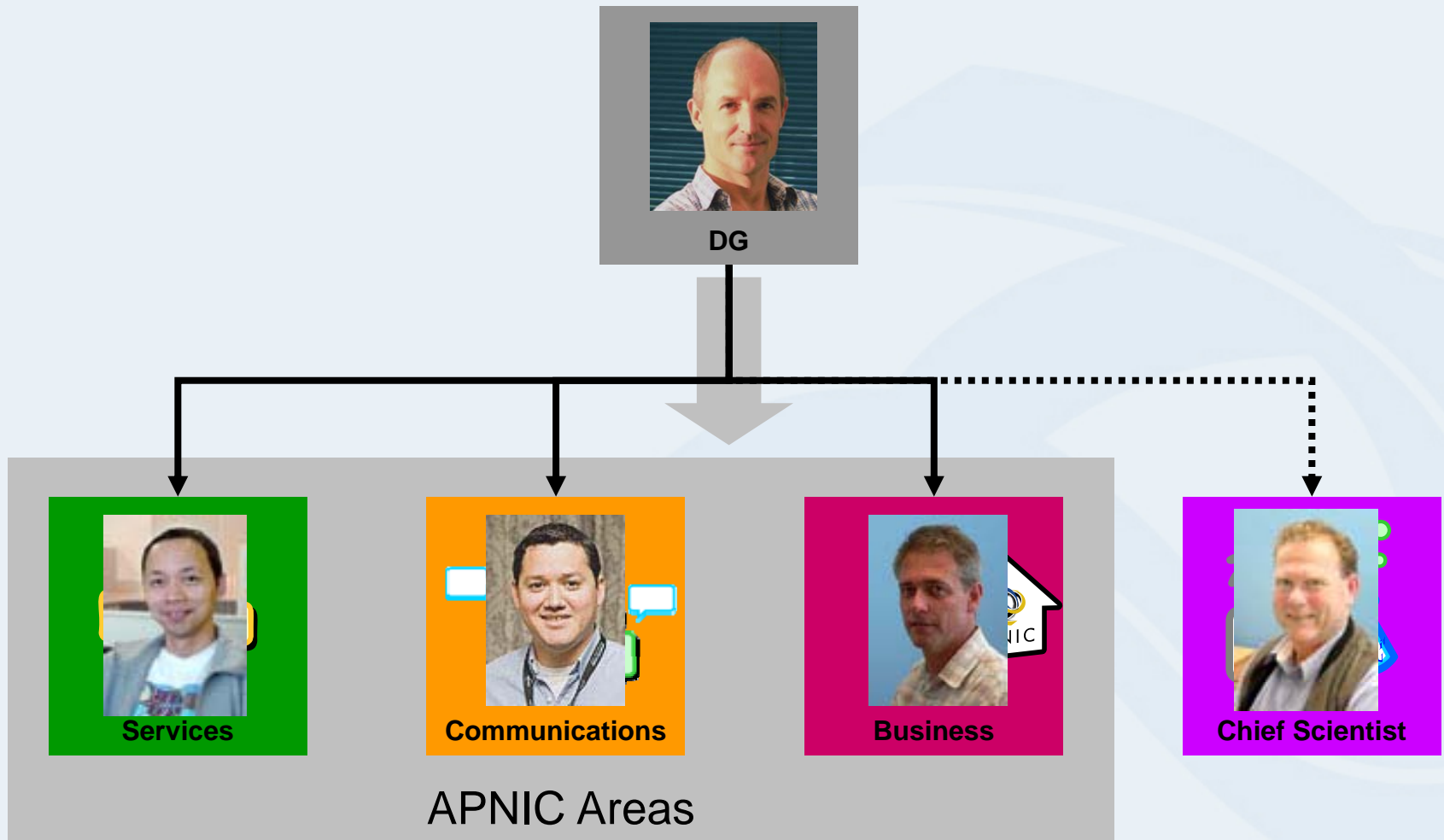


News from APNIC

ARIN XXI

April 2008

APNIC structure - 2008



APNIC planning process

- Member Survey 2007
 - Conducted anonymously by KPMG
 - Next survey to be launched Q4 2008
- Activity Planning
 - Based on results of Member Survey and Open Policy Meetings (Policy implementations and SIG inputs)
 - Internal secretariat process
- Annual Budget
 - Based on activity plan
 - Reviewed and approved by EC
 - Monitored throughout the year

APNIC fees - USD exchange rate



* Official AUD-USD exchange rate forecast for 2007, on which APNIC's budget was based.

New fee structure

Annual Fees	Old (USD)	New (AUD)
Extra large	\$40,000	\$50,704
Very large	\$20,000	\$25,352
Large	\$10,000	\$12,676
Medium	\$5,000	\$6,338
Small	\$2,500	\$3,169
Very Small	\$1,250	\$1,584
Associate	\$625	\$792



APNIC fee currency change: Impact analysis



In October 2007, the APNIC Executive Council (EC) announced a change in the APNIC fee structure (beginning 1 January 2008, all APNIC fees would be charged in Australian dollars instead of US dollars).

