

IP leasing and AWS BYOIP can help businesses navigate through the complex problem of rising cloud costs

LONDON, UK, April 18, 2024

/EINPresswire.com/ -- Amazon Web Services' (AWS) decision to implement an IPv4 address charge has put businesses into a conundrum. On the one hand, AWS is nudging the industry to be more proactive in the adoption of IPv6. At the same time, the cumulative cost of IPv4 charges can significantly hinder a company's finances. The best-kept secret in solving the riddle of keeping the cloud services under the budget is AWS's BYOIP.



REASONS FOR AWS IP ADDRESS CHARGE

AWS first introduced plans to charge for public IPv4 addresses back in July. It came into effect on February 1st. AWS users are charged \$0.005 per IP per hour for all public IPv4 addresses. For users with a lot of IPs, this was a significantly costly shift, especially due to the short notice about the upcoming change.

The AWS's motivation is understandable. IPv4 addresses are becoming an increasingly scarce resource. The cost of acquiring a single public IPv4 address has risen more than threefold over the past 5 years. Back in 2014 the cost of a single IPv4 address was approx. \$10. Now it's in the range of \$50. The prices especially spiked during the pandemic. The numbers perfectly correlate with the rise of e-commerce itself.

One of the solutions to avoid costs is a move to an IPv6 infrastructure. Yet, its implementation has been slow and costly. By monetizing IPv4 services, AWS is encouraging businesses to finally be more proactive.

This does not change the fact that there will inevitably be a transitional period. Businesses must, at the same time, invest in the building of the infrastructure to support IPv6, and allocate part of

their budget to the upkeep of IPv4 addresses. Doing both simultaneously can be a daunting (and expensive) task. It is no wonder that businesses that work on AWS are seeking the best possible solution on how not to spend millions of dollars on their IPv4 infrastructure.

WHY BYOIP FEATURE IS SO CONVENIENT

It might be surprisingly obvious. AWS's Bring Your Own IP (BYOIP) is a well-known feature that allows businesses to bring their own public IPv4 address ranges to AWS. It is often used by organizations that wish to migrate their applications to AWS but prefer to use the IP addresses they already own.

Typically, businesses do not see BYOIP as a solution for AWS's charge problem for one simple reason. BYOIP feature is only available to those who already have their own IP's and can bring them into AWS.

"For those who don't own any IP's it would be too expensive to purchase them in sufficient numbers. However, there is a simple answer to this problem. You don't necessarily have to be the owner of the IPs you use. BYOIP feature works the same way if you lease them", says Vincentas Grinius, CEO and co-founder of [IPXO](#).

IPv4s are such a scarce commodity that the waiting time to get them from RIR's is measured in months or even years. For example, RIPE NCC's waiting list is now approx. 18 months long.

Unsurprisingly IP leasing has become an increasingly popular and quick solution to the IPv4 shortage problem. Platforms such as IPXO offer a simple and straightforward process. It works by registering on the platform, finding the needed IPs, and signing a leasing contract. Leased IPs can then be brought to AWS itself via BYOIP, avoiding the New Public IP charges and significantly reducing costs.

ADVANTAGES OF IP LEASING

The skepticism that is typically associated with IP leasing stems from the view that it is not a tangible long-term solution. Supposedly, the lessor can take back their IPs at any time. Ergo, leasing is only suitable for short-term projects. In reality, that's not the case. Lease contracts are typically multi-year, guaranteeing stability for the foreseeable future.

IPv4 shortage is not going anywhere. Meanwhile, IPv6 implementation has been slow. According to Google's statistics, IPv6 availability is around 39–45%. It will take time to make it the dominating IP standard.

AWS's charge for IPv4 could quicken this process, but it will be an expensive transition. In this case IP leasing can act like a cushion that will help businesses get through this process more smoothly. Instead of being charged by AWS for Public IPs in use, they can lease necessary IPs.

Making use of AWS's BYOIP feature helps to save a huge portion of funds that otherwise would be spent on newly implemented AWS charges. The savings might be allocated to the implementation of their IPv6 infrastructure.

“Transitioning to IPv6 will be a long and complex process. The challenges that will present themselves during it will require creative thinking and the ability to adapt. The combination of IP leasing and BYOIP very well may be one of the ways of navigating through these problems”, says Grinius.

Established in August 2021, IPXO is a public network automation platform. Rooted in the vision of an open and secure Internet, IPXO facilitates fast and sustainable infrastructure scaling, ensuring equitable access to network resources across all businesses through its innovative models. IPXO serves over a thousand clients across 75 industries, offering a monitoring and automation software suite, ranging from routing configuration, embedded security and verification functionality, anti-abuse measures, and comprehensive auxiliary network information monitoring.

With its strong presence within the Regional Internet Registry (RIR) organizations community and the goal of creating a transparent and sustainable Internet Protocol ecosystem, IPXO aims to become the network infrastructure aggregation platform for enterprises worldwide. Visit ipxo.com to learn more.

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