title: [ARFC] GHO Arbitrum - Parameter Adjustments

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Summary

This publication proposes adjusting several GHO related parameters on Arbitrum.

Motivation

After increasing the CCIP Facilitator Capacity from 1.0M to 2.5M, the new capacity was filled within 90 minutes. This reflects strong demand for GHO on Arbitrum.

With better than anticipated liquidity conditions and the Arbitrum incentives program in progression, this publication proposes several parameter increases that are supportive of enabling GHO to grow more freely.

Upon implementing this proposal, we anticipate ARB emissions will commence on the Aave Protocol. This along with Liquidity Mining incentives on several liquidity pools is expected to stimulate demand for GHO on Arbitrum.

Specification

This proposal will implement the following parameter adjustments, which are endorsed by <u>@ChaosLabs</u> as an Aave DAO Risk Service Provider.

Parameter

Current

Proposed

Eth GHO Bucket Capacity

2.5M

20.0M

Arb GHO Facilitator Capacity

2.5M

20.0M

Arb GHO Supply Cap

1.0M

5.0M

Arb GHO Borrow Cap

0.9M

4.5M

The adjustments are to be made via the Direct-to-AIP process.

Disclosure

TokenLogic and karpatkey receive no payment for this proposal. TokenLogic and karpatkey are both delegates within the Aave community.

Next Steps

1. Using the Direct-to-AIP process, submit a proposal for vote.

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