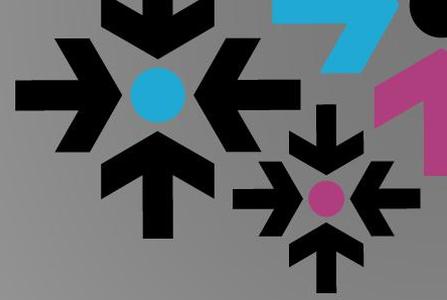Draft Policy ARIN-2020-6: Allowance for IPv4 Allocation "Swap" Transactions via 8.3 Specified Transfers and 8.4 Inter-RIR Transfers

Rob Seastrom, Advisory Council Shepherd

# History

Proposal - 31 May 2020

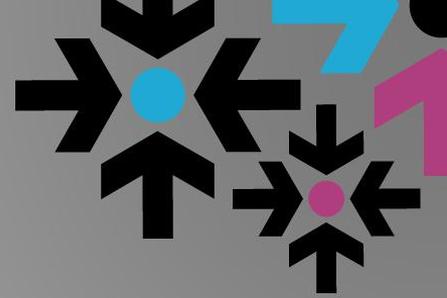Draft Policy - 23 June 2020

Staff and Legal Review - 22 July 2020

Presented at ARIN 46 - 15 October 2020

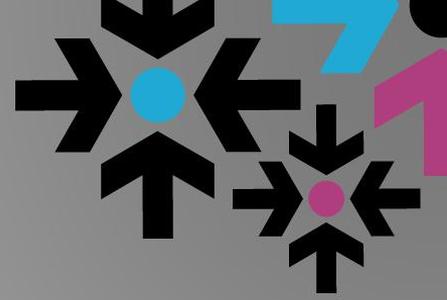Presented at ARIN 47 - 12 April 2021

Revised 26 August 2021

Shepherds - Rob Seastrom, Amy Potter

# Objective (short version)

Allow organizations to "swap out" a larger block for a smaller one in the interest of avoiding deaggregation (as opposed to breaking up their existing block and transferring only a part of it).

# Problem Statement

Organizations wishing to "swap out" a larger block for a smaller one in the interest of avoiding deaggregation (as opposed to breaking up their existing block and transferring only a part of it) are forbidden by existing 8.3 policy from being the source of the transfer for their larger block after receiving a smaller one for 12 months after receiving the smaller block. In practice, ARIN staff has been allowing orgs to transfer out blocks after receiving smaller ones inside of the 12-month window, but many ARIN resource holders are not aware of this.

Some resource holders have worked around the restriction by creating a new org to receive the smaller block, but this practice has implications on waitlist policy, as the new org is now technically eligible to apply for wait-list space while the original org cannot.

Similar language is present in NRPM Section 8.4, as such, the practice should be sanctioned for those types of transfers as well.
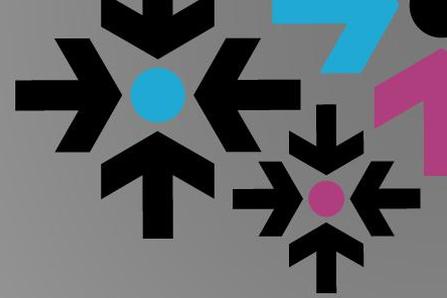
# Policy Statement

Clarify the conditions under 8.3 and 8.4 that explicitly allows transfer of a larger block in exchange for a smaller one as part of a renumbering plan by making the following changes in 8.3, 8.4, and 8.5:
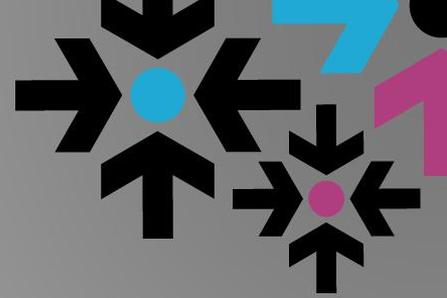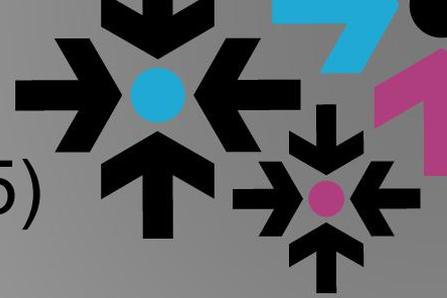
# Policy Statement (change 1 - 8.5.5)

**Current text:**

8.5.5. Block Size

Organizations may qualify for the transfer of a larger initial block, or an additional block, by providing documentation to ARIN which details the use of at least 50% of the requested IPv4 block size within 24 months. An officer of the organization shall attest to the documentation provided to ARIN.

**Add:**

8.5.5.1- Transfer for the Purpose of Renumbering

Organizations with larger direct allocations or assignments than they require may receive transfer of a smaller block for the purpose of renumbering onto the smaller block if they transfer the entire larger block to a qualified recipient under section 8 within one year of receipt of transfer of the smaller block. If the larger block is not transferred within one year of receipt of the smaller block, the smaller block will be ineligible for transfer under sections 8.3 and 8.4, and the organization will be ineligible to receive any further transfers under this policy.

