

APNIC EC Meeting Minutes

Face-to-Face Meeting, Hagatna, Guam

Wednesday, 2 December 2015, 9:05 – 19:00

Meeting Start: 9:05 (UTC+10)

Present

Akinori Maemura
Che-Hoo Cheng
Gaurab Raj Upadhaya
James Spenceley (by WebEx)
Jessica Shen
Kenny Huang
Ma Yan (by WebEx)
Paul Wilson

Craig Ng
Richard Brown
Sanjaya
Connie Chan

Apologies

Nil

Agenda

1. Opening of meeting and declaration of quorum
 2. Agenda bashing
 3. Declaration of interests
 4. Review of minutes of last meeting and record of circular resolutions passed since the last meeting
 5. Matters arising from the last meeting
 6. NIR membership options analysis
 7. Financial Report
 8. Approval of 2016 budget and 2016-2019 strategic plan
 9. DG Report
 10. APNIC policy endorsement
 11. IANA transition update
 12. RPKI access
 13. APNIC Foundation update
 14. Staff survey results
 15. APNIC conference update
 16. Survey planning update
 17. Any other business
 18. Next EC meeting
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Minutes

1. Opening of meeting and declaration of quorum

The Chair of the Executive Council declared the meeting open at 9:05 (UTC+10) on Wednesday, 2 December 2015 and noted that a quorum was present.

Gaurab Raj Upadhaya was appointed as Chair of the Meeting.

2. Agenda Bashing

The Chair called for comments. The following topics were added to the agenda:

- APNIC Office
- CyberGreen

3. Declaration of interests

The Chair asked the EC members to declare any potential conflict of interests, and any such declaration is recorded in the minutes.

James Spenceley has some additional declarations which he will email to the Secretariat.

No other declarations of interest were noted.

Action item 2015-05: The Secretariat will update the Register of Interest.

4. Review of minutes of past meeting and record of circular resolutions passed since the last meeting

The following circular resolutions (which require the agreement of all EC members who are entitled to vote on the resolution) were passed by the EC during the period between the last EC meeting and before this meeting, and are recorded in these minutes for completeness.

On 16 November 2015, the EC resolved to adopt the minutes of the EC meeting held on 7 September 2015.

5. Matters arising from the last meeting

The following matters were completed:

Action item 2015-04: The Secretariat will update the Register of Interest

There were no outstanding actions from the previous meeting.

6. NIR membership options analysis

Michael Hiller of KPMG joined the meeting for this agenda item.

There is currently a moratorium on accepting new NIR applications while the EC evaluates the future of the NIR framework. Michael Hiller of KPMG presented the NIR membership options analysis to the APNIC EC. He reported on the work done to date,

noting that the first phase of the study, to undertake initial consultation with the EC members and potential options, had been completed. The EC discussed the background to the problem and the issues addressed in the report, and commented on various findings.

The EC discussed how to involve the APNIC community in the study. They also discussed the existing criteria for the recognition of NIRs in the APNIC region and considered building in some additional criteria into the existing ones.

The EC asked KPMG to further explore different options by looking at technical, operational, and financial considerations, and report back in Auckland in February 2016. The APNIC EC will then further consider this report in conjunction with the forthcoming options analysis of the NIR model with a view of lifting the moratorium at a later stage.

7. Financial report

a. October financial report

The EC considered the Monthly Financial Report for October 2015 and the Investment Fund Management Report (attached).

The current projected operating surplus for 2015 is \$1.98M, which is higher than forecasted in the budget. Revenue in the budgeted forecast is tracking at 2% over budget and expenses are tracking at 2% under the budgeted forecast.

The EC noted the October financial report as representing the financial position of APNIC as of the end of October 2015. The EC noted that the company is solvent and is able to meet all its debts and obligations as and when they fall due.

Membership growth in 2015 continues to be in line with the budget. As at the end of October 2015, APNIC had a total of 5,172 Members serving 54 economies.

KPMG have lodged the APNIC private ruling application to the Australian Taxation Office, and have advised that a decision is expected to be made by 14 December 2015.

b. Update on investment portfolio

Andrew Page of Credit Suisse joined the meeting by videoconference for this agenda item.

Credit Suisse briefed the EC on the performance of the managed investment funds and the financial outlook (attached).

8. Approval of 2016 budget and 2016-2019 strategic plan

The EC considered the proposed budget and activity plan for 2016 (attached).

2015-19: The EC resolved to approve and adopt the 2016 budget (as attached) that provides authority to the Director General for a total operational expenditure of AUD 19,491,288 and a total capital expenditure of AUD 1,850,649 for 2016.

Motion proposed by James Spenceley; seconded by Akinori Maemura. Passed unanimously.

On 1 December 2015, Craig Ng facilitated a strategic planning session for the APNIC EC to develop the strategic goals for 2016-2019. The EC reviewed APNIC's strengths, weaknesses, opportunities and threats; and identified five strategic goals for APNIC. Based on work during the planning session, a draft Strategic Plan was agreed, which will guide the strategies and activities over the next four years.

2015-20: The EC resolved to adopt the strategic plan for 2016-2019 (as attached).

The five strategic goals for APNIC are listed in the table below.

Deliver advanced number registry and member information services	Strengthen Core Technical Focus (such as IPv6, RPKI, DNSSEC) and engage community to advance adoption and deployment	Sustainably support AP Internet infrastructure and human capacity development	Engage our community to strengthen open, multi-stakeholder, bottom-up and transparent policy development processes and Internet governance model	Maintain a strong organization to carry out APNIC's mission
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Motion proposed by Akinori Maemura; seconded by Che-Hoo Cheng. Passed unanimously.

9. DG report

The DG reported on the activities of the Secretariat (attached).

10. APNIC policy endorsement

The EC reviewed the policy proposals that received consensus at APNIC 40 (attached).

2015-21: The EC resolved to endorse the adoption of policy proposal: prop-113 - Modification in the IPv4 eligibility criteria.

Motion proposed by Paul Wilson; seconded by Che-Hoo Cheng. Passed unanimously.

2015-22: The EC resolved to endorse the adoption of policy proposal: prop-114 - Modification in the ASN eligibility criteria.

Motion proposed by Paul Wilson; seconded by Che-Hoo Cheng. Passed unanimously.

11. IANA transition update

The DG provided an update of the IANA Stewardship Transition.

The ICG's IANA transition plan has been finalized, however the ICG plan cannot be submitted to ICANN until the ICANN Accountability plan has been completed, and approved by the CWG (names community planning group).

The CCWG has produced a plan for improvement of ICANN's Accountability, which is currently under discussion and community review. Final approval is expected to happen

in January 2016, after a period of community consultation. It is necessary that this timeline be met, so that the full transition plan can be submitted to NTIA for their consideration and approval before September 2016.

As a result of the public consultation of the draft Internet Number Community Review Committee Charter, the final Internet Community – IANA Numbering Services Review Committee Charter has been produced and is published to the NRO website.

The APNIC EC will discuss how APNIC would like to appoint their representatives to the IANA Numbering Services Review Committee in accordance with the Charter at the next EC meeting in Auckland on 22 February 2016.

12. RPKI access

The APNIC EC considered granting RPKI access to historical account holders. The EC asked the APNIC Secretariat to provide more information and rework the proposal for further discussions in Auckland.

13. APNIC Foundation update

The DG gave an update on the background and current status of the APNIC Foundation (attached).

Craig Ng presented on the proposed legal structure for the establishment of the APNIC Foundation Hong Kong and Hong Kong regulatory requirements for tax exemption.

The EC reviewed and discussed the proposed objectives and board composition of the APNIC Foundation.

Craig Ng will finalize the Memorandum and Articles of Association for EC approval at the next meeting.

[Che-Hoo Cheng left the meeting at 17.20]

14. Staff survey results

The DG presented the third staff survey findings and proposed improvement areas (attached).

15. APNIC conference update

Sanjaya gave an update on the APNIC 40 debrief and improvement plan (attached).

While the various roles and responsibilities are detailed and delegated to four on-site managers, it is important the Events manager/coordinator remains the single point of contact and continues to oversee all aspects of the conference and work with other managers to ensure a holistic approach.

[Che-Hoo Cheng rejoined the meeting at 18.05]

16. Survey planning update

Richard Brown gave an update on the 2016 APNIC survey planning process (attached).

17. Any other business

a. APNIC office

Richard Brown updated the EC on the property development happening around the APNIC office. The EC asked the Secretariat to do further exploratory work for EC consideration, and set up a sub-committee to consider accommodation options, and report to the EC.

b. CyberGreen

The DG briefed the EC on the CyberGreen project. APNIC has been approached for support of the project, but this is not budgeted for 2016.

After a brief discussion, the EC agreed that they would need further information before committing funding. It would be useful if JPCERT can present a substantive paper to the community during APRICOT 2016 in Auckland.

18. Next EC meeting

The EC briefly reviewed the 2016 events calendar. The Chair asked the EC members to update the calendar of events and provide details of intended travel during 2016.

The next EC meeting will be held in Auckland on 22 February 2016. Ma Yan was appointed as Chair of the next meeting.

Meeting adjourned at 19:00

Attachments:

- A. Register of interest**
- B. [Confidential material redacted]**
- C. October 2015 financial report**
- D. Financial reporting presentation**
- E. October 2015 investment report**
- F. APNIC long term investment reserve update**
- G. Budget and activity plan for 2016**
- H. Strategic goals for 2016-2019**
- I. DG report**
- J. APNIC policy endorsement**
- K. [Confidential material redacted]**
- G. APNIC Foundation update**
- H. Staff survey results**
- I. APNIC conference update**
- J. Survey planning update**

Agenda Item 3

Declaration of Interests

EC Register of Interests

Declaration of interests of EC members

This register records the interests of EC members, which may conflict with the EC members' duties to APNIC. This register is accurate as at 7 Sep 2015.

Akinori Maemura declared that he currently holds the following positions:

- Director of JPCERT Coordination Center
- Member of APRICOT-APAN 2015 Japan Executive Committee
- Employee of JPNIC as General Manager, Internet Development Department
- Member of the APIA Fellowship Committee

James Spenceley declared that he currently holds the following positions:

- Chief Executive Officer and director of Vocus Communications Limited
- Director of FX Networks
- He also has an equity interest in AmCom ?

Che-Hoo Cheng declared that he currently holds the following positions:

- Secretary of APIX Steering Committee
- Member of the HKNOG Program Committee
- Employee of the Chinese University of Hong Kong as Associate Director (Infrastructure) of IT Services
- Company Secretary of the Hong Kong Internet Exchange Limited

Gaurab Raj Upadhaya declared that he currently holds the following positions:

- Member of the APRICOT Program Committee
- Employee of Limelight Networks as Director, Network Strategy and Interconnect
- Director of the Nepal Research and Education Network (NREN)

Kenny Huang declared that he currently holds the following positions:

- Member of IP Committee of TWNIC
- Board of Director, ISOC Taiwan Chapter
- Member of the Advisory Council of [DotAsia](#) Organization
- Director of Mind Extension Inc.

MA Yan declared that he currently holds the following positions:

- Co-Chair of APAN IPv6 Working Group
- Member of Technical Board, CERNET

Jessica Shen declared that she currently holds the following positions:

- Employee of CNNIC as Director of IP Operation, under the Ministry of the Cyberspace Administration of China

Paul Wilson declared no conflict of interests.

Agenda Item 7

Financial reports

Monthly Financial Report

(in AUD)

October 2015

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1 Statement of Financial Position

	31/10/2015	Year-End 2014	% Change from 31/12/2014
CURRENT ASSETS			
Cash/ Term deposits	6,131,614	5,420,158	13%
Receivables	1,282,152	923,332	39%
Others	644,826	472,950	36%
TOTAL CURRENT ASSETS	8,058,592	6,816,440	18%
NON-CURRENT ASSETS			
Other financial assets	19,169,700	17,924,950	7%
Property, plant and equipment	7,934,470	7,905,732	0%
Deferred tax assets/ liabilities	157,749	157,749	0%
TOTAL NON-CURRENT ASSETS	27,261,919	25,988,431	5%
TOTAL ASSETS	35,320,511	32,804,871	8%
CURRENT LIABILITIES			
Payables	818,123	1,513,519	-46%
Provisions	1,208,275	1,074,692	12%
Unearned revenue	8,698,672	8,301,739	5%
TOTAL CURRENT LIABILITES	10,725,070	10,889,951	-2%
NON - CURRENT LIABILITIES			
Deferred Tax Liabilities	284,963	284,963	0%
Provisions	279,660	241,459	16%
TOTAL NON-CURRENT LIABILITIES	564,624	526,423	7%
TOTAL LIABILITIES	11,289,693	11,416,374	-1%
NET ASSETS	24,030,818	21,388,497	12%
EQUITY			
Share capital	1	1	0%
Reserves other financial assets investment	809,058	614,663	32%
Retained earnings	20,773,833	17,684,724	17%
Net Income	2,447,926	3,089,109	-21%
TOTAL EQUITY	24,030,818	21,388,497	12%

Table 1 Statement of Financial Position

1.1 Notes to Financial Position

The Statement of Financial Position shows that APNIC's net position has increased by 12% compared to the end of last year.

The Reserves other financial assets investment shows an increase of \$194k compared to the balance at the end last year.

2 Statement of Income

This report incorporates the approved 2015 budget, October expenses are compared to the figures for the YTD Budget and the same period last year. The Forecast figures have been derived from a detailed review of the expected revenues, committed and planned expenditure for 2015, to compare with the budget.

2.1 Revenue

REVENUE (AUD)	YTD Actual Oct 2015	YTD Actual Oct 2014	Variance %	Forecast 2015	Budget 2015	Forecast Variation to Budget \$	Forecast Variation to Budget %
IP Resource application fees	-18,375	1,191,125	-102%	-18,375	0	-18,375	0%
Investment income	760,312	687,477	11%	804,801	855,000	-50,199	-6%
Membership fees	14,020,425	13,191,908	6%	16,891,283	16,450,000	441,283	3%
Non-members fees	203,358	212,031	-4%	243,254	232,000	11,254	5%
Reactivation fees	34,600	57,000	-39%	40,100	24,000	16,100	67%
Sign-Up fees	379,750	0	0%	437,000	380,000	57,000	15%
Transfer fees	56,206	73,328	-23%	66,422	75,000	-8,578	-11%
Sundry income	210,511	197,146	7%	215,511	246,000	-30,489	-12%
Foreign exchange gain/(loss)	27,882	2,770	906%	0	0	0	0%
TOTAL REVENUE	15,674,669	15,612,785	0%	18,679,996	18,262,000	417,996	2%

Table 2 Revenue

Notes to Revenue:

- **IP Resource application fees** – These credits are related to the reversal of fees charged under the old fee schedule.
- **Investment Income** – A review of the Credit Suisse forecast of investment income and interest on cash deposits will see the final results for 2015 being around \$50K below budget estimates. This forecast has been reduced to reflect recent forecasts from the investment advisor.
- **Membership Income** – Membership growth continues to be higher than budget, with members joining at higher tiers than anticipated in the budget and existing members increasing the size of their resource holdings. Based on estimates of the impact of the new fee schedule and increased new member activity, revenue from membership fees is estimated to be \$441k above budget.
- **Non-members Fees** – Although difficult to accurately predict, growth in Non-member accounts is forecast to result in a positive variance of over \$11k in 2015.
- **Signup Fees** – Sign-Up Fees are anticipated to be above budget by the end of the year as new membership growth is tracking slightly above the target of 800 set out in the budget. Based on more recent analysis, new members are likely to be close to 950 in 2015.
- **Transfer Fees** – The fees derived from Transfers of APNIC resources will be close to \$8.6k below budget by the end of 2015 based on the activity so far this year.
- **Sundry Income** – Income budgeted from training receipts and income from meeting registration for APNIC meetings will be well below budget.

2.2 Expenses

EXPENSES (AUD)	YTD Actual Oct 2015	YTD Actual Oct 2014	Variance %	Forecast 2015	Budget 2015	Forecast Variation to Budget \$	Forecast Variation to Budget %
Bank charges	126,163	121,777	4%	157,549	151,950	5,599	4%
Communication expenses	479,876	399,794	20%	574,956	537,940	37,016	7%
Computer expenses	445,220	484,266	-8%	526,738	642,172	-115,434	-18%
Depreciation expense	634,918	643,741	-1%	762,464	762,266	198	0%
Doubtful debt expenses	-91,090	37,169	-345%	-50,000	20,000	-70,000	-350%
ICANN contract fee	236,644	217,755	9%	284,161	282,835	1,326	0%
Insurance expense	108,873	108,793	0%	130,534	136,900	-6,366	-5%
Meeting and training expenses	318,022	353,052	-10%	383,874	519,400	-135,526	-26%
Membership fees	40,043	46,706	-14%	52,598	64,435	-11,837	-18%
Office operating expenses	255,112	247,727	3%	309,041	305,107	3,934	1%
Postage & delivery	51,915	22,477	131%	54,701	50,000	4,701	9%
Printing & photocopy	28,482	43,356	-34%	32,482	44,840	-12,358	-28%
Professional fees	865,291	850,676	2%	1,258,921	1,267,300	-8,379	-1%
Recruitment expense	91,452	98,369	-7%	102,577	90,000	12,577	14%
Salaries and personnel expenses	7,664,707	6,969,083	10%	9,460,248	9,460,248	0	0%
Sponsorship and Publicity expenses	174,073	151,705	15%	605,917	649,900	-43,983	-7%
Staff training/ Conference expenses	122,240	106,322	15%	150,395	155,000	-4,605	-3%
Translation expenses	2,883	579	398%	3,000	25,000	-22,000	-88%
Travel expenses	1,671,920	1,680,475	-1%	1,896,730	1,900,000	-3,270	-0%
TOTAL EXPENSES	13,226,743	12,583,823	5%	16,696,886	17,065,293	-368,407	-2%

Table 3 Expenses

Notes to Expenses:

It is forecast that expenses will be less than the original budget approved for 2015. Major variances are:

- **Communication expenses** – Final agreement and backdating of the contract with HKIX required bringing to account increased fees and charges relating to services back to Jan 2014.
- **Computer expenses** – The variance in this expenses results from the utilisation of funding from Comcast and ICANN, which will be used to offset expenses incurred by research and development activities.
- **Doubtful debts expenses** – includes a significant write-back of accounts that were outstanding at the end 2014. This credit is offset by a reduction in the Membership Fee income where accounts have been credited and closed. At the end of October estimated doubtful debts is close to nil.
- **Meeting and training expenses** – Actual costs incurred for the APNIC39 meeting were less than budgeted by nearly \$35k and the use of local hosts to reduce venue and catering costs for training (budgeted at \$72k) have all contributed to this variance.
- **Membership fees expenses** – The ISOC annual membership was reduced from Gold to Silver membership this year resulting in expenses below budget.
- **Postage delivery** – APNIC incurred freight costs of \$4.5k in shipping generators to Vanuatu to support the recovery of infrastructure.

- **Printing & photocopy** – Printing costs will be below budget as a result of savings in printing conference backdrops and other forecast printing.
- **Professional fees** – Professional fees are not incurred evenly across the year, and it is anticipated that the actuals for the end of the year will be close to budget.
- **Recruitment expenses** – based on the recent recruitment activity, this expense is forecast to be \$12k more than budget.
- **Sponsorship and Publicity expenses** – are tracking below budget. Planned expenditure for Membership development activities will be lower than budgeted.
- **Translation expenses** – all the planned translation activities will not be undertaken this year, therefore, expenditure is expected to be less than \$3k.
- **Travel expenses** – Travel expenses are expected to be close to budget at the end of 2015 based on current travel and planned activity for the remainder of the year.

2.3 Operating Surplus/ Deficit

REVENUE and EXPENSES (AUD)	YTD Actual Oct 2015	YTD Actual Oct 2014	Variance %	Forecast 2015	Budget 2015	Forecast Variation to Budget \$	Forecast Variation to Budget %
Total Revenue	15,674,669	15,612,785	0%	18,679,996	18,262,000	417,996	2%
Total Expenses	13,226,743	12,583,823	5%	16,696,886	17,065,293	-368,407	-2%
OPERATING SURPLUS/(DEFICIT)	2,447,926	3,028,963	-19%	1,983,110	1,196,707	786,403	66%

Table 4 Operating Surplus/ Deficits

3 Capital Expenditure

The table below provides overview of budget remaining on capital expenditure as of October 2015. Capital expenditure is anticipated to finish 2015 below budget estimates.

CAPITAL (AUD)	YTD Actual Oct 2015	Budget 2015	Utilized %	Budget Remaining \$
Equipment & Software	652,262	1,215,883	54%	-563,621
Office Furniture & Fittings	17,351	28,500	61%	-11,149
Total - Capital Expenditure	669,613	1,244,383	54%	-574,770

Table 5 Capital Expenditure

4 Activity Reporting

4.1 Expense by Activity Code

The APNIC budget for 2015 was complemented with a detailed Activity Plan, breaking down APNIC's core activities into Activity Codes. The actual figures have been allocated to these codes and the following table/charts provide an analysis of the expenses for each activity against budget.

EXPENSES (AUD)	YTD Actual Oct 2015	YTD Budget Oct 2015	Budget Variance \$	Variance %
Facilities	380,943	362,488	18,455	5%
Finance & Administration	1,032,129	1,072,204	-40,075	-4%
Human Resource Management	791,463	773,162	18,301	2%
Legal & Governance	556,855	584,439	-27,584	-5%
Total - Corporate	2,761,390	2,792,293	-30,903	-1%
Global Research	301,898	288,723	13,175	5%
Global Technical Community	715,486	579,455	136,031	23%
Inter-governmental Outreach	388,902	364,698	24,204	7%
Total - Global Collaboration	1,406,286	1,232,876	173,410	14%
APNIC Conferences	1,108,034	1,091,371	16,663	2%
Community Engagement	988,103	994,506	-6,403	-1%
Regional Technical Development	633,471	757,522	-124,051	-16%
Total - Regional Development	2,729,608	2,843,399	-113,791	-4%
Registration Services	933,106	1,046,306	-113,200	-11%
Customer Service	2,291,883	2,487,997	-196,114	-8%
Member Training	763,448	855,619	-92,171	-11%
Technical Infrastructure	2,341,022	2,325,386	15,636	1%
Total - Serving Members	6,329,459	6,715,308	-385,849	-6%
Total - Expenses	13,226,743	13,583,876	-357,133	-3%

Table 6 Expense by Activity Code

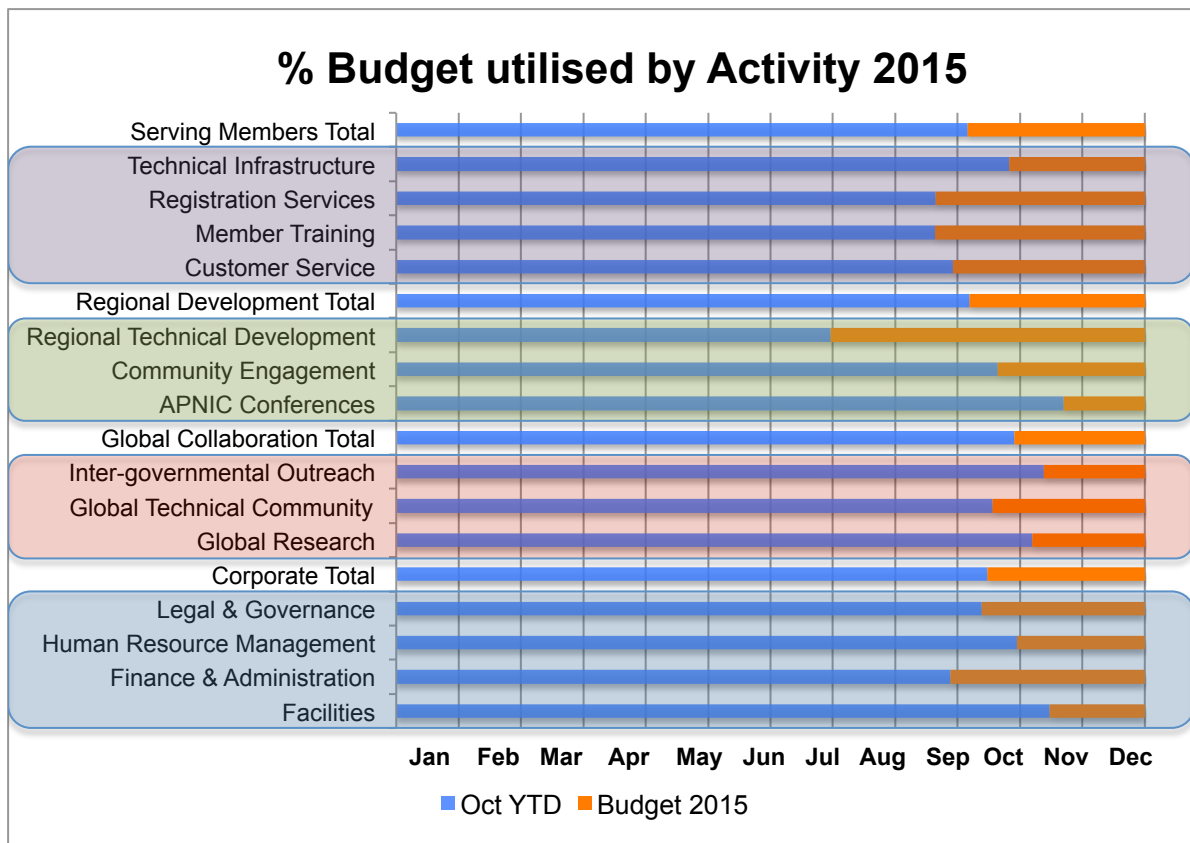
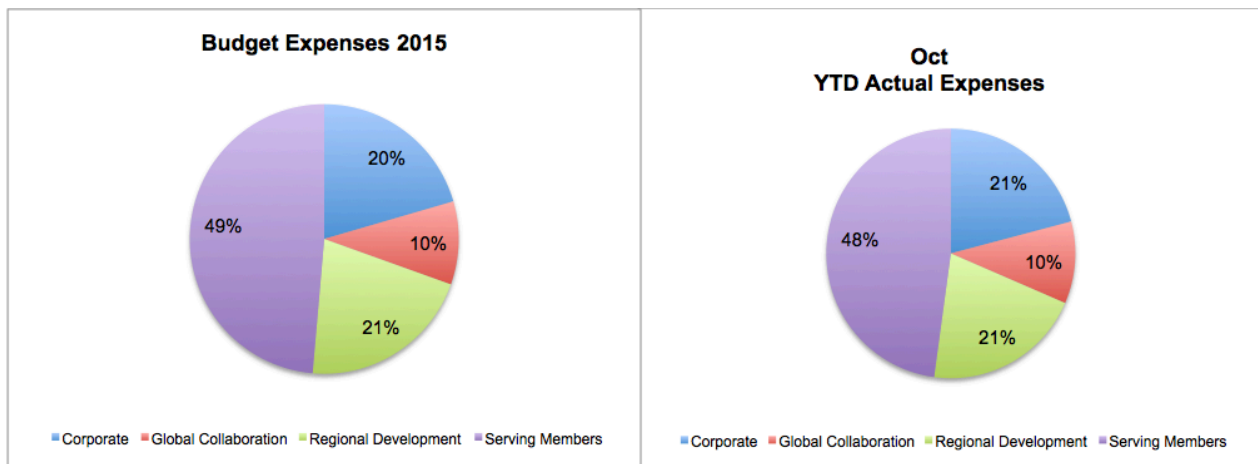


Figure 4.1 Expenses by Activity Code



4.2 Capital Expenditure by Activity Code

CAPITAL (AUD)	YTD Actual Oct 2015	YTD Budget Oct 2015	Variance \$	Variance %
Facilities	17,351	23,750	-6,399	-27%
Finance & Administration	4,822	5,000	-178	-4%
Total - Corporate	22,173	28,750	-6,577	-23%
Global Research	37,130	66,250	-29,120	-44%
Global Technical Community	754	0	754	0%
Total - Global Collaboration	37,884	66,250	-28,366	-43%
APNIC Conferences	12,984	22,920	-9,936	-43%
Regional Technical Development	25,442	150,000	-124,558	-83%
Total - Regional Development	38,426	172,920	-134,494	-78%
Registration Services	6,218	5,000	1,218	24%
Customer Service	91,553	64,170	27,383	43%
Member Training	14,590	58,330	-43,740	-75%
Technical Infrastructure	458,769	641,580	-182,811	-28%
Total - Serving Members	571,130	769,080	-197,950	-26%
Total - Capital Expenditure	669,613	1,037,000	-367,387	-35%

Table 7 Capital Expenditure by Activity Code

5 APNIC Reserve

5.1 Cash Flow Statement

This report shows the draft cash flow status for the year as at the end of October.