The new fee schedule adopted by the APNIC EC is based on the old fee schedule converted at a rate of 0.7669 US dollars for each Australian dollar. This exchange rate was the official projected exchange rate for 2007, and was used as the basis for calculating the 2007 APNIC budget.

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<http://www.apnic.net/news/2007/1626.html>

The reason for this change in our fee currency is the US dollar's ongoing decline in value, which has been undermining APNIC's revenue base and financial stability. In fact, 2007 was the first year in which APNIC operated with a significant deficit budget. As the US dollar continues to decline during the year, it was clear that changes were needed to avoid reducing APNIC services or incurring ongoing operational losses and erosion of APNIC's capital reserves.

The following diagram (Figure 1) charts the devaluation of the US dollar against the Australian dollar from 2000 to 2007, while APNIC has experienced large fluctuations and an overall devaluation of the US dollar from 2001 to 2004, the more recent devaluation since 2006 has caused greater concern. Looking ahead, it is predicted that this decline in the value of the US dollar will continue.



▲ Figure 1: AUD-USD exchange rate, 2000-2008



Impact on APNIC income

The devaluation of the US dollar has resulted in a reduction in APNIC's income on a per-member basis as expressed in Australian dollars, APNIC's operating currency. Figure 2 charts the income received by APNIC from a member in the Small tier from 2000 to present. It is clear from this chart that APNIC's income per Small member has been reduced by well over 40% since the high point in 2001. That is, from over \$20,000 to under \$2,000 per Small member per year.



▲ Figure 2: Fees received by APNIC from a member in the Small tier (AUD)

Impact on member fees

Figure 2 also shows the cost of APNIC membership for a Small member in Australia, and illustrates that APNIC membership costs have reduced dramatically over this period. The far right hand end of the curve indicates the new fee in Australian dollars, which is still well below the average for the whole period (shown by the red line).

The rest of the charts in this article show similar comparisons for a selection of currencies in the Asia Pacific region. Each chart shows the cost of a Small membership in that currency, the average cost for the whole period, and the new cost after the fee structure change on 1 January 2008. It is interesting to note that the exchange rate history and behaviour varies significantly across the region, and it is difficult to generalise the effect on APNIC members overall.



Fee structure vote

In a formal vote held in September 2007, the APNIC membership narrowly rejected a proposal to revise the fee structure. The proposal had two components:

1. Charge APNIC fees in Australian dollars (at the rate of 0.7669)
2. Add an increment of 7% to all fees

During discussions beforehand after the vote, it was widely agreed that the change to Australian dollars was reasonable, however, the additional increment was not as generally supported.

In making its decision in October, the APNIC EC considered the very close result of the vote and the content of discussions before concluding that the first component of the proposal was reasonable and should be accepted. The APNIC EC made the decision in line with its responsibility under the APNIC By-laws to determine APNIC fees.

This change of fee currency removes much of the financial uncertainty from the APNIC fee structure. Previously, both APNIC members and the APNIC Board/Executive experienced financial uncertainty. Individual members carried their local currency's exposure against the US dollar while APNIC needed to convert the same sums from US dollars to Australian dollars. By adopting the new fee schedule, we hope that both the APNIC membership and Board/Executive can enjoy a more stable financial environment that allows APNIC to concentrate on delivering robust and helpful services with the expected levels of quality and timeliness.

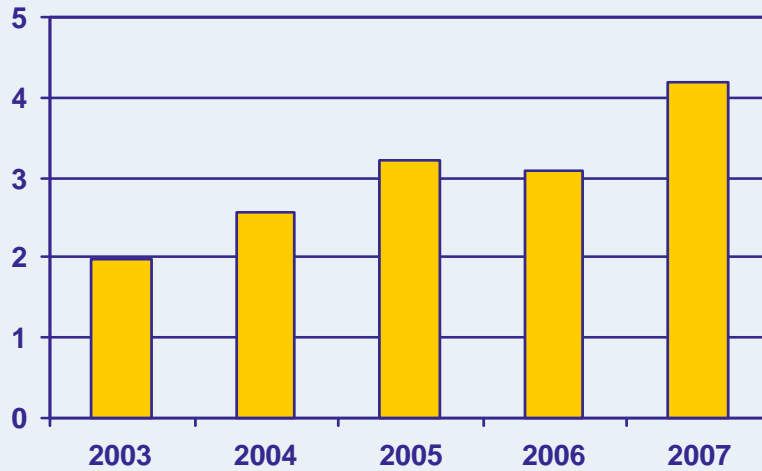
- Paul Wilson

Note: The data used in this report was obtained from OANDA.com, using the 'TickHistory' historical currency reporting tool, and is subject to the usual caveats associated with this data.

