

BNB is one of the most used chains with an active and loyal community of users. At the writing of this proposal, BNB Chain had 1M DAU and an average of 2.5M to 3M transactions per day during October. Although BNB Chain is known for its strength in the GameFi vertical, it also has a vibrant DeFi ecosystem. A TVL of ~\$7B makes BNB the second-largest chain by TVL.

The DeFi ecosystem is led by PancakeSwap, the third DEX with the highest TVL (\$4B) across chains and also has one of the highest volumes. Other dexes like BiSwap, DODO, or iZumi also have a relevant role in the ecosystem. Today Venus is the most important BNB lending project with about \$700M in TVL. Liquid staking, derivatives – be they options or perpetuals – or nascent categories like Real World Assets are also present on the chain. The trading volume of BNB DeFi dapps is also among the highest across chains. But above all, they have a large mass of users behind them.

BNB Chain wants both to further diversify the DeFi options available to its users and also bring new approaches. AAVE is one of the flagship DeFi projects and holds a leading position in the crypto debt markets, standing out as a valuable addition to our ecosystem. Furthermore, the v3 adds an extra degree of innovation, capital efficiency, and security and leaves a lot of room to be leveraged by other projects. Additionally, AAVE is one of the most mature projects out there and its model has been successfully tested over time. All these factors have motivated us to come up with this proposal, as we believe that the project would help the ecosystem grow further.

A brief summary about us:

BNB Chain is a decentralized Layer 1 EVM compatible that uses Proof of Staked Authority (PoSA) as a consensus mechanism. At the time of writing, it has 26 active [validators](#) and 47 candidates and is looking forward to increasing this number in the short future to strengthen its decentralization. BNB Chain comprises BNB Beacon Chain (previously Binance Chain) and BNB Smart Chain (previously Binance Smart Chain). The combination of these factors lets the chain support short block time and lower fees.

Regarding its infrastructure, Chainlink and The Graph fully support BNB. Nodereal, Ankr, InfStones, Quicknode, and Chainstack are the public RPCs and [BSC Scan](#) is the reference token tracker of the network.

For the deployment itself, we believe that the following list of assets would be the ideal starting collateral on Aave V3: BNB, WBTC, WETH, CAKE, BUSD, USDC, and USDT. These coins are assets of great quality and represent best the BNB DeFi offering. They also have a solid demand, all of them have a [transfer volume](#) (30d) of more than \$2,000M and are supported by Chainlink's price feeds in the main DEXs (PancakeSwap, BiSwap, MDex, iZumi or DODO).

To guarantee the successful landing of AAVE, BNB Chain is open to articulating together with the AAVE team the best strategy to encourage not just liquidity but also bootstrapping users and integrations with other projects. We also encourage forum participants to propose possible strategies or recommendations in this regard.

We also want to address the security of BNB, one of the chain's top priorities. We actively audit the network and its smart contracts with different security providers. Some of the audits have been performed by PeckShield, VeriChain, CertiK, or Quantstamp and their results are publicly available.

A deployment of AAVE on BNB will be definitely positive for the chain. We also believe that it would also be beneficial for AAVE. AAVE would have access to the chain with the highest number of active users and transactions, the second largest TVL of DeFi, as well as exposure to a vibrant DeFi ecosystem with many possible ways to leverage its product. This will have a positive impact on the DAO's treasury, generating a new source of revenues that, based on the weight of BNB in DeFi across chains, has the potential to become one of the most relevant for AAVE.

We hope that this proposal will be well received by the AAVE community and that it will be able to generate an enriching debate prior to going through governance. The BNB team remains at the disposal of both the AAVE team and its community to discuss this proposal as well as to streamline the collaboration between both entities in the event that the AAVE community decides to push it forward.