Accounts	YTD Oct 2015
Operating Activities	
Net Income	2,447,926
Adjustments to Profit/(Loss)	
Accounts Receivable	-117,563
Other Current Asset	-413,133
Accounts Payable	-39,429
Sales Tax Payable	-90,212
Other Current Liabilities	-35,240
Total Adjustments to Profit/(Loss)	-695,577
Total Operating Activities	1,752,349
Investing Activities	
Fixed Asset	-28,738
Other Asset	-1,244,750
Total Investing Activities	-1,273,488
Financing Activities	
Long Term Liabilities	38,201
Other Equity	194,395
Total Financing Activities	232,596
Net Change in Cash for Period	711,456
Cash at Beginning of Period	5,420,158
Cash at End of Period	6,131,614

Table 8 Cash Flow Statement

5.2 APNIC Capital Reserve

The APNIC Reserve is diversified between Cash Investments, Investment Portfolio, and Property (APNIC Office). At the end of October, APNIC maintained \$6.1M in cash reserves, \$19.2M has been invested in the investment portfolio, and \$6.5M invested in the APNIC Property. Figure 5.1 below tracks the value and the allocation of these reserves over time and also tracks the operating expenses for each year for comparison:

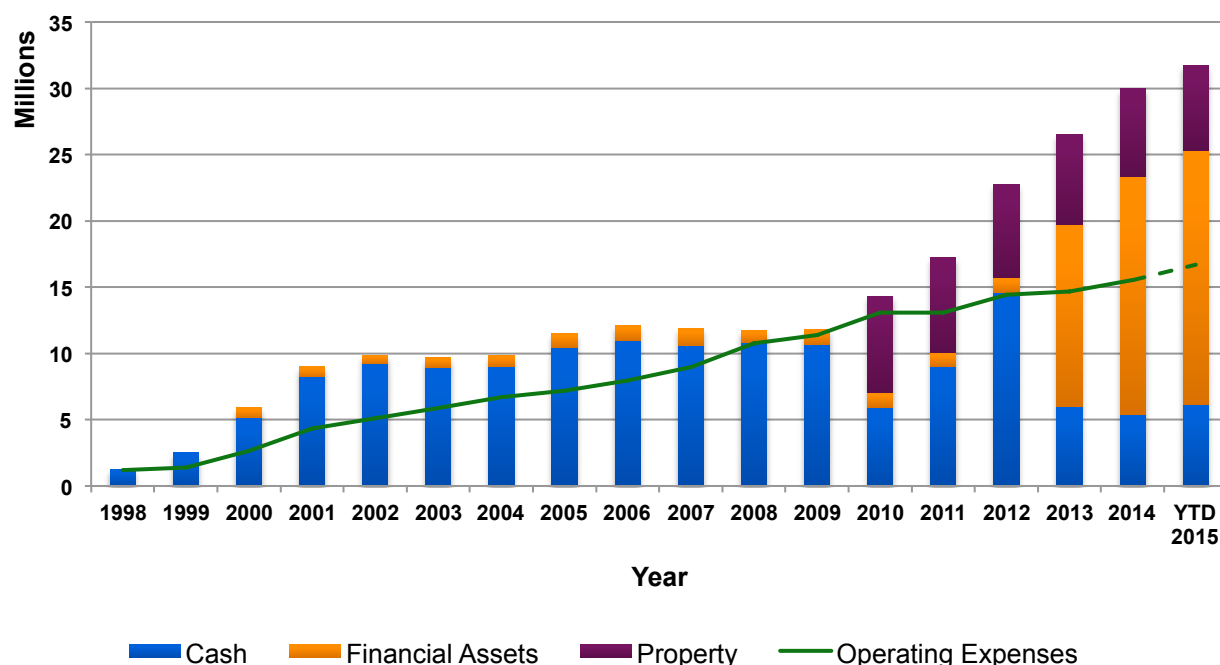


Figure 5.1 Reserve

5.3 APNIC Investment Policy

The amount of \$19.2M comprising invested funds, capital growth and reinvested returns in the Credit Suisse investment management account at the end of October. \$500k of cash surplus in the operating account was transferred to the investment portfolio in July. Please refer to the attached investment report outlining the portfolio.

5.4 APNIC's Equity and Reserves

By comparing APNIC's Total Equity (including retained earnings and unrealised capital gains) to the daily operating costs, the number of month's coverage of operational expenses is set out below:

	31/10/2015	2014	2013
Total Equity	\$24,030,818	\$21,388,497	\$17,826,296
% Equity covered by Cash/ Cash Equivalents	113.3%	115.7%	119.0%
Forecast/Actual Daily Operating Expenses	\$45,745	\$42,558	\$39,959
Number of Months of expenses covered by Equity	17.27	16.52	14.67

6 Membership

6.1 Membership Statistics

As at the end of October 2015, APNIC had a total of 5,172 Members serving 54 economies.

6.2 Membership by Category

The table below shows the monthly changes in membership. Majority of APNIC Members remain in the Very Small and Small membership tiers. It is anticipated that the majority of Associate members will transition to higher tiers by the end of 2015.

Membership	Total Sep-15	New Oct-15	Reactivate Oct-15	(Closed) Oct-15	Size Change Oct-15	Total YTD Oct-15	% Total
Extra Large	21	0	0	0	1	22	0%
Very Large	42	0	0	0	-1	41	1%
Large	139	0	0	-1	0	138	3%
Medium	421	0	1	0	3	425	8%
Small	1,915	49	2	-17	67	2,016	39%
Very Small	2,213	58	0	-14	15	2,272	44%
Associate	342	4	0	-3	-85	258	5%
TOTAL	5,093	111	3	-35	0	5,172	100%

Table 9 Membership by Category

6.3 Membership by Economy

Figure 6.1 illustrates the APNIC membership distribution by economy.

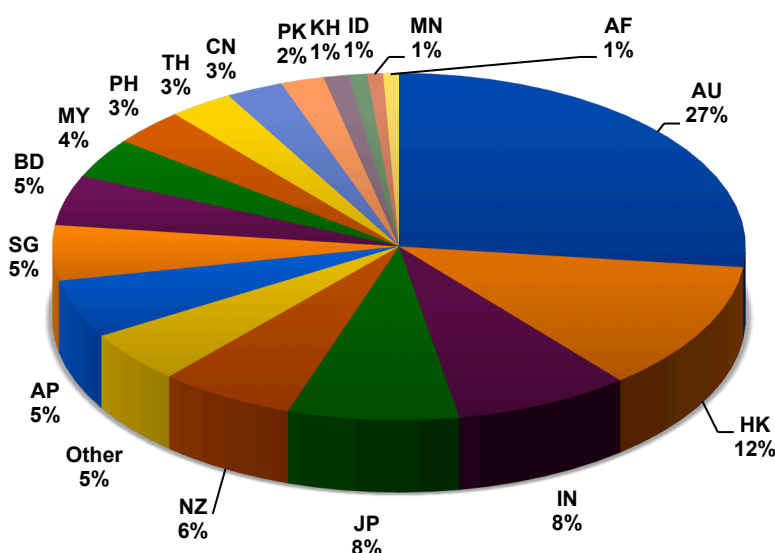


Figure 6.1 Membership by Economy

6.4 Membership Growth

APNIC membership monthly movements are illustrated at Figure 6.2 below. Membership growth budgeted for 2015 has been incorporated in this graph to track monthly growth against monthly budget growth.

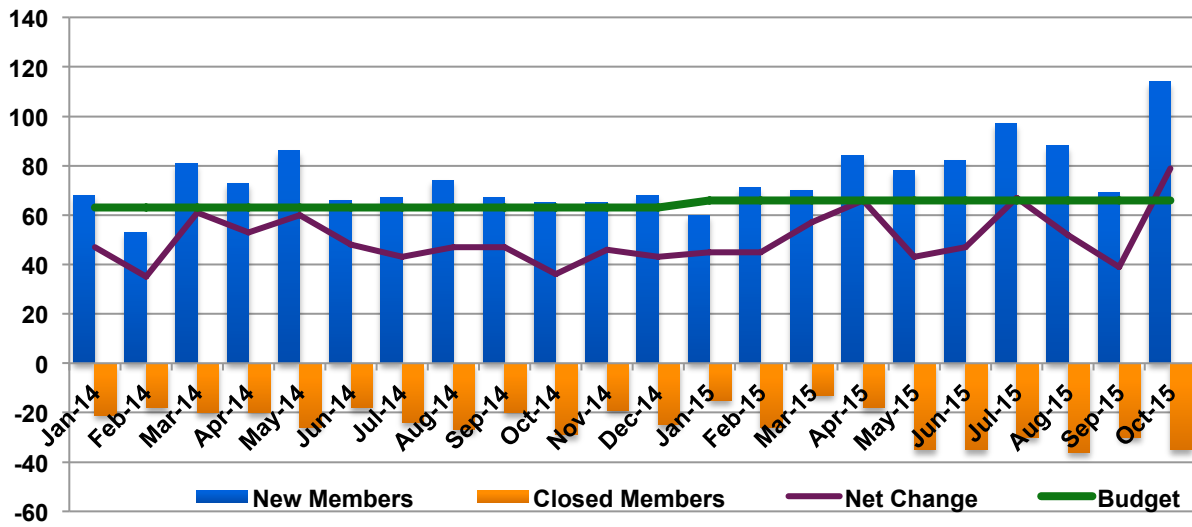


Figure 6.2 Monthly Growth Analysis

Figure 6.3 below illustrates APNIC membership growth by membership tier:

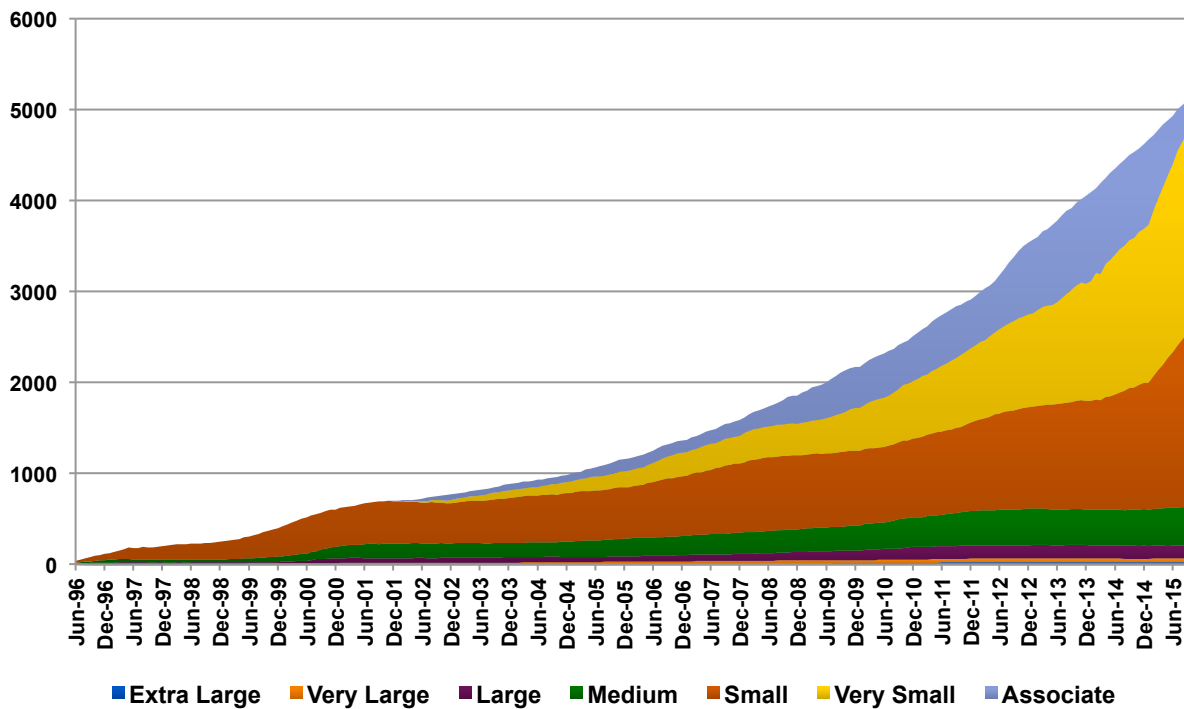


Figure 6.3 Total membership

6.5 Year-to-Date Membership Movement by Economy

Figure 6.4 below shows new and closed membership movement by economy as at end of October 2015.

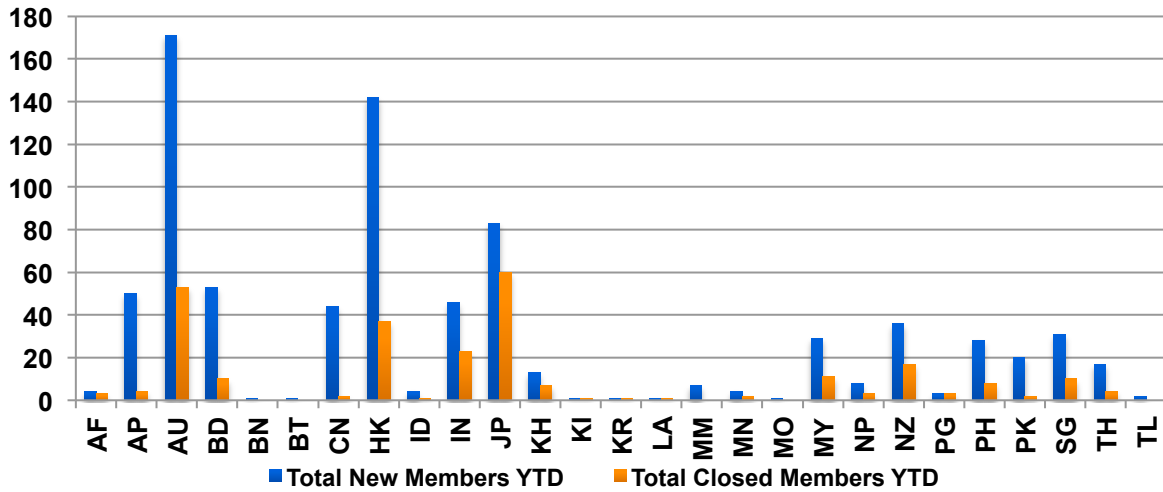


Figure 6.4 New and Closed Members Analysis

Figure 6.5 below provides an analysis of the 264 Membership closures as at the end of October. There were 6 members transferred to NIR in October, 72% of the accounts closures relate to accounts closed due to the failure to establish contact or the business is no longer operating and resource holdings are returned to APNIC.

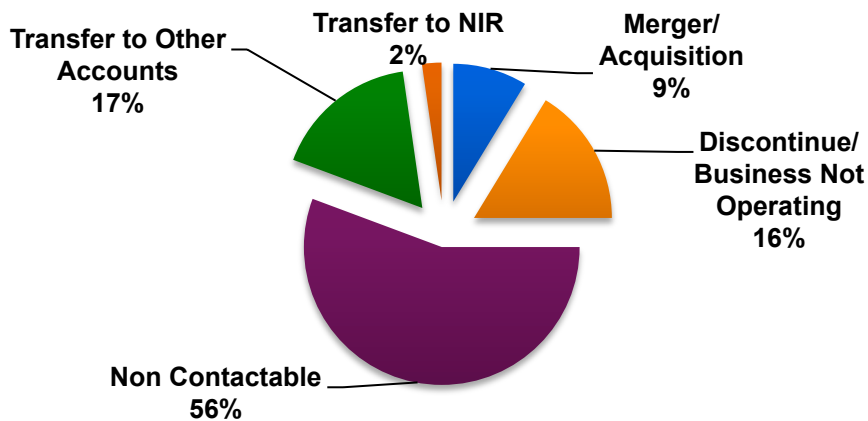


Figure 6.5 Closure Analysis

Financial Performance

10 Months to October 2015



Statement of Income - Revenue

REVENUE (AUD)	YTD Actual Oct 2015	YTD Actual Oct 2014	Variance %	Forecast 2015	Budget 2015	Forecast Variation to Budget \$	Forecast Variation to Budget %
IP Resource application fees	-18,375	1,191,125	-102%	-18,375	0	-18,375	0%
Investment income	760,312	687,477	11%	804,801	855,000	-50,199	-6%
Membership fees	14,020,425	13,191,908	6%	16,891,283	16,450,000	441,283	3%
Non-members fees	203,358	212,031	-4%	243,254	232,000	11,254	5%
Reactivation fees	34,600	57,000	-39%	40,100	24,000	16,100	67%
Sign-Up fees	379,750	0	0%	437,000	380,000	57,000	15%
Transfer fees	56,206	73,328	-23%	66,422	75,000	-8,578	-11%
Sundry income	210,511	197,146	7%	215,511	246,000	-30,489	-12%
Foreign exchange gain/(loss)	27,882	2,770	906%	0	0	0	0%
TOTAL REVENUE	15,674,669	15,612,785	0%	18,679,996	18,262,000	417,996	2%

All amounts in AUD – Australian Dollars

Revenue Highlights:

Based on an analysis of current revenue trends, it is forecast that the actual revenue will achieve around \$418k above budget at the end of 2015. The major variances are:

- **IP Resource application fees** – These credits are related to the reversal of fees charged under the old fee schedule.
- **Investment Income** – A review of the Credit Suisse forecast of investment income and interest on cash deposits will see the final results for 2015 being around \$50K below budget estimates. This forecast has been reduced to reflect recent forecasts from the investment advisor.
- **Membership Income** – Membership growth continues to be higher than budget, with members joining at higher tiers than anticipated in the budget and existing members increasing the size of their resource holdings. Based on estimates of the impact of the new fee schedule and increased new member activity, revenue from membership fees is estimated to be \$441k above budget.
- **Non-members Fees** – Although difficult to accurately predict, growth in Non-member accounts is forecast to result in a positive variance of over \$11k in 2015.
- **Signup Fees** – Sign-Up Fees are anticipated to be above budget by the end of the year as new membership growth is tracking slightly above the target of 800 set out in the budget. Based on more recent analysis, new members are likely to be close to 950 in 2015.
- **Transfer Fees** – The fees derived from Transfers of APNIC resources will be close to \$8.6k below budget by the end of 2015 based on the activity so far this year.
- **Sundry Income** – Income budgeted from training receipts and income from meeting registration for APNIC meetings will be well below budget.
 - training receipts and income from meeting registration for APNIC meetings will be well below budget.

Statement of Income - Expenses

EXPENSES (AUD)	YTD Actual Oct 2015	YTD Actual Oct 2014	Variance %	Forecast 2015	Budget 2015	Forecast Variation to Budget \$	Forecast Variation to Budget %
Bank charges	126,163	121,777	4%	157,549	151,950	5,599	4%
Communication expenses	479,876	399,794	20%	574,956	537,940	37,016	7%
Computer expenses	445,220	484,266	-8%	526,738	642,172	-115,434	-18%
Depreciation expense	634,918	643,741	-1%	762,464	762,266	198	0%
Doubtful debt expenses	-91,090	37,169	-345%	-50,000	20,000	-70,000	-350%
ICANN contract fee	236,644	217,755	9%	284,161	282,835	1,326	0%
Insurance expense	108,873	108,793	0%	130,534	136,900	-6,366	-5%
Meeting and training expenses	318,022	353,052	-10%	383,874	519,400	-135,526	-26%
Membership fees	40,043	46,706	-14%	52,598	64,435	-11,837	-18%
Office operating expenses	255,112	247,727	3%	309,041	305,107	3,934	1%
Postage & delivery	51,915	22,477	131%	54,701	50,000	4,701	9%
Printing & photocopy	28,482	43,356	-34%	32,482	44,840	-12,358	-28%
Professional fees	865,291	850,676	2%	1,258,921	1,267,300	-8,379	-1%
Recruitment expense	91,452	98,369	-7%	102,577	90,000	12,577	14%
Salaries and personnel expenses	7,664,707	6,969,083	10%	9,460,248	9,460,248	0	0%
Sponsorship and Publicity expenses	174,073	151,705	15%	605,917	649,900	-43,983	-7%
Staff training/ Conference expenses	122,240	106,322	15%	150,395	155,000	-4,605	-3%
Translation expenses	2,883	579	398%	3,000	25,000	-22,000	-88%
Travel expenses	1,671,920	1,680,475	-1%	1,896,730	1,900,000	-3,270	-0%
TOTAL EXPENSES	13,226,743	12,583,823	5%	16,696,886	17,065,293	-368,407	-2%

All amounts in AUD – Australian Dollars

Expenses Highlights:

It is forecast that expenses will be less than the original budget approved for 2015 resulting in a favourable variance of around \$368k.

Major expenses variances are:

- **Communication expenses** – Final agreement and backdating of the contract with HKIX required bringing to account increased fees and charges relating to services back to Jan 2014.
- **Computer expenses** – The variance in this expenses results from the utilisation of funding from Comcast and ICANN, which will be used to offset expenses incurred by research and development activities.
- **Doubtful debts expenses** – includes a significant write-back of accounts that were outstanding at the end 2014. This credit is offset by a reduction in the Membership Fee income where accounts have been credited and closed. At the end of October estimated doubtful debts is close to nil.
- **Meeting and training expenses** – Actual costs incurred for the APNIC39 meeting were less than budgeted by nearly \$35k and the use of local hosts to reduce venue and catering costs for training (budgeted at \$72k) have all contributed to this variance.
- **Membership fees expenses** – The ISOC annual membership was reduced from Gold to Silver membership this year resulting in expenses below budget.
- **Postage delivery** – APNIC incurred freight costs of \$4.5k in shipping generators to Vanuatu to support the recovery of infrastructure.
- **Printing & photocopy** – Printing costs will be below budget as a result of savings in printing conference backdrops and other forecast printing.
- **Professional fees** – Professional fees are not incurred evenly across the year, and it is anticipated that the actuals for the end of the year will be close to budget.
- **Recruitment expenses** – based on the recent recruitment activity, this expense is forecast to be \$12k more than budget.
- **Sponsorship and Publicity expenses** – are tracking below budget. Planned expenditure for Membership development activities will be lower than budgeted.
- **Translation expenses** – all the planned translation activities will not be undertaken this year, therefore, expenditure is expected to be less than \$3k.
- **Travel expenses** – Travel expenses are expected to be close to budget at the end of 2015 based on current travel and planned activity for the remainder of the year.

Operating Surplus

REVENUE and EXPENSES (AUD)	YTD Actual Oct 2015	YTD Actual Oct 2014	Variance %	Forecast 2015	Budget 2015	Forecast Variation to Budget \$	Forecast Variation to Budget %
Total Revenue	15,674,669	15,612,785	0%	18,679,996	18,262,000	417,996	2%
Total Expenses	13,226,743	12,583,823	5%	16,696,886	17,065,293	-368,407	-2%
OPERATING SURPLUS/(DEFICIT)	2,447,926	3,028,963	-19%	1,983,110	1,196,707	786,403	66%

Surplus for 2014 reported at \$3,089k

All amounts in AUD – Australian Dollars

Capital Expenditure

CAPITAL (AUD)	YTD Actual Oct 2015	Budget 2015	Utilized %	Budget Remaining \$
Equipment & Software	652,262	1,215,883	54%	-563,621
Office Furniture & Fittings	17,351	28,500	61%	-11,149
Total - Capital Expenditure	669,613	1,244,383	54%	-574,770

Capital expenditure is anticipated to finish 2015 below to the budget estimates

All amounts in AUD – Australian Dollars

Statement of Financial Position

	31/10/2015	Year-End 2014	% Change from 31/12/2014
CURRENT ASSETS			
Cash/ Term deposits	6,131,614	5,420,158	13%
Receivables	1,282,152	923,332	39%
Others	644,826	472,950	36%
TOTAL CURRENT ASSETS	8,058,592	6,816,440	18%
NON-CURRENT ASSETS			
Other financial assets	19,169,700	17,924,950	7%
Property, plant and equipment	7,934,470	7,905,732	0%
Deferred tax assets/ liabilities	157,749	157,749	0%
TOTAL NON-CURRENT ASSETS	27,261,919	25,988,431	5%
TOTAL ASSETS	35,320,511	32,804,871	8%
CURRENT LIABILITIES			
Payables	818,123	1,513,519	-46%
Provisions	1,208,275	1,074,692	12%
Unearned revenue	8,698,672	8,301,739	5%
TOTAL CURRENT LIABILITES	10,725,070	10,889,951	-2%
NON - CURRENT LIABILITIES			
Deferred Tax Liabilities	284,963	284,963	0%
Provisions	279,660	241,459	16%
TOTAL NON-CURRENT LIABILITIES	564,624	526,423	7%
TOTAL LIABILITIES	11,289,693	11,416,374	-1%
NET ASSETS	24,030,818	21,388,497	12%
EQUITY			
Share capital	1	1	0%
Reserves other financial assets investment	809,058	614,663	32%
Retained earnings	20,773,833	17,684,724	17%
Net Income	2,447,926	3,089,109	-21%
TOTAL EQUITY	24,030,818	21,388,497	12%

All amounts in AUD – Australian Dollars

Statement of Financial Position

Current Assets:

- Operating Cash account has \$711k more than at the end of 2015, this is part of transition plan to to new banking provider in November/December.
- APNIC USD Bank account reduced from \$327k in Dec to \$102k at the end of October
- Payments from the SIDA Trust account reduced the Dec balance by \$625k to \$10k at the end of October as accounts finalised.
- Compared to 2014, there was a increase in the value of prepaid deferred expenses of \$190k to \$589k.

