APNIC Fee Structure Report
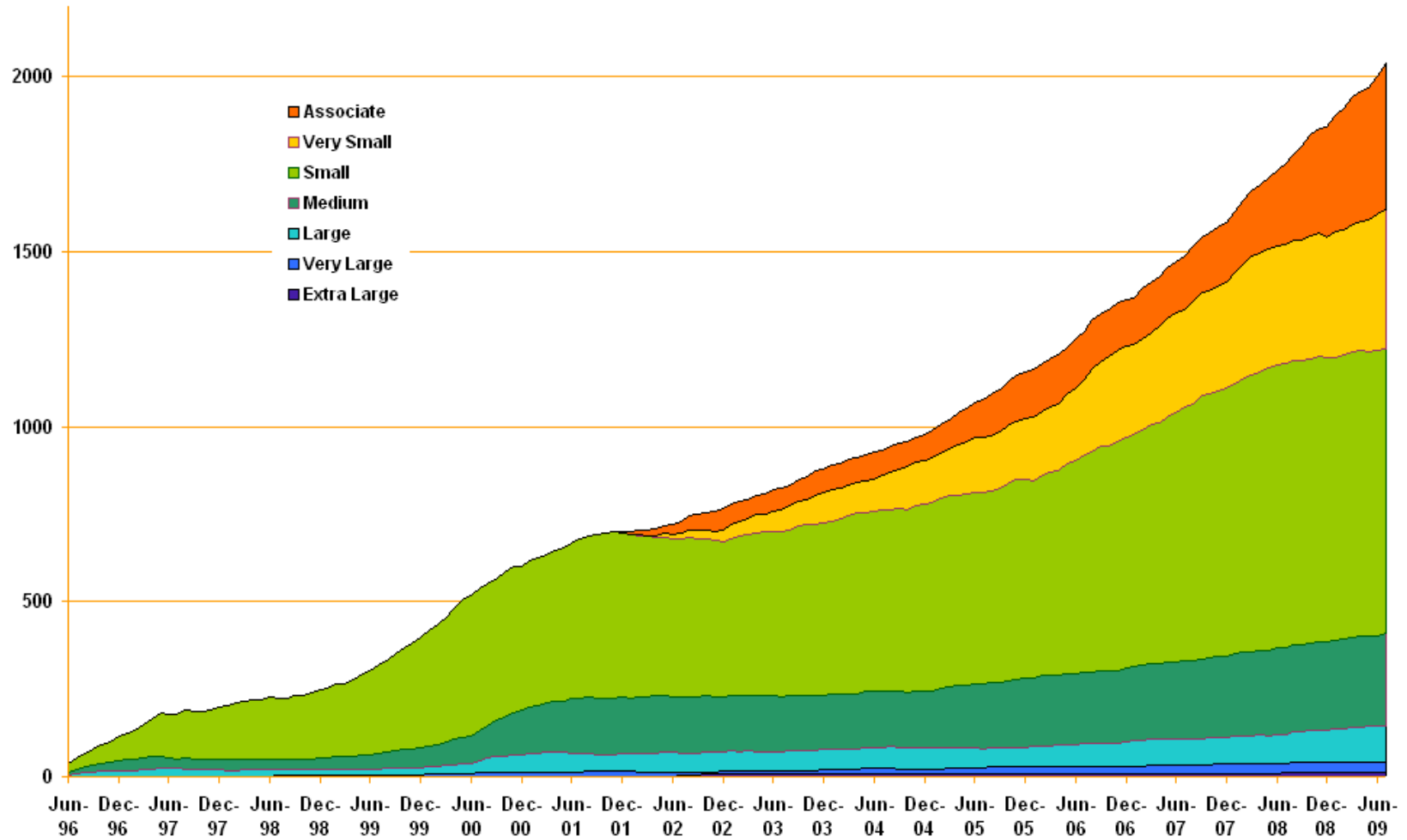
APNIC 28
Beijing

