

# TL;DR

Proposal to grant FlashBorrower

role to the Aave DebtSwapAdapter contracts on all networks, for Aave borrowers to not pay flash loan fee when executing any flows of debt swaps.

## Context

The Aave DebtSwapAdapter is a useful tool for all Aave borrowers, allowing them to swap their debt from asset A to B, in one transaction and without user experience overhead.

In most cases, only uses a debt-bearing flash loan (with no premium) to swap the caller's original debt into their desired debt. However, in cases where the caller's LTV is higher than their maximum LTV but lower than their Liquidation Threshold, it is necessary to "wrap" this flash loan with a non-debt-bearing flash loan of collateral to enable the swap.

After the nested swap, this collateral is withdrawn and repaid.

At the moment, this means that the adapter will need to maintain enough assets to pay the additional premium on the flash loaned collateral, which, as this is a public good to be used by the Aave community itself, should not be the case.

Furthermore, since GHO does not allow debt-bearing flash loans (as the FlashMinter is a component external to the Aave protocol) the default flow would always require a premium payment unless the adapter is granted the FlashBorrower role.

The payloads for this change will be really simple, each one consisting of a single call to the ACLManager

contract to grant the FlashBorrower role to the DebtSwapAdapter.

The affected networks will be: Ethereum, Optimism, Arbitrum, Polygon, and Avalanche.

## Next Steps

Given this is a technical improvement to keep consistency on all flows of debt swap, if feedback is overall favorable in the following days, we will proceed directly with an on-chain AIP for the Aave community to vote on.