Non-Current Assets

- Other financial assets which includes the Investment portfolio have increased by \$1.24M since the end of 2014, comprising transfers from the operating account and increases in the value of investments.
 - A total of \$500k was transferred from the operating surplus in July.

Current Liabilities

- Payables have reduced by \$695k since the end of 2014; the primary contributor to this variance is the distribution of funds under the grants programs for SIDA(\$613k), and IDRC(\$79k).
- Unearned Revenue that represents the prepaid portion of annual membership fees was \$397k above the December 2014 balance reflecting increases in APNIC's membership and the timing of membership renewals during the calendar year.

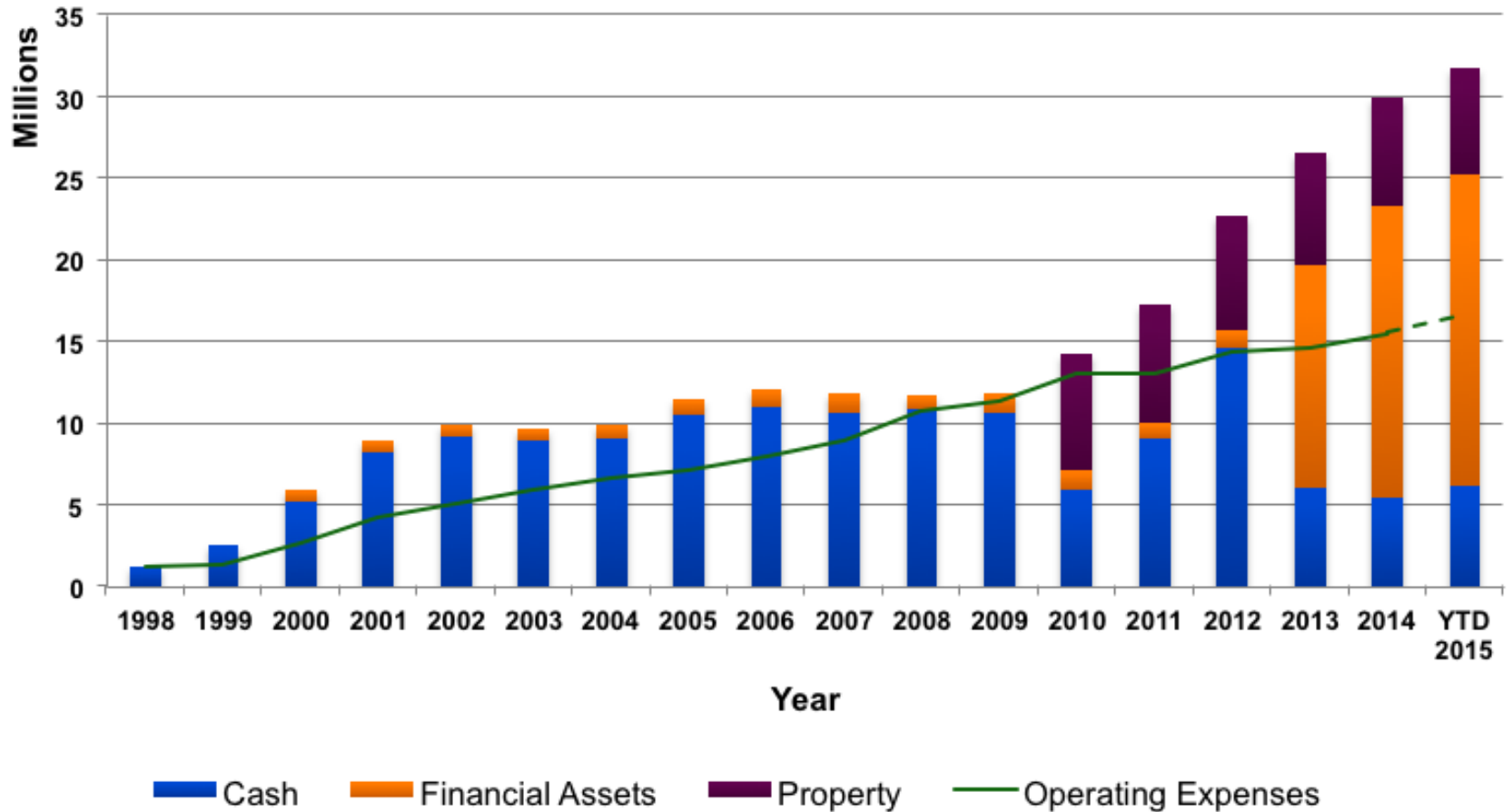
Equity

- APNIC's equity position has increased by 12% from \$21.4M to \$24.0M over the period, including the operating surplus of \$2.5M reported for the year to date Oct 2015.

APNIC's Investment funds

- The amount of \$19.2M invested in the Credit Suisse investment management account at the end of October compared to \$17.9M at the end of 2014.
- \$500k of cash surplus in the operating account was transferred to the investment portfolio in July.
- Capital growth reported was \$194k and up until the end of October there was \$634k in investment distributions
- Please refer to the attached investment report outlining the portfolio.

APNIC's Reserve



All amounts in AUD – Australian Dollars

Financial Stability Measure

	31/10/2015	2014	2013
Total Equity	\$24,030,818	\$21,388,497	\$17,826,296
% Equity covered by Cash/ Cash Equivalents	113.3%	115.7%	119.0%
Forecast/Actual Daily Operating Expenses	\$45,745	\$42,558	\$39,959
Number of Months of expenses covered by Equity	17.27	16.52	14.67

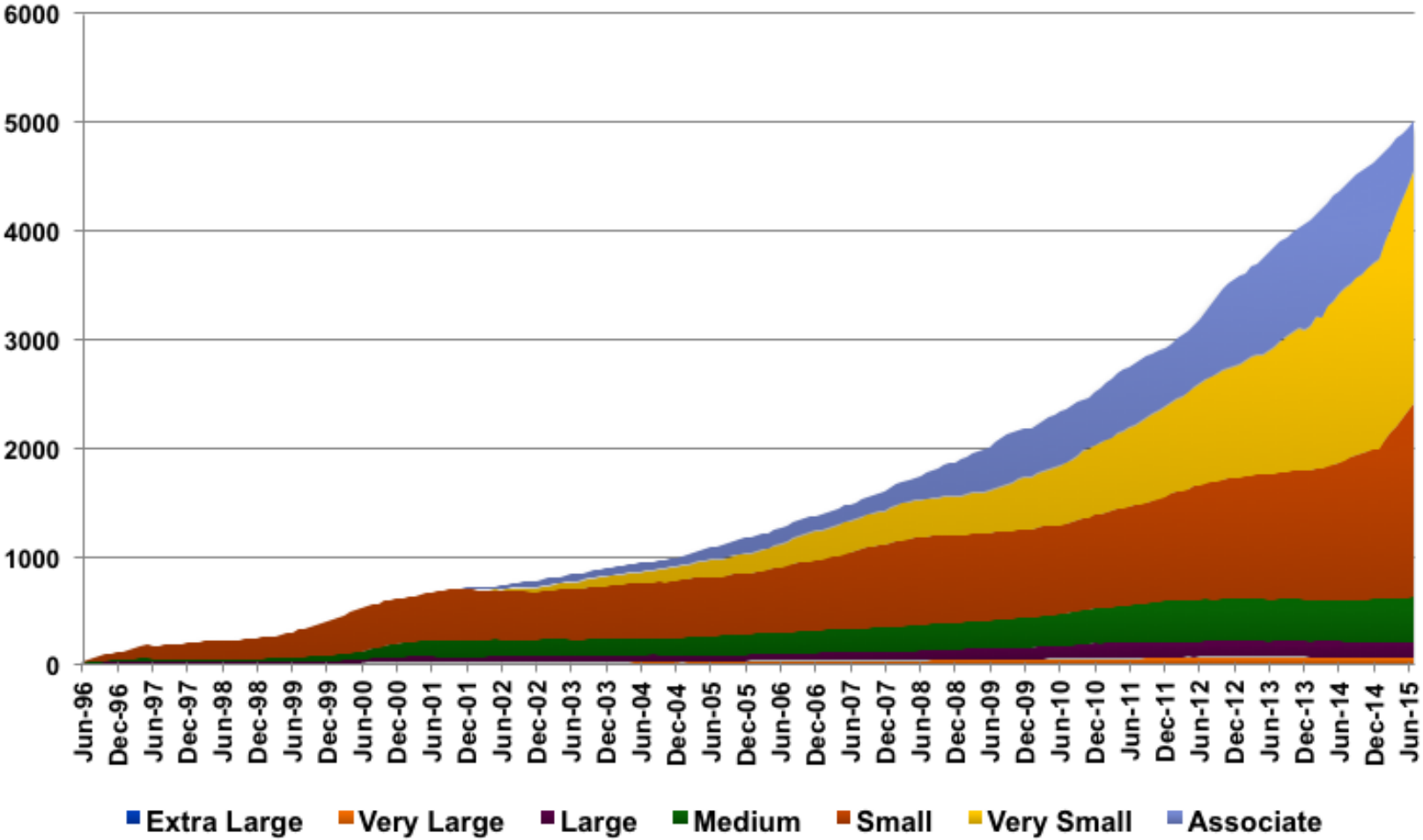
Target of 18 months of Operating expenses

All amounts in AUD – Australian Dollars

Membership Growth

Membership	Total Sep-15	New Oct-15	Reactivate Oct-15	(Closed) Oct-15	Size Change Oct-15	Total YTD Oct-15	% Total
Extra Large	21	0	0	0	1	22	0%
Very Large	42	0	0	0	-1	41	1%
Large	139	0	0	-1	0	138	3%
Medium	421	0	1	0	3	425	8%
Small	1,915	49	2	-17	67	2,016	39%
Very Small	2,213	58	0	-14	15	2,272	44%
Associate	342	4	0	-3	-85	258	5%
TOTAL	5,093	111	3	-35	0	5,172	100%

Membership Growth



Activity Reporting

Year to October 2015

APNIC

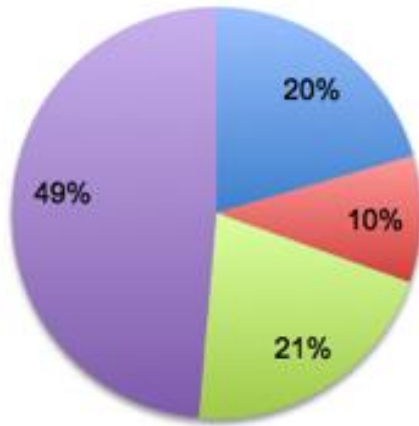
Issue Date: [Date]

Revision: [xx]



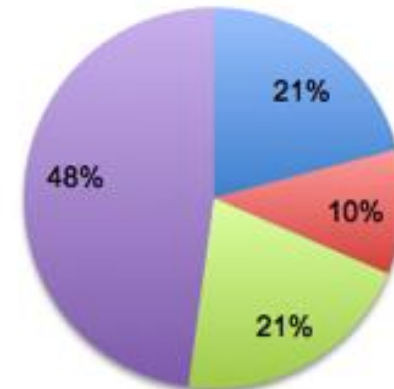
YTD October Expenses – By Activity

Budget Expenses 2015



■ Corporate ■ Global Collaboration ■ Regional Development ■ Serving Members

**Oct
YTD Actual Expenses**



■ Corporate ■ Global Collaboration ■ Regional Development ■ Serving Members

YTD October Expenses – By Activity

EXPENSES (AUD)	YTD Actual Oct 2015	YTD Budget Oct 2015	Budget Variance \$	Variance %
Facilities	380,943	362,488	18,455	5%
Finance & Administration	1,032,129	1,072,204	-40,075	-4%
Human Resource Management	791,463	773,162	18,301	2%
Legal & Governance	556,855	584,439	-27,584	-5%
Total - Corporate	2,761,390	2,792,293	-30,903	-1%
Global Research	301,898	288,723	13,175	5%
Global Technical Community	715,486	579,455	136,031	23%
Inter-governmental Outreach	388,902	364,698	24,204	7%
Total - Global Collaboration	1,406,286	1,232,876	173,410	14%
APNIC Conferences	1,108,034	1,091,371	16,663	2%
Community Engagement	988,103	994,506	-6,403	-1%
Regional Technical Development	633,471	757,522	-124,051	-16%
Total - Regional Development	2,729,608	2,843,399	-113,791	-4%
Registration Services	933,106	1,046,306	-113,200	-11%
Customer Service	2,291,883	2,487,997	-196,114	-8%
Member Training	763,448	855,619	-92,171	-11%
Technical Infrastructure	2,341,022	2,325,386	15,636	1%
Total - Serving Members	6,329,459	6,715,308	-385,849	-6%
Total - Expenses	13,226,743	13,583,876	-357,133	-3%

YTD October CAPEX – By Activity

CAPITAL (AUD)	YTD Actual Oct 2015	YTD Budget Oct 2015	Variance \$	Variance %
Facilities	17,351	23,750	-6,399	-27%
Finance & Administration	4,822	5,000	-178	-4%
Total - Corporate	22,173	28,750	-6,577	-23%
Global Research	37,130	66,250	-29,120	-44%
Global Technical Community	754	0	754	0%
Total - Global Collaboration	37,884	66,250	-28,366	-43%
APNIC Conferences	12,984	22,920	-9,936	-43%
Regional Technical Development	25,442	150,000	-124,558	-83%
Total - Regional Development	38,426	172,920	-134,494	-78%
Registration Services	6,218	5,000	1,218	24%
Customer Service	91,553	64,170	27,383	43%
Member Training	14,590	58,330	-43,740	-75%
Technical Infrastructure	458,769	641,580	-182,811	-28%
Total - Serving Members	571,130	769,080	-197,950	-26%
Total - Capital Expenditure	669,613	1,037,000	-367,387	-35%

Taxation Status

December 2015



Taxation status

KPMG have lodged APNIC's private ruling application.

A the secretariat provided information to clarify questions raised by the ATO and KPMG provided the information to the ATO on 9 November, latest advice from KPMG is that a decision is expected on **14 December**

APNIC PTY LTD
PO BOX 3646
SOUTH BRISBANE, QLD 4101
AUSTRALIA

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Private Banking

Investment Report 1.10.2015 – 31.10.2015

APNIC PTY LTD

Portfolio Group: 3000039

001970938 012 058

Private Banking

Investment Report 1.10.2015 – 31.10.2015

Portfolio Group 3000039
 In the Name of APNIC PTY LTD
 Produced on 31.10.2015
 Reporting Currency AUD
 Relationship Manager Andrew Page
 Phone +61 2 8205 4416

APNIC PTY LTD
 PO BOX 3646
 SOUTH BRISBANE, QLD 4101
 AUSTRALIA

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Melbourne Office: Level 41, 101 Collins Street, Melbourne, VIC 3000
 Tel: +613 9280 1808 Fax: +613 9280 1809

1/18

001970938 012 058

Scope of Analysis
 as of 31.10.2015

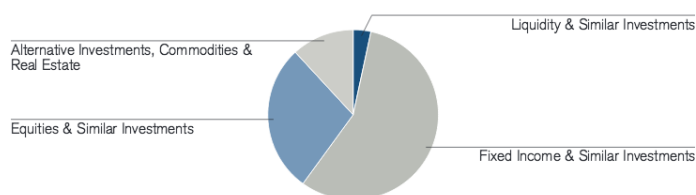
Components	Portfolio	Asset Value in AUD	Discretionary Mandate	Opened	Closed
Portfolio Group: 3000039					
Investment related Positions					
AUD Portfolio	3000039-10	0		16.08.2013	
AUD Portfolio	3000039-70	19,169,701	Yes	16.08.2013	
Total Investments		19,169,700			
Total Wealth		19,169,700			

1. Overview

1.1. Asset Allocation

Asset Allocation by Asset Category Period 1.10.2015 - 31.10.2015

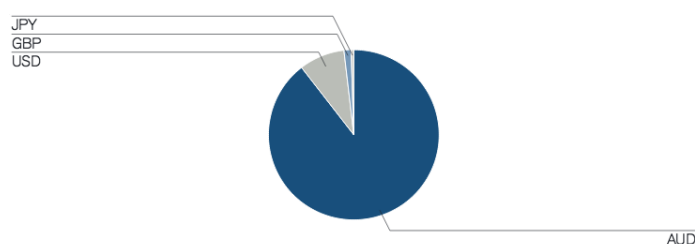
	Beginning of Period in AUD	Change	End of Period in AUD	End of Period Proportion
■ Liquidity & Similar Investments	525,677	118,794	644,471	3.36%
■ Fixed Income & Similar Investments	10,915,176	-56,445	10,858,732	56.65%
■ Equities & Similar Investments	5,132,876	263,148	5,396,024	28.15%
■ Alternative Investments, Commodities & Real Estate	2,216,426	54,047	2,270,473	11.84%
Total Investments	18,790,156		19,169,700	100.00%



Investments in %

Asset Allocation by Currency Period 1.10.2015 - 31.10.2015

	Beginning of Period in AUD	Change	End of Period in AUD	End of Period Proportion
■ AUD - Australian Dollar	16,890,429	281,470	17,171,898	89.58%
■ USD - US Dollar	1,574,506	81,051	1,655,557	8.64%
■ GBP - Pound Sterling	248,646	11,075	259,721	1.35%
■ JPY - Japanese Yen	76,574	5,949	82,524	0.43%
Total Investments	18,790,156		19,169,700	100.00%



Investments in %

1.2. Income and Activity

Income Summary

Period 1.10.2015 - 31.10.2015

	Current Period in AUD	Year to Date in AUD
Cash Dividend	97,837	624,769
Coupon Received/Paid	0	0
Interest Earned/Paid	805	9,517
Net Income	98,642	634,286

Activity Summary

Period 1.10.2015 - 31.10.2015

	Current Period in AUD	Year to Date in AUD
Asset Inflows	0	1,000,208
Asset Outflows	0	-500,208
Total Asset Flows	0	500,000

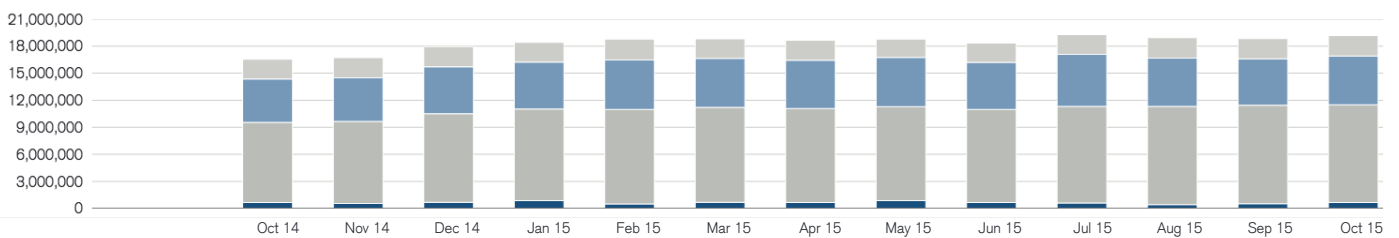
2. Analyses

2.1. Asset Allocation

Asset Allocation by Asset Category Details

Period 1.10.2014 - 31.10.2015

	Oct 14	Nov 14	Dec 14	Jan 15	Feb 15	Mar 15	Apr 15	May 15	Jun 15	Jul 15	Aug 15	Sep 15	Oct 15
■ Liquidity & Similar Investments	648,839	552,517	680,838	852,037	487,490	666,637	657,060	846,920	643,932	594,623	413,355	525,677	644,471
■ Fixed Income & Similar Investments	8,904,622	9,084,191	9,814,453	10,184,183	10,499,138	10,536,651	10,423,981	10,430,579	10,330,930	10,725,977	10,889,211	10,919,396	10,858,732
■ Equities & Similar Investments	4,808,850	4,841,350	5,202,209	5,180,053	5,482,236	5,442,791	5,355,023	5,473,674	5,230,585	5,756,760	5,375,333	5,135,023	5,396,024
■ Alternative Investments, Commodities & Real Estate	2,184,297	2,239,957	2,239,223	2,200,904	2,305,215	2,158,797	2,198,991	2,022,874	2,142,334	2,202,508	2,261,643	2,237,710	2,270,473
Total Ending Market Value in AUD	16,546,609	16,718,015	17,936,723	18,417,176	18,774,080	18,804,876	18,635,055	18,774,047	18,347,781	19,279,868	18,939,542	18,817,806	19,169,700



Investments in AUD

3. Positions

3.1. Investment Related Positions

as of 31.10.2015

Number/ Nominal	Description	Identification ISIN Valoren Number Ticker	Cost Valuation Price Exchange Rate	Current Valuation Price/ Type Date	Value in AUD of which Accrued Interest Proportion in %	Profit/ Loss Unrealized in AUD of which Instrument of which Forex	P/L Unreal. in % Instr. in % FX in %	
Liquidity & Similar Investments								
Accounts								
AUD	-0.03	Current Account -2300003910945 AUD Portfolio: 3000039-10	1.000		0			
AUD	574,326.54	Current Account -2300003970945 AUD Portfolio: 3000039-70	1.000		574,327			
					3.00%			
GBP	979.15	Current Account -2300003970089 AUD Portfolio: 3000039-70	1.000	2.1638 GBP/AUD	2,109	-9	-0.44%	
					0.01%	-9	-0.44%	
JPY	74,313	Current Account -2300003970335 AUD Portfolio: 3000039-70	1.000	91.7093 AUD/JPY	865	54	6.70%	
						54	6.70%	
USD	47,773.95	Current Account -2300003970780 AUD Portfolio: 3000039-70	1.000	0.7035 AUD/USD	67,171	-740	-1.09%	
					0.35%	-740	-1.09%	
Total Liquidity & Similar Investments					644,471			
					3.36%			
Fixed Income & Similar Investments								
Fixed Income & Similar Investments AUD								
AUD	3,602,019.95	UNITS BLACKROCK INDEXED AUSTRALIAN BOND FUND AUD Portfolio: 3000039-70	AU60BGL01056 2244170	1.025	1,054 BID 29.10.2015	3,794,984	103,263	2.80%
					19.80%	103,263	2.80%	

Number/ Nominal	Description	Identification ISIN Valoren Number Ticker	Cost Valuation Price Exchange Rate	Current Valuation Price/ Type Date	Value in AUD of which Accrued Interest Proportion in %	Profit/ Loss Unrealized in AUD of which Instrument of which Forex	P/L Unreal. in % Instr. in % FX in %
AUD 2,019,251.1	UNITS ABERDEEN AUSTRALIAN FIXED INCOME FUND AUD Portfolio: 3000039-70	AU60CRS00041 1739745	1.144	1.174 BID 29.10.2015	2,369,591 12.36%	60,566 60,566	2.62% 2.62%
AUD 1,367.857	UNITS PIMCO AUSTRALIAN BOND FUND CLASS -A- AUD Portfolio: 3000039-70	AU60ETL01152 3432899	1,111.324	1,131.822 BID 29.10.2015	1,548,170 8.08%	28,038 28,038	1.84% 1.84%
AUD 171,323.45	UNITS GOLDMAN SACHS GLOBAL STRATEGIC BOND FUND AUD Portfolio: 3000039-70	AU60JBW00976 23326554	1.025	1.008 BID 28.10.2015	172,677 0.90%	-3,001 -3,001	-1.71% -1.71%
AUD 2,592,249.24	UNITS VANGUARD AUSTRALIAN FIXED INTEREST INDEX FUND AUD Portfolio: 3000039-70	AU60VAN00014 1653500	1.123	1.147 NAV 29.10.2015	2,973,310 15.51%	62,161 62,161	2.14% 2.14%

Total Fixed Income & Similar Investments **10,858,732**
56.65%

Equities & Similar Investments
 Equities & Similar Investments AUD

AUD 6,266	SHS AMP LIMITED AUD Portfolio: 3000039-70	AU000000AMP6 917234 AMP.AX	6.479	5.730 CLO 30.10.2015	35,904 0.19%	-4,696 -4,696	-11.57% -11.57%
AUD 4,906	SHS AUSTRALIA & NEW ZEALAND BANKING GROUP LTD AUD Portfolio: 3000039-70	AU000000ANZ3 640139 ANZ.AX	31.884	27.210 CLO 30.10.2015	133,492 0.70%	-22,933 -22,933	-14.66% -14.66%
AUD 5,774	STAPLED SECURITY APA GROUP AUD Portfolio: 3000039-70	AU000000APA1 1083439 APA.AX	6.352	9.200 CLO 30.10.2015	53,121 0.28%	16,443 16,443	44.83% 44.83%

