IPv4 Inter-RIR Resource Transfers (Comprehensive Scope)			
ID:	AFPUB-2019-IPv4-002-DRAFT03	**Date Submitted:**	26th November 2019
Author:	Jordi Palet Martinez jordi.palet at theipv6company.com The IPv6 Company	**Version:**	3.0
Obsoletes:		**Amends:**	CPM, amend art. 5.7

1.0 Summary of the problem being addressed by this proposal

This proposal allows establishing the mechanism to allow transfers of IPv4 resources to/from other regions and to align AFRINIC with a market that already exists and in which we are lagging behind, which is negative for the region.

2.0 Summary of how this proposal addresses the problem

In recent years, and with the exhaustion of IPv4, several regions have solved this problem, not only through transfers within the region itself, but between different regions. This allows to facilitate a dynamic in the market and by increasing the offer, reducing prices.

However, an inter-RIR mechanism has not been established in AFRINIC, which is leading the region to a situation of discrimination and scarcity of addresses, not only in the RIR itself, but in the region's market, which avoids even that new businesses can be established in the region, due to the lack of addresses.

On the other hand, the fact that there is no inter-RIR policy does not prevent transfers "under the table" and, therefore, assumes that there are resources from which the history of their registration is lost, which is one of the main functions of AFRINIC.

This proposal considers that such transfers should be allowed for both legacy and non-legacy IPv4 addresses. In the case of legacy resources, this has the advantage of allowing these resources to emerge and incorporate them into the RIRs system.

Additionally, it is important to highlight that the deployment of IPv6, in some cases, may require small blocks of IPv4 addresses for transition mechanisms, or significantly increase the costs thereof, and many AFRINIC entities could, therefore, be in serious disadvantage if they do not have access to a global market, as it is currently the case.

There is no doubt that accepting this type of transfer also has its risks, and it is possible that an initial price increase will be generated, which would quickly be aligned with the rest of the global market, as is usually the case with equivalent markets.

This proposal would allow bidirectional transfers with APNIC, ARIN, LACNIC and RIPE.

It is suggested that, as an editorial CPM update, if this policy is adopted, section 5.7 is moved to a new section (possibly 13), which accommodates in the future, all the transfers-related policies in a single place. This editorial modification can be done by the staff, renumbering/reordering any relevant sections, even adjusting titles/subtitles for the new section to better match the adopted text.

3. Proposal

Amend article 5.7 of the CPM, as follows:

Current	Proposed
5.7 IPv4 Resources transfer within the AFRINIC Region Like the other Regional Internet Registries, AFRINIC will soon exhaust its IPv4 pool. In order to meet the needs of late resource requestors, a transfer policy for IPv4 resources within the region is needed. The goal of this policy is to define conditions under which transfers must occur. The policy solves the issue of an African organization needing IPv4 number resources after the exhaustion of the AFRINIC IPv4 pool or when AFRINIC can no longer satisfy the needs of such an organization. 5.7.1 Summary of the policy This policy applies to an organization with justified need for IPv4 resources that cannot be satisfied by AFRINIC. 5.7.2 IPv4 resources to be transferred - must be from an existing AFRINIC member's account or from a Legacy Resource Holder in the AFRINIC service region.	**5.7 IPv4 Resources transfers** This policy applies to an organization with a justified need for IPv4 resources (recipients) and organizations with IPv4 resources that are no longer needed by that organization (sources). 5.7.1 Recognized transfer types Two types of transfers are recognized: a) Intra-RIR. Both parties are within the AFRINIC service region. b) Inter-RIR. One of the parties is within the AFRINIC service region, while the other is in another RIR service region.
5.7.3. Conditions on the source of the transfer 5.7.3.1 The source must be the current rightful holder of the IPv4 address resources recognized by AFRINIC, and not be involved in any dispute as to the status of those resources. 5.7.3.2 Source entities will not be eligible to receive any further IPv4 address allocations or assignments from AFRINIC for a period of 12 months after a transfer approval. 5.7.3.3 Source entities must not have received a transfer, allocation, or assignment of IPv4 number resources from AFRINIC for the 12 months prior to the approval of transfer request. This restriction excludes mergers and acquisitions transfers.	5.7.2 Conditions on the source of the transfer 5.7.2.1 A source must be validated by the applicable source RIR according to their policies and procedures. A source within AFRINIC must be in good standing, be the rightful registrant of the resources to be transferred and there must be no disputes as to the status of said resources. 5.7.2.2 Source entities will not be eligible to receive any further IPv4 address allocations or assignments from AFRINIC. Source entities may, if they can show justified need, receive resources via transfer after a period of not less than 24 months has elapsed from their last outbound transfer. 5.7.2.3 An organization which has received IPv4 resources from AFRINIC within preceding 12 months will not be approved as a transfer source.
5.7.4. Conditions on the recipient of the transfer 5.7.4.1 AFRINIC must approve the recipient's need for the IPv4 number resources. In order for an organization to qualify for receiving a transfer, it must first go through the process of justifying its IPv4 resource needs before AFRINIC. That is to say, the	5.7.3 Conditions on the recipient of the transfer 5.7.3.1 Recipient organizations within the AFRINIC service region must be approved with the same policies and procedures as if the request were being satisfied from the AFRINIC pool.