APNIC annual revenues and expenses analysis
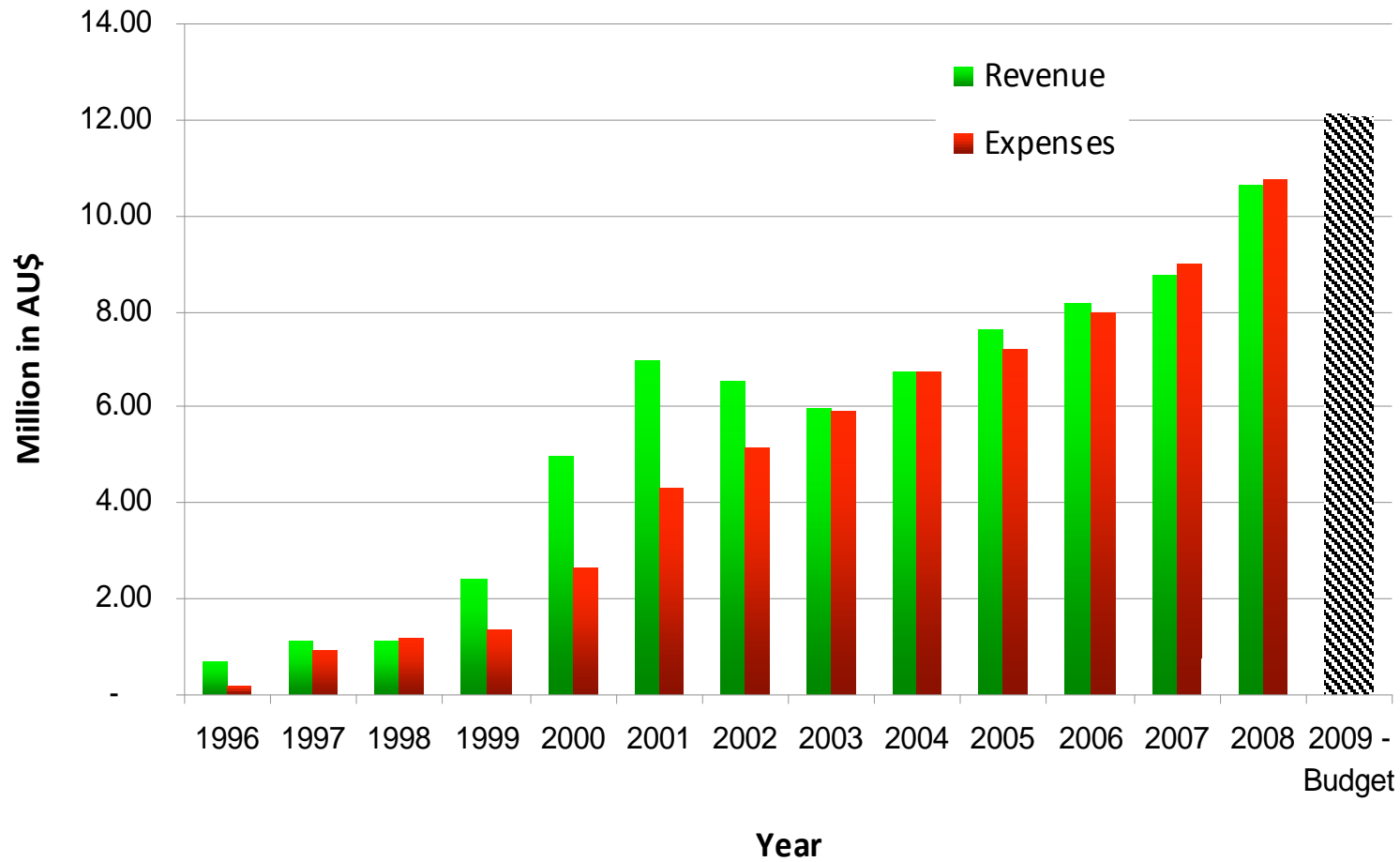
Membership growth

31 July 2009

Growth Rate for Rev, Exp, Asset, Members

	Revenue	Expense	Asset	Membership
1997	165%	511%	155%	240%
1998	97%	123%	216%	125%
1999	221%	116%	184%	153%
2000	204%	193%	232%	159%
2001	140%	161%	150%	123%
2002	94%	119%	117%	108%
2003	91%	115%	109%	113%
2004	113%	114%	95%	112%
2005	113%	107%	106%	116%
2006	107%	111%	119%	120%
2007	108%	113%	95%	117%
2008	121%	120%	101%	117%

Fee schedule background

- **June 1996 -** APNIC Fee structure established – Self determined
  - Small US$2,500, Medium US$5,000, Large US$10,000

- **August 1998 –** Very Large Tier introduced – Self determined
  - Small US$2,500, Medium US$5,000, Large US$10,000,
    Very Large US$20,000

- **July 2000 –** Minimum membership tier is determined by the amount of current address space that member holds

- **Dec 2001 – 3** new tiers introduced:
  - Associate US$625 , Very Small US$1,250, Extra Large US$40,000

- **April 2005 -** Changes to IPv6 per-address allocation fees to NIR and confederation members

- **March 2006 -** Acknowledgement at AMM that the fees structure need to change to match APNIC expanding services

Fee schedule background…

- **August 2006 -** APNIC Fees Working Group was established, chaired by Ming-Cheng Liang and Randy Bush

- **March 2007 -** Fees Discussion at APNIC 23. Feedback from community collected via straw poll, results indicated a strong preference for:
  - a fee structure that used a "continuous fee" structure in preference to tiers,
  - restructuring of NIR fees based on LIR membership of the NIR,
  - inclusion of historical address space holdings into the fee structure, and
  - charging non-members using the same fee structure as APNIC members
  - support for consideration for members from LDCs

- **May 2007 -** APNIC EC commissioned a study by KPMG into the revision of APNIC's fee structure

- **July 2007 -** APNIC EC and Working Group meet brief KPMG scope of study

Fee schedule background...