Number/ Nominal	Description	Identification ISIN Valoren Number Ticker	Cost Valuation Price Exchange Rate	Current Valuation Price/ Type Date	Value in AUD of which Accrued Interest Proportion in %	Profit/ Loss Unrealized in AUD of which Instrument of which Forex	P/L Unreal. in % Instr. in % FX in %
AUD 4,656	SHS BHP BILLITON LTD AUD Portfolio: 3000039-70	AU000000BHP4 640390 BHP.AX	33.965	23.020 CLO 30.10.2015	107,181 0.56%	-50,960 -50,960	-32.22% -32.22%
AUD 5,216	SHS BORAL LTD AUD Portfolio: 3000039-70	AU000000BLD2 1050991 BLD.AX	5.501	5.390 CLO 30.10.2015	28,114 0.15%	-578 -578	-2.02% -2.02%
AUD 3,058	SHS BANK OF QUEENSLAND LTD AUD Portfolio: 3000039-70	AU000000BOQ8 640334 BOQ.AX	13.150	13.070 CLO 30.10.2015	39,968 0.21%	-246 -246	-0.61% -0.61%
AUD 6,039	SHS BRAMBLES LTD AUD Portfolio: 3000039-70	AU000000BXB1 2373150 BXB.AX	8.786	10.380 CLO 30.10.2015	62,685 0.33%	9,623 9,623	18.14% 18.14%
AUD 2,421	SHS COMMONWEALTH BANK OF AUSTRALIA AUD Portfolio: 3000039-70	AU000000CBA7 646758 CBA.AX	76.577	76.730 CLO 30.10.2015	185,763 0.97%	372 372	0.20% 0.20%
AUD 1,260	SHS CSL LTD AUD Portfolio: 3000039-70	AU000000CSL8 241548 CSL.AX	68.486	93.790 CLO 30.10.2015	118,175 0.62%	31,883 31,883	36.95% 36.95%
AUD 537	SHS FLIGHT CENTRE TRAVEL GROUP LTD AUD Portfolio: 3000039-70	AU000000FLT9 90307 FLT.AX	48.119	37.950 CLO 30.10.2015	20,379 0.11%	-5,461 -5,461	-21.13% -21.13%
AUD 2,513	STAPLED SECURITIES LEND LEASE GROUP AUD Portfolio: 3000039-70	AU000000LLC3 641373 LLC.AX	15.604	13.000 CLO 30.10.2015	32,669 0.17%	-6,545 -6,545	-16.69% -16.69%

Number/ Nominal	Description	Identification ISIN Valoren Number Ticker	Cost Valuation Price Exchange Rate	Current Valuation Price/ Type Date	Value in AUD of which Accrued Interest Proportion in %	Profit/ Loss Unrealized in AUD of which Instrument of which Forex	P/L Unreal. in % Instr. in % FX in %
AUD 131,764	STAPLED SECURITY MIRVAC GROUP AUD Portfolio: 3000039-70	AU000000MGR9 821911 MGR.AX	1.760	1.805 CLO 30.10.2015	237,834 1.24%	5,963 5,963	2.57% 2.57%
AUD 16,170	SHS MEDIBANK PRIVATE LTD AUD Portfolio: 3000039-70	AU000000MPL3 25835091 MPL.AX	2.314	2.360 CLO 30.10.2015	38,161 0.20%	737 737	1.97% 1.97%
AUD 1,766	SHS MACQUARIE GROUP LTD AUD Portfolio: 3000039-70	AU000000MOG1 3422370 MOG.AX	55.326	85.700 CLO 30.10.2015	151,346 0.79%	53,640 53,640	54.90% 54.90%
AUD 3,557	SHS NATIONAL AUSTRALIA BANK LTD AUD Portfolio: 3000039-70	AU000000NAB4 641643 NAB.AX	34.370	30.150 CLO 30.10.2015	107,244 0.56%	-15,012 -15,012	-12.28% -12.28%
AUD 16,809	SHS ORORA LTD AUD Portfolio: 3000039-70	AU000000ORA8 22750502 ORA.AX	2.251	2.340 CLO 30.10.2015	39,333 0.21%	1,488 1,488	3.93% 3.93%
AUD 893	SHS RAMSAY HEALTH CARE LTD AUD Portfolio: 3000039-70	AU000000RHC8 646740 RHC.AX	42.438	62.010 CLO 30.10.2015	55,375 0.29%	17,478 17,478	46.12% 46.12%
AUD 1,027	SHS RIO TINTO LTD AUD Portfolio: 3000039-70	AU000000RIO1 603520 RIO.AX	63.692	50.650 CLO 30.10.2015	52,018 0.27%	-13,394 -13,394	-20.48% -20.48%
AUD 74,136	STAPLED SECURITY SCENTRE GROUP AUD Portfolio: 3000039-70	AU000000SCG8 23931192 SCG.AX	3.470	4.140 CLO 30.10.2015	306,923 1.60%	49,636 49,636	19.29% 19.29%

3. Positions / 3.1. Investment Related Positions

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Number/ Nominal	Description	Identification ISIN Valoren Number Ticker	Cost Valuation Price Exchange Rate	Current Valuation Price/ Type Date	Value in AUD of which Accrued Interest Proportion in %	Profit/ Loss Unrealized in AUD of which Instrument of which Forex	P/L Unreal. in % Instr. in % FX in %
AUD 101,527	STAPLED SECURITY SHOPPING CENTRES AUSTRALASIA PROPERTY GROUP AUD Portfolio: 3000039-70	AU000000SCP9 19791333 SCP.AX	1.593	2.060 CLO 30.10.2015	209,146 1.09%	47,379 47,379	29.29% 29.29%
AUD 38,446	UNITS SPDR S&P/ASX 200 LISTED PROPERTY FUND EXCHANGE TRADED FUND AUD Portfolio: 3000039-70	AU000000SLF1 1377855 SLF.AX	9.759	11.910 CLO 30.10.2015	457,892 2.39%	82,678 82,678	22.03% 22.03%
AUD 9,514	UNITS SPDR S&P/ASX 200 FUND ETF AUSTRALIAN EQUITY EXCHANGE TRADED FUNDS AUD Portfolio: 3000039-70	AU000000STW9 1285707 STW.AX	51.615	49.650 CLO 30.10.2015	472,370 2.46%	-18,695 -18,695	-3.81% -3.81%
AUD 4,221	SHS SUNCORP GROUP LTD AUD Portfolio: 3000039-70	AU000000SUN6 588679 SUN.AX	13.627	13.110 CLO 30.10.2015	55,337 0.29%	-2,181 -2,181	-3.79% -3.79%
AUD 3,224	STAPLED SECURITY SYDNEY AIRPORT AUD Portfolio: 3000039-70	AU000000SYD9 14298059 SYD.AX	5.944	6.450 CLO 30.10.2015	20,795 0.11%	1,633 1,633	8.52% 8.52%
AUD 3,933	STAPLED SECURITY TRANSURBAN GROUP AUD Portfolio: 3000039-70	AU000000TCL6 444655 TCL.AX	7.793	10.440 CLO 30.10.2015	41,061 0.21%	10,410 10,410	33.96% 33.96%
AUD 22,170	SHS TELSTRA CORPORATION LTD AUD Portfolio: 3000039-70	AU000000TLS2 720464 TLS.AX	5.113	5.400 CLO 30.10.2015	119,718 0.62%	6,364 6,364	5.61% 5.61%
AUD 5,025	SHS WESTPAC BANKING CORP AUD Portfolio: 3000039-70	AU000000WBC1 642372 WBC.AX	32.959	31.380 CLO 30.10.2015	157,685 0.82%	-7,936 -7,936	-4.79% -4.79%

3. Positions / 3.1. Investment Related Positions

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Number/ Nominal	Description	Identification ISIN Valoren Number Ticker	Cost Valuation Price Exchange Rate	Current Valuation Price/ Type Date	Value in AUD of which Accrued Interest Proportion in %	Profit/ Loss Unrealized in AUD of which Instrument of which Forex	P/L Unreal. in % Instr. in % FX in %
AUD	1,166 SHS WESFARMERS LTD AUD Portfolio: 3000039-70	AU000000WES1 642397 WES.AX	44.613	39.410 CLO 30.10.2015	45,952 0.24%	-6,067 -6,067	-11.66% -11.66%
AUD	799 SHS WOOLWORTHS LTD AUD Portfolio: 3000039-70	AU000000WOW2 81350 WOW.AX	34.789	24.110 CLO 30.10.2015	19,264 0.10%	-8,533 -8,533	-30.70% -30.70%
AUD	931 SHS WOODSIDE PETROLEUM LTD AUD Portfolio: 3000039-70	AU000000WPL2 642429 WPL.AX	40.307	29.610 CLO 30.10.2015	27,567 0.14%	-9,959 -9,959	-26.54% -26.54%
AUD	30,323.17980 UNITS ABERDEEN EMERGING OPPORTUNITIES FUND AUD Portfolio: 3000039-70	AU60ETL00329 2220820	2.121	2.307 BID 29.10.2015	69,956 0.36%	5,643 5,643	8.77% 8.77%
AUD	24,918.0863 UNITS IRONBARK KARARA AUSTRALIAN SMALL COMPANIES FUND CLASS -A- AUD Portfolio: 3000039-70	AU60PAT00021 2879000	2.843	2.988 BID 29.10.2015	74,445 0.39%	3,599 3,599	5.08% 5.08%
AUD	74 SHS -PT (AUD)- ALLIANZ GLOBAL INVESTORS FUND SICAV - ALLIANZ EUROPE EQUITY GROWTH CAPITALISATION AUD Portfolio: 3000039-70	LU0757889166 18233884	1,444.994	2,083.840 NAV 30.10.2015	154,204 0.80%	47,275 47,275	44.21% 44.21%
AUD	4,172 SHS OIL SEARCH LTD AUD Portfolio: 3000039-70	PG0008579883 809900 OSH.AX	8.284	7.850 CLO 30.10.2015	32,750 0.17%	-1,809 -1,809	-5.24% -5.24%
Total Equities & Similar Investments AUD					3,763,827 19.63%		

3. Positions / 3.1. Investment Related Positions

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Number/ Nominal	Description	Identification ISIN Valoren Number Ticker	Cost Valuation Price Exchange Rate	Current Valuation Price/ Type Date	Value in AUD of which Accrued Interest Proportion in %	Profit/ Loss Unrealized in AUD of which Instrument of which Forex	P/L Unreal. in % Instr. in % FX in %
Equities & Similar Investments GBP							
GBP	18,815 SHS ISHARES PLC - ISHARES CORE FTSE 100 UCITS ETF (DIST) EXCHANGE TRADED FUND GBP AUD Portfolio: 3000039-70	IE0005042456 1083749 ISF.L	6.612 1.7590 GBP/AUD	6.356 OFF 30.10.2015	257,612 1.34%	38,801 -10,363 49,163	17.73% -3.87% 21.60%
Total Equities & Similar Investments GBP					257,612 1.34%		
Equities & Similar Investments JPY							
JPY	359 UNITS NIKKEI 225 EXCHANGE TRADED FUND AUD Portfolio: 3000039-70	JP3027650005 1264151 1321.T	15,265.142 93.6016 AUD/JPY	19,550.000 CLO 30.10.2015	81,659 0.43%	23,111 17,898 5,213	39.47% 28.07% 11.40%
Total Equities & Similar Investments JPY					81,659 0.43%		
Equities & Similar Investments USD							
USD	369 ACCUM.PTG.SH S ISHARES VII PLC - ISHARES NASDAQ 100 UCITS ETF EXCHANGE TRADED FUND USD AUD Portfolio: 3000039-70	IE00B53SZB19 10737617 CSNDX.S	185.143 0.9196 AUD/USD	255.170 CLO 30.10.2015	132,387 0.69%	58,099 36,331 21,768	78.21% 37.82% 40.39%
USD	275 SHS -I- VONTOBEL FUND SICAV - EMERGING MARKETS EQUITY CAPITALISATION AUD Portfolio: 3000039-70	LU0278093082 2870698	163.174 0.9246 AUD/USD	163.750 NAV 28.10.2015	63,315 0.33%	14,783 223 14,560	30.46% 0.35% 30.11%
USD	1,175 SHS DBX ETF TRUST DEUTSCHE X-TRACKERS MSCI JAPAN HEDGED EQUITY ETF AUD Portfolio: 3000039-70	US2330515071 13179474 DBJP.P	36.222 0.9269 AUD/USD	39.550 CLO 30.10.2015	65,339 0.34%	19,422 5,499 13,924	42.30% 9.19% 33.11%

3. Positions / 3.1. Investment Related Positions

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Number/ Nominal	Description	Identification ISIN Valoren Number Ticker	Cost Valuation Price Exchange Rate	Current Valuation Price/ Type Date	Value in AUD of which Accrued Interest Proportion in %	Profit/ Loss Unrealized in AUD of which Instrument of which Forex	P/L Unreal. in % Instr. in % FX in %
USD	4,321 SHS DBX ETF TRUST DEUTSCHE X-TRACKERS MSCI EUROPE HEDGED EQUITY ETF AUD Portfolio: 3000039-70	US2330518539 22178054 DBEU.P	28.368 0.8027 AUD/USD	26.660 CLO 30.10.2015	161,970 0.84%	9,262 -10,377 19,639	6.07% -6.02% 12.09%
USD	974 SHS ISHARES GLOBAL HEALTHCARE ETF AUD Portfolio: 3000039-70	US4642873255 1352444 IXJ.P	93.648 0.9188 AUD/USD	104.300 CLO 30.10.2015	142,835 0.75%	43,559 14,587 28,972	43.88% 11.37% 32.50%
USD	2,487 TRUST UNITS SPDR S&P 500 ETF TRUST AUD Portfolio: 3000039-70	US78462F1030 45088 SPY.P	184.082 0.9077 AUD/USD	207.930 CLO 30.10.2015	727,081 3.79%	222,728 83,392 139,336	44.16% 12.96% 31.21%
Total Equities & Similar Investments USD					1,292,927 6.74%		
Total Equities & Similar Investments					5,396,024 28.15%		

Alternative Investments, Commodities & Real Estate
 Hedge Funds

AUD	400,138.511 UNITS GMO SYSTEMATIC GLOBAL MACRO TRUST CLASS -B- AUD Portfolio: 3000039-70	AU60GMO00067 3375604	0.999	0.974 NAV 28.10.2015	389,655 2.03%	-10,109 -10,109	-2.53% -2.53%
AUD	281,149.1 UNITS BLACKROCK GLOBAL ALLOCATION FUND (AUST) CLASS -D- WHOLESALE AUD Portfolio: 3000039-70	AU60MAL00181 3379478	1.236	1.305 BID 29.10.2015	366,896 1.91%	19,331 19,331	5.56% 5.56%
AUD	232,606 RED.PTG.SH.S -A1- AHL (CAYMAN) SPC AUD CLASS A EVOLUTION SEGREGATED PORTFOLIO AUD Portfolio: 3000039-70	KYG012291145 22393979	1.138	1.506 NAV 30.09.2015	350,374 1.83%	85,620 85,620	32.34% 32.34%

3. Positions / 3.1. Investment Related Positions

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Number/ Nominal	Description	Identification ISIN Valoren Number Ticker	Cost Valuation Price Exchange Rate	Current Valuation Price/ Type Date	Value in AUD of which Accrued Interest Proportion in %	Profit/ Loss Unrealized in AUD of which Instrument of which Forex	P/L Unreal. in % Instr. in % FX in %
AUD	3,602 SHS -AUD E (ACC)- MERRILL LYNCH INVESTMENT SOLUTIONS SICAV - YORK EVENT-DRIVEN UCITS FUND CAPITALISATION AUD Portfolio: 3000039-70	LU1150219159 26301179	104.480	88.230 NAV 28.10.2015	317,804 1.66%	-58,534 -58,534	-15.55% -15.55%
Total Hedge Funds					1,424,730 7.43%		
Commodities & Precious Metals							
AUD	2,309 ETC SECURITY ETFS METAL SECURITIES AUSTRALIA LTD 2003-WITHOUT FIXED MATURITY ON GOLD COMMODITY AUD Portfolio: 3000039-70	AU00000GOLD7 1583458 GOLD.AX	136.791	155.000 CLO 30.10.2015	357,895 1.87%	42,045 42,045	13.31% 13.31%
USD	266 UBS ETC UBS AG, LONDON BRANCH 2007- OPEN END ON UBS BLOOMBER CMCI COMPOSITE TOTAL RETURN AUD Portfolio: 3000039-70	CH0081794263 3179426 TCMCI.S	1,179.643 0.9255 AUD/USD	790.000 CLO 30.10.2015	295,460 1.54%	-43,596 -145,727 102,130	-12.86% -33.03% 20.17%
Total Commodities & Precious Metals					653,355 3.41%		

3. Positions / 3.1. Investment Related Positions

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Number/ Nominal	Description	Identification ISIN Valoren Number Ticker	Cost Valuation Price Exchange Rate	Current Valuation Price/ Type Date	Value in AUD of which Accrued Interest Proportion in %	Profit/ Loss Unrealized in AUD of which Instrument of which Forex	P/L Unreal. in % Instr. in % FX in %
Other Alternative Investments							
AUD	1,921	PTG.SHS LEGG MASON GLOBAL FUNDS PLC - LEGG MASON WESTERN ASSET MACRO OPPORTUNITIES BOND FUND PREMIER CLASS DISTRIBUTING (S) HEDGED AUD AUD Portfolio: 3000039-70	IE00BYOZZ17 28828240	100.025	100.150 NAV 28.10.2015	192,388 240 1.00%	0.12% 0.12%
Total Other Alternative Investments					192,388 1.00%		
Total Alternative Investments, Commodities & Real Estate					2,270,473 11.84%		
Total Investments					19,169,700 100.00%		
of which Accrued Interest					0		

4. Appendix

4.1. Explanations

Accrued Interest

Accrued interest is not displayed for financial instruments with variable interest rate or frequency within the same interest period, except for Floating Rate Notes. For FINER Revexus, the accrued interest displayed is based on the deposit currency for reference purpose only. Entitlement to the accrued interest depends on the product features. All accrued interests are displayed in the reporting currency of the portfolio and are calculated recognizing trades end of day. The FX conversion rates (reflected below) are used to convert the amount from original currency to reporting currency. The accrued interest payable/receivable is displayed as the net amount on Current Account balances. As a result of the foregoing and other factors, the accrued interest is only an estimate and may not reflect the actual interest accrued, if any.

Activity Summary

The asset inflows and outflows include client-instructed transactions as well as non-investment related transactions such as loans which do not contribute to the performance of client's account. Such asset inflows and outflows do not include fees and taxes.

Analyses

Values displayed for the respective month labels are as of month-end dates. If the report end period is not a month-end, the report period end month label will show the values as of the report period end date.

Asset Classification

If an instrument is classified as 'not classifiable', the instrument is pending its proper classification. As soon this is available in the system, the instrument will reflect the correct classification.

Cost Valuation Exchange Rates

For the Positions section, the cost valuation exchange rate displayed is always the instrument currency against the portfolio currency.

For the Transactions section, the cost valuation exchange rate displayed is always between the instrument currency and reporting currency. For execution of FX purchase/sale transactions, the transaction valuation is based on the end of day exchange rate on the value date and the cost valuation is based on the FX contract rate.

Duration

Modified duration is a change in the price of a bond arising from a change in market yields. Modified duration is expressed as an approximate percentage. The investment report displays the Modified Duration method for all Fixed Income instruments.

Income Summary

Coupon received and coupon paid, as well as interest earned and interest paid, does not include accrued or unpaid coupon or interest.

Year to date figures include the addition of the monthly figures inclusive of any backdated income processing/ adjustments.

Figures shown can be gross or net depending on the specific country and market practice. Non-Investment related Income is included in the Income Summary.

Market Value

The values stated as begin of period are asset values as of the last reported statement period. The values stated as beginning/ ending market values are asset values that are inclusive of most updated market prices and backdated transactions.

Non-Investment Related Positions

Non-Investment Related Positions are displayed in the Scope of Analysis and in the Non-Investment Related Positions section. However, they are not included in any other analyses.

Profit/ Loss Calculation

Realized and unrealized profit and loss are calculated by comparing the market or transaction value with the average cost value. For every trade date the system computes the average cost, first processing investments before disinvestments. Transaction costs are included in both realized and unrealized profit/loss calculation.

Unrealized profit/ loss displayed in the Positions section are calculated as of the reporting date. FX conversion rates used in the computation of the unrealized profit/loss is the derived rate based on the average price as of the individual transaction date.

Rating

Rating refers to the rating of an investment product and is either based on information available to the Bank or is obtained from sources believed to be reliable by the Bank as of the investment report date.

Yield

The investment report displays Yield for all Fixed Income instruments and is displayed per market price.

Abbreviations

BID = Bid Price
CLO = Closing Price
NAV = Net Asset Value
OFF = Official Price

Rounding logic

Values in this investment report are calculated with exact numbers, however when presenting the data, values are rounded and therefore minor rounding differences might occur.

Large Numbers

The figures are consolidated and shown in denominations of thousands, millions and billions where applicable. If a value is too long to be displayed in the report itself, e.g. 1,526,555,333.26 the figure is consolidated and displayed as 1,526,555.33 in thousands in the report. If the value exceeds the column limit, a further division will take place and the phrase in millions/in billions will be displayed.

Conversion Rates as of 31.10.2015

AUD 1.0000 = JPY 85.9483
AUD 1.0000 = USD 0.7112
GBP 1.0000 = AUD 2.1542

4.2. Legal Information

According to the Account Opening Terms and Conditions, this investment report shall be conclusive and binding if the Bank does not receive your objection in writing to any matters contained in this investment report within 14 days from the issue date.

Deposits with Credit Suisse are not subject to Division 2 of the Banking Act - Protection of Depositors.

If your account is booked with Credit Suisse AG, Sydney Branch or if your Relationship Manager (RM) or Investment Consultant is located in Australia, please refer to the Important Notice on Sales Disclosure to Investors for sales related information including information on monetary benefits received by the Bank where it distributes an investment product to you.

The Bank provides price indications for financial derivatives transactions, structured products and non-listed financial instruments based upon available market reference prices believed to be reliable. The Bank does not make any representation as to the accuracy or completeness of price indications for transactions nor the guarantee to buy/sell at the price indicated. The Bank does not accept liability for any loss arising from the client's use of, or reliance on, such price indications. The price indications of the initial purchase price may be different from the actual purchase price.

In the absence of reliable market reference prices, the Bank may assign a nominal value or make an appropriate comment on your investment report. As a result, the investment report may contain price indications or comments as the Bank sees appropriate in the prevailing circumstances. If you have any queries in this respect, please contact your Relationship Manager.

The Bank will, at the time of printing this investment report, use the last price indications available to it. Due to the time differences between the Asia Pacific region and markets in other regions, the price indications reflected in the Bank's investment report will not always reflect the price indications available on the last business day of the month in certain markets.

The Bank may use either an onshore or offshore CNY rate for FX conversion to reporting currency depending on the asset. Please note that there may be a differential between the onshore and offshore rate. Please refer to your RM if you need further information on the FX conversion rate applied in relation to your CNY positions.

The information in this investment report does not constitute legal or tax advice. You should consult your legal and/or tax experts if you need any such advice. The investment report does not take tax rules and regulations into consideration, and thus it cannot be used for tax reporting purposes.

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APNIC Long Term Investment Reserve - Update

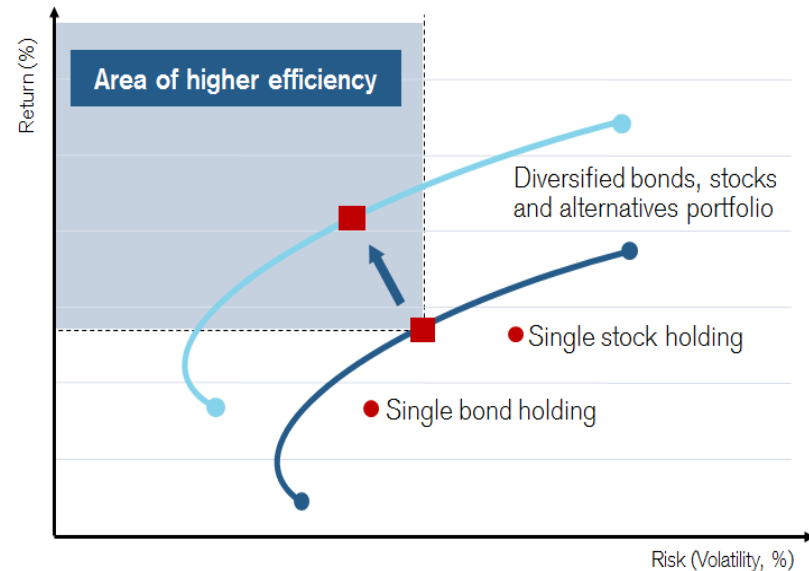
December 2015

Investment Philosophy

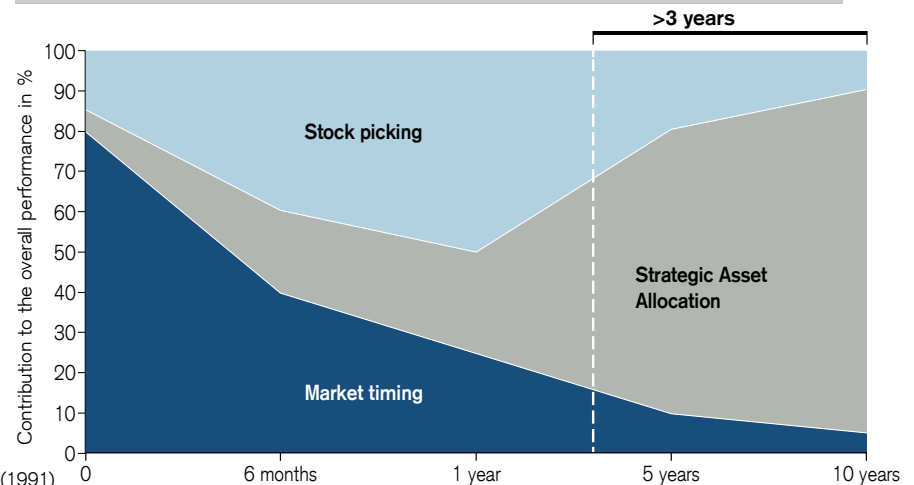
Strategic asset allocation is the most important decision when setting the investment strategy

- Asset allocation is based on the principle that assets perform differently in varying market and economic conditions
- The diversification achieved by investing in uncorrelated assets reduces the overall risk for a given level of expected return
- Academic studies show asset allocation accounted for over 90% of the variance in fund returns (i.e. weighting of asset classes, currency allocation etc.)¹

¹ Ibbotson and Kaplan (2000), Brinson, Hood and Beebower (1986), and Brinson Singer and Beebower (1991)



The most important factor of investment performance is the strategic asset allocation if the investment horizon is >3 years



The APNIC Brief to Credit Suisse for the Long Term Investment Reserve

- Generate income and capital growth for APNIC with low levels of capital volatility and a time horizon > 3 years.
- Achieve the above through an optimal asset allocation drawing on a long term Strategic Asset Allocation that can be altered as objectives change. Another emphasis is the ability to employ tactical tilts to underweight/overweight asset classes/subclasses on an opportunistic basis.
- Diversification by Manager, Asset Class, Sub-Asset Class in liquid funds and investments.
- No Gearing
- Socially Responsible Investment Portfolio Exclusions to exclude direct investment in businesses that engage in alcohol, gaming, tobacco and any activities that have a detrimental effect to the environment.

