

Summary

This ARFC furthers the progress of Stargate becoming a provider for Aave Portals. Following the [successful temperature check](#) and [corresponding snapshot vote](#), Stargate would like to progress with its proposal to be fully integrated into Aave Portals. This would enable Stargate to better support Aave users and actively contribute to the Aave ecosystem.

Abstract:

If this proposal were to be approved by governance, Stargate would be fully integrated into Aave Portals. This would allow Aave users to borrow unbacked tokens on other chains, moving the collateral they already own. Stargate would complete the underlying funds transfer and repay the collateral for the user. This builds a better omnichain user experience and allows Aave users to use funds across chains in a smoother way.

Motivation

Stargate is the [most used bridge](#) in crypto. Aligning with the Aave DAO allows the Stargate protocol to continue to fulfil its mission of being the most robust cross chain liquidity transfer layer. Aave Portals is the exact type of initiative that Stargate was built to support.

Specification

This ARFC welcomes technical evaluation from teams such as BGD and others. As proposed in the temperature check, Stargate would adopt the following architecture: When using Portals, a user would simply deposit a supported asset (USDC, USDT or ETH) and select the destination chain where they want to receive the asset from Aave. Stargate would then use a LayerZero message to release the asset on the destination chain from Aave, giving it to the requesting user. At the same time the underlying native asset would be simultaneously bridged via Stargate's traditional, battle tested liquidity transfer mechanism based on the pools of capital within the protocol. When this transfer completes, the native assets would be used to repay the outstanding debt from the Aave aTokens lent to Stargate in order to facilitate the transfer.

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[ARFC] - Whitelist Stargate for V3 Portals

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](https://europe1.discourse-cdn.com/business20/uploads/aave/original/2X/0/0a92643da213ad81c0825a7fcb6cf0c9c673ca68.jpeg)

The Stargate Contract Wrapper would need to be approved for the BRIDGE role as detailed in the [Portal documentation](#). This integration will allow the contract to both mint unbacked tokens and re-back those tokens once the corresponding value arrives at the destination chain.

Next Steps:

We hope the next steps would be to:

- Receive and incorporate feedback from the community and technical related teams such as BGD
- Migrate ARFC to Snapshot for off-chain voting
- If positive, create and publish an AIP for on-chain deployment if Aave contract work is needed

Disclaimer

The Stargate Foundation is an independent organization focused on contributing to the Stargate protocol.