- **September 2007 -** Initial Proposal to membership recommended 7% increase across the board. Not Approved

- **October 2007 -** EC converts APNIC fee Structure to AUD effective as of 1st January 2008

- **July 2008 -** Second APNIC EC Retreat to define scope of further study by KPMG

- **December 2008** - KPMG report on Fees Survey submitted to APNIC EC

- **February 2009** – Final KPMG report and recommendations presented to members at APNIC27 Manila

Fee schedule background...

- **April 2009** - Proposed Fee Schedule circulated to APNIC members for comment
  - 11 comments were received
    - comments in favour of no change to fees
    - comments to adopt EC Proposal
    - favour lower start point and steeper increase
    - favour higher start point and flatter increase
    - favour lower NIR premium
    - no comments in favour of keeping per address fee
  - EC adopted some changes to the proposal as a result of these comments

- **May 2009 –** EC undertake further analysis of Fee Schedule model

- **June 2009** - APNIC EC publish new APNIC Fee Structure

The new APNIC fee structure

- The new fee structure is calculated based on:

  – A continuous formula

  – Based on member's address holding as at their renewal anniversary

  – Includes historical address holdings

  – 50% discount for members in LDC's

  – Removal of Per Address Allocation fees for NIR and Confederation Members

  – NIR and Confederation members to pay premium of 190% above regular member fees
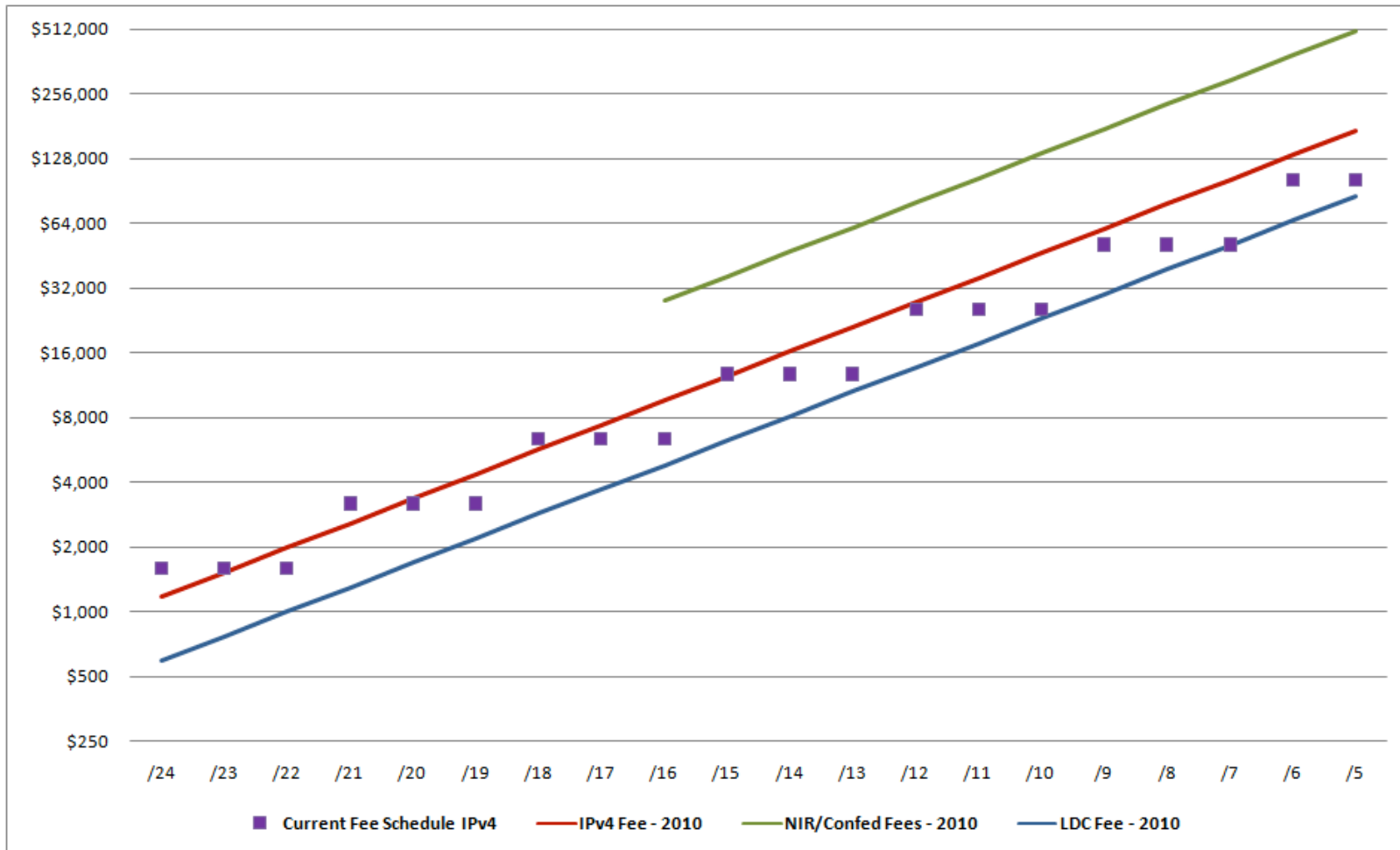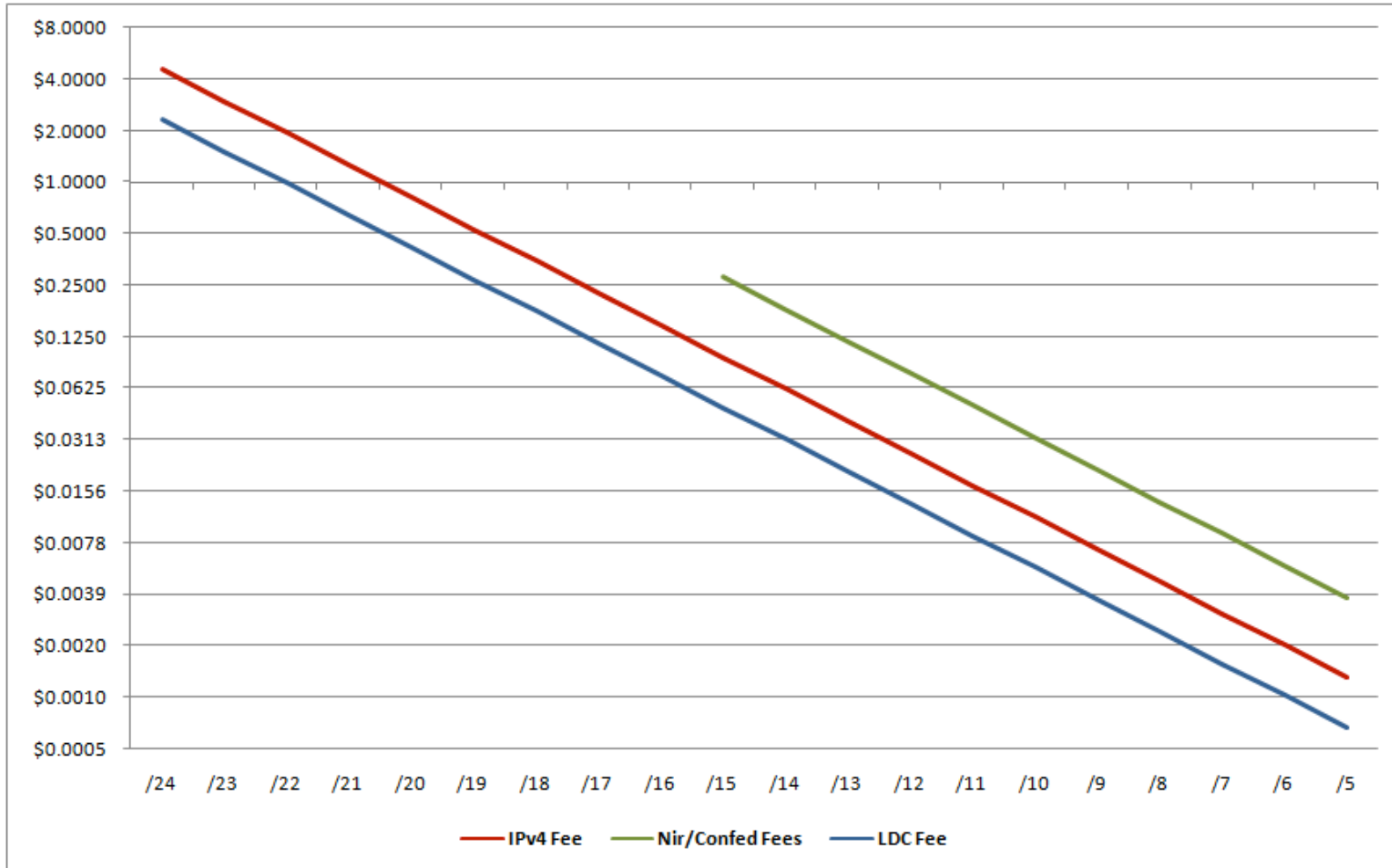
The current APNIC Fee schedule
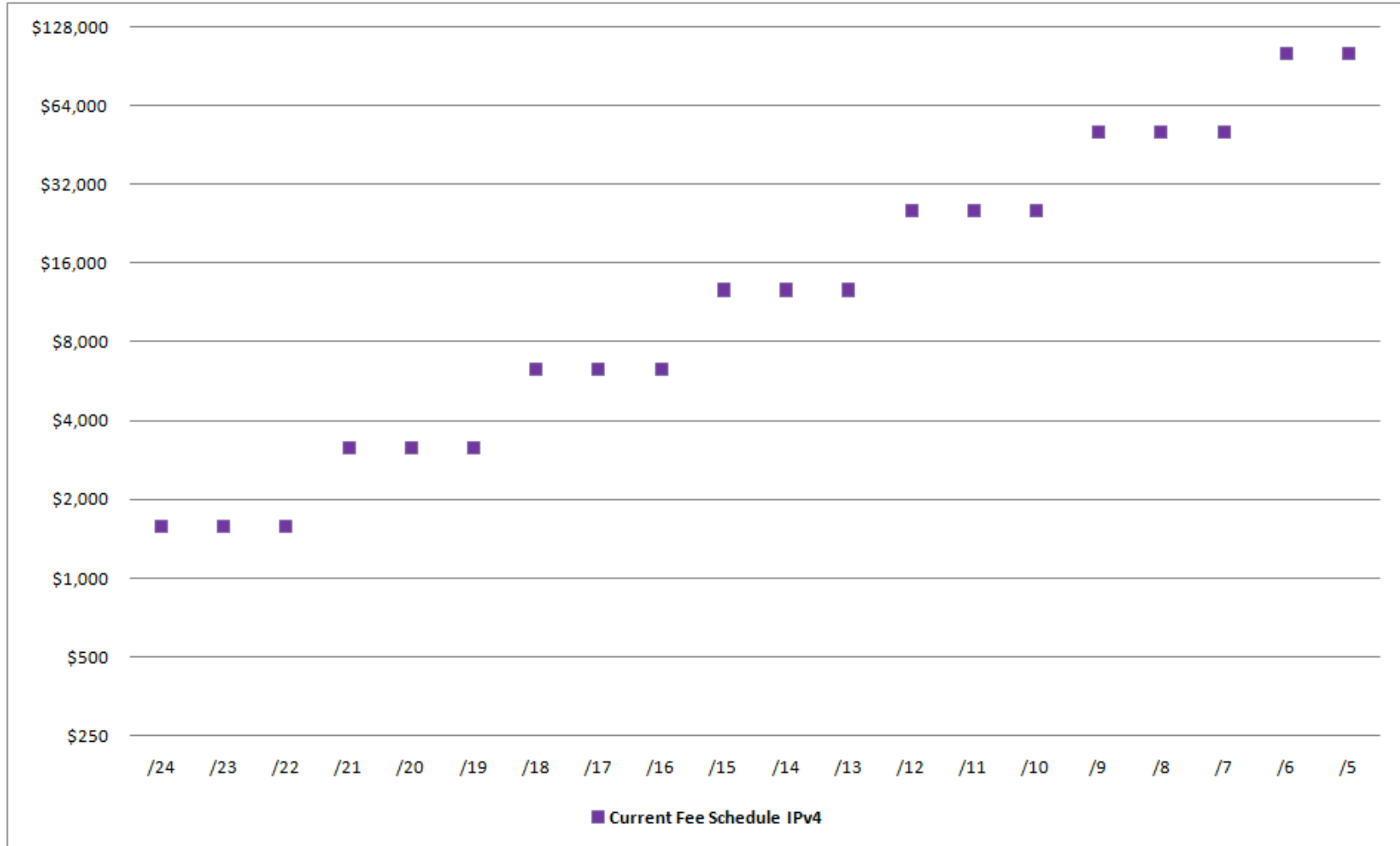
Introducing the 2010 APNIC Fee schedule

Membership Fee per address - 2010

Questions?