Credit Suisse Investment Profiles

An Overview

	Risk Profile 1 - Fixed Income	Risk Profile 2 - Income Oriented	Risk Profile 3 - Balanced	Risk Profile 4 - Capital Gains Oriented	Risk Profile 5 - Equities
Investment Objectives:	<ul style="list-style-type: none"> • Preservation of capital • Generation of returns using current income 	<ul style="list-style-type: none"> • Real capital preservation • Generation of returns using current income 	<ul style="list-style-type: none"> • Real preservation and long term accumulation of capital using current income, capital, and currency gains 	<ul style="list-style-type: none"> • Long-term asset growth through a greater focus on capital and currency gains 	<ul style="list-style-type: none"> • Long-term asset growth through a greater focus on capital and currency gains
Risk Tolerance:	<ul style="list-style-type: none"> • Low risk tolerance • Maintenance of low volatility 	<ul style="list-style-type: none"> • Below-average risk tolerance • Volatility as low as possible 	<ul style="list-style-type: none"> • Average risk tolerance • Takes volatility into account 	<ul style="list-style-type: none"> • Above-average risk tolerance • Takes increased volatility into account 	<ul style="list-style-type: none"> • High risk tolerance • Takes major volatility into account
Asset Classes:	<ul style="list-style-type: none"> • Liquidity • Bonds • Alternative Investment 	<ul style="list-style-type: none"> • Liquidity • Bonds • Equities • Alternative Investment 	<ul style="list-style-type: none"> • Liquidity • Bonds • Equities • Alternative Investment 	<ul style="list-style-type: none"> • Liquidity • Bonds • Equities • Alternative Investment 	<ul style="list-style-type: none"> • Liquidity • Equities • Alternative Investment
Investment Horizon:	Up to 3 years	3-5 years	5-8 years	8-12 years	Over 12 years

Source: Credit Suisse AG

Credit Suisse Benchmark Asset Allocation



Investment Profiles	Risk Profile 1 - Fixed Income	Risk Profile 2 – Income Oriented	Risk Profile 3 - Balanced	Risk Profile 4 - Capital Gains	Risk Profile 5 - Equities
Liquidity	5.0%	5.0%	5.0%	5.0%	5.0%
Bonds	80.0%	55.0%	35.0%	15.0%	0.0%
Equities – Domestic	0.0%	12.0%	24.0%	66.0%	48.0%
Equities – International	0.0%	8.0%	16.0%	24.0%	32.0%
Alternates - Hedge Funds	5.0%	10.0%	10.0%	10.0%	10.0%
Alternates - Real Estate	5.0%	5.0%	5.0%	5.0%	0.0%
Alternates – Commodities	2.5%	2.5%	2.5%	2.5%	2.5%
Alternates – Gold	2.5%	2.5%	2.5%	2.5%	2.5%
Historic Analysis					
Annualised Average Return	9.8%	10.2%	10.7%	11.3%	11.8%
Annualised Average Return Last 5 Years	6.7%	7.9%	8.0%	8.8%	9.3%
Annualised Average Return Last 10 Years	6.0%	6.1%	6.7%	7.1%	7.7%
Annualised Average Return Last 20 Years	7.4%	7.6%	8.3%	8.7%	9.1%
Min Portfolio Return Incurred	-6.6%	-7.2%	-14.9%	-28.7%	-28.7%
Max Portfolio Return Achieved	19.9%	22.2%	24.8%	28.0%	31.1%
Max Drawdown	-6.8%	-8.3%	-10.9%	-30.3%	-35.3%
Portfolio Standard Deviation	4.1%	4.8%	6.7%	8.9%	11.0%
Negative Return is Incurred	1 in 43.4 yrs	1 in 16.1 yrs	1 in 8.9 yrs	1 in 5.0 yrs	1 in 4.7 yrs
Credit Suisse Research Projections					
Total Return	4.4%	4.2%	5.0%	5.2%	6.7%
Income	4.6%	3.9%	3.8%	3.7%	2.1%
Projected Standard Deviation	4.3%	5.1%	7.3%	9.8%	11.8%

Incorporates data from January 1981 through to June 2015 and uses the longest data set available for each asset class. Please refer to "Notes on Credit Suisse Benchmark Asset Allocation Framework". Expected return figures are based on Credit Suisse capital market assumptions (annualized expected returns over 5-year period). Risk figures are measured in terms of volatility and are also based on these forward-looking assumptions. Volatility is an indication of how strongly the return is fluctuating around a middle value. Both volatility and expected returns are represented by market indices. They therefore may deviate from real invested portfolios. In addition, the level of volatility might change over time as markets move. Volatility and expected return figures are only an indication of the different investment profiles and do not provide any guarantee that they will stay at the same level in the future. The figures above were calculated as of September 4, 2013 by Credit Suisse AG.

Implementation

■ Amounts Received for Investment:

- September 13: AUD \$6mio invested
 - October 13: AUD \$3mio invested
 - November 13: AUD \$3mio invested
 - December 13: AUD \$1.5mio invested
 - July 14: AUD \$1mio invested
 - August 14: AUD \$1mio invested
 - December 14: AUD \$1mio invested
 - July 15: AUD \$500k invested
- TOTAL*** ***AUD \$17mio***

Key Highlights – Market Commentary 1 of 2

Calendar Year to 31/10/2015

- A strong rally to start the year quickly reversed, seeing volatility pick up and a “risk-off” mood enter the global equity markets. Greece endured political and financial turmoil, Chinese growth slowed and the US came closer to a rate rise. A depreciation in the Renminbi by the Chinese raised concern around the true state of their economy. Investor sentiment has been bolstered subsequently by policy action in China and comments from the European Central Bank (ECB) that they would consider adding further stimulus.
- The MSCI World Index was up 16.44% in AUD terms, helped by a falling AUD which depreciated by 14.34% versus the US dollar. Commodities have been under pressure, falling 4.16%. The ASX200 Accumulation index has delivered a 0.53% gain, and listed property returned 13.24%. AUD bonds as measured by the Bloomberg AusBond Composite advanced 3.15%.
- Australian data continued to underwhelm, although jobs creation and unemployment were quite reasonable. Unemployment fell to 5.9% however wages growth has been lacklustre. Q3 CPI data came in lower than expected; the RBA's preferred trimmed mean rose by only 0.3% QoQ and 2.1% YoY. The RBA kept interest rates on hold, though the weak CPI and mortgage rate hikes by the major banks have increased the risk of further rate cuts.

Key Highlights – Market Commentary 2 of 2

Calendar Year to 31/10/2015

- The decision of the Fed not to raise rates in September was seen as a sign of pessimism, leading to a global sell off. They have since hinted at a December rate hike despite the fact that US macro data has been mixed in recent months. QoQ annualised GDP growth for Q3 was revised higher to 2.1%, employment growth for October was 271,000 jobs, following weak prints in prior months, and unemployment fell to 5.0%. Industrial production fell by 0.2%. CPI inflation increased slightly in September to 1.9% on a core basis, while consumer confidence and housing starts reflected more upbeat trends.
- European economic recovery appears to have taken hold, the composite Eurozone PMI was a little lower, but at 53.7 it still suggests a continuation of modest economic growth. Consumer confidence remained strong and is at or close to post-crisis highs in most countries. The ECB late in the month stated that they are prepared to do more if needed to ensure the economic recovery continues. Our economics team expects them to announce further policy measures in December.
- In China, Q3 GDP numbers came in slightly ahead of expectations at 6.9%. Authorities also announced further easing measures, including interest rate cuts and reductions to bank reserve requirements. This helped to ease investor concern after PMI indicators and other macro data continued to disappoint. The Fifth Plenum of the Chinese Party Congress saw authorities scrap the one child policy and allow all married couples to have two children. Our China analysts see this as reflecting a gradual longer-term move towards more of a consumption based economy and less of one dependant on commodity usage and infrastructure spending.

Performance Statistics 1 of 3

Calendar Year to 31/10/2015

Portfolio Value Period End: AUD 19,151,752

	Portfolio*	Benchmark	Outperformance	ASX200
October	1.77%	1.52%	+0.25%	4.37%
3 Months	-0.52%	-0.30%	-0.22%	-6.61%
Calendar Year to date	4.46%	3.81%	+0.65%	0.54%
12 Months	7.43%	6.32%	+1.11%	-0.72%
Since Inception** (in aggregate)	15.92%	14.45%	+1.47%	9.36%

* Performance before fees and taxes, does not include franking credits. Calculated using the Time Weighted Return (TWR) Daily method which is based on geometrically linking daily rate of return.

** Portfolio start date 12th September 2013.

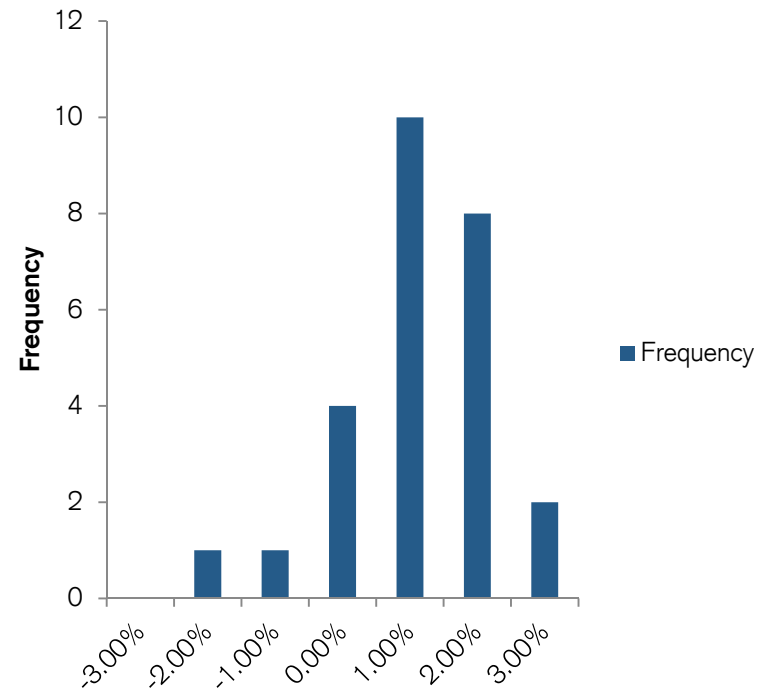
Performance Statistics 2 of 3

Since Inception

Monthly Performance Statistics

- % of Months Positive: 76.92%
- % of Months Negative: 23.08%
- Avg Mthly Performance: 0.57%

Distribution of Monthly Returns*



Performance Statistics 3 of 3

Calendar Year to 31/10/2015

- At the asset allocation level our overweight international equities position added value given the strong positive return in AUD terms. In particular the Japanese (+26.03%), US (+16.44%) and European (+15.83%) markets have all outperformed emerging markets (+3.54) which have come under pressure.
- Being overweight bonds overall detracted from relative performance, as the Bloomberg AusBond Composite Index rose 3.15%, however this allocation served to dampen volatility seen in riskier assets.
- Gold and commodities had returns of 8.31% and -4.16% in AUD respectively; the portfolio being underweight both.
- Stock selection within Australian equities added to relative performance, as we were positioned underweight the energy and materials sectors and overweight healthcare. Top performing stocks included Macquarie (+50.45%), APA (+26.24%), and Scentre Group (+24.19%). Underperforming stocks included Lend Lease (-17.44%), Woolworths (-16.88%), and Woodside Petroleum (-14.83%).
- Top performing funds in AUD over the period included the db x-trackers MSCI Japan USD Hedged ETF (+25.99%), the iShares Nasdaq ETF (+25.16%) and the Allianz European Growth Fund (+24.99%). Funds which did not perform as well included the York Event-Driven Fund (-12.35%) and the UBS Commodities Fund (-6.38%).

Asset Allocation

As at 31/10/2015

- The portfolio is positioned overweight bonds and equities, and underweight alternative investments and cash. We still have a preference for equities over bonds. We recently added to the Australian equities exposure. The correction that occurred saw the ASX200 with valuation support and a yield above 5%.
- Although we kept international equities at an overweight position, we reduced emerging markets given they would likely feel the negative impact of a slowing China, and a more competitive China due to the depreciation in the Renminbi. Brazil and Russia are both in recession due to falls in commodity prices, particularly iron ore and oil.
- We also reduced Japan as GDP growth disappoints even with a large QE program. Europe and the US are still favoured regions as growth recovery continues.
- We maintain an overweight positioning in fixed income but expect to lower this over time as the US Fed begins to hike rates and the global recovery shows stronger indications of being self-sustaining. For the moment European and Japanese QE programs are keeping global yields somewhat depressed, whilst AUD bonds continue to attract offshore investors searching for yield pickup.
- Within alternative investments, we have made little change but have noted the disappointing performance of hedge funds in general over the year with the exception of the momentum based AHL Evolution. We are overweight property, but underweight commodities and gold.

Current Portfolio Positioning

■ Current **Risk Profile Two** Positioning:

	Min	Neutral	Max	Current Allocation	Deviation
Liquidity	0%	5%	55%	3.4%	-1.6%
Bonds	25%	55%	80%	55.8%	+0.8%
Equities	10%	20%	27.5%	22.4%	+2.4%
Hedge Funds	5%	10%	15.0%	9.3%	-0.7%
Property	0%	5%	10%	5.8%	+0.8%
Gold	0%	2.50%	5%	1.4%	-1.1%
Commodities	0%	2.50%	5%	1.9%	-0.6%

Current Equities Positioning

- By Equities Asset Category:

	Benchmark	Tactical	Deviation
Australia	12.0%	12.7%	0.7%
International	8.0%	9.7%	1.7%

- Geographic Positioning – Equities

	Benchmark	Tactical	Deviation
Australia	12%	12.7%	+0.4%
Europe	2.5%	3.3%	+0.8%
USA	3.6%	4.9%	+1.3%
Japan	0.7%	0.8%	+0.10%
Emerging Markets	1.2%	0.7%	-0.5%

Outlook

- Equity markets bounced back after technical levels were tested in the prior months.
- There is growing comfort that the PBOC and Chinese Government will do what it takes to ensure the slowdown is orderly. Growth will inevitably moderate as policymakers rebalance the economy away from investment and toward consumption, over-leveraged borrowers repair their balance sheets and frothy asset prices adjust.
- As we get closer to the most telegraphed rate rise in US history, markets are overcoming the psychological fragility that still prevails post the GFC. The realisation that rate rise will not derail the US economy has been slow coming.
- Europe's recovery will continue to be supported by what looks like an even larger program of money printing. It is possible we shall see German Government bonds trading at yields even more negative than they are now.
- For Australia, the apparent peaking of the housing cycle is a concern for everyone except the RBA. Out of cycle rate rises by the banks, and restrictions on loans to investors is slowing the East Coast recovery. But the RBA is choosing to wait and see and have said the next likely move in rates is down.
- Europe and the US are showing the way for improving growth. If corporate profits deliver as expected, equity markets are supported by valuation, particularly so in Australia.
- Thus, our continued preference for growth assets remains in place.

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Agenda Item 8
Approval of 2016 budget and 2016-2019
strategic plan

2016 Budget Submission

EC Retreat, Guam

December 2015

APNIC

Issue Date: December 2015

Revision: 01



Budget 2016 Summary

- The proposed budget includes:
 - operational **expenditure of AUD \$18,091,244** and,
 - projected **revenue of AUD \$19,491,288** providing,
 - an operating **surplus of AUD \$1,400,044** for 2016.
 - Capital Expenditure requirements for 2016 is **AUD \$1,850,649**.

Revenue and Expenses 2016

	FY 2015 Forecast	2016 Budget	2016 v. 2015 Forecast Var.
Revenue			
Sign-up Fee	\$437,000	\$438,000	0.2%
IP Resource Application Fee	(\$18,375)		(100.0%)
Interest & Investment Income	\$804,801	\$832,500	3.4%
Membership Fees Income	\$16,891,283	\$17,736,118	5.0%
Non-Member Fees Income	\$243,254	\$246,170	1.2%
Reactivation Fees	\$40,100	\$46,000	14.7%
Transfer Fees	\$66,422	\$75,000	12.9%
Sundry Income	\$215,511	\$117,500	(45.5%)
Total - Revenue	\$18,679,996	\$19,491,288	4.3%
Change %	0.3%	4.3%	
Expenses			
Bank Service Fees	\$157,549	\$170,000	7.9%
Communication Expenses	\$574,956	\$556,186	(3.3%)
Computer Expenses	\$526,738	\$624,521	18.6%
Depreciation Expenses	\$762,464	\$812,365	6.5%
Doubtful Debt Expenses	(\$50,000)	\$25,000	(150.0%)
ICANN Contract Fees	\$284,161	\$262,000	(7.8%)
Insurance Expenses	\$130,534	\$136,800	4.8%
Meeting and Training Expenses	\$383,874	\$447,900	16.7%
Membership Fees	\$52,598	\$72,168	37.2%
Office Operating Expenses	\$309,041	\$325,676	5.4%
Postage & Delivery	\$54,701	\$48,700	(11.0%)
Printing & Photocopy	\$32,482	\$37,940	16.8%
Professional Fees	\$1,258,921	\$1,473,120	17.0%
Recruitment Expense	\$102,577	\$95,000	(7.4%)
Salaries and Personnel Expenses	\$9,460,248	\$10,231,618	8.2%
Sponsorship and Publicity Expense	\$605,917	\$639,750	5.6%
Staff Training Expense	\$150,395	\$162,500	8.0%
Translation Expense	\$3,000	\$10,000	233.3%
Travel Expenses	\$1,896,730	\$1,960,000	3.3%
Total - Expenses	\$16,696,886	\$18,091,244	8.4%
Change %	7.5%	8.4%	
Net Surplus/(Deficit)	\$1,983,110	\$1,400,044	

Provisions and Allowances 2016

APNIC Foundation.

- APNIC will underwrite an amount up to \$50k AUD to fund the establishment of the APNIC foundation in 2016.

APNIC's Taxation Status

- These accounts have been prepared on the basis that there is no change to the treatment of revenue from members for taxation purposes.

APNIC Survey

- In 2016 APNIC will engage consultants to undertake stakeholder consultations across the region and engage an organisation to undertake the survey and report the results back to the membership. The total costs for this activity including all travel will be \$115k in 2016.

KPMG Advisory

- KPMG were commissioned by the APNIC EC to undertake a review of the current NIR model and to identify and evaluate different options for a future NIR model, the majority of this work will be completed by then end of 2015, with a provision of \$50k for the finalisation of this work included in the budget for 2016.

Revenue

	FY 2011 Actuals	FY 2012 Actuals	FY 2013 Actuals	FY 2014 Actuals	FY 2015 Forecast	2016 Budget	2016 v. 2015 Forecast Var.
Revenue							
Sign-up Fee					\$437,000	\$438,000	0.2%
IP Resource Application Fee	\$1,530,500	\$2,232,250	\$1,420,625	\$1,323,250	(\$18,375)		(100.0%)
Interest & Investment Income	\$395,591	\$595,635	\$585,522	\$754,563	\$804,801	\$832,500	3.4%
Membership Fees Income	\$12,968,291	\$14,361,213	\$15,074,781	\$15,903,111	\$16,891,283	\$17,736,118	5.0%
Non-Member Fees Income	\$198,425	\$227,966	\$240,225	\$254,706	\$243,254	\$246,170	1.2%
Reactivation Fees	\$25,200	\$43,200	\$37,050	\$67,800	\$40,100	\$46,000	14.7%
Transfer Fees		\$11,616	\$61,339	\$81,304	\$66,422	\$75,000	12.9%
Sundry Income	\$298,657	\$186,481	\$115,132	\$211,569	\$215,511	\$117,500	(45.5%)
Total - Revenue	\$15,416,721	\$17,654,431	\$17,568,641	\$18,622,931	\$18,679,996	\$19,491,288	4.3%
Change %	15.7%	14.5%	-0.5%	6.0%	0.3%	4.3%	

New Fee schedule from January 2015

- Remove IP resource application fee(\$1,750)
- Introduce new Sign-up Fee(\$500)
- No longer join as associate if requesting resources

Membership Trend

Membership Projection Membership Tier	2009	2010	2011	2012	2013	2014	2015 Forecast	2016 Budget
Extra Large	13	16	21	20	20	21	22	22
Very Large	31	33	41	45	44	40	41	41
Large	106	141	145	144	146	142	138	138
Medium	276	324	378	402	391	402	425	426
Small	823	867	970	1,114	1,194	1,388	2,122	2,442
Very Small	472	637	817	1,021	1,291	1,701	2,361	2,659
Associate	449	503	575	788	965	924	110	101
TOTAL	2,170	2,521	2,947	3,534	4,051	4,618	5,219	5,829
Growth #	315	351	426	587	517	567	601	610
Growth %	17.0%	16.2%	16.9%	19.9%	14.6%	14.0%	13.0%	11.7%

- Net member growth in 2016 is estimated at 610, comprising new members of 924, with 314 accounts expected to close in 2016, the revenue impact of variations from this estimate are set out below for both membership fees and Sign-up fees:

Sensitivity of membership growth on Membership Fees:

Fees from New Member	#	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	FYR 2016
< 20%	739	(\$9,162)	(\$11,249)	(\$13,337)	(\$15,424)	(\$17,511)	(\$19,598)	(\$21,686)	(\$23,773)	(\$25,860)	(\$27,947)	(\$30,035)	(\$32,122)	(\$247,705)
< 10%	832	(\$4,581)	(\$5,625)	(\$6,668)	(\$7,712)	(\$8,756)	(\$9,799)	(\$10,843)	(\$11,886)	(\$12,930)	(\$13,974)	(\$15,017)	(\$16,061)	(\$123,852)
Budget Estimate	924	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
> 10%	1016	\$4,581	\$5,625	\$6,668	\$7,712	\$8,756	\$9,799	\$10,843	\$11,886	\$12,930	\$13,974	\$15,017	\$16,061	\$123,852
> 20%	1109	\$9,162	\$11,249	\$13,337	\$15,424	\$17,511	\$19,598	\$21,686	\$23,773	\$25,860	\$27,947	\$30,035	\$32,122	\$247,705

Sensitivity of membership growth on Sign-Up Fees:

New Members 2016	#	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	FYR 2016
< 20%	739	(\$5,840)	(\$5,840)	(\$5,840)	(\$5,840)	(\$5,840)	(\$5,840)	(\$5,840)	(\$5,840)	(\$5,840)	(\$5,840)	(\$5,840)	(\$5,840)	(\$70,080)
< 10%	832	(\$2,920)	(\$2,920)	(\$2,920)	(\$2,920)	(\$2,920)	(\$2,920)	(\$2,920)	(\$2,920)	(\$2,920)	(\$2,920)	(\$2,920)	(\$2,920)	(\$35,040)
Budget Estimate	924	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
> 10%	1016	\$2,920	\$2,920	\$2,920	\$2,920	\$2,920	\$2,920	\$2,920	\$2,920	\$2,920	\$2,920	\$2,920	\$2,920	\$35,040
> 20%	1109	\$5,840	\$5,840	\$5,840	\$5,840	\$5,840	\$5,840	\$5,840	\$5,840	\$5,840	\$5,840	\$5,840	\$5,840	\$70,080

Revenue – Membership Fees

Membership Fees

Membership Fees 2016	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	FYR 2016
Existing Members in ARMS	\$ 1,432,710	\$ 1,434,806	\$ 1,437,144	\$ 1,439,635	\$ 1,441,241	\$ 1,442,747	\$ 1,443,952	\$ 1,444,721	\$ 1,444,346	\$ 1,444,346	\$ 1,444,346	\$ 1,444,346	\$ 17,294,340
New Members in 2015	\$ 45,811	\$ 56,247	\$ 66,683	\$ 77,120	\$ 87,556	\$ 97,992	\$ 108,428	\$ 118,865	\$ 129,301	\$ 139,737	\$ 150,173	\$ 160,610	\$ 1,238,523
Closures/Mergers etc.	(\$24,369)	(\$30,190)	(\$36,012)	(\$41,833)	(\$47,654)	(\$70,635)	(\$76,456)	(\$82,277)	(\$88,098)	(\$93,919)	(\$99,741)	(\$105,562)	(\$796,745)
Estimated membership Fees	\$ 1,454,151	\$ 1,460,863	\$ 1,467,816	\$ 1,474,922	\$ 1,481,143	\$ 1,470,105	\$ 1,475,925	\$ 1,481,308	\$ 1,485,549	\$ 1,490,164	\$ 1,494,779	\$ 1,499,394	\$ 17,736,118

- Budget based on detailed analysis of current Membership database and predictions for 2016
- Growth in membership (annual) fee revenue continues to be limited to small increments resulting from “final /8” allocations (to new and existing members), and unpredictable increments resulting from transfers received.
- The introduction of the revised Fee Schedule in January 2015 sees new members joining at the tier based on the size of their initial allocation
- Average fee for new member is \$1,626 plus Sign-Up Fee \$481
- Average annual Fees for closed accounts in 2015 was \$2,186

Revenue - Investment & Interest Income

Credit Suisse Investment fund

- cash reserves invested as set out in the approved Investment Policy.
- at the end of October 2015, \$18.790M invested, income reported at \$634k, Capital Growth of \$194k
- 2016 estimated income of \$730k
- a detailed forecast for income over the next 12 months provided by Credit Suisse
- likely to transfer excess funds of \$1m to the fund during 2016

Interest Income

- retain \$4.1M in short-term deposits and at-call deposit accounts
- transition to the new banking provider in December/January 2015.
- Interest received to end of Oct 2015 was \$126k
- 2016 estimated at \$103k, new deposits at lower rates.

Revenue - Sundry Income

Includes income from sponsorship for APNIC conferences and registration fees received for other events and training activities, in 2016 the budget comprises:

- | | |
|---|-------|
| • APNIC 42 Sponsorship (international and local sponsors) | 40k |
| • APNIC 42 Workshop and conference Registration Income | 35k |
| • APNIC 41 Sponsorship | 20k |
| • Training Events | \$23k |

Significant reduction from 2015, with sponsorship of \$150k achieved.

