

# title: [ARFC] stEUR Onboarding on Aave V3 Ethereum Pool

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## Summary

This ARFC proposes the onboarding of stEUR as a collateral-only asset on the Aave V3 Ethereum Pool. stEUR represents staked agEUR, a decentralized EUR-peg stablecoin minted by the Angle Protocol.

## Motivation

- Decentralized Stablecoin Diversity

: At the ACI, we support the diversity of decentralized stablecoins. EUR stablecoins, in particular, are underrepresented in the ecosystem, and onboarding stEUR can help bridge this gap.

- Growth in a Controlled Environment

: While stEUR and agEUR have relatively small market caps (5M\$ and 20M\$ respectively), onboarding stEUR as a collateral-only asset with limited caps will allow it to grow in a controlled environment, minimizing risks for the Aave protocol.

- Collateral Potential

: stEUR, being a staked version of a decentralized EUR-peg stablecoin, presents a promising collateral candidate for Aave.

## Specification

- Asset

: stEUR

- Contract Address

: 0x004626A008B1aCdC4c74ab51644093b155e59A23

## Price Feed

For the price feed, we propose implementing a price adapter that calculates the value of stEUR based on the value of agEUR/USD and the exchange rate of agEUR/stEUR.

This replicates precedents such as with [sDAI](#).

## Risk Parameters

We propose the following parameters for stEUR onboarding:

Parameter

Value

Isolation Mode

No

Borrowable

No

Borrowable in Iso

No

Stable Borrowing

No

Collateral Enabled

Yes

Supply Cap (stEUR)

3,000,000

Borrow Cap (stEUR)

0

Debt Ceiling

N/A

LTV

70%

LT

75%

LB

8%

LPF

10%

Reserve Factor

20%

Base Rate

0%

Slope 1

8%

Slope 2

80%

Optimal Ratio

80%

## Next Steps

1. If consensus on ARFC stage is reached and risk service providers provided feedback on risk parameters, escalate to ARFC snapshot stage.
2. If ARFC snapshot stage outcome is YAE, escalate to AIP stage.

## Disclaimer

The Aave-chan Initiative is not presenting this ARFC on behalf of any third party and is not compensated by Angle for creating this ARFC.

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