development – Mandel

Mandel development began in Q1 when Dan Larimer and his engineering team at ClarionOS (now Fractally) were contracted by the ENF to deliver several new features to the EOS codebase as part of Mandel, which was established as a fork of EOSIO 2.0.

After delivering Mandel 3.0, Dan Larimer's team moved to focus their efforts on their own project, Fractally. The codebase was then picked up by a combination of engineers from Object Computing Inc (OCI) and the in-house senior engineering team that joined the ENF in April to begin work on Mandel 3.1.

The ENF and OCI engineering teams include some of the most experienced EOSIO developers in the world who have been the top contributors to the EOSIO protocol since the beginning. The engineering team working on Mandel 3.1 includes the top 4 contributors (by code commits) to the EOSIO protocol since 2017.

Development on the core EOS protocol is now innovating at its most aggressive pace since 2019 and will continue to ramp up as even more engineers begin contributing from the EOSIO+ Coalition initiatives. Collectively over 30 engineers have submitted code commits to the Mandel 3.1 repo since the ENF forked it from EOSIO 2.0.



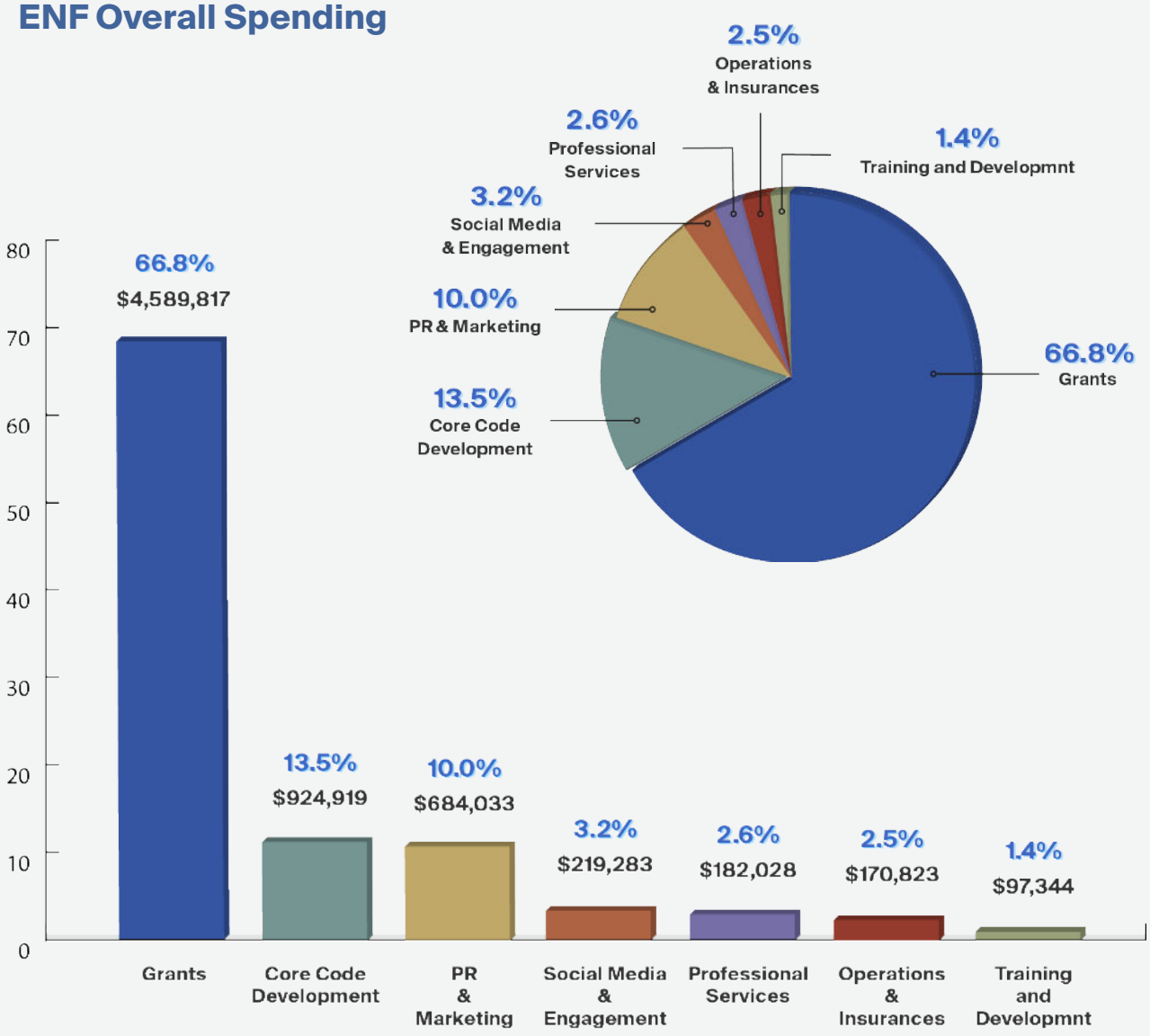
Some of the upgrades and enhancements in Mandel include configurable WASM limits, enhanced configurable blockchain parameters, resource cost estimation, subjective

billing enhancements, improved finality querying, host functions for crypto primitives including EVM precompiled contracts, and more.

When the Mandel 3.1 consensus upgrade occurs on September 23, it will mark the symbolic completion of EOS independence because it will be the first time the EOS Network is running a version of the software not developed or released by B1. All weekly meetings leading up to the Mandel consensus upgrade are available on YouTube as the network marches onward towards the September 23 EOS mainnet update.

ENF Operations and Financial Overview

ENF Overall Spending



Q2 2022 Total Spending

$6,868,247

Roadmap

Q3

- Activate Mandel 3.1 Consensus Upgrade
- EOSIO Rebrand
- EVM Launch
- EVM Product Suite
- Yield+ Portal
- Recover+ Portal
- Pomelo Bounties
- Market+ Sentiment Dashboard
- Scalability+ Blue Paper

Q4

- ENF Ventures
- Inter-Blockchain Communication
- Performance Harness MVP
- New Cryptography Primitives
- JavaScript SC Testing Library
- SDKs: API Client Extensions / Data Type Addons / Web Client
- Yield+ Stage 2
- Mandel 3.2 RC