

WHAT IS ARABLE?

**A PLATFORM
WHERE...**

**MINTERS CAN ISSUE
SYNTHETIC ASSETS**

**FARMERS CAN FARM
SYNTHETIC ASSETS**

**LIQUIDITY PROVIDERS
CAN GENERATE YIELD**



ARABLE
PROTOCOL

INTRODUCING ARABLE: A FARMABLE SYNTHS PROTOCOL

Arable is a new protocol that is dedicated to helping yield farmers (the participants engaging in yield farming, commonly known as liquidity mining) create and harness the power of **synthetic assets** across multiple decentralized blockchains, such as Ethereum, Avalanche, Solana or Polygon.

Since summer 2020, yield farming has been a tremendous engine for the growth of decentralized finance protocols. In essence, token holders who have excess liquidity can provide their assets and stake them or place them in liquidity pools. This helps ecosystems foster deep liquidity, which is a prerequisite for the smooth operation of lending platforms or for traders to trade on decentralized exchanges for example. In exchange, liquidity providers receive native tokens as rewards for the participation to the ecosystem.

Liquidity provision into decentralized systems has evolved dramatically since, and countless pools and incentive mechanisms exist on many different blockchains. This may lead **users to feel overwhelmed, liquidity to be fragmented across chains, and new protocol to be orphaned as they fail to capture users.**

Synthetic assets are a particular kind of assets that reside on a blockchain. They represent assets that could not otherwise be traded in a decentralized manner given their nature or format, for example assets from another chain. For example, since the asset issuance format is different between the Ethereum and Tezos chain, assets cannot be cross-leveraged. Synthetic assets (or synths) solve this problem by **replicating the assets** on the target blockchain in the desired format.




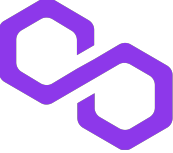

ARABLE's goal is to provide a single platform, where users can create (mint) synthetic assets, making further use of their assets, and receiving the same rewards as they would if they used the segmented protocols and chains directly.

As yield farmers ourselves, we are acutely aware of the issues face by the community: security risks, technological difference between chains, liquidity fragmentation... We strongly feel that **synthetic farmable assets** would provide a breakthrough in the field of yield farming and enable new ways to **create, collateralize and use any asset in productive ways.**

WHY DO WE THINK ARABLE IS CRUCIAL IN TODAY'S DEFI ECOSYSTEM?

1. Market fragmentation

For DeFi (decentralized finance) power users, it is increasingly difficult to make sense of the **multi-chain universe** that is unfolding. For example, yield farmers can choose from the following chains today, among many others:

				
Ethereum	Cosmos	Avalanche	Polygon	Solana

Although the abundance of choice is a **positive** for yield farmers, it also **creates the following issues**:

- **Technical complications** unique to each platform
- **Learning curve** in order to leverage the technologies available
- Increased **risk of technical failure** due to the multiple tools used

Having a single platform to **create, mint and leverage synthetic assets** will streamline the workflow of DeFi power users.

2. Strategy optimization

As popular projects such as yearn.finance have demonstrated, **consolidating** yield farming activities on a single platform creates many benefits, such as cost savings (gas), economies of scale, and also can allow the capture of a higher portion of rewards. ARABLE allows yield farmers to create synthetic assets of any existing asset, and yield farmers can gain efficiency this way.

3. ARABLE's unique value proposition

There are today a few platforms that allow yield farmers to aggregate yield. However, there is no platform that allows such aggregation specifically for **synthetic assets**.

The key components of the ARABLE platform will be:

- a **dashboard** where yield farmers have an overview of their yield generating stakes, liquidity pools, or synths
- **synthetic assets**, such as arETH, arCRV, which mirror existing assets and are unique to ARABLE
- most importantly, all the assets available on the platform can be used to farm and generate yield

Synthetix has proven that **synths** are secure enough to exist and be used for trading. Therefore the minting of synthetic assets is not a foreign concept to most yield farmers.

However, the challenge is to build a system that would guarantee farming rewards for the assets minted. In other words, an incentive system that allows the creation of sustainable **farmable synths**.

The core logic is to create **synthetic assets** on a network that exists on an alternative chain:

- **Synths minters** are responsible for the collateralization of the minted assets and for the rewards to be given to yield farmers.
- For example, if the asset arSOL (a synth for SOL on ARABLE) is minted on the Avalanche network, minters should be responsible for backing the arSOL staking rewards, which are automatically given to farmers, as the minters' debt is automatically increased. This solution needs to make use of an oracle service to determine the specific asset price, and to calculate the farming rewards.

TECHNICAL IMPLEMENTATION

1. What are synthetic assets?

First, it may be useful to clarify what are **synthetic assets**.

Synthetic assets are assets that replicate other assets in a specific environment. In our case, "**synths**" (short for synthetic assets) are assets that may represent real world assets or assets that were originally created on another blockchain. For example, ETH is the native token of the Ethereum network, and it will be minted as **arETH** on the ARABLE platform.

