

[TEMP CHECK] Onboard & Enable LBTC/WBTC liquid E-Mode on Aave v3 Core Instance

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Summary

This proposal aims to onboard and enable LBTC/WBTC (Lombard) liquid E-Mode for the Main Instance. By implementing this change, we seek to enhance capital efficiency for borrowers using LBTC/WBTC as collateral.

Motivation

The motivation behind this proposal stems from several key factors:

- **High Utilization:** LBTC/WBTC has demonstrated significant usage as collateral for borrowing stablecoins on other platforms.
- **Capital Efficiency:** Enabling liquid E-Mode for LBTC/WBTC will allow borrowers to substantially improve their capital efficiency when using this asset as collateral.
- **Controlled Growth:** Liquid E-Mode provides a mechanism for more precise control over the growth and borrow demand in relation to the overall stablecoin liquidity within Aave v3 on Core Instance.

By implementing this proposal, we aim to optimize the use of LBTC/WBTC within the Aave ecosystem, attracting more liquidity for the protocol and increasing revenues.

Specification

This proposal will add LBTC/WBTC liquid E-Mode. Risk Parameters will be provided by Risk Service Providers and ARFC will be updated accordingly when ARFC is posted if it passes this TEMP CHECK.

Useful links

[BGD. Aave v3.2: Liquid Emodes

](<https://governance.aave.com/t/bgd-aave-v3-2-liquid-emodes/19037>)

[ARFC Snapshot

](<https://snapshot.org/#/aave.eth/proposal/0x68ce69b5e71df1d77c2ad814a5d41162a40be54473576ff590d0b1bb5afde4a7>)

[Github

](<https://github.com/aave-dao/aave-v3-origin/tree/v3.2.0>)

[AIP

](<https://vote.onaave.com/proposal/?proposalId=178>)

Disclaimer

This proposal is directly powered by ACI (Aave Chan Initiative). ACI did not received compensation for creation of this proposal.

Next Steps

1. If consensus is reached on this TEMP CHECK, escalate this proposal to the Snapshot stage.
2. If Snapshot passes, escalate to ARFC and then Snapshot.

3. If the ARFC snapshot outcome is YAE, publish an AIP vote for final confirmation and enforcement of the proposal

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