Monthly Governance Report - March 2024

The monthly Governance recaps are a compendium of key governance updates for the preceding month. The March recap is Boardroom's third Monthly recap following our commencement of this update in January. Below, we have summarised all the important happenings in Governance and forums for the Aave community.

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I. Overview

A. Project Status

- Current Phase: Implementation

- DAO's ongoing primary goals for this period:

- Enhancing Risk Management

: Aiming to improve protocol safety by partnering with LlamaRisk, focusing on advanced risk analysis and mitigation strategies for assets and GHO stablecoin governance.

1. Expanding Cross-Chain Functionality

: Strategizing the introduction of GHO to multiple blockchains, using Chainlink's CCIP for secure cross-chain operations, increasing GHO's accessibility and utility.

1. Boosting Governance Engagement

: Encouraging deeper community involvement in governance decisions, highlighting the importance of contributions to Aave's strategic direction and protocol improvements.

1. Technical Updates and Maintenance

: Committing to regular technical enhancements and maintenance across Aave versions, ensuring operational efficiency and protocol security.

1. Asset and Market Strategy Expansion

: Exploring new asset integrations and network deployments to broaden Aave's market reach and enhance liquidity, including initiatives like the Fraxtal Mainnet deployment.

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- Milestones Achieved:

- [Onboarding LlamaRisk as Risk service provider](#)

Snapshot Passed

1. [Adding Catapulta as Aave V3 deployment SP

](https://snapshot.org/#/aave.eth/proposal/0x7f0a1decfe7c5b23078759c18db87c0dc43aadaaf981b53da734823b866cf201)

1. New Asset Onboarding : sUSDe on Ethereum, BNBx on BNB chain, wbETH on BNB Chain, gmBTC on Arbitrum, weETH on Ethereum, rsETH on Ethereum

2. [Onboarding LlamaRisk as Risk service provider](#)

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II. Insights and Observations

A. Governance Participation

- Summary of the DAO's governance participation trends:

- For the period, participation of voters in proposals was in between 600 to 700 voters, Lower than the average of 800 February

- The lifetime participants in Aave Governance are 78,043 voters casting total votes at 3,1M votes and 1071 total proposals (Figures taken from the Boardroom page, last month statistics were taken from DeepDAO)

- The last high in the number of voters was at November end when a proposal for an[Asset onboarding framework](#) managed to attract 12,311 voters

- The overall proposal activity for March 2024 was comparable to February 2024.

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B. Community Dynamics

- The community displayed on multiple occasions, a determination to safeguard and forward the protocol interests.

- The community is laser-focused on expanding the protocol's interests and growing its market share as Ethereum's primary liquidity protocol. Innovative initiatives continue to be proposed and implemented.

- Community members have proposed new assets, displaying an appetite for expansion of the protocol to newer areas.

IV. Voting Metrics

A. Voting Metrics

- Voting Outcomes:

- Off-chain votes: The Off-chain proposals witnessed a 100% pass rate for the period of January. A total of 31 proposals were pushed on Snapshot this month, out of which just all proposals were approved

- On-chain: On-chain proposals also enjoyed significant rates of passing success. Of the 22 submitted proposals, 20 received majority support, while 1 was canceled and 1 was failed.

- Community:

- Twitter: 566K Followers ([Link](#))

- Discord: 21632 ([Link](#))

V. Challenges and Opportunities

Changing dynamics and strategies of the parent organizations of the assets listed on the protocol may at times test the risk appetite of the protocol. An example is the recent engagement between USDe and Maker, which was deemed too risky for the Aave by the community. The community engaged in healthy discussions and is working diligently to arrive on a decision to this topic, this may also set up the stage for the community to create a process to evaluate such cases in the future.

VII. Conclusion

March 2024 marked a drive towards continuous effort to improve Aave, with significant strides in protocol optimization, market expansion, and governance. Aave's governance stands robust and vibrant community participation, reflecting a resilient and forward-looking community ready to navigate future opportunities and strengthen its position as a leading DAO.