

ARIN-2014-20

Transfer Policy Slow Start and  
Simplified Needs Verification

# Problem Statement

As IPv4 depletion occurs, it will become difficult for organization to get IP addresses. This will impact an organization as follows:

1. New organizations will have difficulty qualifying for the initial slow start as it may become difficult to get IP space from an upstream provider
2. New organizations that are growing rapidly will have difficulty growing by doubling under slow start, because it will require a succession of many transfers, and hence many commercial agreements (each with its own financial overhead), and finding the right succession of ever increasing block sizes.

# Problem Statement (cont'd)

3. Existing organizations with regular growth may have difficulty getting the right sized block to transfer, and may require multiple transfers to meet their needs, making justification and deployment challenging.

4. Existing organization with an unprecedented growth rate have a similar challenge to new organizations with rapid growth where they will need to double, and therefore require a succession of many transfers, and hence many commercial agreements (each with its own financial overhead), and finding the right succession of ever increasing block sizes.

# Policy Statement

- Replace the following section 8.3 text:
- “The recipient must demonstrate the need for up to a 24-month supply of IP address resources under current ARIN policies and sign an RSA.”
- with
- "Recipients will be subject to current ARIN policies and sign an RSA for the resources being received"
- Remove the following section 8.4 text:
- “Recipients within the ARIN region must demonstrate the need for up to a 24-month supply of IPv4 address space.”
- Add:
- 8.3.1 New ORGs

# Policy Statement

- 8.3.1.1 End-Sites
- End-user organizations which do not currently hold IP addresses, and can demonstrate 50% immediate utilization by currently held equipment, will immediately qualify for a non-M&A transfer between the minimum assignment size and a /24, inclusive.
- 8.3.1.2 ISPs
- ISP organizations which do not currently hold IP addresses, and can demonstrate 50% immediate utilization by currently held equipment, current customers, or customer orders will immediately qualify for a non-M&A transfer between the minimum allocation size and a /21, inclusive.
- 8.3.2 Existing ORGs
- 8.3.2.1 Minimum requirements
- Prior to qualifying for non-M&A address transfers, an organization must demonstrate an average of 80% utilization, as measured under section 4, across the aggregate of all addresses that are currently allocated, assigned, reallocated, or reassigned to, or otherwise in use by, the organization.

# Policy Statement

- 8.3.2.2 Transfer Approval
- An organization which qualifies for transfers under one of the criteria in 8.3.2.3 shall be approved for the transfer in of an aggregate amount of address space as determined by the relevant section. An organization with such an approval may then complete one or more transfers, with a cumulative total not exceeding the approved amount, without submitting additional justification. An organization will be ineligible for additional non-M&A transfers until it can again demonstrate that it meets the minimum requirements in section 8.3.2.1.
- 8.3.2.3 Qualifying Criteria
- 8.3.2.3.1 Stable Growth
- Organizations may be approved for the non-M&A transfer of additional address space equal to the amount of address space they were holding at the time of approval.
- 8.3.2.3.2 Rapid Growth
- Organizations may be approved for the non-M&A transfer of additional address space equal to 24 times the organization's calculated monthly average use rate.

# Policy Statement

- 8.3.2.3.2.1 Calculation of Monthly Average Use Rate
- An organization may choose a look-back window of any number of months between 3 and 12, inclusive, from the date of the current request. ARIN will calculate the total amount of new addresses acquired, during the look-back window, by the organization from non-M&A transfers, direct allocations or assignments from ARIN, or reallocations or reassignments from an ISP. That total will be divided by the number of months in the look-back window to calculate the organization's monthly average use rate.
- 8.3.2.3.2.2 Returned IP space
- If addresses are returned or transferred out within the look-back window, then those addresses will be subtracted from the total amount of new addresses acquired for the purposes of the monthly average use rate calculation.
- 8.3.2.3.2.3 M&A activity
- If M&A transfer activity occurs during the look-back window, the addresses acquired through M&A transfers will only be counted in the total amount of new addresses acquired if the pre-M&A organization had acquired the resources during the post-M&A organization's look-back window.
- 8.4.1 -- Same text as 8.3.1

# Discussion

- Do you support decoupling 8.3 and 8.4 transfers from 4.x IPv4 requirements?
- Which sections do you support or object to in the current text?
- Questions, Comments?