What is an Internet Exchange Point?

An Internet exchange point (IXP) is a physical infrastructure Internet Service Providers (ISPs) use to exchange traffic between their networks. IXPs allow networks to interconnect directly, via a local exchange, rather than through expensive and distant third-party networks.

Why Use an IXP?

The ability to directly interconnect with other local networks has many advantages, including increased speed and lowered costs. Speed improvements are most noticeable in regions with underdeveloped long-distance connections. In these areas, service providers are often forced to route traffic to distant networks that route it back into their own region. This can drastically reduce connection speeds, slowing the Internet experience for customers everywhere.

IXPs reduce cost because traffic no longer needs to travel a long distance to a remote exchange, consuming expensive bandwidth over long-haul circuits. This advantage is, again, most observable in regions lacking strong long-distance connections. In these regions, poor connectivity between ISPs often results in routing local traffic over expensive international links, only to return to the country of origin. IXPs allow for direct connections to other local ISPs, keeping traffic local and avoiding per-bit fees to have traffic delivered through another carrier.

How Does ARIN Policy Affect IXPs?

ARIN has a specific policy that allows micro-allocations to critical infrastructure providers, including Internet exchange points. See https://www.arin.net/policy/nrpm.html#four4 for more information.