



RIPE NCC

RIPE NETWORK COORDINATION CENTRE

RIPE NCC Reporting on efficiency gains

Gwen van Berne
CFO
RIPE NCC

RIPE NCC General Meeting | Amsterdam | 17 October 2018

Background



- **Response to our members**
- **Efficiency gains of 300k - 600k in 2019**
- **Efficiency gains in 3 areas**
 1. Administrative processes (150k - 250k)
 2. IT infrastructure and security (100k-250k)
 3. Communications (50k-100k)

Administrative Processes (150k - 250k)



- **Billing procedure (move to yearly invoicing only)**
- **Reduce # tickets through other measures**
- **Reduce workload support staff (e.g. simplify HR processes)**

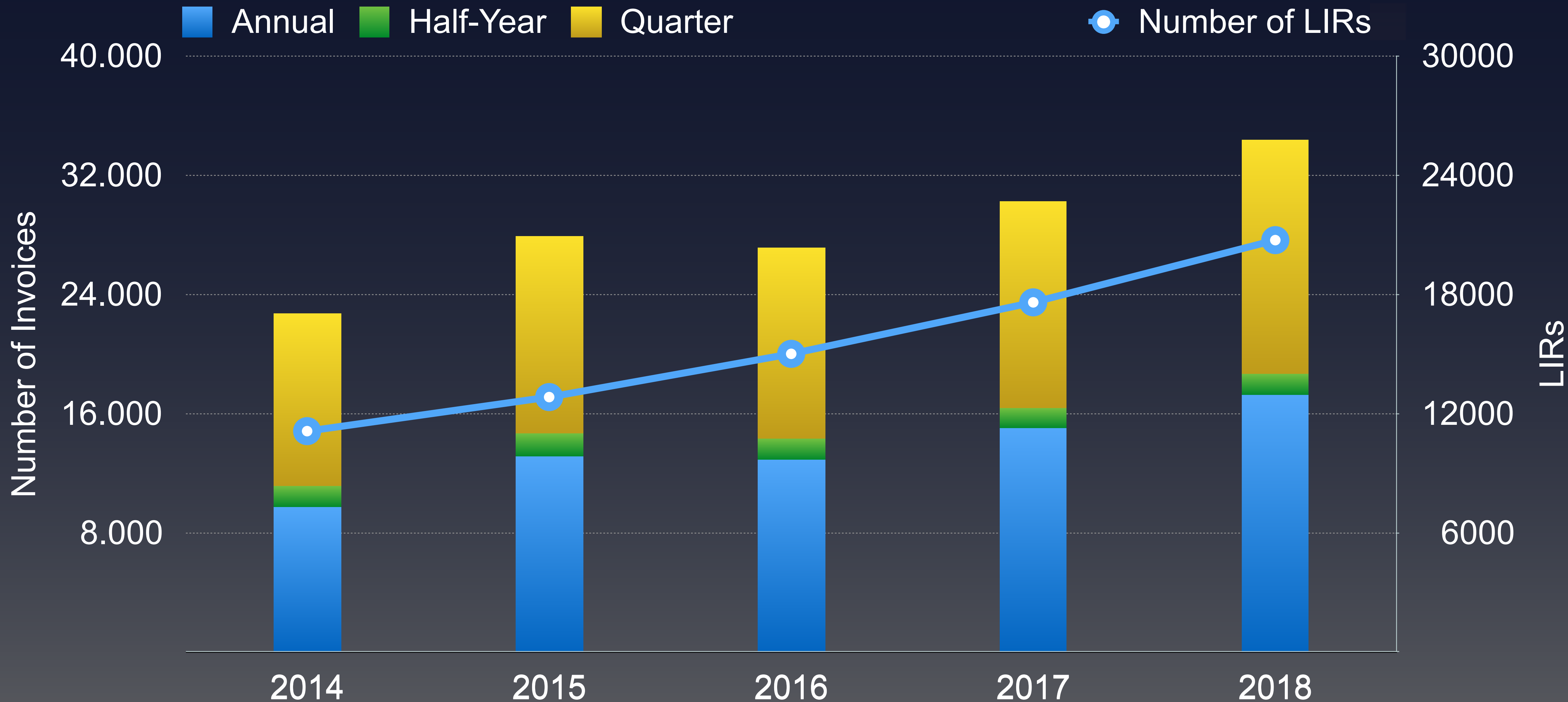
Move to yearly invoicing



- **Last year (2017) RIPE NCC dealt with 11,886 billing tickets. High number compared to # LIRs (16,956)**
- **Quarterly invoicing creates confusion for our members around transfers. Plus higher risk of missing invoices.**

