



Internet Initiative Japan

# APNIC Fees WG

APNIC / New Delhi

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<http://rip.psg.com/~randy/070907.apnic-fees.pdf>

# Fees WG Agenda

1. Agenda Review
2. EC Interim Fees Proposal - Kuo-Wei Wu
3. 7% Explanation by APNIC Secretariat
4. Questions specific to EC Interim Fee Proposal (discuss in 6)
5. KPMG Report on Review of Fees - Michael Heller (given by Randy Bush)
6. Open Discussion
7. Member Poll on EC Interim Fee Proposal
8. Discussion of Future Fees WG Direction
9. Discussion of the deep long-term issues (if we have time)



# APNIC Member Fee Structure Options

August 2007

RISK ADVISORY SERVICES

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## Fee Structure Options – Components

- Activity plan and adopted expense budget
- Currency in which the fees are to be charged
- Escalation process for review of fees
- Application fees
- Memberships tiers/classes
- Per address fee for NIRs
- Discount for NIRs based on 'other' work undertaken
- Link to address space – 2 bites for IPv4; 4 bits for IPv6
- Service intensity
- Continuous formula as basis for charging of fees – total address holding, not membership based
- LDCs – discounts to apply to LDCs
- Ageing of address holdings

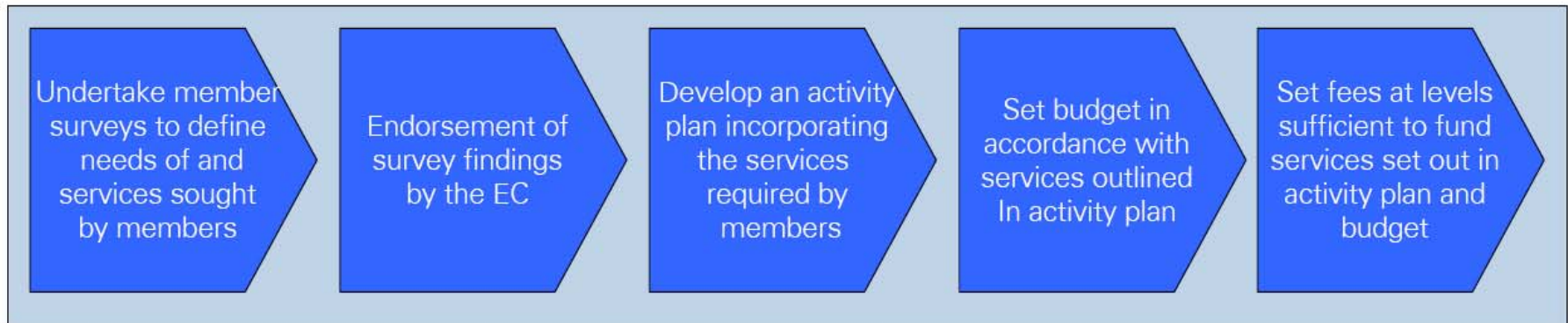


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## Fee Structure Options – Prerequisites

- The following elements have been identified as pre-requisites for all options under consideration:
  1. All members fees should be charged in AUD to help manage the deteriorating exchange rate and taking into account the expenses being paid in AUD
  2. Budgets should be set according to an activity plan which is to be costed up and shared with the EC



## KPMG will develop a number of long-term member fee structure solutions should the EC commission part B of this project

### Definitions of Components for APNIC Fee Structure Options

Component	Definition
EC Endorsement Members Survey	<ul style="list-style-type: none"> <li>Member surveys to be undertaken at regular intervals with findings to be endorsed by the EC</li> </ul>
Activity Plan Preparation	<ul style="list-style-type: none"> <li>Activity plan should set out all services to be provided to members. Budgets should be set according to this plan which is to be costed up and shared with / endorsed by the EC</li> </ul>
Escalation Process for Review of Fees	<ul style="list-style-type: none"> <li>Clear and transparent approach for ongoing review of APNIC membership fees</li> </ul>
Application Fees	<ul style="list-style-type: none"> <li>Membership joining fees for new members</li> </ul>
Per Address Fees for NIRs	<ul style="list-style-type: none"> <li>One-off per address fee for each address allocation</li> </ul>
Using Existing Membership Tiers	<ul style="list-style-type: none"> <li>Current membership tiers: extra large, very large, large, medium, small, very small, associate</li> </ul>
Additional new Membership Tiers - Lower Entry Level Fees	<ul style="list-style-type: none"> <li>Introduction of additional lower level membership tiers</li> </ul>
Fees charged in AUD	<ul style="list-style-type: none"> <li>Fees to be levied in AUD as opposed to USD to minimise impact of exchange rate fluctuations</li> </ul>
Set a maximum fee increase cap	<ul style="list-style-type: none"> <li>Maximum level / percentage by which fees can be increased per annum</li> </ul>
Service "Intensity"	<ul style="list-style-type: none"> <li>Maximum level of certain requests included in membership</li> </ul>
Ageing of Address Holdings	<ul style="list-style-type: none"> <li>IPv4 address runout – provide discounts for IPv6 addresses to encourage uptake</li> </ul>
Give discounts for NIRs	<ul style="list-style-type: none"> <li>Discount for NIRs when compared to direct APNIC members</li> </ul>
Give discounts for LDCs	<ul style="list-style-type: none"> <li>Discount for members located in LDCs</li> </ul>



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