



IPv6 per address fee

NIR SIG

7 Sept 2005

APNIC20, Hanoi, Vietnam

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IPv6 per address fee - Confederations

- ISP confederation = large ISP
 - Under old rule, permitted to maintain “multiple pools” of IP address space
 - Pay per address fee for this privilege
 - Phased out due to inconsistency in treatment of ISPs, policy problems
- IPv6 policies use HD ratio to accommodate ISPs from very smallest to very largest
 - Large ISPs do not need “multiple pools”
 - Therefore should be treated as “normal”
 - members

IPv6 per address fee - NIRs

- Under discussion for a long time
 - Solution will take more time (1 year+)
 - Need interim solution more urgently
 - Cannot completely eliminate fee without sustainable replacement
- Current urgent problem is for large allocations
 - Very large per-address fee payments
 - However large allocations are only being made today where existing IPv4 infrastructure exists



IPv6 per address fee - NIRs

- Solution: discount for allocations to existing IPv4 infrastructure
 - Initial discussion: 100% discount
 - Final decision: 90% discount
- Justification: per-address fee has already been paid, for initial analysis
 - And, subsequent analysis (for IPv6 allocation) is trivial



Questions?



NIR fee structure update

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Current Annual Fees

- Total annual fees based on current membership distribution
 - effective fees not actual fees

Tier	Count	Fee	Fee total
associate	121	625	75625
very small	157	1250	196250
small	548	2500	1370000
medium	187	5000	935000
large	55	10000	550000
very large	19	20000	380000
extra large	8	40000	320000
	1095		3,826,875

Current Annual Fees – NIRs

- Total annual fees from NIRs

Tier	Count	Fee	Fee total
large	1	10000	10000
very large	1	20000	20000
extra large	4	40000	160000
	6		190,000

NIR per address fees

- Historical per address fees from NIRs

	2001	2002	2003	2004	2005*
Total revenue	3,620,787	3,595,777	3,913,615	4,972,100	5,263,483
Membership fees	2,472,532	2,871,724	3,409,078	3,510,392	3,846,473
Per Address fees	367,427	265,754	276,468	405,252	392,241
Per Addr fees (%)	10%	7%	7%	8%	7%

* projection



NIR members

- Breakdown of NIR members according to “direct allocations” made by APNIC
 - Tier determined by total space allocated

NIR	Assoc	extra large	large	medium	small	very large	very small	Total
APJII				3	26			29
CNNIC			12	23	40	3	2	80
JPNIC	3		10	34	111	2	12	172
KRNIC		1	2	15	11	1		30
TWNIC			4	3	5	1	1	14
VNNIC			2	2	8		3	15
Total	3	1	30	80	201	7	18	340



NIR members

- Annual fees payable if all were members of APNIC

NIR	assoc	extra large	Large	medium	small	very large	very small	Total
APJII				15000	65000			80000
CNNIC			120000	115000	100000	60000	2500	397500
JPNIC	1875		100000	170000	277500	40000	15000	604375
KRNIC		40000	20000	75000	27500	20000		182500
TWNIC			40000	15000	12500	20000	1250	88750
VNNIC			20000	10000	20000		3750	53750
Total	1875	40000	300000	400000	502500	140000	22500	1406875

Summary

- Sustainable fee structure must be:
 - Resilient to changes in NIR membership
 - Resilient to changes in NIR numbers
 - Fair and consistent for all APNIC members
- NIR fee structure should be similar to the APNIC member fee structure
 - To the extent possible



Summary

- Total NIR fees currently equal to 11% of APNIC revenues (2005 projection)
 - Let's assume this is a fair/sustainable level of fees
- Total NIR fees currently equal to approximately 40% of fees payable if all direct allocations went to normal APNIC members
 - Same fee level could be achieved by applying 60% discount to normal APNIC membership fee structure



Discussion