



RIPE NCC
RIPE NETWORK COORDINATION CENTRE

RIPE NCC Charging Scheme 2023

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RIPE NCC General Meeting | 18 May 2022

What is the Charging Scheme?



- The costs of the RIPE NCC are detailed in the Activity Plan and Budget - members provide their input and it's approved by the Executive Board
- As a membership organisation, all members are expected to contribute to covering the costs of the RIPE NCC
- The Charging Scheme is the means by which the RIPE NCC ensures it collects sufficient funds to execute its promise to members documented in the Activity Plan and Budget

Charging Scheme Models



- Last year we consulted with the membership on Charging Scheme Principles
- Following feedback, we were prepared to propose four models members could discuss and give feedback on:
 - Model A: Same as current but with higher fee
 - Model B: Same as current but with higher fee and ASN charge
 - Model C: Based on resource holdings - five categories
 - Model D: Based on resource holdings - eight categories
- With the war in Ukraine, we felt we should return to the topic when all members are able to give it more attention

Proposed RIPE NCC Charging Scheme 2023



- The Executive Board proposes to continue with the current model at this time
- It is proposed to increase the annual membership fee from EUR 1,400 to EUR 1,550
- It is proposed to keep the sign-up fee at EUR 1,000

Charge for Independent Resources



- It is proposed to keep the separate charge of EUR 50 per Independent Number resource assignment
- Resources falling under this charge are:
 - IPv4 and IPv6 PI assignments
 - Anycast assignments
 - IPv4 and IPv6 IXP assignments
 - Legacy IPv4 resource registrations through a sponsoring LIR
- AS Numbers are excluded from this charge

Increase in Annual Fee by EURO 150



Annual Fee History

- 2012 and before: LIRs charged according to five billing categories
- 2013: Annual fee set to EUR 1,800 per LIR (only an increase for LIRs in category 'extra small')
- 2014: Decreased by 3% to EUR 1,750
- 2015: Decreased by 9% to EUR 1,600
- 2016-2022: Annual fee has remained at the same level at EUR 1,400

Increase in Annual Fee by EURO 150



- Annual fees have been very stable over the last few years and this is the first increase for ten years
- Increase in membership fee by EUR 150 from EUR 1,400 to EUR 1,550
- Represents a 10.7% increase

Overview of Executive Board Reasoning (1)



- The main reasons for this are the consolidation of LIR accounts and rising inflation
- Dependence on new LIR income/sign-up fees is not sustainable for the future
- Consolidation of LIR accounts is a long-term consequence of IPv4 run-out and we expect 21,000 (paying) LIR accounts in 2023 which is a decrease of 1,500 compared to 2022 budget
- A 10.7% price increase is conservative and reasonable in current circumstances (first price increase since 2006)
- In the calculation, we have used modest estimations:
 - Estimated costs increase/growth including Inflation 3.7%

Overview of Executive Board Reasoning (2)



- The European Central Bank (ECB) will endeavour to keep prices stable with inflation of 2% across the Euro area
 - Estimates for Inflation for 2023:
 - Centraal Bureau voor de Statistiek: 2.4%
 - De Nederlandsche Bank (the Dutch Central Bank): 2.8%
 - European Central Bank: 2.1%
- 3.7% estimated costs growth including inflation is conservative in current circumstances
 - Estimates for Inflation for 2022:
 - Centraal Bureau voor de Statistiek: 5.2%
 - De Nederlandsche Bank (the Dutch Central Bank): 6.7%
 - European Central Bank: 5.1%

Overview of Executive Board Reasoning (3)



