Subject:	[EC] Re: LDC Discount staggered waiver schedule.
Date:	Monday, 22 September 2025 at 15:08:08 Australian Eastern Standard Time
From:	Kenny Huang, Ph.D.
To:	Rupesh Shrestha
CC:	EC, Md Emdadul Hoque, MA Hakim, Gaurab Raj Upadhaya, CEO ISPAN

Dear Rupesh,

It was good to see you last week at APNIC 60 in Da Nang and I trust you had a safe trip home.

The APNIC EC appreciates your feedback and request regarding the fee discount schedule for graduating Least Developed Country (LDC) economies. We have considered your request together with similar requests from the community, and after much deliberation, a new phased fees approach to LDC graduation was announced during the APNIC Member Meeting.

Under the new approach, all future LDC graduations will be subject to the following fee schedule changes:

- On the first membership renewal following the LDC graduation date, Very Small account holders will receive a 25% discount on the full fee. All other account holders will be charged the full fee.
- On the second membership renewal following the LDC graduation date, all account holders will be charged the full fee.

The LDC fee discount was voluntarily introduced by APNIC in 2009 to recognise the economic challenges faced by LDC economies. Graduation from the LDC category is a multi-year process that is managed by the UN Committee for Development Policy (CDP) – not APNIC – and successful graduation is a described by the UN as a sign of economic growth and achievement.

During the UN CDP's six-year graduation process, APNIC actively communicates with Members in those economies to provide them with adequate time to prepare for the discount removal upon graduation. There have been four LDC graduations to date: Maldives (2011), Samoa (2014), Vanuatu (2020), and Bhutan (2023). APNIC communicated with and provided assistance for Members in these economies, such as offering payment by instalment, or a payment extension, on a case-by-case basis.

For the upcoming LDC graduations, namely Bangladesh, Nepal and Lao PDR, APNIC has also been actively communicating with Members in anticipation of the fee changes.

The EC has listened to the representations on LDC graduation from yourself and others in the community over the past year, and has consulted Members informally on the topic. Our discussions identified that Very Small Members, whose revenue is typically small, are most sensitive to an increase in fees due to LDC graduation, and therefore, are in most need of any fee assistance.

The announced phased fee discount above will provide relief to around 71% of the total graduating Members in Bangladesh, Nepal, and Lao PDR in 2026.

The phased fee discount for Very Small Members will also apply to LDC economies graduating in the future, such as Solomon Islands in 2027 and Cambodia in 2029.

Considering other feedback and in the spirit of equitable treatment for Members, the EC also resolved to provide the same discount to economies where LDC graduation has already occurred since the LDC discount commenced in 2009. In this regard, account holders in Maldives, Samoa, Vanuatu and Bhutan who are in the Very Small tier at the time of renewal in 2026, and who were account holders at the time of graduation, will receive a 25% discount on their 2026 fees.

While APNIC is no longer dependent on fees resulting from LDC graduation to exit its deficit position in 2027, the EC notes that the organisation continues to face financial headwinds such as inflation, global economic uncertainty, plateauing membership growth, and increasing governance, compliance and legal costs to protect APNIC and meet new guidelines (such as those being developed under the ICP-2 review).

The EC believes its decision to introduce the phased fee discount, outlined above, balances the desire to assist account holders in graduating LDC economies with the EC's duty to ensure the long term financial sustainability of APNIC for all Members.

Thank you again for engaging with the EC on this issue.

Kind regards

Kenny Huang
APNIC EC Chair