We propose to move to yearly invoicing only with the possibility of payment conditions

Invoices Over Time





RIPE NCC

RIPE NETWORK COORDINATION CENTRE

RIPE NCC Financial Update

Gwen van Berne
CFO
RIPE NCC

RIPE NCC General Meeting | Amsterdam | 17 October 2018

Agenda



- Redistribution
- P&L (financial performance indicators)
- Balance sheet (financial reserves and stability)
- Budget trend (financial expenditures)
- Income effects and funding (financial projections)
- Membership development
- Our financial strategy summarised



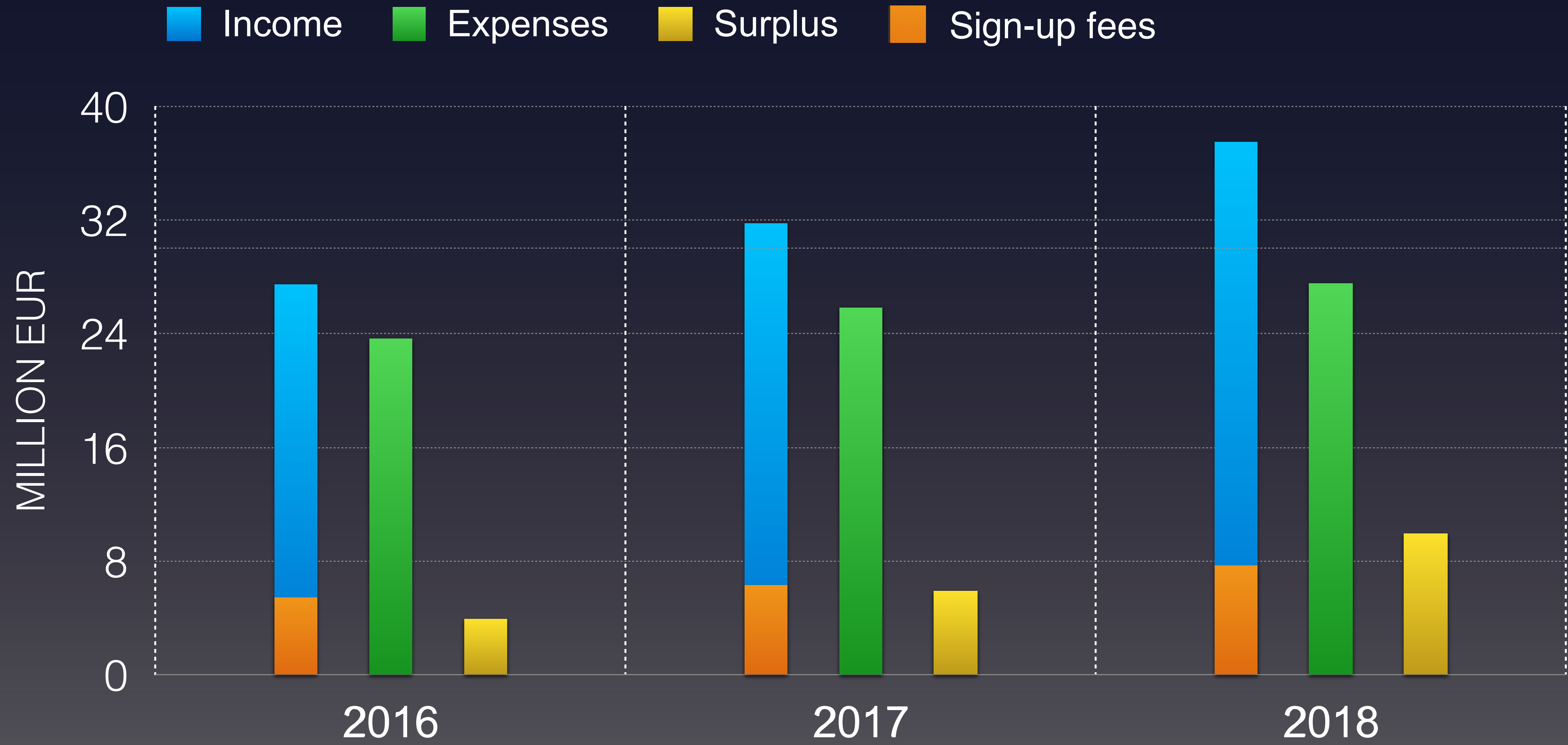
Redistribution of RIPE NCCs Financial Surplus 2018

