

Avalanche: Signal for deployment

Summary

The Avalanche Foundation asks for signaling from the Aave community to accept a deployment of the Aave Protocol into Avalanche.

Proposer

The Avalanche Foundation is dedicated to supporting the Avalanche ecosystem and related technologies. The Foundation is part of a larger Avalanche ecosystem and working with other organizations to support the significant development of Avalanche-related technologies.

Avalanche is one of the fastest smart contracts platforms in the blockchain industry, as measured by time-to-finality, and has the most validators securing its activity of any proof-of-stake protocol. Avalanche's C-Chain is an instance of the EVM running with Avalanche's consensus.

Rationale

- Current status of the Avalanche C-Chain: The Avalanche network is secured by over 1,000 validators and is scalable to tens or hundreds of thousands of participants due to the performance of Avalanche consensus. While maintaining this level of decentralization, the network can deal with high throughput and provides instant finality in 1-2 seconds, making the network's C-Chain an incredible playground for DeFi and other EVM applications. The ecosystem already has a slew of native projects offering exchange, lending, and aggregation services, over \$1.5bn bridged from Ethereum, over \$2.2bn in TVL, and protocols such as SushiSwap and Curve deployed or in the process of deploying.
- Why it is good for the Aave ecosystem: The Avalanche blockchain is well-suited for building DeFi applications due to scalability, high throughput, and near-instant finality. Through the Avalanche Rush program, the Avalanche foundation has allocated up to \$20M AVAX for users of the Aave protocol over a three-month period to earn AVAX rewards while using Aave on Avalanche for the first phase of the program. This program will bring new users to the platform, and reach more users from the established Avalanche community. Having the Aave community embrace deployment on established chains like Avalanche will allow more users to access Aave's offerings across the DeFi ecosystem.
- Why signaling is necessary? Consistent with the ethos of the Aave ecosystem, the Avalanche Foundation believes that all deployments of the Aave protocol should be voted on – and accepted by – Aave governance prior to deployment. The Avalanche Rush announcement received a lot of interest from both the Aave and Avalanche communities. Deploying the Aave protocol on Avalanche will support growth and synergies between the communities, ultimately leading to a stronger DeFi ecosystem.

Next Steps

- Creation of Snapshot vote for the Aave community to signal YES/NO for deployment on Avalanche.
- Deployment of smart contracts in Avalanche C-Chain and activation of liquidity mining program.

After the Acceptance of the deployment of Aave to Avalanche by the community, we would like to validate the list of initial assets and configurations of the deployment, which are listed below. In addition, a Snapshot proposal has been created.

Snapshot Vote: [Snapshot](#)

WAVAX

- Usage as collateral: Yes
- LTV: 50%
- Liquidation threshold: 65%
- Enabled to borrow: Yes
- Stable rate enabled: No
- Liquidation bonus: 10%
- Reserver factor: 15%

WETH

- Usage as collateral: Yes
- LTV: 80%
- Liquidation threshold: 82.5%

- Enabled to borrow: Yes
- Stable rate enabled: No
- Liquidation bonus: 5%
- Reserver factor: 10%

WBTC

- Usage as collateral: Yes
- LTV: 60%
- Liquidation threshold: 75%
- Enabled to borrow: Yes
- Stable rate enabled: No
- Liquidation bonus: 5%
- Reserver factor: 10%

AAVE

- Usage as collateral: Yes
- LTV: 40%
- Liquidation threshold: 65%
- Enabled to borrow: No
- Stable rate enabled: No
- Liquidation bonus: 10%
- Reserver factor: 20%

DAI

- Usage as collateral: Yes
- LTV: 75%
- Liquidation threshold: 80%
- Enabled to borrow: Yes
- Stable rate enabled: No
- Liquidation bonus: 5%
- Reserver factor: 10%

USDT

- Usage as collateral: No
- LTV: 0
- Liquidation threshold: 0
- Enabled to borrow: Yes
- Stable rate enabled: No
- Liquidation bonus: 0
- Reserver factor: 10%

USDC

- Usage as collateral: Yes
- LTV: 75%
- Liquidation threshold: 80%
- Enabled to borrow: Yes
- Stable rate enabled: No
- Liquidation bonus: 5%
- Reserver factor: 10%