

GM, Aave community!

Aave Labs has continued its intensive work on V4 development. Below is a summary of what has been done in the past month as well as what is coming in the next 30 days.

October update:

- Continued designing, developing and architecting Aave V4.
- Proposed CCIP v1.5 upgrade.
- Released a new iteration of Aave Documentation.
- Completed v3.2 integration.
- Completed USDS integration.
- Completed Paraswap v6 upgrade.

## Aave V4 Updates

Development on Aave V4 has been progressing steadily for the past four months with the main focus on development of the Borrow Module, the Liquidity Premiums, and the Liquidation Engine. Below you will find the details of the advancements made in October.

### Borrow Module

Aave Labs is advancing the Borrow Module development with a dual approach. The primary focus is implementing a default borrow module that replicates Aave V3's functionality, minimizing changes from the current implementation. Concurrently, Aave Labs is exploring case-specific borrow modules tailored to unique market demands. This strategy balances immediate functionality with future adaptability and modularity of the protocol.

## What else are we working on?

### GHO CCIP Integration Maintenance (CCIP v1.5 upgrade)

Aave Labs proposed updating GHO CCIP Token Pools for compatibility with CCIP version 1.5 in Q4 2024. The upgrade requires a number of changes to be applied in the token pool contracts in order to prevent potential disruptions between GHO and CCIP. The team is actively building the associated test suite and executing upgrade simulations to facilitate a smooth transition to v1.5. Aave Labs is closely engaged with Chainlink and Certora to ensure the safety and reliability of the updates.

### BUIDL GSM

Discussions with Securitize and BlackRock have continued regularly, with main focus on implementing a scalable solution that can be adapted to facilitate the protocol inclusion of more RWA assets in the future. Aave Labs is seeking to provide ongoing updates to the community about the development of this functionality and our thoughts about scaling the GSM to enable broader RWA integrations. See [\[Temp Check\] BUIDL GSM](#).

### Aave Documentation

Aave Labs has released an extensive update to the Aave documentation, available at [Aave Protocol Overview](#), with a comprehensive reorganization and refreshed design for improved accessibility. The revamped docs offer expanded smart contract references, live tables for protocol parameters and addresses, an access control dashboard, and a suite of general resources that support users in learning about Aave and foundational Web3 concepts, supporting both newcomers and experienced users. While this is a significant milestone, regular updates should be expected, as documentation is an ongoing collaborative process.

### Interface

#### V3.2 Interface Integration

Aave Labs has successfully completed the integration of new features from Aave v3.2 into the Aave Interface, with a primary focus on implementing liquid eModes. The integration process has been finalized without disruptions, and the new features are now fully operational within the interface.

### USDS Technical Integration

The team has completed the technical integration of USDS, the upgraded version of DAI token, into Aave V3. Following necessary adjustments, the integration is now live, and the new features are fully accessible within the interface.

### **Paraswap v6 Update**

Aave Labs has completed the Aave Interface upgrade to integrate Paraswap v6. This upgrade aims to deliver a more optimized experience, leveraging the improvements introduced in the latest version of Paraswap.

## **What's coming next?**

Our main focus for the coming month will be

- Progressing the development of the Borrow Module.
- Finalizing the initial implementation of the Basic Liquidation Engine.
- Proposing the CCIP v1.5 upgrade AIP.

Stay tuned for next month's update.

Aave Labs