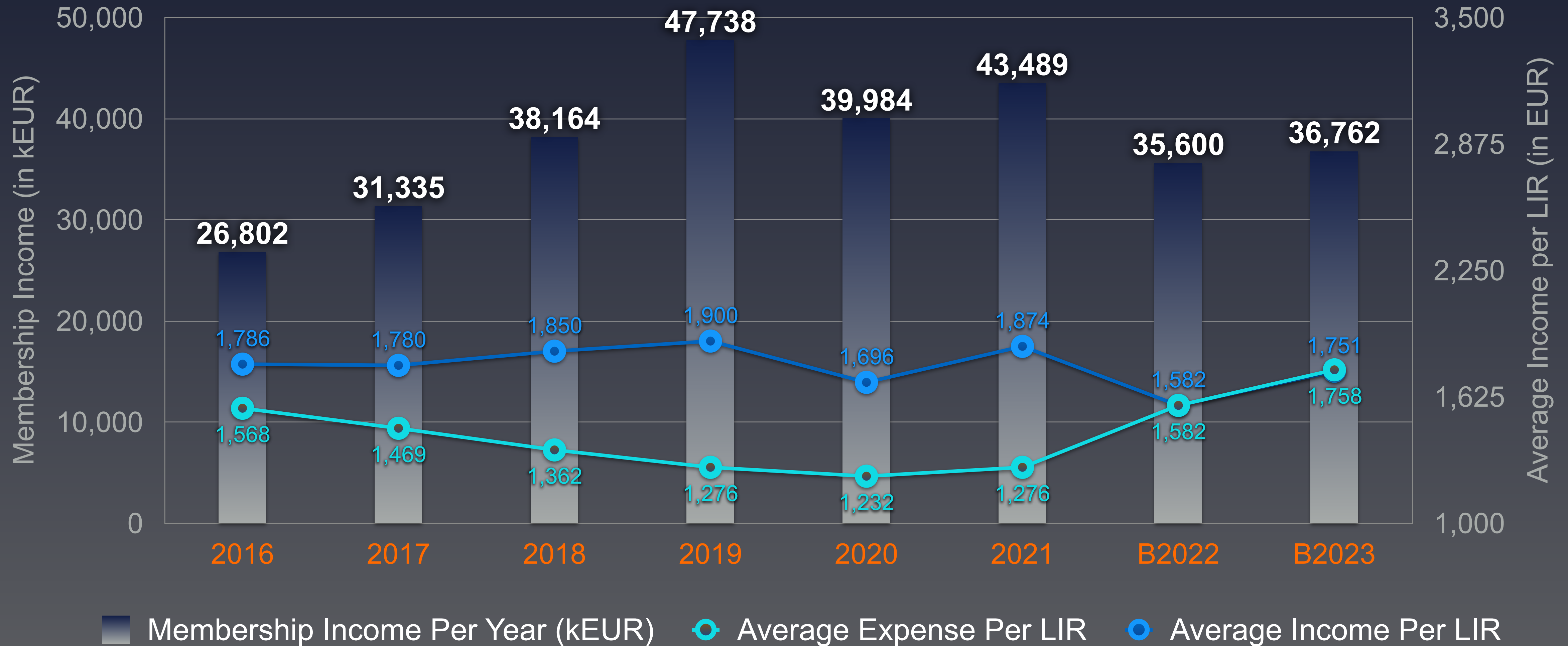
- As we have the Clearing House reserve and a redistribution model, it is worth being conservative
- Inflation and rising costs hits us all, therefore we should share the burden with our members, hence a higher increase is not proposed
- Result - proposed new membership fee of EUR 1,550
 - 3.7% Estimated costs increase/growth including Inflation
 - Estimated 21,000 paying LIR accounts in 2023
 - Clearing House procedure will remain unchanged (GM vote on what to do with surplus or loss)
 - Conservative price increase of 10.7% to EUR 1,550 membership fee

2023 Charging Scheme Calculation Model



	B2022	0% Price Increase On Membership Fee	10.7% Price Increase On Membership Fee
Estimated Cost Growth	0%	3.7%	3.7%
Paying LIR accounts	22,500	21,000	21,000
Membership Fee in EUR	1,400	1,400	1,550
Membership Fee Income in KEUR	31,500	29,400	32,550
Other Income in KEUR	4,100	4,100	4,212
Total Income in KEUR	35,600	33,500	36,762
Total Operational Costs in KEUR	35,600	36,917	36,917
Estimated Result	0	-3,417	-155

Membership Income vs Costs



Resolution 3



- “The General Meeting adopts the RIPE NCC Charging Scheme 2023.”
- Voting for this resolution takes place under Agenda point 9



Questions