- Jakarta > \$120k, Fukuoka 28k in 2015

Expenses

	FY 2011 Actuals	FY 2012 Actuals	FY 2013 Actuals	FY 2014 Actuals	FY 2015 Forecast	2016 Budget	2016 v. 2015 Forecast Var.
Expenses							
Bank Service Fees	\$102,974	\$132,080	\$138,337	\$145,823	\$157,549	\$170,000	7.90%
Communication Expenses	\$385,819	\$440,762	\$490,600	\$483,803	\$574,956	\$556,186	-3.26%
Computer Expenses	\$397,535	\$551,362	\$548,748	\$572,528	\$526,738	\$624,521	18.56%
Depreciation Expenses	\$875,273	\$816,998	\$753,032	\$765,548	\$762,464	\$812,365	6.5%
Doubtful Debt Expenses	\$12,808	\$27,099	\$30,990	\$34,259	(\$50,000)	\$25,000	-150.00%
ICANN Contract Fees	\$284,889	\$321,655	\$136,732	\$260,333	\$284,161	\$262,000	-7.80%
Insurance Expenses	\$120,236	\$126,673	\$126,751	\$129,971	\$130,534	\$136,800	4.8%
Meeting and Training Expenses	\$398,014	\$191,561	\$332,819	\$374,850	\$383,874	\$447,900	16.68%
Membership Fees	\$54,261	\$68,392	\$48,294	\$55,611	\$52,598	\$72,168	37.21%
Miscellaneous Expense	\$1,221	\$3					
Office Operating Expenses	\$275,653	\$249,930	\$300,757	\$312,744	\$309,041	\$325,676	5.4%
Postage & Delivery	\$32,842	\$28,493	\$45,269	\$22,071	\$54,701	\$48,700	-10.97%
Printing & Photocopy	\$37,515	\$38,115	\$36,586	\$48,508	\$32,482	\$37,940	16.80%
Professional Fees	\$605,124	\$939,882	\$1,246,373	\$1,052,757	\$1,258,921	\$1,473,120	17.01%
Recruitment Expense	\$123,485	\$99,574	\$89,472	\$144,423	\$102,577	\$95,000	-7.39%
Salaries and Personnel Expenses	\$7,203,720	\$8,145,433	\$8,298,111	\$8,731,164	\$9,460,248	\$10,231,618	8.15%
Sponsorship and Publicity Expense	\$293,035	\$270,696	\$319,623	\$340,946	\$605,917	\$639,750	5.6%
Staff Training Expense	\$107,752	\$151,386	\$163,053	\$135,996	\$150,395	\$162,500	8.05%
Translation Expense	\$10,297	\$11,928	\$15,255	\$1,623	\$3,000	\$10,000	233.33%
Travel Expenses	\$1,576,246	\$1,822,239	\$1,937,230	\$1,955,471	\$1,896,730	\$1,960,000	3.34%
Total - Expenses	\$12,927,306	\$14,421,699	\$15,058,033	\$15,568,431	\$16,696,886	\$18,091,244	8.35%
Change %	-1.61%	11.56%	4.41%	3.39%	7.49%	8.35%	

CPI to 12 months to September 2015 – 2.5%

Expenses Ranked

	2015 Budget	FY 2015 Forecast	2016 Budget	2016 v. 2015 Forecast Var.	2016 v. 2015 Budget Var.
Expenses					
Salaries and Personnel Expenses	\$9,460,248	\$9,460,248	\$10,231,618	8.2%	8.2%
Travel Expenses	\$1,900,000	\$1,896,730	\$1,960,000	3.3%	3.2%
Professional Fees	\$1,267,300	\$1,258,921	\$1,473,120	17.0%	16.2%
Depreciation Expenses	\$762,266	\$762,464	\$812,365	6.5%	6.6%
Sponsorship and Publicity Expense	\$649,900	\$605,917	\$639,750	5.6%	(1.6%)
Computer Expenses	\$642,172	\$526,738	\$624,521	18.6%	(2.7%)
Communication Expenses	\$537,940	\$574,956	\$556,186	(3.3%)	3.4%
Meeting and Training Expenses	\$519,400	\$383,874	\$447,900	16.7%	(13.8%)
Office Operating Expenses	\$305,107	\$309,041	\$325,676	5.4%	6.7%
ICANN Contract Fees	\$282,835	\$284,161	\$262,000	(7.8%)	(7.4%)
Bank Service Fees	\$151,950	\$157,549	\$170,000	7.9%	11.9%
Staff Training Expense	\$155,000	\$150,395	\$162,500	8.0%	4.8%
Insurance Expenses	\$136,900	\$130,534	\$136,800	4.8%	(0.1%)
Recruitment Expense	\$90,000	\$102,577	\$95,000	(7.4%)	5.6%
Membership Fees	\$64,435	\$52,598	\$72,168	37.2%	12.0%
Postage & Delivery	\$50,000	\$54,701	\$48,700	(11.0%)	(2.6%)
Printing & Photocopy	\$44,840	\$32,482	\$37,940	16.8%	(15.4%)
Doubtful Debt Expenses	\$20,000	(\$50,000)	\$25,000	(150.0%)	25.0%
Translation Expense	\$25,000	\$3,000	\$10,000	233.3%	(60.0%)
Total Expenses	\$17,065,293	\$16,696,886	\$18,091,244	8.4%	6.0%

CPI to 12 months to September 2015 – 2.5%

Expenses – Salary & Wages

Increase of 8.2% compared to 2015

Salary And Wages is calculated based on the following assumptions:

- Employer superannuation contributions 9.5%
- On average staff will utilize 3.5 weeks annual leave
- Overall increase to account for role changes, performance and cost of living is 3.50%
- Some new positions from 2015 do not include full 12 months cost
 - External Relations Program Manager
 - Training and Development Officer
 - Member Communications Specialist
- Proposed headcount for 2016 is 76, and includes 2 new roles:
 - Communications – Junior Web Developer
 - Resource Services – Internet resource analyst
- Budget includes an allowance for vacancies during 2016

CPI to 12 months to September 2015 – 2.5%

Expenses – Travel

The budget submission includes an increase of 3.3% in travel expenses in 2016 when compared to the forecast for 2015.

Allocations have been made for travel by EC and ASO/NC members to RIR, ICANN, IGF and other meetings in 2016. NRO will now only support travel for ASO/NC Chair.

Travel expenses include the International SOS membership, providing advice and emergency assistance for those travelling on APNIC business, including staff, contractors and EC.

Travel budget for EC members is \$217k or \$31k per EC member.

CPI to 12 months to September 2015 – 2.5%

Expenses – Professional Fees

Professional fees continue to increase as APNIC moves to engaging specialist consultants to support its activities as an alternative to full time employment contracts. Major consulting activities planned for 2016 include:

• I-Root & F-Root Maintenance	\$145k
• HR related consultancy	\$150k
• Legal Advice & Expenses	\$135k
• Technical Assistance Services	\$120k
• Investment Consultant Service	\$113k
• Non-staff trainers	\$112k
• Design Consultancy	\$112k
• Financial and Tax advice - KPMG	\$80k
• APNIC Survey 2016 - Focus Groups and Interviews	\$65k*
• On-line curriculum development	\$50k
• APNIC Foundation activities	\$50k*
• Survey Analysis and Report	\$50k*
• Analysis of NIR Framework	\$50k*
• Audit Fees	\$36k

*Incremental for 2016 are costs related to the 2016 Survey and finalisation of the KPMG NIR work, and the contribution to the foundation.

Expenses – Depreciation

Depreciation expenses are budgeted based on existing depreciation schedules, capital allowances and planned expenditure in 2016:

Equipment Depreciation	\$635k
Capital Work Accounts Allowance	\$42k
Capital Work Allowance	\$135k

Expenses – Sponsorship & Publicity

This expense will increase against forecast by 5.6% in 2016, but will be below the 2015 budget.

Major budgeted items for Sponsorship and Publicity include:

- NRO Expenses APNIC Contribution \$135k
- APNIC contribution to ISIF grants pool \$100
- Google PPC Advertising - Mem Dev \$60k
- NOG sponsorships \$60k
- Research grants on technical issues \$60k
- APNIC conference fellowships \$50k
- Non-NOG conferences and events. \$40k
- Regional/National IGFs sponsorship \$30k
- Other global events sponsorships \$15k
- General promotional items \$13k
- Government Events \$10k

Expenses – Computer Expenses

Computer expenses were low in 2015, a result of funding from ICANN and Comcast which was used to offset research and development activities. Overall increase of 18.6% in 2016

Major contributors to this cost in 2016 are:

- ERP Licenses users and modules \$95k
- Vmware licenses \$59k
- Vulnerability testing, BYOD license \$27k
- F5 maintenance \$25k
- UPS, AC, Dell switch maintenance \$24k
- Offsite Backup \$22k
- Safenet Authentication \$20k
- Expense Reporting \$20k
- CMS Basic SLA 24x7 support \$20k

Expenses – Communication Expenses

2016 will reduce by 3.3% compared 2015, after accounting for a new dark fibre contract and changes to the HKIX pricing which adversely affected 2015.

The major costs included in the 2016 budget include the following:

- NEXTDC: IX Peering \$119k
- INTERACTIVE: Uplink \$112k
- VoIP: Service & Maintenance \$60k
- WHOIS & RDAP \$59k
- DARK FIBRE & Uplink \$56k
- DNS ANYCAST: Autonomica: Netnod \$35k
- VoIP: Cisco Smartnet \$25k
- HK: HKIX 100MBps + Rack Space \$24k
- US: NTT 100Mbps Up-Link, Smartnet \$15k

Expenses – Meeting & Training Expenses

These costs will increase by close to nearly 17.0% in 2016. The major contributors to this expense is the APNIC Staff Conference planned for 2016, and the APNIC conferences in 2016 in New Zealand and Bangladesh. A portion of these costs is offset by sponsorship and Registration/workshop income.

• APNIC Staff Conference	\$50k
• APNIC 42 Conference AV rental	\$25k
• APNIC 42 Conference week - catering	\$24k
• Secretariat Events	\$22k
• APNIC 41 (APRICOT Closing Reception)	\$21k
• Training support (venue and catering costs)	\$20k
• APNIC 41 Registration fee for Guests	\$20k
• APNIC 42 Conference week - venue hire	\$20k
• APNIC 42 Opening reception	\$18k
• APNIC 41 Conference Room Rental	\$17k
• Services outreach booth/venue	\$15k

Expenses – Office Operating Expenses

Overall costs are expected to increase by 5.4% compared to 2015 allowing for CPI increases and overall staffing increases.

Major planned expenditure for 2016 includes:

Expenses – Bank Fees

By the end of 2015, all transactional banking moved from NAB to Westpac.

- Based on transactions in 2015 should reduce fees by \$18k
- Expecting big improvements in customer service

2016 see fees rise by nearly 8%

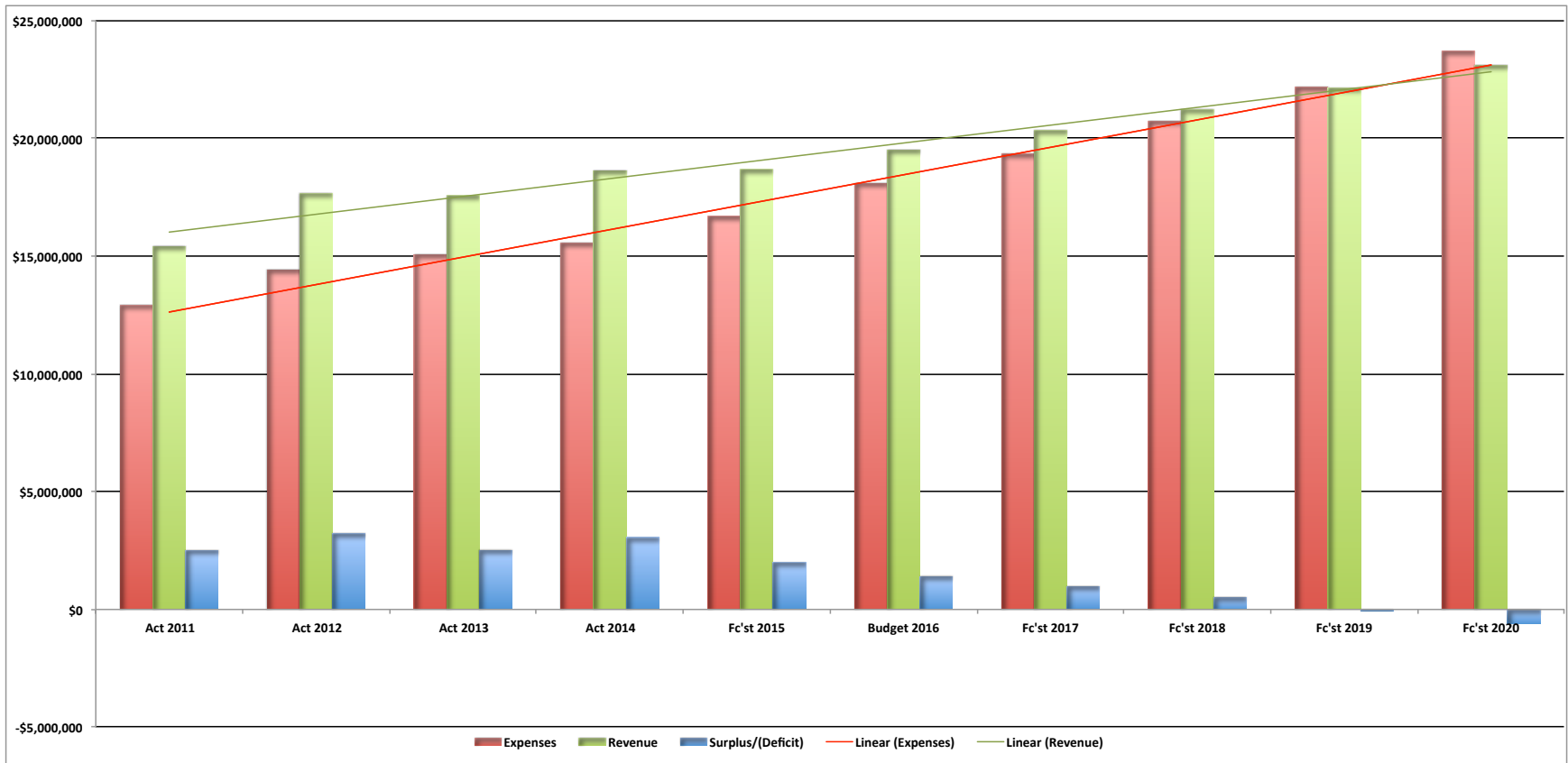
- Increased volume of transactions
- Increase in credit card as payment method
- PayPal available in December
- Flexible billing options being piloted
 - Recurring Billing(Credit Card)
 - Monthly billing for larger members

CPI to 12 months to September 2015 – 2.5%

Surplus/(Deficit)

	FY 2011 Actuals	FY 2012 Actuals	FY 2013 Actuals	FY 2014 Actuals	FY 2015 Forecast	2016 Budget	2016 v. 2015 Forecast Var.
Total - Revenue	\$15,416,721	\$17,654,431	\$17,568,641	\$18,622,931	\$18,679,996	\$19,491,288	4.34%
Total - Expenses	\$12,853,232	\$14,404,193	\$14,585,138	\$15,533,822	\$16,696,886	\$18,091,244	8.35%
Net Surplus/(Deficit)	\$2,563,490	\$3,250,239	\$2,983,503	\$3,089,109	\$1,983,110	\$1,400,044	

Surplus/(Deficit) Outlook



High level assumptions assuming 7.0% expense growth and 4.3% revenue growth

Capital Expenditure

Capital expenditure comprises equipment & software and office equipment.

For the 2016 budget submission capital expenditure is planned at \$1,850,649. Actual capital expenditure for 2015 will be around \$400,000 below the 2015 budget of \$1,244,383 which has resulted in some of the upgrades and projects being moved into the 2016 budget.

CAPEX – Equipment & Software

Expenditure on equipment and software is budgeted at \$1,783,884 for 2016. This includes capitalised expenditure on technical infrastructure, software, and implementation costs including consulting fees.

Major contributors in 2016 to this budget are:

• US,JP,HK remote site virtualisation	\$323k
• Root Server new installations, upgrade and maintenance	\$150k
• Stats Development Work	\$100k
• CRM Development Work	\$100k
• Replacing old blades AU	\$70k
• Office 2016 vmware fusion upgrade, Visio, Omnigrafile	\$66k
• 70TB disk and server for offsite data compression.	\$65k
• Conference H/W: AV switch, pelican cases, server	\$65k
• US-COLO: New Router & Switches	\$64k
• JP-COLO: New Router & Switches	\$64k
• HK-Colo: New Routers & Switches replacement	\$64k
• Host/device vulnerability scanner, Pentest, secure fileshare	\$61k
• RPKI: HSM hardware and backup replacement	\$44k

CAPEX – Office Furniture & Fixtures

Office equipment major expenditures are budgeted at \$66,765 in 2016.

The major expenses are:

- Office Improvements - Including Media Lab \$20k
- 8 new desks at an estimated \$2000 each \$18k
- Misc. Furniture & equipment \$10k
- Meeting room equipment upgrades \$6k
- Electrical wiring of new work spaces \$5k
- Kitchen Fridge \$4k
- Dishwasher replacements \$2k

2016 Activity Plan

EC Retreat, Guam

December 2015



Activity Plan 2016

Underneath each activity in the 2016 plan, a small table summarises the resources (both financial and human) which are required to successfully complete the activity.

These resources are summarised under the following headings:

FTE: The number of Full-Time Equivalent employees required for the activity

Expenses: Refers to all operational costs directly incurred by the activity.

CAPEX: Refers to Capital Expenditure (such as equipment, hardware, software, property, or buildings) required by the activity.

APNIC uses the accrual method of accounting in all reporting; where revenue and expenses are matched to the period in which they are incurred. All expenditures are in Australian Dollars.

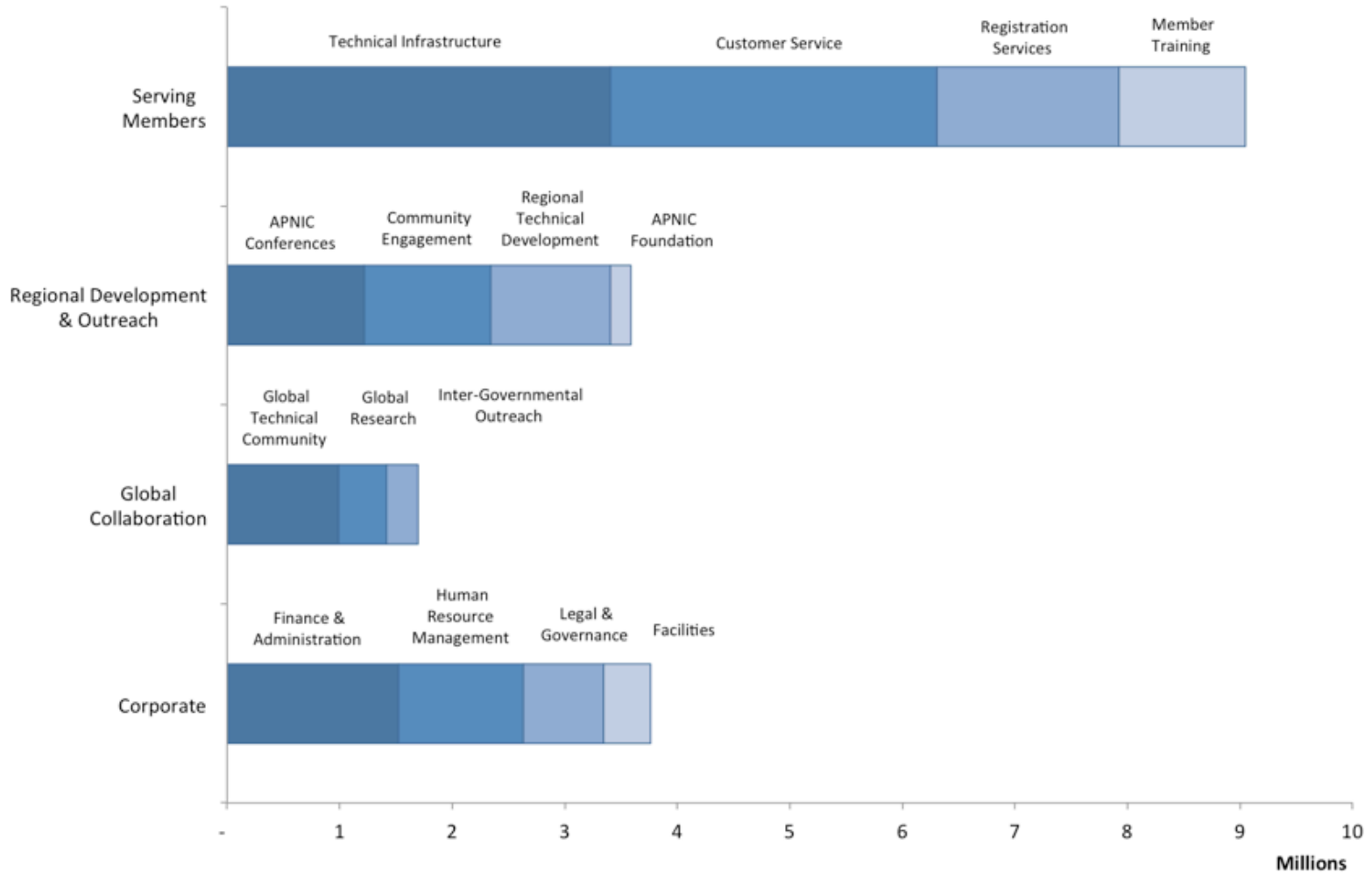
Activity Plan 2016

The majority of APNIC's resources and expenditure in the 2016 plan are allocated to Serving Members – accounting for 57% of APNIC's full time equivalent employees, 50% of operating expenses and 80% of capital expenditure.

The following table and chart provide a breakdown of APNIC's 2016 budget.

Activity	FTE		Expenses		CAPEX	
Serving Members	43.4	57%	\$9,049,183	50%	\$1,486,884	80%
Regional Development & Outreach	13.7	18%	\$3,586,863	20%	\$203,000	11%
Global Collaboration	4.9	6%	\$1,695,342	9%	\$77,500	4%
Corporate	14.0	18%	\$3,759,856	21%	\$83,265	4%
Grand Total	76.0	100%	\$18,091,244	100%	\$1,850,649	100%

Activity Plan 2016



Activity Plan 2016

Activity	FTE	%	Expenses (AU\$)	%	CAPEX (AU\$)	%
Serving Members	43.4	57%	9,049,183	50%	1,486,884	80%
Customer Service	13.8		2,904,402		247,800	
Member Training	6.0		1,127,182		74,000	
Registration Services	9.3		1,611,264		6,000	
Technical Infrastructure	14.3		3,406,335		1,159,084	
Regional Development & Outreach	13.7	18%	3,586,863	20%	203,000	11%
APNIC Conferences	4.6		1,219,043		23,000	
APNIC Foundation	1.0		181,627		-	
Community Engagement	4.9		1,121,126		-	
Regional Technical Development	3.2		1,065,067		180,000	
Global Collaboration	4.9	6%	1,695,342	9%	77,500	4%
Global Research	1.5		425,316		70,000	
Global Technical Community	2.3		988,666		4,000	
Inter-governmental Outreach	1.1		281,360		3,500	
Corporate	14.0	18%	3,759,856	21%	83,265	4%
Facilities	0.2		413,182		66,765	
Finance & Administration	7.9		1,522,847		9,500	
Human Resource Management	4.5		1,105,362		3,500	
Legal & Governance	1.4		718,465		3,500	
Total	76.0	100%	18,091,244	100%	1,850,649	100%

Serving Members

2016-2019 Goals				
<p>Deliver an advanced number registry and member information services</p>	<p>Strengthen Core Technical Focus (such as IPv6, RPKI, DNSSEC etc.) and engage community to advance adoption and deployment</p>	<p>Sustainably support AP Internet infrastructure and human capacity development</p>	<p>Engage our community to strengthen open, multi-stakeholder, bottom-up and transparent policy development processes and Internet governance model</p>	<p>Maintain a strong organization to carry out APNIC's mission</p>
Strategies				
<ul style="list-style-type: none"> • Develop services in response to Member needs • Develop and maintain service delivery systems that are easy to use and use the latest technologies 	<ul style="list-style-type: none"> • Ensure Members are aware of the need, and able to deploy IPv6, RPKI, DNSSEC etc. 	<ul style="list-style-type: none"> • Understand Members' skill development needs and respond with appropriate training service • Encourage interconnection among Members to strengthen Internet infrastructure 	<ul style="list-style-type: none"> • Encourage Members to actively participate at APNIC policy development process • Encourage Members to engage in relevant Internet Governance discussions 	<ul style="list-style-type: none"> • Responsive adjustments of APNIC fees, balancing sustainability and affordability • Prioritise budget allocations to registry and Member service activities

Serving Members - Registration Services

Activities:

- IPv4, IPv6 and ASN delegation and registration services
- Registry application development, operation and maintenance (Whois, statistics, RDNS, DNSSEC, RPKI)

Projects:

- Registry System development
- Adding historical information to Whois service
- Whois data quality improvement

FTE	Expenses	CAPEX
9.3	\$1,611,264	\$6,000

Serving Members – Customer Service

Activities:

- Member Services/Helpdesk
- Membership outreach
- MyAPNIC development and maintenance
- Quality management

Projects:

- MyAPNIC Improvements
- Website improvements
- Implement a new Customer Relationship Management (CRM) system
- Resource Management Process Improvement
- APNIC Survey 2016
- ISO9001 Audit 2016

FTE	Expenses	CAPEX
13.8	\$2,904,402	\$247,800

Serving Members – Technical infrastructure services

Activities:

- Operation and maintenance of networks, systems and applications infrastructure to support APNIC services

Projects:

- Whois version update
- RPKI version update
- Adoption of ISO 27001:2013 Information Security Standard
- Remote infrastructure maintenance and improvement
- Data Backup and Retention Management

FTE	Expenses	CAPEX
14.3	\$3,406,335	\$1,159,084

Serving Members – Member training

Activities:

- Training services
- Technical assistance

Projects:

- Training curriculum improvements
- Community technical trainer network
- “APNIC Academy” online platform
- Joint Training with ITU

FTE	Expenses	CAPEX
6.0	\$1,127,182	\$74,000

Regional Development and Outreach

2016-2019 Goals				
<p>Deliver an advanced number registry and member information services</p>	<p>Strengthen Core Technical Focus (such as IPv6, RPKI, DNSSEC etc.) and engage community to advance adoption and deployment</p>	<p>Sustainably support AP Internet infrastructure and human capacity development</p>	<p>Engage our community to strengthen open, multi-stakeholder, bottom-up and transparent policy development processes and Internet governance model</p>	<p>Maintain a strong organization to carry out APNIC's mission</p>
Strategies				
<ul style="list-style-type: none"> ▪ Gather and disseminate information relevant to APNIC's role and activities 	<ul style="list-style-type: none"> ▪ Support existing and new NOGs as a channel for network information and knowledge exchange ▪ Support specific national/regional IPv6, RPKI, DNSSEC etc. adoption and deployment as appropriate 	<ul style="list-style-type: none"> ▪ Implement cost effective mechanisms to support development activities ▪ Engage the donor community in building a robust technical infrastructure in the region 	<ul style="list-style-type: none"> ▪ Facilitate development and implementation of Internet number and related policies in the region ▪ Encourage wide, multi-stakeholder participation at APNIC events ▪ Develop community leaders 	<ul style="list-style-type: none"> ▪ Attract other sources of development funds and resources ▪ Establish the APNIC Foundation to provide structural separation, sustainability and scalability of development activities