Financial performance indicators

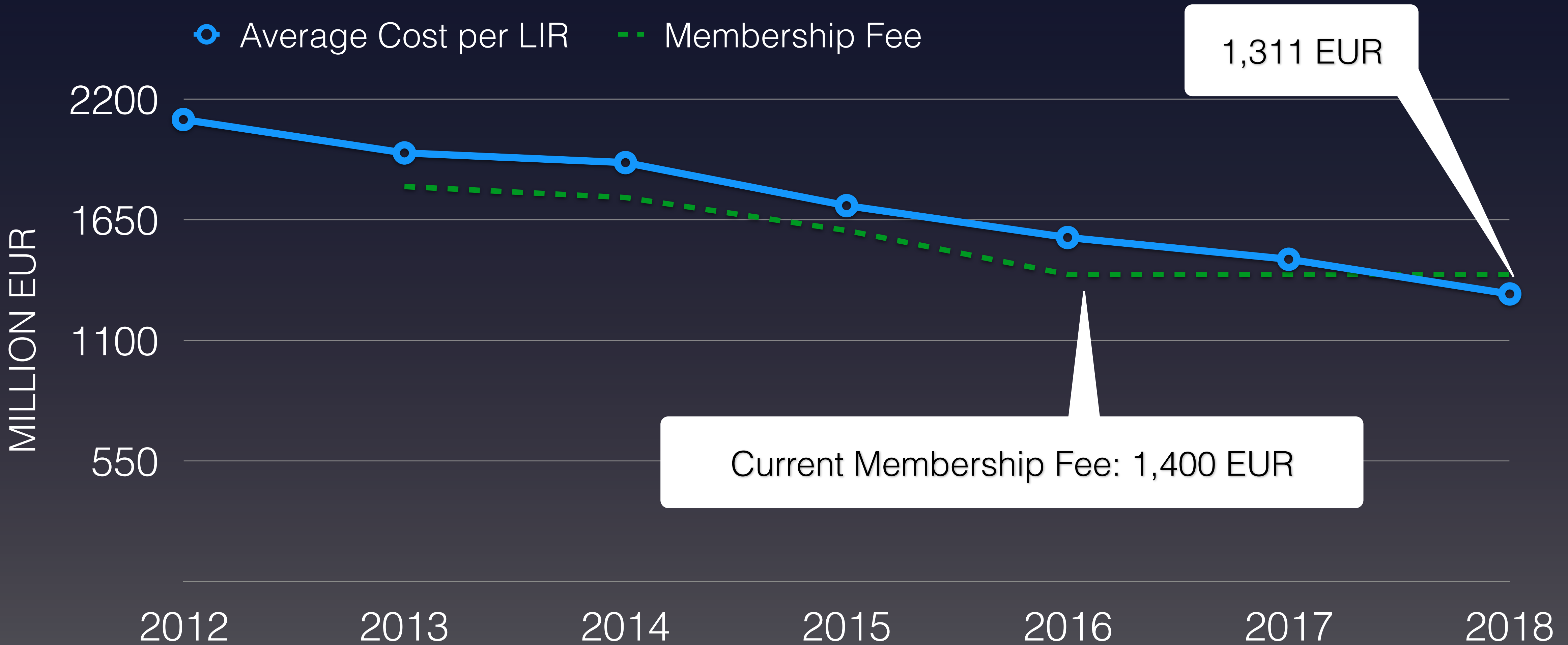


	YE 2018 (Q3)	FY 2017
Income (in million EUR)	37.5	31.8
Expenses (in million EUR)	27.6	25.9
Surplus (in million EUR)	9.9	5.9
Average redistribution per LIR (EUR)	475	348
Number of LIRs	21,000	16,956
Average Cost per LIR (EUR)	1,311	1,469

