Title: [ARFC] Aave V3 Deployment on GnosisChain

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Summary

:

This ARFC proposes the deployment of Aave V3 on the GnosisChain. Following the positive feedback from the TEMP CHECK, the assets considered for this deployment include wETH, wstETH, GNO, USDC, wxDAI, and EURe.

Motivation

:

The GnosisChain, with its historical significance in the ecosystem and its roots in the POA network, presents a valuable opportunity for Aave. The friendly fork RMM Market with RealT on the GnosisChain has already showcased the potential synergies between Aave's codebase and GnosisChain. This ARFC seeks to further these synergies, providing mutual benefits for both ecosystems.

Specification

:

The ARFC suggests deploying Aave V3 on the GnosisChain with the following assets and risk parameters:

Risk Parameter

wETH

wstETH

GNO

USDC

wxDAI

EURe

Isolation Mode

NO

NO

YES

NO

NO

NO

Borrowable in Isolation

NO

NO

NO

YES

YES

NO

Stable Borrow

NO

NO

NO

NO

NO

NO

Enable Borrow

YES

YES

NO

YES

YES

YES

Enable Collateral

YES

YES

YES

YES

YES

NO

Loan To Value

80.5%

71%

31%

77%

77%

N/A

Liquidation Threshold

83%

76%

36%

80%

80%

N/A

Liquidation Bonus

6%

6%

10%

5%

5%

N/A

Reserve Factor

15%

15%

N/A

10%

10%

15%

Liquidation Protocol Fee

10%

10%

10%

20%

20%

10%

Supply Cap

4000 wETH

4000 wsETH

30000

1M USDC

1.5M xDAI

1.5M EURe

Borrow Cap

3500 wETH

400 wstETH

N/A

1M USDC

1.5M xDAI

1.5M EURe

Debt Ceiling

N/A

N/A

5M$

N/A

N/A

N/A

uOptimal

80%

45%

N/A

90%

90%

90%

Base

0%

0%

N/A

0%

0%

0%

Slope1

3.3%

7%

N/A

4%

4%

4%

Slope2

80%

300%

N/A

75%

75%

75%

Furthermore, we recommend the following parameters for the ETH eMode pool:

Parameter

ETH eMode Pool

Liquidation Threshold (LT)

93%

Loan-To-Value (LTV)

90%

Liquidation Bonus (LB)

1%

Even if both assets currently lack the maturity to be considered, the ACI is supportive mid-term of onboarding both wGHO and sDAI onboarding in the GnosisChain V3 pool.

Deployment Checklist

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- Risk service providers feedback
- GnosisChain [Infrastructure/technical evaluation Report](#)
- Oracle support
- The graph support
- Cross-chain messaging infrastructure for governance

Disclaimer

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The Aave Chan Initiative (ACI) is not compensated in any form by Gnosis or any affiliated entities for creating this ARFC proposal. At the time of writing,

- The ACI is a customer of Monerium (EURe).
- The author is a Gnosischain staker for ~270 GNO.

Next Steps

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1. Integrate feedback from the community and reach a consensus on the ARFC.
2. Submit the ARFC for a snapshot vote for approval.
3. If consensus is reached, proceed with the deployment AIP vote to activate Aave V3 on GnosisChain.

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