

Hello Centrifuge and Aave Community

I would like to request comments on the proposed renewal incentive reward for RWA Market.

The RWA Market is the first venture of Aave and Centrifuge and with a total market size of \$8.116M.

Current market conditions and the economic situation in the world have led to a lot of withdrawals, and ongoing instability in the market means that RWA Market will unfortunately lower borrowing to pools. As a result, the total market size is \$8,116,734.49.

I believe that RWA Market and AAVE have a significant impact and role in the future of RWA with Centrifuge and the RWA Market incentives should be extended.

The proposal is to:

1. Extend incentives reward for RWA market [keeping the same incentives liquidity](#) for the Aave RWA Market from last time.
2. Minting an additional 100,000 CFG incentivizes to keep earning a stable yield and also gives current and new users the chance to participate in the Centrifuge Governance.

Proposal Parameters

The proposal being put forward is the following:

- Mint an additional 100,000 CFG for the next 90 days starting 04-10-2022 and deposit these into the Aave Rewards Distributor Contract.
- Distribute 1111 CFG per day as rewards across the AAVE Centrifuge market.

Please keep in mind that this is a fixed rate, so naturally, the overall reward percentage decreases as TVL increases.

The original post regarding RWA Market rewards adjustments and describing the original proposal in more detail can be found [here](#).

In the case of RFC: Renewal RWA Market rewards proposal will receive positive feedback and the Community will not have any objections, in this case, the implementation of the process will be like this:

Governance process

Once the discussion about this proposal (RFC) has ended in 7 days, the steps will be as follows:

1. Create a snapshot vote on Opensquare for this proposal

The snapshot vote will be open for 7 days and will pass with a SimpleMajority (majority votes yes). If there is support for this proposal, it will move to an on-chain proposal.

1. Create a Council motion and fast track it

If the snapshot vote passes, I will ask the Centrifuge council to create a motion and fast track it. There will be a separate post here on the Forum, once it is done.

1. Public referendum

If the motion passes in the Council, it will go to a referendum vote, where all CFG token holders can vote. The referendum vote will be open for 7 days (50,400 blocks with an average block time of 12 sec).

1. Enactment

If the referendum passes, the rewards will be minted and deposited into the Aave Rewards Distributor Contract.

If this proposal passes all steps, it will take around 21 days for it to pass and the rewards will be minted shortly after.

If you have any questions or comments, please feel free to leave them on the Centrifuge forum

[RFC: Renewal RWA Market rewards proposal \(12-09-2022\) - Centrifuge Governance - Centrifuge Governance Forum](#)