

[TEMP CHECK] Onboard ezETH to Aave V3 Ethereum

Author: Renzo Protocol & ACI (Aave Chan Initiative)

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Summary

This is a TEMP CHECK to gauge community sentiment for adding borrow/lend support for Renzo Protocol and its Liquid Restaking Token (LRT) ezETH on AAVE V3 Ethereum.

Motivation

The motivation for this proposal is to introduce a new asset class LRT (Liquid restaking tokens) to Aave and add to the diversity of LST/ LRT category.

Liquid Restaking tokens (LRTs) have proven to be very popular lately and can be great collateral assets on Aave. As productive assets, staking tokens are high quality collateral to borrow against.

Given their high correlation to ETH, LRTs are commonly used as collateral to borrow ETH and engage in yield leveraged staking, with several communities having built products that automate such strategies on top of Aave. The introduction of eMode only made such strategies more popular.

The onboarding of ezETH will consequently create increased ezETH demand and increased revenues for both Aave and Renzo Protocol, whilst also bolstering the liquidity and peg stability of ezETH.

Chain to be deployed/listed

Ethereum mainnet.

Relevant KPI & Points Rewards

Renzo awards ezPoints and EigenLayer Restaked Points based on users' ezETH holdings. Every user that deposits ezETH as collateral in Aave will also be awarded ezPoints and EigenLayer points 1:1.

As relevant KPI for the Protocol:

- Total Value Locked: \$1.9 billion
- Total supply: 526K+ Renzo Restaked ETH
- 24H trading volume: \$80,203,780

Useful Links

[Renzo Protocol](#)

[Documentation](#)

[Github](#)

[Audits](#)

[Chainlink Data Feed](#)

[Composable Stable Pool](#)

Disclaimer

The Aave-chan Initiative is not presenting this TEMP CHECK on behalf of any third party and is not compensated by Renzo Protocol for creating this proposal.

Next Steps

1. If consensus is reached on this [TEMP CHECK], escalate this proposal to the Snapshot stage.

2. If the Snapshot outcome is YAE, this proposal will be escalated to ARFC stage
3. Publication of a standard ARFC, collect community & service providers feedback before escalating proposal to ARFC snapshot stage
4. If the ARFC snapshot outcome is YAE, publish an AIP vote for final confirmation and enforcement of the proposal

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