

APNIC Executive Council Fee Study Report

APNIC 27 Meeting

Manila, Philippines

27 February 2009

APNIC EC Fee Study

- In 2008 the Executive Council of APNIC commissioned KPMG to perform a study on APNIC Fees, and make recommendations concerning the most appropriate fee structures for APNIC to adopt.



Key Issues Studied

- How to ensure financial stability for APNIC and the appropriate level of reserves to maintain
- Fairness across members and NIRs and equity across economies in the region
- Environmental changes, including:
 - additional NIR formation
 - IPv4 address allocation completion
 - IPv6-only allocations
 - evolving NIC and Registry roles

Key Principles for Fees

- Financial Sustainability of Operations
- Consistency and Fairness
- Transparency
- Flexibility
- Manage Risks
- Impact Assessment



Fee Study Outcomes

- Report highlights a strong need to undertake changes to the fee structure for APNIC in the coming years
- EC anticipates some changes in APNIC fees from 2010 in response to this report
- EC will advise of changes to the member fee schedule by April of this year

Fee Study Recommendations

- 1. APNIC to adopt a continuous fee model, with a premium for NIRs**
 - EC endorses this recommendation and will replace “tiered” fees with a continuous sliding fee schedule with NIR premium applied
- 2. Frequency of fee review to occur annually**
 - EC will undertake further fee reviews annually
- 3. Level of cash reserve to be maintained at 18 months of future operating expenses. Timeframe to achieve cash reserve: 4 years (2013)**
 - EC has set a target of 15 months of future operating expenses, but has deferred this in the light of general financial situation. EC will maintain a minimum of 12 months reserves for the short term

Fee Study Recommendations

- 4. Discounted membership fees to be provided to Least Developed Countries.**
 - EC endorses this recommendation
- 5. Adopt a new fee schedule by 2010**
 - EC endorses this recommendation, and will announce by April 2009 a new fee schedule to be effective as of 1 January 2010
- 6. APNIC EC to commence study of IPv6-only environment to allow sufficient time for the transition to a new IPv6 fee structure in 2012**
 - EC will undertake this further study in 2009



Thank You

The APNIC Fee Study is published at
<http://www.apnic.net/ec>

Questions?