UNI on L2’s

L2’s are here to stay. Uniswap has taken a different approach to what Curve did, and did not deploy to as many chains. Even though liquidity and activity on these chains is not as big as Ethereum’s, it is not to be underestimated.

When trying to use a different chain, the very first problem is the bridge. Bridging is a very interesting topic, which is not the core goal of uniswap, but when trying to stimulate use on new chains, it is inevitable that Uniswap should get its hands on the job to offer (via a partnership) a secure and frictionless way to move funds from one place to another. Assuming there is a secure and good service provider to bridge from and to the different networks in which Uniswap is deployed, the idea would be:

Imagine that when you are trying to pool funds using uniswap, you are prompted a message(prompting a message is not the best UX/UI idea, but just a sketch for you to imagine) with the different chains in which you could add this liquidity. This should come with an approximation of how much fees were collected by the LP’s in the last 30/10/7 days(TBD timeframe) in Ethereum vs this other chain, to show approximately how much trading volume there is.(So that the user doesn’t deploy liquidity where it is not needed or used). And finally, an estimated price of the bridging operation in terms of gas.

So mathematically, the user would compare

| Adding liquidity example | Ethereum | Other chain |
| --- | --- | --- |
| Fees generated in the last(30/15/7) days | X | Y |
| Approximate price to bridge | - | B |
| Price(gas) to deposit liquidity | D | D2 |
| Price(gas) to withdraw liquidity | W | W2 |

\*\*Where D >>D2 and W>>W2

So the user should evaluate if Y - B - D2 - W2 >= X-D-W to decide to bridge or not.

(Disclaimer: To be 100% honest with the analysis, the cost of bridging back to ethereum should also be taken into account).

The main threats of this proposal are 2. The first one is the biggest one, the bridge. Because Uniswap doesn’t develop their own bridge, they will be entitled to the risk of the partner they choose.

The second one is to integrate the chart that I described before in a good user experience/interface way. Nothing worse than a complicated interface for a web application.