

# Spark Lend on Scroll

## Overview

This proposal is for a Spark Lend deployment onto Scroll Mainnet allowing Spark to expand its multi-chain deployment strategy with Scroll. This proposal also intends to drive demand for sDai at the centre of Scroll's ecosystem in order to propel novel use cases and enter new markets.

Scroll is the community-first, native zkEVM built upon Ethereum—designed for scaling without sacrificing security, developer, or user experience:

- Open-Source:

Scroll is an open-source project developed in collaboration with the Ethereum Foundation Privacy and Scaling Explorations organization; it has been built [with the community, and for the community](#). In fact, our team has contributed [~50% of the upstream PSE zkEVM codebase over the past two years](#).

- EVM-equivalent:

Scroll uses a forked version of Geth, enabling seamless infrastructure and application migration. We also support all existing development tools, including debuggers, and no bytecode re-audits will be required, minimizing the risk surface tremendously.

- Secure:

Scroll inherits most of EVM's features and security, which is by far the most battle-tested smart contract infrastructure in the entire space. Furthermore, we have a strong in-house security team paired with [rigorous audits](#).

Scroll officially launched on mainnet on October 17th and has already amassed over 2M transactions, 800K unique addresses, 34M in bridged TVL, and 15M in DeFi TVL, indicating both significant interest for Scroll and its DeFi landscape.

We propose a deployment of Spark Lend on Scroll as the next step in the multi-chain strategy, as Scroll offers a multitude of opportunities to expand the presence of Spark, DAI/sDAI, and the entirety of the Maker ecosystem.

## Motivation

In 2017, Maker launched the original single-collateral DAI, the first-of-its-kind decentralized stablecoin which ushered in the DeFi industry, and has remained a fundamental component in that landscape to this day. The Maker ecosystem has always focused on building censorship-resistant primitives in the open, and security is of paramount importance; as such, they've avoided common hacks or exploits, resisted adverse market conditions over the years, and thrived as one of the most commonly utilized pieces of technology in the industry.

Scroll not only admires these foundational principles but strives to embody them ourselves. We took on the challenge of building an EVM-equivalent ZK-Rollup as it lowers the barriers of entry for all Ethereum developers and teams. We've been open-source from day one and worked extensively with external contributors and auditors because that results in the best and most secure product. And we've committed to credible neutrality because we believe that this provides new primitives the best chance at success. The shared values of both of our teams supports our strong conviction that a collaboration between Maker and Scroll would be a strong positive for DeFi and the overall ecosystem.

Scroll is on the cutting edge of ZK and L2 tech, and building an early presence for DAI and sDAI will continue to strategically position Spark and Maker as critical DeFi infrastructure for Ethereum's future. Additionally, we started piloting open-source research and developer initiatives that we want to run sustainably longterm. We intend to redirect sDai to contribute to these initiatives

Additionally, the Scroll ecosystem is made up of builders and users from every continent—this allows us to engage deeply with both the retail and institutional communities where other L2s have less of a presence, such as East/SE Asia and the Middle East; these regions will be critical drivers of liquidity and engagement as we move into the next cycle, and DAI/sDAI would be highly important for daily transactions.

Over 200 dapps have deployed on Scroll's testnets and mainnet, and in the past few weeks we have seen deployments from many of the largest DeFi applications in crypto as well as many new Scroll-native projects; integrating Spark Lend provides an opportunity to power these applications and become an integral part of Scroll's DeFi landscape.

## Technical Implementation

Scroll would move forward with both a permissionless deployment for the DAI gateway from Ethereum to Scroll as well as for Spark Lend, as indicated in the [Spark Multi-Chain Strategy](#)— Scroll would seed liquidity via a temporary DAI deposit until the Allocator system is in place to allocate cross-chain liquidity.

This will allow Spark Lend to already onboard collateral, build up liquidity and liquidation infrastructure such that once available, the Allocator system can be plugged in right away.

Scroll will provide the code for the L2 Executor and Crosschain Forwarder.

## **Collateral Information**

- WETH
- DAI
- rETH
- wstETH

Chainlink is fully integrated with Scroll and will provide price feeds as needed.

## **Liquidity**

We are currently exploring a number of options to seed the initial DAI liquidity for Spark's launch on Scroll. Minimum target size for DAI liquidity would be \$1,000,000 with the intent to bootstrap the growth of Spark on Scroll.