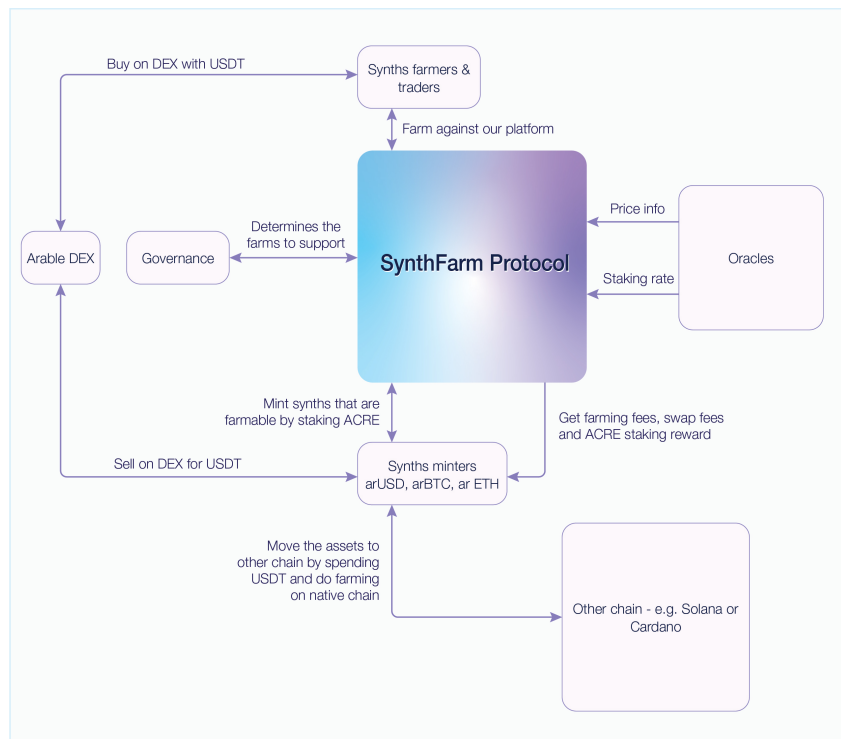
Synthetic and derivatives assets are a **multi-trillion market in traditional finance**, which has barely been tapped in the blockchain space.

We believe facilitating the minting of such assets would unlock **a new era of yield farming** and be a material contribution to the growth of the blockchain ecosystem.

Comparison with other solutions

Technical Solution	Examples	Comments	Arable
Bridges	Avalanche, Polygon...	Allowing the transfer of assets from one chain to the other is useful, and allowing them to be farmed in the next logical step	Arable allows the farming of all bridged assets, which creates new possibilities for their usage
Wallets	C98...	Multi-chain wallets are useful but offer limited capabilities for farmers	Arable not only allows to consolidate assets, but also provides many additional features
Synthetic assets	SNX	Existing platforms allow the trading of synths, but not their farming	Allowing the use of synths for yield farming unlocks new possibilities for liquidity providers

2. Synthetic asset minting process



The minting process relies on the following components of the platform:

- **Synths minting application** including secure oracle integration
- A **zero slippage DEX platform** that supports arable synths
- A **generalized farming interface**
- A **governance system**

App wireframe

Arable farms

Token	Rewards	APR	Native Network	Liquidity (Synths / Native network)	Historical rewards		
arOSMO	arOSMO	245%	Osmosis	\$10 M / \$100 M		Buy	Sell
arSOL-arRAY	arRAY	15%	Solana	\$10 M / \$1000 M		Buy	Sell
arAKT-arOSMO	arOSMO	15%	Osmosis	\$1 M / \$10 M		Buy	Sell

Stake ACRE

Token	APR	Liquidity	Historical price			
ACRE	30%	\$10 M		Buy	Stake	Unstake

Arable synths

Token	Service	APR	Fee Charge	Native Network	Liquidity (Synths / Native network)	Historical rewards		
arAKT	arAKT	0.9%		Akash	\$1 M / \$10 M		Mint	Burn
arOSMO	arOSMO	0.5%		Osmosis	\$1 M / \$10 M		Mint	Burn

KEY TERMS

ACRE:	Protocol native token. It is also the traditional unit of account for crop lands.
ARABLE:	Name of the protocol. Traditionally, arable is said about land that can be farmed
arBTC:	Synthetic BTC, as bridged onto the Arable protocol and platform
arETH:	Synthetic ETH, as bridged onto the Arable protocol and platform
Farm:	Is the action of providing assets or liquidity to a system, and receiving native notions as incentive
Mint:	The minting is the issuance process of new synthetic assets on ARABLE
Synths:	Short for synthetic assets, an assets that is a derivative or a replica of another existing asset

LINKS

Website:	https://arablefi.com/
E-mail:	contact@arablefi.com
Twitter:	@ArableProtocol
Telegram:	@ArableProtocol