Regional Development and Outreach – APNIC conferences

Activities:

- APNIC Conferences
- APNIC Regional Meeting Program

FTE	Expenses	CAPEX
4.6	\$1,219,043	\$23,000

Regional Development and Outreach – Regional technical development

Activities:

- Policy development
- Root server deployment

Projects:

- RIPE Atlas deployments

FTE	Expenses	CAPEX
3.2	\$1,065,067	\$180,000

Regional Development and Outreach – Community engagement

Activities:

- Collaboration with other AP Internet organizations
- NOG Support
- Fellowship Program
- ISIF Asia grants program
- Regional IGF
Government and sub-regional liaison

Projects:

- Fellowship Alumni Program
- Internet Operations Research Grants

FTE	Expenses	CAPEX
4.9	\$1,121,126	-

Regional Development and Outreach – APNIC Foundation

Activities:

- Development partnerships

Projects

- Establish the APNIC Foundation to support APNIC’s development program

FTE	Expenses	CAPEX
1.0	\$181,627	-

Global Cooperation

2016-2019 Goals				
Deliver an advanced number registry and member information services	Strengthen Core Technical Focus (such as IPv6, RPKI, DNSSEC etc.) and engage community to advance adoption and deployment	Sustainably support AP Internet infrastructure and human capacity development	Engage our community to strengthen open, multi-stakeholder, bottom-up and transparent policy development processes and Internet governance model	Maintain a strong organization to carry out APNIC's mission
Strategies				
<ul style="list-style-type: none"> Service and information exchange coordination with other RIRs and global Internet organisations 	<ul style="list-style-type: none"> Take leadership role as appropriate at global IPv6, RPKI, DNSSEC etc. coordination efforts Monitor global IPv6, RPKI, DNSSEC etc. deployment and share its success stories in AP region 	<ul style="list-style-type: none"> Engage with ISOC, ICANN and other global agencies supporting regional Internet development 	<ul style="list-style-type: none"> Facilitate a policy environment which maximises the accessibility and effectiveness of the Internet to the AP region 	<ul style="list-style-type: none"> Collaborate with other RIRs on business continuity, infrastructure sharing, and staff development

Global Cooperation – Global technical community cooperation

Activities:

- Collaboration work with other RIRs
- Collaboration with I* (ICANN, IANA, IETF, ISOC)
- Participation in other global Internet forums

Projects:

- IANA Stewardship Transition plan

FTE	Expenses	CAPEX
2.3	\$988,666	\$4,000

Global Cooperation – Inter-governmental outreach

Activities:

- Inter-governmental liaison

FTE	Expenses	CAPEX
1.1	\$281,360	\$3,500

Global Cooperation – Global Research

Activities:

- Global research and measurements
- Technical advocacy at global forums

FTE	Expenses	CAPEX
1.5	\$425,316	\$70,000

Corporate

2016-2019 Goals				
<p>Deliver an advanced number registry and member information services</p>	<p>Strengthen Core Technical Focus (such as IPv6, RPKI, DNSSEC etc.) and engage community to advance adoption and deployment</p>	<p>Sustainably support AP Internet infrastructure and human capacity development</p>	<p>Engage our community to strengthen open, multi-stakeholder, bottom-up and transparent policy development processes and Internet governance model</p>	<p>Maintain a strong organization to carry out APNIC's mission</p>
Strategies				
<ul style="list-style-type: none"> ▪ Develop clear organisational priorities for APNIC's core activities as a registry and network information centre 	<ul style="list-style-type: none"> ▪ Improve IPv6, RPKI, DNSSEC etc. skills and usage in APNIC's own network, and share the knowledge widely 	<ul style="list-style-type: none"> ▪ Establish the APNIC Foundation to provide structural separation, sustainability and scalability of development activities 	<ul style="list-style-type: none"> ▪ Develop staff skills and knowledge to engage effectively with different stakeholders 	<ul style="list-style-type: none"> ▪ Maintain a sustainable business model for now and the future ▪ Maintain an optimal organisational structure and culture to deliver tangible outcomes

Corporate – Human Resource Management

Activities:

- Staff recruitment
- Staff training and development

Key projects:

- Recruitment
- Staff Exchange
- Staff Conference

FTE	Expenses	CAPEX
4.5	\$1,105,362	\$3,500

Corporate – Finance & Administration

Activities:

- Financial management
- Office management
- Travel management

FTE	Expenses	CAPEX
7.9	\$1,522,847	\$9,500

Corporate – Legal & governance

Activities:

- Legal counsel
- Workplace health and safety compliance

FTE	Expenses	CAPEX
1.4	\$718,465	\$3,500

Corporate – Facilities

Activities:

- Building and office facilities

FTE	Expenses	CAPEX
0.2	\$413,182	\$66,765

APNIC BUDGET 2016

EC Meeting December 2015

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1 Executive Summary

This document contains the APNIC budget submission for the financial year from January to December 2016. The budget submission includes revenue, expense, capital expenditure projections based on the planned activities for the APNIC Secretariat for 2016.

The purpose of this paper is to allow the APNIC Executive Council to approve an expenditure level for 2016, in the manner as described in the APNIC By-laws:

“to establish the basis for the budget of APNIC and determine, in the light of the decisions taken by the Members on the reports referred to in by-law 5(b) above, a ceiling for the expenditure of APNIC until the next AGM after considering all relevant aspects of the work of APNIC in that period” [APNIC By-laws 30 (g)]

The proposed budget includes operational expenditure of AUD \$18,091,244 and projected revenue of AUD \$19,491,288 providing an operating surplus of AUD \$1,400,044 for 2016. The Capital Expenditure requirements for 2016 are AUD \$1,850,649. All values in this document are expressed in Australian Dollars (AUD).

2 Budget Summary

	FY 2015 Forecast	2016 Budget	2016 v. 2015 Forecast Var.
Revenue			
Sign-up Fee	\$437,000	\$438,000	0.2%
IP Resource Application Fee	(\$18,375)		(100.0%)
Interest & Investment Income	\$804,801	\$832,500	3.4%
Membership Fees Income	\$16,891,283	\$17,736,118	5.0%
Non-Member Fees Income	\$243,254	\$246,170	1.2%
Reactivation Fees	\$40,100	\$46,000	14.7%
Transfer Fees	\$66,422	\$75,000	12.9%
Sundry Income	\$215,511	\$117,500	(45.5%)
Total - Revenue	\$18,679,996	\$19,491,288	4.3%
Change %	0.3%	4.3%	
	FY 2015 Forecast	2016 Budget	2016 v. 2015 Forecast Var.
Expenses			
Bank Service Fees	\$157,549	\$170,000	7.9%
Communication Expenses	\$574,956	\$556,186	(3.3%)
Computer Expenses	\$526,738	\$624,521	18.6%
Depreciation Expenses	\$762,464	\$812,365	6.5%
Doubtful Debt Expenses	(\$50,000)	\$25,000	(150.0%)
ICANN Contract Fees	\$284,161	\$262,000	(7.8%)
Insurance Expenses	\$130,534	\$136,800	4.8%
Meeting and Training Expenses	\$383,874	\$447,900	16.7%
Membership Fees	\$52,598	\$72,168	37.2%
Office Operating Expenses	\$309,041	\$325,676	5.4%
Postage & Delivery	\$54,701	\$48,700	(11.0%)
Printing & Photocopy	\$32,482	\$37,940	16.8%
Professional Fees	\$1,258,921	\$1,473,120	17.0%
Recruitment Expense	\$102,577	\$95,000	(7.4%)
Salaries and Personnel Expenses	\$9,460,248	\$10,231,618	8.2%
Sponsorship and Publicity Expense	\$605,917	\$639,750	5.6%
Staff Training Expense	\$150,395	\$162,500	8.0%
Translation Expense	\$3,000	\$10,000	233.3%
Travel Expenses	\$1,896,730	\$1,960,000	3.3%
Total - Expenses	\$16,696,886	\$18,091,244	8.4%
Change %	7.5%	8.4%	
Net Surplus/(Deficit)	\$1,983,110	\$1,400,044	

3 Budget Preparation Notes

The budget is developed on a zero-based methodology, and involves extensive consultation across the organization.

There are a number of key inputs that are included in the budget process, including:

- The 2014 APNIC Survey
- The 2016 APNIC Activity Plan
- 2016 Priorities as established through the Operational Planning process
- The APNIC organization structure, HR cost analysis and recruitment plans
- Membership projections, derived from analysis of historical membership growth and recent trends
- Investment return forecasts provided by APNIC's investment advisors
- The asset register and quantity survey reports, which form the basis of depreciation and capital allowance forecast
- Taxation expense forecasts, which are based on advice from APNIC's accounting advisers and tax consultants and contingent on APNIC continuing to operate as a mutual not-for-profit organisation.

3.1 Projection techniques

Projections for Membership Fees are developed by evaluating each existing member and evaluating the revenue for each month of 2016 to account for fees to be recognised under the existing fees schedules.

Interest income is based on analysis of existing deposits and their rates, and maturity dates. Investment income predictions are based on forecasts provided by APNIC's investment managers across the range of investment categories set out in APNIC's Investment Policy.

The ERP system allows for the verification of all current approved spending commitments. This data is combined with new planned expenditure in 2016.

An inflation rate of 2.5% was recorded for the 12 months ending September 2015, which has been used in projecting costs for 2016.

4 Provisions and Allowances in 2016

APNIC Foundation

APNIC will underwrite an amount up to \$50,000 AUD to fund the establishment of the APNIC Foundation in 2016. These funds will be used to set-up the entity in Hong Kong and cover operational costs for 2016.

APNIC's Taxation Status

On behalf of APNIC, KPMG has lodged an application for a new private ruling from the Australian Tax Office in relation to APNIC's 'Mutuality' status for taxation purposes. These accounts have been prepared on the basis that there is no change to the treatment of revenue from Members for taxation purposes.

APNIC Survey

Every two years APNIC undertakes a survey to widely canvas the views and opinions of the community to contribute to APNIC's future plans. In 2016, APNIC will engage independent consultants to undertake stakeholder consultations across the region, and engage a professional research organisation to undertake the survey, provide expert analysis, and report the results back to the members. The total costs for this activity, including all travel, will be \$115,000 in 2016.

KPMG Advisory

KPMG were commissioned by the APNIC EC to undertake a review of the current NIR model and to identify and evaluate options for a future NIR model. The majority of this work will be completed by the end of 2015, with a provision of \$50,000 for the finalisation of this work included in the budget for 2016.

5 Revenue

The table below sets out the trends in APNIC revenues from 2011 through to our forecast for 2015 and budget estimates for 2016. It shows an overall increase of 4.3% in 2016 compared to the 2015 full year forecast.

APNIC revenue over time

	FY 2011 Actuals	FY 2012 Actuals	FY 2013 Actuals	FY 2014 Actuals	FY 2015 Forecast	2016 Budget	2016 v. 2015 Forecast Var.
Revenue							
Sign-up Fee					\$437,000	\$438,000	0.2%
IP Resource Application Fee	\$1,530,500	\$2,232,250	\$1,420,625	\$1,323,250	(\$18,375)		(100.0%)
Interest & Investment Income	\$395,591	\$595,635	\$585,522	\$754,563	\$804,801	\$832,500	3.4%
Membership Fees Income	\$12,968,291	\$14,361,213	\$15,074,781	\$15,903,111	\$16,891,283	\$17,736,118	5.0%
Non-Member Fees Income	\$198,425	\$227,966	\$240,225	\$254,706	\$243,254	\$246,170	1.2%
Reactivation Fees	\$25,200	\$43,200	\$37,050	\$67,800	\$40,100	\$46,000	14.7%
Transfer Fees		\$11,616	\$61,339	\$81,304	\$66,422	\$75,000	12.9%
Sundry Income	\$298,657	\$186,481	\$115,132	\$211,569	\$215,511	\$117,500	(45.5%)
Total - Revenue	\$15,416,721	\$17,654,431	\$17,568,641	\$18,622,931	\$18,679,996	\$19,491,288	4.3%
Change %	15.7%	14.5%	-0.5%	6.0%	0.3%	4.3%	

5.1 Sign-Up Fee

A Sign-Up fee is charged to account holders when joining APNIC. This budget is based on 924 new members in 2016, 10% of those members being from LDC's who receive a 50% discount on all fees. The table below highlights the revenue sensitivity of this fee depending on the actual number of new account holders joining APNIC in 2016. The base value of \$438,000 assumes membership growth of 924, with 10% of new members being from LDC's in 2016. The table below demonstrates the revenue impact of under or overachieving on this growth estimate.

Sensitivity analysis of Sign-up fees 2016

New Members 2016	#	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	FYR 2016
< 20%	739	(\$5,840)	(\$5,840)	(\$5,840)	(\$5,840)	(\$5,840)	(\$5,840)	(\$5,840)	(\$5,840)	(\$5,840)	(\$5,840)	(\$5,840)	(\$5,840)	(\$70,080)
< 10%	832	(\$2,920)	(\$2,920)	(\$2,920)	(\$2,920)	(\$2,920)	(\$2,920)	(\$2,920)	(\$2,920)	(\$2,920)	(\$2,920)	(\$2,920)	(\$2,920)	(\$35,040)
Budget Estimate	924	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
> 10%	1016	\$2,920	\$2,920	\$2,920	\$2,920	\$2,920	\$2,920	\$2,920	\$2,920	\$2,920	\$2,920	\$2,920	\$2,920	\$35,040
> 20%	1109	\$5,840	\$5,840	\$5,840	\$5,840	\$5,840	\$5,840	\$5,840	\$5,840	\$5,840	\$5,840	\$5,840	\$5,840	\$70,080

5.2 Interest & Investment Income

APNIC continues to invest its cash reserves as set out in the approved Investment Policy. The current Investment managers are Credit Suisse who were appointed by the Executive Council in 2013. APNIC has at the end of October 2015, \$18.8M invested through this policy but retains \$4.1M in short-term deposits as part of its broader diversification strategy and to allow smooth transition to the new banking provider in December 2015. The investment managers have provided a detailed forecast for income over the next 12 months, and this has been included with forecast returns on cash deposits to derive the 2016 budget estimate for Investment income.

5.3 Membership Fees Income

Growth in membership (annual) fee revenue continues to be limited to small increments resulting from “final /8” allocations (to new and existing Members), and unpredictable increments resulting from transfers received. The introduction of the revised Fee Schedule in January 2015 sees new Members joining at a tier based on their initial allocation. This resulted in the number of Associate Members reducing significantly during 2015. Around 101 Associate Members are expected to remain by the end of 2016, representing less than 2% of Members.

Net Member growth in 2016 is estimated at 610, comprising new members of 924, with 314 accounts expected to close in 2016. The membership trend is as follows:

Membership by Tier over time

Membership Projection								2015	2016
Membership Tier	2009	2010	2011	2012	2013	2014	Forecast	Budget	
Extra Large	13	16	21	20	20	21	22	22	
Very Large	31	33	41	45	44	40	41	41	
Large	106	141	145	144	146	142	138	138	
Medium	276	324	378	402	391	402	425	426	
Small	823	867	970	1,114	1,194	1,388	2,122	2,442	
Very Small	472	637	817	1,021	1,291	1,701	2,361	2,659	
Associate	449	503	575	788	965	924	110	101	
TOTAL	2,170	2,521	2,947	3,534	4,051	4,618	5,219	5,829	
Growth #	315	351	426	587	517	567	601	610	
Growth %	17.0%	16.2%	16.9%	19.9%	14.6%	14.0%	13.0%	11.7%	

The budget for the 2016 Membership Fees is based on a detailed bottom up analysis of the existing membership, combined with assumptions for membership growth, membership closure and expected allocations during 2016. This calculation assumes no changes to the current fee schedule in 2016. The ARMS database provides details on each the expected fees for each Member at their next anniversary date under this new fee schedule; this is combined with the unrecognised revenue in the accounting system that will be brought to account in 2016.

Membership revenue by month 2016

Membership Fees 2016	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	FYR 2016
Existing Members in ARMS	\$ 1,432,710	\$ 1,434,806	\$ 1,437,144	\$ 1,439,635	\$ 1,441,241	\$ 1,442,747	\$ 1,443,952	\$ 1,444,721	\$ 1,444,346	\$ 1,444,346	\$ 1,444,346	\$ 1,444,346	\$ 17,294,340
New Members in 2015	\$ 45,811	\$ 56,247	\$ 66,683	\$ 77,120	\$ 87,556	\$ 97,992	\$ 108,428	\$ 118,865	\$ 129,301	\$ 139,737	\$ 150,173	\$ 160,610	\$ 1,238,523
Closures/Mergers etc.	(\$24,369)	(\$30,190)	(\$36,012)	(\$41,833)	(\$47,654)	(\$70,635)	(\$76,456)	(\$82,277)	(\$88,098)	(\$93,919)	(\$99,741)	(\$105,562)	(\$796,745)
Estimated membership Fees	\$ 1,454,151	\$ 1,460,863	\$ 1,467,816	\$ 1,474,922	\$ 1,481,143	\$ 1,470,105	\$ 1,475,925	\$ 1,481,308	\$ 1,485,549	\$ 1,490,164	\$ 1,494,779	\$ 1,499,394	\$ 17,736,118

The table below illustrates the revenue impact of varying levels of new membership, the mid point being 924 new Members as set out in the 2016 budget.

Membership revenue sensitivity 2016

Fees from New Member	#	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	FYR 2016
< 20%	739	(\$9,162)	(\$11,249)	(\$13,337)	(\$15,424)	(\$17,511)	(\$19,598)	(\$21,686)	(\$23,773)	(\$25,860)	(\$27,947)	(\$30,035)	(\$32,122)	(\$247,705)
< 10%	832	(\$4,581)	(\$5,625)	(\$6,668)	(\$7,712)	(\$8,756)	(\$9,799)	(\$10,843)	(\$11,886)	(\$12,930)	(\$13,974)	(\$15,017)	(\$16,061)	(\$123,852)
Budget Estimate	924	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
> 10%	1016	\$4,581	\$5,625	\$6,668	\$7,712	\$8,756	\$9,799	\$10,843	\$11,886	\$12,930	\$13,974	\$15,017	\$16,061	\$123,852
> 20%	1109	\$9,162	\$11,249	\$13,337	\$15,424	\$17,511	\$19,598	\$21,686	\$23,773	\$25,860	\$27,947	\$30,035	\$32,122	\$247,705

5.4 Non-Member Fees Income

Non-Member fee revenue for 2016 is estimated based on the analysis of the non-Members contained in the APNIC database.

5.5 Reactivation Fees

Reactivation fees are charged when Members' accounts have been closed for non-payment. The budget for this fee is based on analysis of previous activity and reflects the reduced fees charged under the new fee schedules for both Member and Non-Member accounts.

5.6 Sundry Income

Sundry income includes revenue from sponsorship for APNIC conferences and registration fees received for other events and training activities. In 2016 the budget comprises:

- APNIC 42 Sponsorship (international and local sponsors) 40,000
- APNIC 42 Workshop and conference Registration Income 35,000
- APNIC 41 Sponsorship 20,000
- Training Events 22,500

6 Expenses

APNIC's expense budget is developed after extensive review of all outstanding commitments and planned future expenditure. The table below shows APNIC's expenses over time from 2011 to the forecast result for 2015 and the proposed budget for 2016.

Expenses over time*

	FY 2011 Actuals	FY 2012 Actuals	FY 2013 Actuals	FY 2014 Actuals	FY 2015 Forecast	2016 Budget	2016 v. 2015 Forecast Var.
Expenses							
Bank Service Fees	\$102,974	\$132,080	\$138,337	\$145,823	\$157,549	\$170,000	7.9%
Communication Expenses	\$385,819	\$440,762	\$490,600	\$483,803	\$574,956	\$556,186	(3.3%)
Computer Expenses	\$397,535	\$551,362	\$548,748	\$572,528	\$526,738	\$624,521	18.6%
Depreciation Expenses	\$875,273	\$816,998	\$753,032	\$765,548	\$762,464	\$812,365	6.5%
Doubtful Debt Expenses	\$12,808	\$27,099	\$30,990	\$34,259	(\$50,000)	\$25,000	(150.0%)
ICANN Contract Fees	\$284,889	\$321,655	\$136,732	\$260,333	\$284,161	\$262,000	(7.8%)
Insurance Expenses	\$120,236	\$126,673	\$126,751	\$129,971	\$130,534	\$136,800	4.8%
Meeting and Training Expenses	\$398,014	\$191,561	\$332,819	\$374,850	\$383,874	\$447,900	16.7%
Membership Fees	\$54,261	\$68,392	\$48,294	\$55,611	\$52,598	\$72,168	37.2%
Office Operating Expenses	\$275,653	\$249,930	\$300,757	\$312,744	\$309,041	\$325,676	5.4%
Postage & Delivery	\$32,842	\$28,493	\$45,269	\$22,071	\$54,701	\$48,700	(11.0%)
Printing & Photocopy	\$37,515	\$38,115	\$36,586	\$48,508	\$32,482	\$37,940	16.8%
Professional Fees	\$605,124	\$939,882	\$1,246,373	\$1,052,757	\$1,258,921	\$1,473,120	17.0%
Recruitment Expense	\$123,485	\$99,574	\$89,472	\$144,423	\$102,577	\$95,000	(7.4%)
Salaries and Personnel Expenses	\$7,203,720	\$8,145,433	\$8,298,111	\$8,731,164	\$9,460,248	\$10,231,618	8.2%
Sponsorship and Publicity Expense	\$293,035	\$270,696	\$319,623	\$340,946	\$605,917	\$639,750	5.6%
Staff Training Expense	\$107,752	\$151,386	\$163,053	\$135,996	\$150,395	\$162,500	8.0%
Translation Expense	\$10,297	\$11,928	\$15,255	\$1,623	\$3,000	\$10,000	233.3%
Travel Expenses	\$1,576,246	\$1,822,239	\$1,937,230	\$1,955,471	\$1,896,730	\$1,960,000	3.3%
Total - Expenses	\$12,927,306	\$14,421,699	\$15,058,033	\$15,568,431	\$16,696,886	\$18,091,244	8.4%
Change %	(1.6%)	11.6%	4.4%	3.4%	7.5%	8.4%	

* Excluding tax and abnormal expenses

Expenses ranked by total

The table below shows the budgeted 2016 expenses compared to the forecast for 2015 and the original 2015 budget. The expenses have been ranked by total for 2016.

	2015 Budget	FY 2015 Forecast	2016 Budget	2016 v. 2015 Forecast Var.	2016 v. 2015 Budget Var.
Expenses					
Salaries and Personnel Expenses	\$9,460,248	\$9,460,248	\$10,231,618	8.2%	8.2%
Travel Expenses	\$1,900,000	\$1,896,730	\$1,960,000	3.3%	3.2%
Professional Fees	\$1,267,300	\$1,258,921	\$1,473,120	17.0%	16.2%
Depreciation Expenses	\$762,266	\$762,464	\$812,365	6.5%	6.6%
Sponsorship and Publicity Expense	\$649,900	\$605,917	\$639,750	5.6%	(1.6%)
Computer Expenses	\$642,172	\$526,738	\$624,521	18.6%	(2.7%)
Communication Expenses	\$537,940	\$574,956	\$556,186	(3.3%)	3.4%
Meeting and Training Expenses	\$519,400	\$383,874	\$447,900	16.7%	(13.8%)
Office Operating Expenses	\$305,107	\$309,041	\$325,676	5.4%	6.7%
ICANN Contract Fees	\$282,835	\$284,161	\$262,000	(7.8%)	(7.4%)
Bank Service Fees	\$151,950	\$157,549	\$170,000	7.9%	11.9%
Staff Training Expense	\$155,000	\$150,395	\$162,500	8.0%	4.8%
Insurance Expenses	\$136,900	\$130,534	\$136,800	4.8%	(0.1%)
Recruitment Expense	\$90,000	\$102,577	\$95,000	(7.4%)	5.6%
Membership Fees	\$64,435	\$52,598	\$72,168	37.2%	12.0%
Postage & Delivery	\$50,000	\$54,701	\$48,700	(11.0%)	(2.6%)
Printing & Photocopy	\$44,840	\$32,482	\$37,940	16.8%	(15.4%)
Doubtful Debt Expenses	\$20,000	(\$50,000)	\$25,000	(150.0%)	25.0%
Translation Expense	\$25,000	\$3,000	\$10,000	233.3%	(60.0%)
Total Expenses	\$17,065,293	\$16,696,886	\$18,091,244	8.4%	6.0%

Major Expenses 2016

6.1 Salary And Wages

Salary and wages expense for 2016 will increase by 8.2% compared to the forecast for 2015. This budget is calculated based on the following assumptions:

- Employer superannuation contributions will remain at 9.5% during 2016
- On average staff will utilise 3.5 weeks annual leave entitlements during 2016
- Overall increase to account for role changes, performance and cost of living is 3.5%
- Existing headcount commitments continue from 2015, plus new positions in 2016

Proposed headcount for 2016 is 76, and includes 2 new roles:

- Communications – Junior Web Developer
- Resource Services – Internet resource analyst

6.2 Travel Expenses

The budget submission includes a reduction of 3.3% in travel expenses in 2016. Allocations have been made for travel by EC and ASO members to RIR, ICANN, IGF and other meetings in 2016.

Travel expenses include the International SOS membership, providing advice and emergency assistance for those travelling on APNIC business, including staff, contractors and the EC.

6.3 Professional Fees

Professional fees continue to increase as APNIC moves to engaging specialist consultants to support its activities as an alternative to full time employment contracts. Major consulting activities planned for 2016 include:

• I-Root & F-Root Maintenance	145,000
• HR related consultancy	150,000
• Legal Advice & Expenses	135,000
• Technical Assistance Services	120,000
• Investment Consultant Service	113,000
• Non-staff trainers	112,000
• Design Consultancy	111,650
• Financial and Tax advice - KPMG	80,000
• APNIC Survey 2016 - Focus Groups and Interviews	65,000*
• On-line curriculum development	50,000
• APNIC Foundation activities	50,000*
• Survey Analysis and Report	50,000*
• Analysis of NIR Framework	50,000*
• Audit Fees	36,000

*Incremental for 2016

6.4 Depreciation Expenses

Depreciation expenses are budgeted based on analysis of the existing depreciation and capital allowance schedules; including anticipated depreciation based on Capital Expenditure planned for 2016.