P&L (2016-2018) EUR M



Average Cost per LIR (EUR)

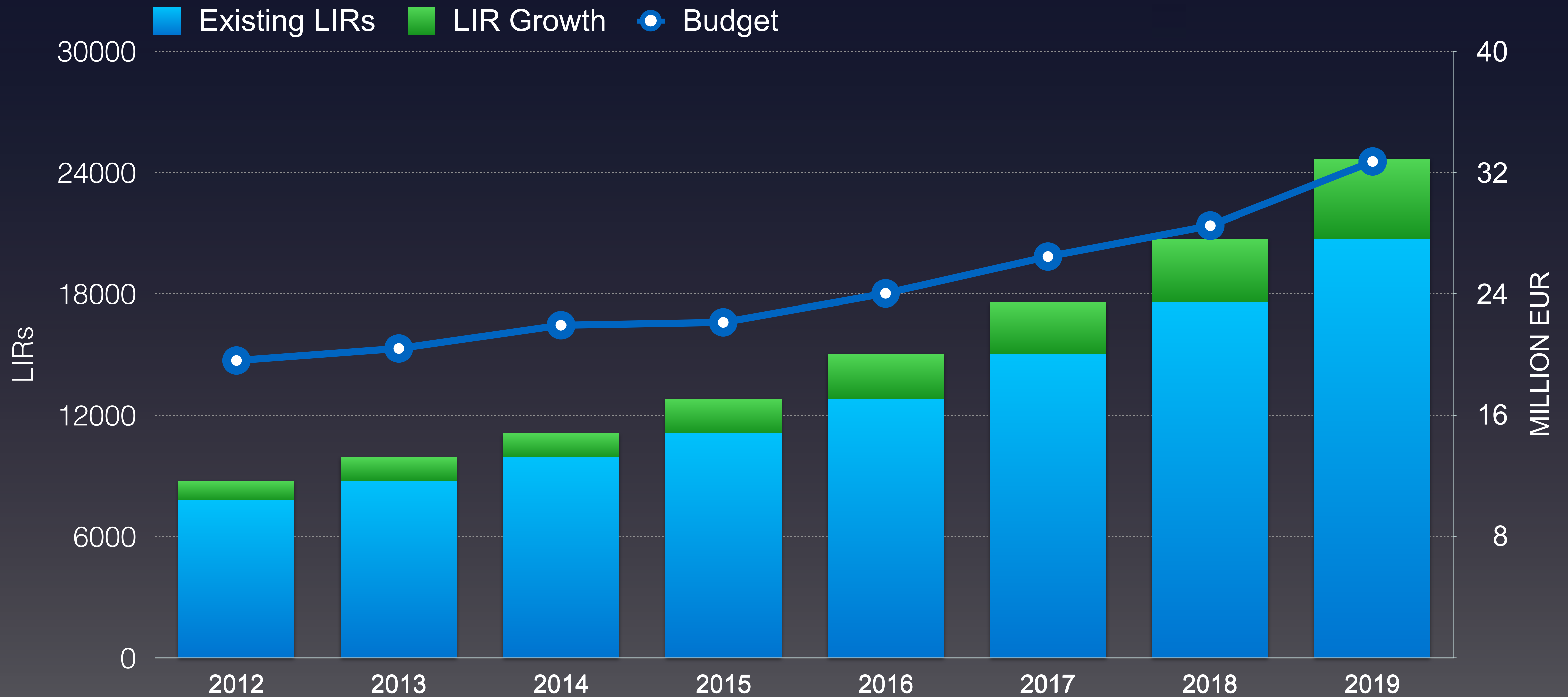


Balance Sheet (2017) EUR K

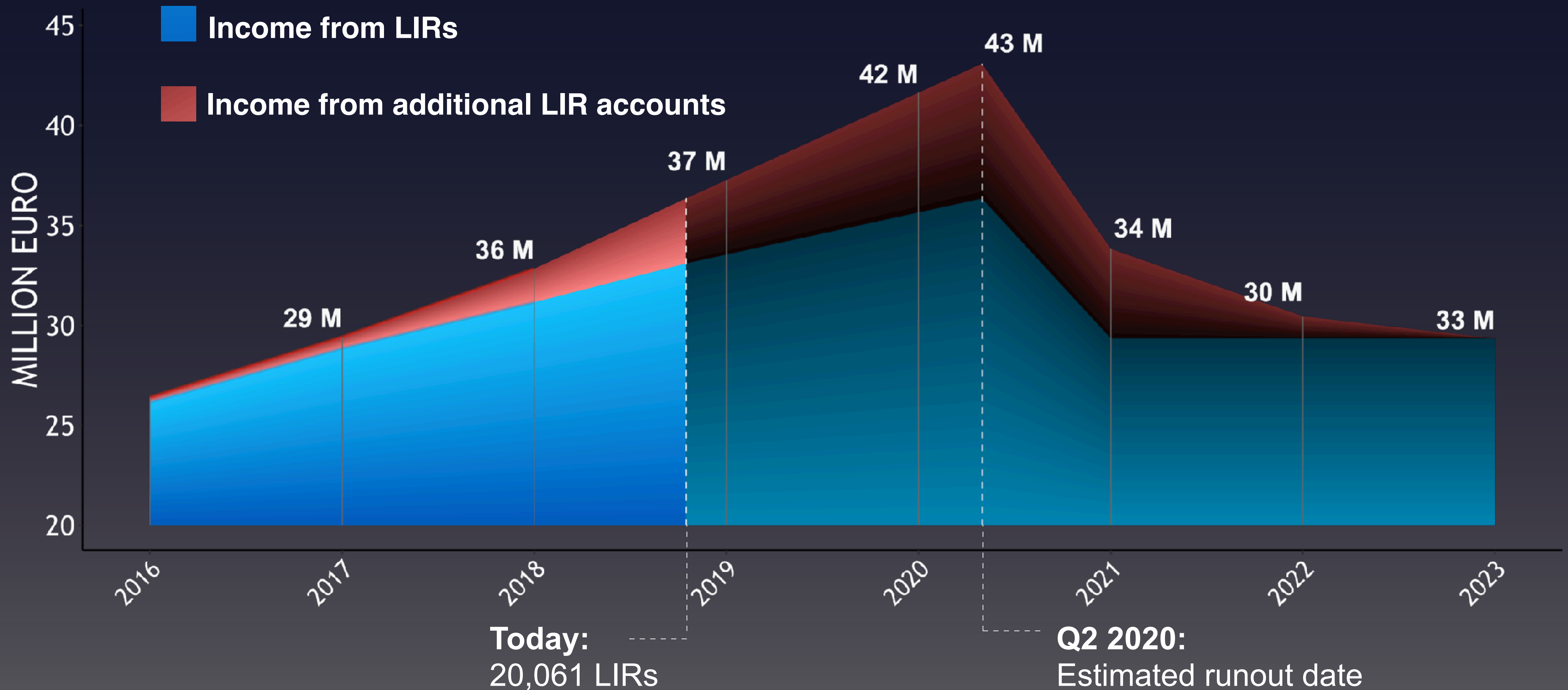


Assets	2017	2016
Tangible Fixed Assets	3,689	3,735
Financial Fixed Assets	14,039	10,444
Cash on hand	16,012	17,858
Miscellaneous Receivable - current assets	2,123	2,091
Total Assets	35,863	34,128
Capital and Liabilities		
Clearing House	25,389	25,064
Surplus / Deficit	(173)	325
Capital	25,216	25,389
Redistribution of members' fees	6,196	4,306
Other Current Liabilities	4,451	4,433
Current Liabilities	10,647	8,739
Total Capital and Liabilities	35,863	34,128