organization must justify and demonstrate before AFRINIC its initial/additional allocation/assignment usage, as applicable, according to the policies in force. 5.7.4.2 The recipient must be an AFRINIC member, subject to current AFRINIC policies and must sign the Registration Services Agreement for resources being received.	5.7.3.2 Recipients in other RIRs must be approved according to that RIR's policies and procedures.
5.7.4.3 Transferred IPv4 legacy resources will no longer be regarded as legacy resources.	5.7.3.3 IPv4 legacy resources will no longer be regarded as legacy resources: • In the case of intra-RIR transfers. • In the case of incoming inter-RIR. In the case of outgoing inter-RIR, the resulting status will depend on the policies in the receiving RIR.
	5.7.4 Transfer or ASN with IPv4 Resources In the case where the majority of the IPv4 resources are being transferred, any relevant ASN(s) may also be transferred at the same time, if the relevant policies are fulfilled.
	5.7.5 Timing for Applicability of Inter-RIR transfers Inter-RIR transfers will be triggered only once AFRINIC enters into Exhaustion Phase 2 (as defined in 5.4.3.2).
	5.7.6 Required Disclosure for Transfers Each time a transfer is completed, AFRINIC will publish all related information permitted by the source or recipient, including at least: • Date of the transfer. • Transferred resources. • Source RIR and organization • Recipient RIR and organization.
	5.7.7 Provisions for Suspensions of Transfers 5.7.7.1 The inter-RIR transfers will be suspended in case the number of outgoing IPv4 addresses exceeds the incoming ones for 6 consecutive months. 5.7.7.2 Staff may request additional information from parties for any transfer deemed suspicious by staff. Afterwards, all available information shall be escalated to the board for a decision to approve the transfer or not.

4. Revision History

Date	Details
14th May 2019	Version 1: AFPUB-2019-IPv4-002-DRAFT01 Initial Draft Posted to rpd
2nd Nov 2019	Version 2: AFPUB-2019-IPv4-002-DRAFT02 - Followed suggestions from impact analysis and discussions in the list. - Included support for ASN. - Included existing 5.7.3.3 (renumbered as 5.7.2.3). - Stating when inter-RIR transfers are enabled. - Ensuring there is no unbalance or strange operations in transfers once the proposal is implemented.
26th Nov 2019	Version 3: AFPUB-2019-IPv4-002-DRAFT03 • Changes as per RPD list discussion.

5. References

There are Inter-RIR policies in APNIC, ARIN and RIPE, which have widely demonstrated their effectiveness and have not presented problems to the respective communities, quite the contrary.

LACNIC reached consensus on an equivalent proposal in their last meeting and is being implemented already (expected July 2020):
- LAC-2019-11: https://politicas.lacnic.net/politicas/detail/id/LAC-2019-1?language=en

According to the existing evidence, the ARIN region appears as the origin of the transfer of the largest number of addresses to the other regions that have resource transfer policies.
- https://www.nro.net/wp-content/uploads/NRO-Statistics-2018-Q4.pdf
- http://www.lacnic.net/innovaportal/file/3277/1/2-john-sweeting-arin.pdf