

title: [ARFC] GHO Parameter Adjustment - Governance Process Amendment

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Summary

This publication proposes that upon deploying GHO to a new network, several GHO parameters are included within the Direct-to-AIP process and implemented by either AIP or Steward role.

Motivation

GHO was successfully launched on Arbitrum with two additional facilitator bucket capacity increases pre-approved. While these two capacity increases fall under the Direct-to-AIP process, other future increases are not pre-approved and follow the ARFC process.

To facilitate the streamlining of GHO adoption on Arbitrum and other deployments beyond Ethereum, this publication proposes adjusting the following parameters to be included within the Direct-to-AIP process.

- GHO Reserve Borrow Rate
- CCIP Bridge
- GHO Stability Module(s)
- GHO Reserve funded exclusively from new facilitator on Ethereum

The Direct-to-AIP governance process enables the DAO to implement upgrades faster and more closely track market conditions. AIP votes will still be required until such time as the GHO Steward role is fully extended to support the new parameter adjustments not currently covered by the Risk Steward role.

For clarification, the following parameter adjustments are to continue following the ARFC process:

- Safety Module emission rates
- New GHO deployments
- GHO Reserve Factor

Note, risk parameters such as Supply Cap, Borrow Cap, and the ability to freeze a reserve are already approved as Direct-to-AIP with the implementation performed by the Risk Steward role.

Specification

This publication grants approval to adjust the following GHO related parameters via the Direct-to-AIP process.

- GHO Reserve Borrow Rate
- CCIP Bridge
- GHO Stability Module(s)
- GHO Reserve funded exclusively from new facilitator on Ethereum

This proposal covers the recent GHO on Arbitrum deployment and also, future GHO deployments beyond Ethereum.

Disclosure

TokenLogic and karpatkey receive no payment for this proposal. TokenLogic and karpatkey are both delegates within the Aave community.

Next Steps

1. Gather feedback from the community.

2. If consensus is reached on this ARFC, escalate this proposal to the Snapshot stage.
3. If Snapshot outcome is YAE, an AIP will be submitted to implement the proposed upgrade.

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