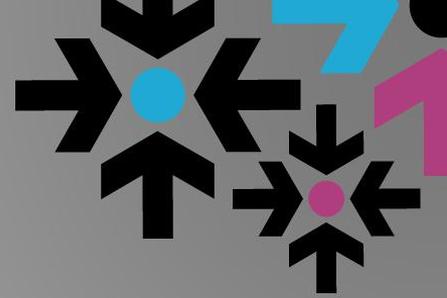# Policy Statement (change 1 - cont'd - 8.5.5)

**Current text:**

8.5.5. Block Size

Organizations may qualify for the transfer of a larger initial block, or an additional block, by providing documentation to ARIN which details the use of at least 50% of the requested IPv4 block size within 24 months. An officer of the organization shall attest to the documentation provided to ARIN.

**Add:**

8.5.5.1.1 Smaller Block Size

Organizations may qualify to receive transfer of a smaller block by providing documentation to ARIN which details the use of at least 50% of the smaller block size within 24 months. Current use of the larger block may be used to satisfy this criteria. An officer of the organization shall attest to the documentation provided to ARIN
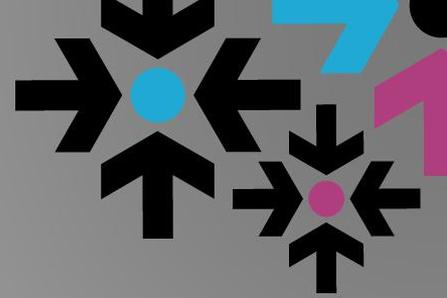
# Policy Statement (change 2 - 8.5.6)

**Current text:**

8.5.6. Efficient Utilization of Previous Blocks

Organizations with direct assignments or allocations from ARIN must have efficiently utilized at least 50% of their cumulative IPv4 address blocks in order to receive additional space. This includes all space reassigned to their customers.

**Add:**

8.5.6.1 Transfer for the Purpose of Renumbering

Organizations receiving transfer of a smaller block under section 8.5.5.1 may deduct the larger block they are transferring to a qualified recipient when calculating their efficient utilization of previous blocks under section 8.5.6.

# Policy Statement (change 3 - 8.3 and 8.4)

**Current text under "Conditions on Source Of the Transfer" (both sections):**

"The source entity must not have received a transfer, allocation, or assignment of IPv4 number resources from ARIN for the 12 months prior to the approval of a transfer request. This restriction does not include 8.2 transfers.

**Add:**

This requirement may be waived by ARIN for transfers made in connection with a renumbering exercise designed to more efficiently utilize number resources under section 8.5.5.1.

# Community Reactions on PPML

- "If I'm reading this properly, the prohibition on transferring the smaller block kicks in if the larger block isn't transferred within a year. Have we considered the option of having that restriction kick in immediately until the larger block is transferred?"
- "I've noticed that officer attestation language is present in the new 8.5.5.1.1 subsection.  Will this will remain in place despite the separate discussion on removing the need for officer attestations if that passes?"
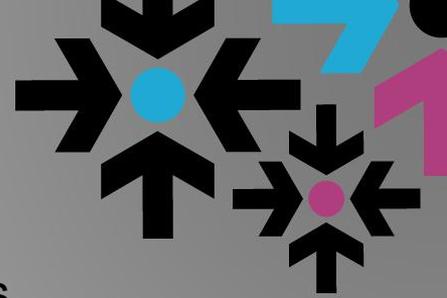
# More Community Reactions on PPML

- "I think the larger block should be allowed to be sold in pieces, notwithstanding the disaggregation."
- "I think the recipient should lose the ability to receive addresses immediately upon receipt of the smaller block, until the larger block is completely sold. Including waitlist addresses, not included other reserved addresses."
- "If the smaller block is a /24, there should be no needs test."
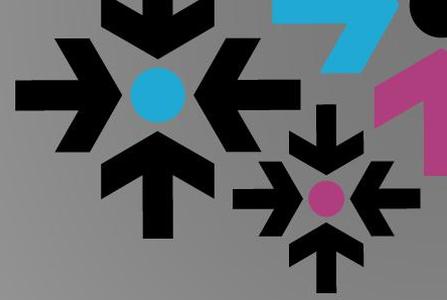
# What do you think?

- Favor as written?
- Oppose completely?
- Favor one or more of changes suggested on PPML?
- Propose something else?
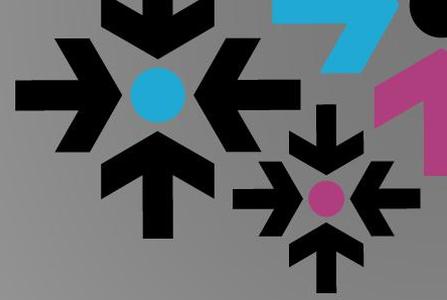
# Discussion

Microphones are open

# Thanks!