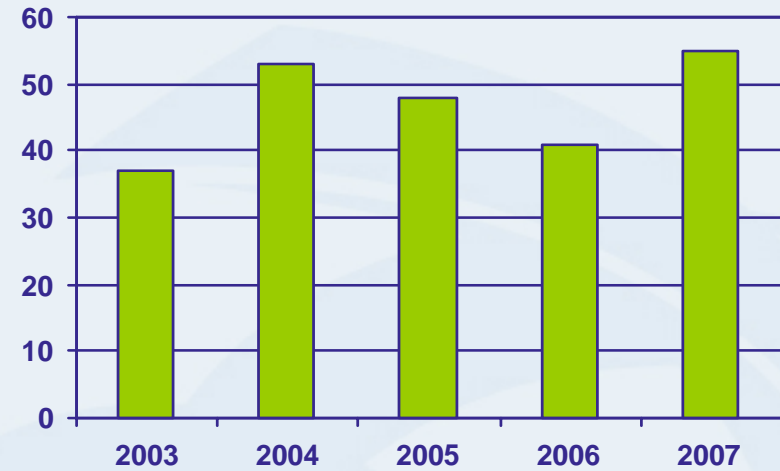


APNIC resource services

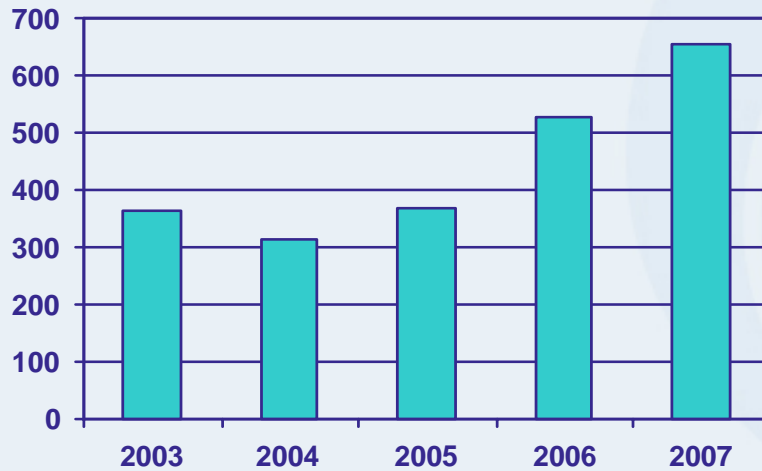
IPv4 - /8s



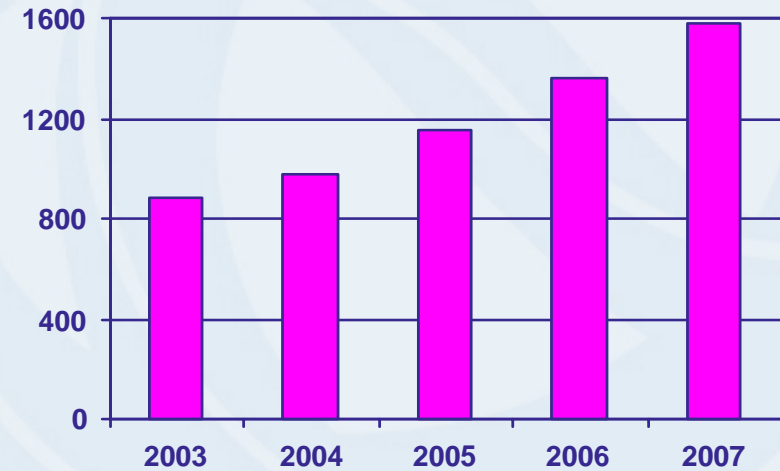
IPv6 - Prefixes



ASNs - Total



Members - Total



IPv6 activities

- Goal for 2008: Full support for IPv6
 - Mostly done or well underway by now
- Resource services
 - Improve support for IPv6 requests and request management
 - DNS (ip6.arpa) management
- Online services and connectivity
 - DNS servers, websites, MyAPNIC etc
 - Dual stacks
 - Better IPv6 connectivity
- Communications
 - Training, Information, ‘Promotion’...
 - [‘Happy v6 man’](#)

APNIC 25 - policy outcomes

- Accepted
 - prop-053 Changing minimum IPv4 allocation size to /22
 - prop-054 NIR operational policy document revision
 - prop-057 Proposal to change IPv6 initial allocation criteria
- Returned to the Policy SIG
 - prop-055 Global policy for the allocation of the remaining IPv4 address space
- Abandoned
 - prop-052 Cooperative distribution of the end of the IPv4 free pool
 - prop-058 Proposal to create IPv4 shared use address space among LIRs
- For further work by authors
 - prop-050 IPv4 resource transfers
 - prop-056 IPv4 soft landing (withdrawn for future resubmission)
- Also coming up for APNIC 26
 - prop-059 Using the RPKI to construct validated IRR data

APNIC meetings - what's next...

- APNIC 26
 - Christchurch, New Zealand
 - 25 to 29 August 2008
- APNIC 27
 - With APRICOT 2009, Manila, Philippines,
 - 23 to 27 February 2009
- APNIC 28
 - China, city TBA
 - Late August to early September 2009
- APNIC 29
 - With APRICOT 2010, Kuala Lumpur, Malaysia
 - 1 to 5 March 2010

Thanks

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