

# [ARFC] Aave x Metis: Strategic Alignment Initiative

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## Summary

We propose a strategic partnership between Metis and Aave to create a mutually beneficial, long-term collaboration that will drive competitive advantage and enhance user experience.

[TEMP CHECK](#) and [TEMP CHECK Snapshot](#) have both passed recently.

## Objectives

1. Establish Metis as a preferred chain for Aave users
2. Create a sustainable funding model for Aave markets on Metis
3. Leverage Aave service providers' expertise for optimal token allocation
4. Support key Aave initiatives, including GHO proliferation

## Implementation Strategy

### Perpetual Funding Stream

We propose delegating the remaining Metis tokens reserved for Aave emissions to an Aave sequencer. This approach offers several advantages:

- Sustainable Incentives: Creates an indefinite drip of emissions, ensuring long-term user retention
- TVL Stability: Prevents potential TVL decrease after grant depletion
- User Retention: Maintains competitive yields, discouraging users from migrating to other chains

### Collaboration with Aave Service Providers

By partnering with expert service providers such as BGD, ACI, Chaos, and Llama Risk, we can:

- Optimize token allocation and emission management
- Align with Aave's strategic objectives
- Develop tailored solutions for the Metis ecosystem

### GHO Integration

With CCIP enabled on Metis, we are well-positioned to support GHO proliferation:

- Develop Metis-specific use cases for GHO
- Contribute to GHO's adoption and utility within the broader DeFi ecosystem
- Expand GHO adoption with payment partners and within emerging markets
- Support GHO as the preferred decentralized stablecoin for Metis and broader industry

### Expected Outcomes

1. Increased TVL and user activity on Aave markets within Metis
2. Enhanced positioning of Metis as an integral part of the Aave ecosystem
3. Improved user experience through optimized incentives and features
4. Accelerated growth of GHO adoption on Metis and beyond

By implementing this proposal, we aim to create a unique value proposition that benefits Aave, Metis, and the entire DeFi

community, establishing a new standard for cross-protocol collaboration in the blockchain space.

## **Disclosure**

The ACI is not directly affiliated with Metis and did not receive compensation for creation this proposal.

## **Next Steps**

1. Publish a standard ARFC, collect community & service providers feedback before escalating proposal to ARFC snapshot stage.
2. If the ARFC snapshot outcome is YAE, publish an AIP vote for final confirmation and enforcement of the proposal

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