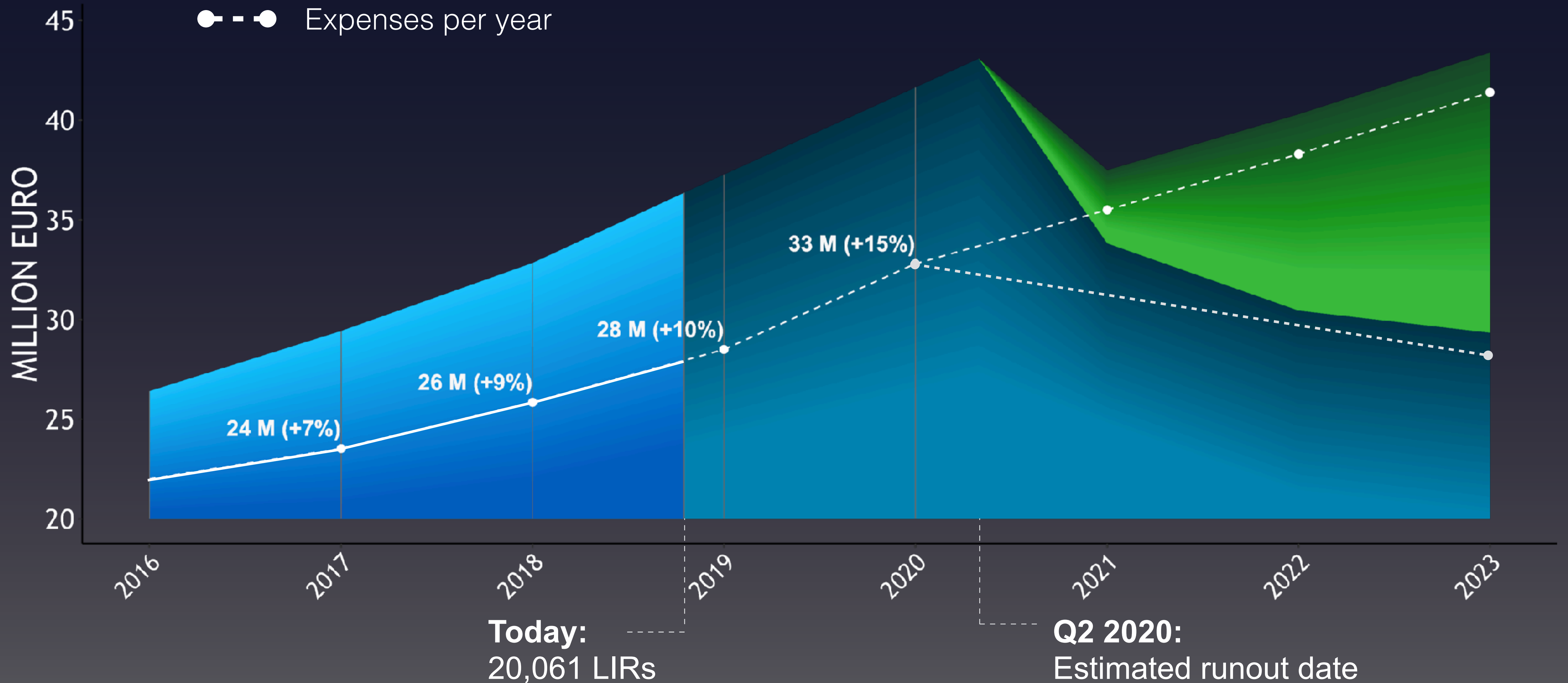
Budget (cost) versus LIR growth



Worst case consolidation scenario (IPv4)



Expense trend



Adaptability of Our Financial Model



- Adjusting membership fees
- Adjusting expenses
- Use of financial reserves



Membership Development

Outlook 2019-2022



- Ensure uniqueness of number resources
- Provide neutral information and knowledge
- Strengthen due diligence procedures
- Build efficient and automated processes
- Prepare for volatility and consolidation in membership growth
- Prepare for migration to IPv6



Our Financial Strategy

- Not-for-profit funding model
- Authorised spending in line with established mandate
- Transparent reporting
 - Efficiency gains
 - Average cost per LIR
 - Risk appetite RIPE NCC
- RIPE NCCs funding strategy aims to generate sufficient income so that we can fulfil our obligations in a stable, predictable manner.
- The current equality in the Charging Scheme between LIRs is a strength in terms of simplicity and predictability.



Questions



gvanberne@ripe.net