6.5 Sponsorship and Publicity Expenses

Sponsorship and Publicity includes APNIC contributions to the NRO expenses, the ISIF program, and sponsorship of NOG's and other community events. Major expenses in 2016 include:

• NRO Expenses APNIC Contribution	135,000
• ISIF Grants	100,000
• Google PPC Advertising	60,000
• NOG sponsorships	60,000
• Research grants on technical issues	60,000
• APNIC conference fellowships	50,000
• Non-NOG conferences and events	40,000
• Regional/National IGF sponsorships	30,000
• Other global event sponsorships	15,000

6.6 Computer Expenses

Computer expenses include all non-capital purchases of equipment, consumables, license and support fees for hardware and software. Computer expenses were low in 2015, a result of funding from ICANN and Comcast which was used to offset research and development activities. Major contributors to this cost in 2016 are:

• ERP Licenses users and modules	95,000
• Vmware licenses	59,322
• Vulnerability testing, BYOD license	26,600
• F5 maintenance	25,000
• UPS, AC, Dell switch maintenance	24,108
• Offsite Backup	21,800
• Safenet Authentication	20,400
• Expense Reporting	20,000
• CMS Basic SLA 24x7 support	20,000

6.7 Communication Expenses

Communication expenses include data network expenses, Internet connectivity expenses, telephony and mobile phone expenses. The major contributors to costs here are the ongoing cost of the dark fibre network and the cost of rack-space in the co-locations that are critical to APNIC's network resilience. The major costs included in the 2016 budget include the following:

• NEXTDC: IX Peering	118,804
• INTERACTIVE: Uplink	111,970
• VoIP: Service & Maintenance	60,000
• WHOIS & RDAP	58,800

• DARK FIBRE & Uplink	56,400
• DNS ANYCAST: Autonomica: Netnod	35,000
• VoIP: Cisco Smartnet	25,000
• HK: HKIX 100MBps + Rack Space	24,136
• US: NTT 100Mbps Up-Link, Cisco Smartnet	14,776

6.8 Meeting and Training Expenses

Meeting and Training expenses include all the costs incurred in running the meetings including APNIC conferences and other meeting/training events. This includes; venue and equipment hire, plus catering and social events. These costs will increase by close to nearly 17.0% in 2016. The major contributors to this expense are the APNIC conferences in 2016 in New Zealand and Bangladesh. While not all meeting expenses are included in this expense, the major venue and logistic costs are included. A portion of these costs is offset by sponsorship and Registration/workshop income.

• APNIC Staff Conference	50,000
• APNIC 42 Conference AV rental	25,000
• APNIC 42 Conference week - catering	24,000
• Secretariat Events	22,500
• APNIC 41 (APRICOT Closing Reception)	21,000
• Training support (venue and catering costs)	20,000
• APNIC 41 Registration fee for Guests	20,000
• APNIC 42 Conference week - venue hire	20,000
• APNIC 42 Opening reception	17,500
• APNIC 41 Conference Room Rental	16,500
• Services outreach booth/venue	15,000

6.9 Office Operating Expenses

The major costs in this item include electricity, land tax, council and water rates, cleaning and rubbish removal, air-conditioning and security. There are a number of major contracts currently being renegotiated, but overall costs are expected to be in line with 2015 allowing for CPI increases and overall staffing increases. Major planned expenditure for 2016 includes:

• Cordelia Street - Electricity	54,000
• Land Tax	47,000
• Kitchen Supply and Catering Expense	35,000
• Office Cleaning Contract	33,000
• Council Rates	29,900
• General Maintenance and repairs	12,000
• Security patrol, maintenance	9,200
• Office building A/C service	7,200

7 Capital Expenditure 2016

Capital expenditure comprises equipment & software and office equipment. For the 2016 budget submission capital expenditure is planned at \$1,850,649. Actual capital expenditure for 2015 was below plan which has resulted in some of the upgrades being moved into the 2016 budget.

7.1 Equipment & Software

Expenditure on equipment and software is budgeted at \$1,783,884 for 2016; this includes capitalised expenditure on technical infrastructure, software, and implementation costs including consulting fees. Major contributors in 2016 to this budget are:

• US,JP,HK remote site virtualisation	323,000
• Root Server new installations, upgrade and maintenance	150,000
• Stats Development Work	100,000
• CRM Development Work	100,000
• Replacing old blades AU	70,000
• Office 2016 vmware fusion upgrade, Visio, Omnigraple	68,970
• 70TB disk and server for offsite data compression.	65,000
• Conference H/W: AV switch, pelican cases, server	65,000
• US-COLO: New Router & Switches	63,338
• JP-COLO: New Router & Switches	63,338
• HK-Colo: New Routers & Switches replacement	63,338
• Host/device vulnerability scanner, Pentest, secure fileshare	61,400
• RPKI: HSM hardware and backup replacement	44,000

7.2 Office Furniture & Fittings

Office equipment major expenditures are budgeted at \$66,765 in 2016. This allows for ongoing upgrade of furniture and fixtures and upgrade of some of the kitchen appliances. Additional desks and seating will be added to the existing layout to enable up to 8 new workstations.

• Office Improvements - Including Media Lab	20,000
• 8 new desks at an estimated \$2000 each	16,000
• Misc. Furniture & equipment	10,000
• Meeting room equipment upgrades	5,765
• Electrical wiring of new work spaces	5,000
• Kitchen Fridge	3,500
• 8 X chairs	2,400
• Dishwasher replacement (2x)	2,000

2016 Activity Plan and Budget

1 Introduction

This document explains APNIC's 2016 Activity Plan and Budget, for the information of APNIC Members and the wider community.

APNIC's activities are categorised into three main areas, aligned with the organization's mission:

- Serving APNIC Members
- Supporting the APNIC region
- Cooperating in the global community

The 2016 Activity Plan and Budget uses these categories as the structure for activities and budget allocations, so it is easier to see the correlation between activities and resources allocated. The additional "Corporate" category captures underlying administrative activity and budget required to operate the Secretariat.

Feedback on the plan is welcome. If you would like to comment, please email the APNIC EC via exec-sec@apnic.net or through MyAPNIC's secured EC submission form.

1.1 Notes on the Plan

Underneath each activity in this plan, a small table summarises the resources (both financial and human) which are required to successfully complete the activity. These resources are summarised under the following headings:

FTE: The number of Full-Time Equivalent employees required for the activity. In all cases, contributions from more than one employee are involved, and the FTE number will comprise a percentage of time from each employee. For example – an FTE of 1.6 may be made up of four employees who each dedicate 40% (0.4) of their time to the activity.

Expenses: Refers to all operational costs directly incurred by the activity.

CAPEX: Refers to Capital Expenditure (such as equipment, hardware, software, property, or buildings) required by the activity.

APNIC uses the accrual method of accounting in all reporting; where revenue and expenses are matched to the period in which they are incurred. All expenditures are in Australian Dollars.

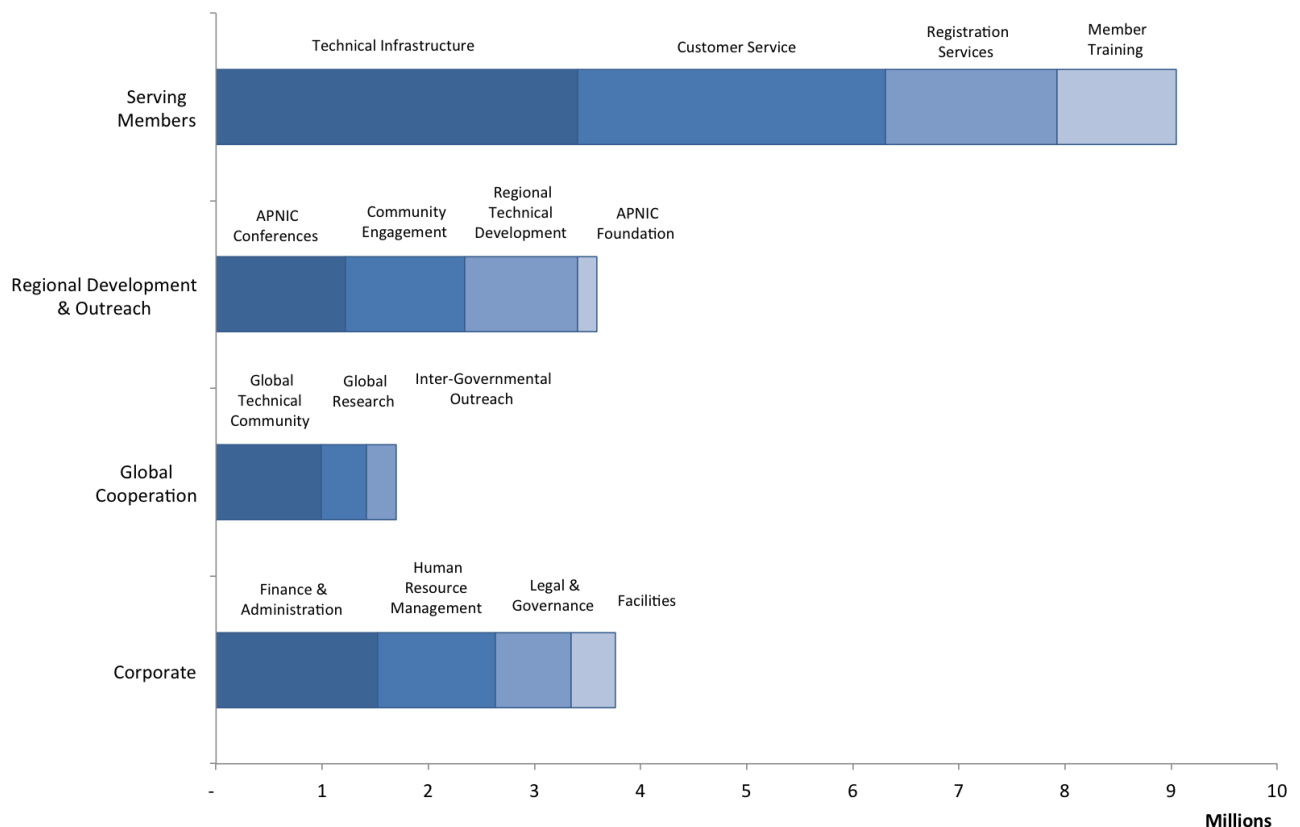
2 Executive Summary

The majority of APNIC's resources and expenditure in the 2016 plan are allocated to Serving Members – accounting for 57% of APNIC's full time equivalent employees, 50% of operating expenses and 80% of capital expenditure.

The following table and chart provide a breakdown of APNIC's 2016 budget.

Activity	FTE		Expenses		CAPEX	
Serving Members	43.4	57%	\$9,049,183	50%	\$1,486,884	80%
Regional Development & Outreach	13.7	18%	\$3,586,863	20%	\$203,000	11%
Global Collaboration	4.9	6%	\$1,695,342	9%	\$77,500	4%
Corporate	14.0	18%	\$3,759,856	21%	\$83,265	4%
Grand Total	76.0	100%	\$18,091,244	100%	\$1,850,649	100%

2.1 Operating Expenditure 2016



3 APNIC 2016 Activity Plan

3.1 Serving Members

Goals & Strategies

Deliver advanced number registry and member information services

- Develop services in response to Member needs
- Develop and maintain service delivery systems that are easy to use and use the latest technologies

Strengthen Core Technical Focus and engage community to advance adoption and deployment

- Ensure Members are aware of the need, and able to deploy IPv6, RPKI and DNSSEC

Sustainably support AP Internet infrastructure and human capacity development

- Understand Members' skill development needs and respond with appropriate training service
- Encourage interconnection among Members to strengthen Internet infrastructure

Engage our community to strengthen open, multi-stakeholder, bottom-up and transparent policy development processes and Internet governance model

- Encourage Members to actively participate in the APNIC policy development process
- Encourage Members to engage in relevant Internet governance discussions

Maintain a strong organization to carry out APNIC's mission

- Responsive adjustments of APNIC fees, balancing sustainability and affordability
- Prioritise budget allocations to registry and Member service activities

3.1.1 Registration services

FTE	Expenses	CAPEX
9.3	\$1,611,264	\$6,000

Activities

- **IPv4, IPv6 and ASN delegation and registration services**

This activity includes the distribution and registration of Internet number resources in the Asia Pacific region. The demand for resource services remains high: at the end of October 2015, APNIC had processed 4,946 resource requests for IPv4, IPv6 and AS numbers, and 137 IPv4 address transfers.

- **Registry application development, operation and maintenance (Whois, statistics, RDNS, DNSSEC, RPKI)**

This activity includes:

- Improvements to the APNIC Whois Database, the public registry of those who hold and have held IP address resources and AS numbers in the Asia Pacific.
- Operation of APNIC's Reverse DNS service, providing "reverse lookup" of domain names associated with IP addresses under APNIC management.

- Management of DNSSEC in APNIC reverse DNS zones, and configuration of Members' DNSSEC configurations within MyAPNIC.
- Operation and enhancements to RPKI systems and services, providing resource certification, certificate repository, and MyAPNIC RPKI-related functions.

Projects

- **Registry System development**

To strengthen the core registry system by separating it into front-end and back-end services, while at the same time migrating it to a more maintainable code base.

- Objectives
 - To develop a back-end registry system that incorporates business logic, leaving the front-end system to manage user interactions. This approach will be applied consistently to both customer facing (MyAPNIC) and internal facing systems.
 - To gradually replace old legacy codes with new codes tailored to the back-end/front-end architecture.
- Benefits to Members
 - Improved statistics, reporting and auditability of registry changes.
 - A more reliable, robust yet flexible registry system that can be adapted quickly to implement policy changes.

- **Adding historical information to Whois service**

To provide a public record of previous Whois objects related to APNIC resources.

- Objectives
 - Provision of a new service for querying past Whois records.
- Benefits to Members
 - Authoritative information about historical state of registry made publicly available.

- **Whois data quality improvement**

To improve the quality of contact information in the Whois database and identify invalid customer assignments.

- Objectives
 - Improvement to Whois update tool in MyAPNIC to encourage proactive management.
 - Whois management presentations at all Member face-to-face meetings in 2016.
- Benefits to Members
 - Improved Whois data quality.
 - Easier and faster management of Members' Whois records.

3.1.2 Customer service

FTE	Expenses	CAPEX
13.8	\$2,904,402	\$247,800

Activities

- **Member Services/Helpdesk**

APNIC Member Services provides assistance to all APNIC account holders about their account or services which APNIC provides, as well as helping organizations that wish to apply for Internet resources to become Members. The Helpdesk operates from 9am-9pm AEST on weekdays, and serves as a single point of contact for technical, administrative and billing support. On average, each quarter the Member Services team handles more than 2,700 Member requests, 312 phone calls, and in excess of 520 online chat sessions.
- **Membership outreach**

APNIC's Membership outreach helps ensure those organizations which need Internet resources are aware of APNIC and the services it offers.
- **MyAPNIC development and maintenance**

MyAPNIC allows Members to manage Internet resources, update contact information, and receive APNIC services online. Its functionality and usability are constantly improved, based on Members' feedback.
- **Quality management**

APNIC is an ISO 9001:2008 Quality Management System certified organization. This ensures that we deliver a high quality and consistent service to our Members.

Projects

- **MyAPNIC Improvements**

Based on the results of MyAPNIC user survey in 2015, APNIC will implement a range of improvements for MyAPNIC.

 - Objectives
 - Improvement of Whois, ROA and billing management features.
 - Improved navigation and design consistency.
 - Benefits to Members
 - Better MyAPNIC user experience for Members, including easier management of Whois updates and ROAs.
- **Website improvements**

The main focus areas for improvements in 2016 will be the IPv6 and community pages, and an upgrade of APNIC's website Content Management System (CMS).

 - Objectives
 - Improved IPv6 pages with updated information and integration of APNIC Labs data.
 - CMS upgrade to improve website functionality and maintainability.
 - Benefits to Members
 - Easier-to-find information and an improved user experience on the APNIC website.

- **Implement a new Customer Relationship Management (CRM) system**

APNIC will implement a more integrated and functional CRM system for managing communications with customers and other stakeholders.

- Objectives
 - New CRM system framework defined and partially implemented with full deployment in 2017.
- Benefits to Members
 - Improved customer service experience.

- **Resource Management Process Improvement**

Improving resource management system processes to streamline and better handle resource transfers, account reactivations, and terminated IPv4 space due to account closures.

- Objectives
 - Improve internal APNIC resource management system processes with further automation and better workflow.
 - New reporting process on terminated IPv4 space, linked to Resource Quality Assurance on terminated space before returning to the free pool.
- Benefits to Members
 - Improve services efficiency and better Member experience in resource transfer.
 - More regular return of IPv4 terminated space back to the free pool for future delegation.

- **APNIC Survey 2016**

APNIC undertakes a survey of Members and Stakeholders every two years, commissioned by the APNIC EC. The 2016 survey will be launched at APNIC 41, and results will be reported back at APNIC 42 in September.

- Objectives
 - Understand Members' and stakeholders' most important issues to help guide APNIC's long term strategies and priorities through individual interviews, group consultations, and online survey.
 - Report and analysis presented to EC and Members at APNIC 42.
- Benefits to Members
 - APNIC Secretariat activities remain aligned with Members' and stakeholders' feedback.

- **ISO9001 Audit 2016**

APNIC has had accreditation for its Quality Management System (ISO9001:2008) for three years and will be required to undergo a full audit in 2016, aligned to the new standard (ISO9001:2015).

- Objectives
 - APNIC QMS revised to reflect new standard.
 - Completing the formal audit and recertification process.
- Benefits to Members
 - Ensures APNIC's internal management systems comply with International quality standards to help maintain high quality services to Members.

3.1.3 Technical infrastructure services

FTE	Expenses	CAPEX
14.3	\$3,406,335	\$1,159,084

Activities

- **Operation and maintenance of networks, systems and applications infrastructure to support APNIC services**

All of APNIC's public services are maintained and operated on this technical service platform. These activities also cover the internal technical support required to deliver all other services to APNIC Members.

- Data centre and data communication
APNIC runs its main technical infrastructure from two data centres in Brisbane in full redundancy mode. The APNIC office and the two data centres form a triangle of fibre interconnection, ensuring high availability of services. In addition to this, APNIC has systems installed in co-location facilities in Hong Kong, Japan, and USA.
- License, depreciation and maintenance of systems
APNIC relies heavily on automation to ensure its services are scalable, and continues to invest in IT equipment and software to ensure systems keep pace with Member service requirements. A significant part of its Technical infrastructure expenses are related to equipment depreciation and maintenance, and various licenses associated with operating this equipment.

Projects

- **Whois version update**

Upgrading the Whois system to the latest version in sync with RIPE NCC's code releases.

- Objectives
 - Updated Whois master and query servers to the latest release.
- Benefits to Members
 - Stable and updated Whois service.

- **RPKI version update**

Deploy the Delta protocol distribution mechanism for the APNIC Member RPKI repository.

- Objectives
 - Deployment and monitoring of Delta protocol server,
- Benefits to Members
 - Increased performance distribution mechanism for RPKI data.
 - Reduced operational risk for RPKI registry service.
 - Reduce potential operational costs of a fully-fledged RPKI registry service.
 - Global alignment with other RIRs on RPKI service delivery.

- **Adoption of ISO 27001:2013 Information Security Standard**

Following the creation of the framework in 2015, APNIC plans to complete the adoption of the ISO/IEC 27001:2013 Information Security Standard in 2016.

- Objectives
 - Risk assessment in key areas relevant to APNIC.
 - Security policies and procedure documents to be checked and revised where necessary to be in accordance with the ISO 27001 standard.

- Benefits to Members
 - Assurance that APNIC’s information security is in line with international standards.
- **Remote infrastructure maintenance and improvement**

Upgrade APNIC remote infrastructure sites in Hong Kong and Japan by replacing all end-of-life network equipment, virtualising existing services to reduce space and streamline service provisioning, and implement anycast for increased rDNS service reliability.

 - Objectives
 - Upgraded remote sites with updated equipment, virtualized servers, and enabled anycast rDNS services.
 - Benefits to Members
 - Enhanced reliability and performance of the rDNS service.
- **Data Backup and Retention Management**

Roll out of the second phase of the data backup project begun in 2015 by reviewing cloud backup technologies, and also reviewing data retention strategies and technologies.

 - Objectives
 - Review of data backup approach and if applicable, deploy cloud backup service.
 - Review data retention policy and deploy new email archive service.
 - Benefits to Members
 - Higher availability and integrity of important APNIC data.
 - Long-time retention and easier retrieval of archived information when needed.

3.1.4 Member training

FTE	Expenses	CAPEX
6.0	\$1,127,182	\$74,000

Activities

- **Training services**

APNIC supports Internet growth and development in the Asia Pacific region by providing training and education services. The Training program aims to expand the capabilities, knowledge, and understanding of Internet network operators, engineers, managers, educators, and regulators on Internet number resource management and best practices in network operation. Training is provided in face-to-face sessions throughout the region and via regular online learning classes.
- **Technical assistance**

APNIC’s training staff respond to requests from Members for technical assistance by providing one-on-one support in a format that is neutral, independent and cost effective. This work is further enhanced through partnerships and collaboration with recognised technical experts, and with funding by external agencies.

Projects

- **Training curriculum improvements**

Improvement of the APNIC Training curriculum and management of training materials.

- Objectives
 - Redesigned training lab to model an ISP network, with 10 new lab exercise modules.
 - Development of a new Internet governance online training course.
 - Implement a new training material management process to assist trainers with course development, peer review and updates.
- Benefits to Members
 - High quality Internet operations training which is up to date, and regularly peer-reviewed.
- **Community technical trainer network**

Continue developing a network of technical trainers by adding community-based support trainers who are recognized experts in their economies. These community trainers will be added to the APNIC training network based on their training delivery skills, analytical mindset and operational knowledge. They will also be encouraged to participate and make presentations at APNIC events.

 - Objectives
 - Identification and engagement of at least two to three community trainers for each APNIC sub-region (South Asia; South East Asia; East Asia; Oceania).
 - Benefits to Members
 - High quality technical training for Members using local expertise and knowledge.
- **“APNIC Academy” online platform**

The development of an online training delivery platform that includes self-paced, e-learning modules, examinations and certification for APNIC training courses (to be developed in collaboration with RIPE NCC).

 - Objectives
 - A staff exchange program between RIPE NCC and APNIC to define and develop the project scope and technical platform.
 - Launch of APNIC Academy with IRM as the first course on the platform.
 - Benefits to Members
 - A state of the art on-line learning platform.
- **Joint Training with ITU**

Continued collaboration with ITU on IPv6 and network security capacity development in AP developing economies.

 - Objectives
 - 5-day IPv6 and infrastructure network security workshop.
 - 3-day IPv6 and infrastructure network security workshop and 2 days ITU Country Direct assistance.
 - Benefits to Members
 - Increased training opportunities on IPv6 and network security.

3.2 Regional development and outreach

Goals & Strategies

Deliver advanced number registry and member information services

- Gather and disseminate information relevant to APNIC's role and activities

Strengthen Core Technical Focus and engage community to advance adoption and deployment

- Support existing and new NOGs as a channel for network information and knowledge exchange
- Support specific national/regional IPv6, RPKI and DNSSEC adoption and deployment as appropriate

Sustainably support AP Internet infrastructure and human capacity development

- Implement cost effective mechanisms to support development activities
- Engage the donor community in building a robust technical infrastructure in the region

Engage our community to strengthen open, multi-stakeholder, bottom-up and transparent policy development processes and Internet governance model

- Facilitate development and implementation of Internet number and related policies in the region
- Encourage wide, multi-stakeholder participation at APNIC events

Maintain a strong organization to carry out APNIC's mission

- Attract other sources of development funds and resources
- Establish the APNIC Foundation to provide structural separation, sustainability and scalability of development activities

3.2.1 APNIC conferences

FTE	Expenses	CAPEX
4.6	\$1,219,043	\$23,000

Activities

- **APNIC Conferences**

APNIC stages two major conferences in the region each year, APRICOT (Feb-Mar) and the stand-alone APNIC meeting (Sep-Oct). APRICOT 2016 will be held in Auckland, New Zealand, and APNIC 42 will be held in Dhaka, Bangladesh.

- **APNIC Regional Meeting Program**

In addition to APNIC Conferences, Regional Meetings allow Members and the technical community to meet, share experiences, and get the latest updates on APNIC's activities. The meetings aim to complement the two major conferences, the region's NOG events, and APNIC's smaller, informal Member gatherings. Four regional meetings are planned for 2016.

3.2.2 Regional technical development

FTE	Expenses	CAPEX
3.2	\$1,065,067	\$180,000

Activities

- **Policy development**

Policy development activities are primarily focused on supporting the Policy SIG meetings (twice per year) and mailing lists, exchanging policy related information with other RIRs, and the election and support of ASO Address Council Members from the APNIC region.
- **Root server deployment**

APNIC supports a significant number DNS root server installations in the region, coordinating with hosts and root server operators, managing maintenance work and handling requests for new installations.

Projects

- **RIPE Atlas deployments**

In collaboration with RIPE NCC, APNIC will continue deploying Atlas anchors at suitable locations, and distributing Atlas probes in the region.

 - Objectives
 - Deploy 10 Anchors in the APNIC region.
 - Benefits to Members
 - Access to the results of anchoring measurements (ping, ping6, traceroute, traceroute6) providing a continual overview of regional reachability.
 - Anchor hosts gain valuable information about the health of their networks.

3.2.3 Community engagement

FTE	Expenses	CAPEX
4.9	\$1,121,126	-

Activities

- **Collaboration with other AP Internet organizations**

APNIC collaborates with other Asia-Pacific organizations (see: <http://www.apnic.net/community/support/memberships-and-partnerships>) in projects and partnerships that develop the Internet in the region. The collaboration includes human capacity development (training), strengthening Internet critical infrastructure, research and measurements, meetings and conferences, and policy development.
- **NOG Support**

Network Operator Groups (NOGs) encourage and facilitate local Internet development, provide a forum for training, and opportunities for network engineers and administrators to build relationships with peers. APNIC supports NOGs throughout the region with technical expertise, training, and sponsorship.
- **Fellowship Program**

APNIC's fellowship program provides opportunities for those working in the Asia Pacific Internet community to attend and participate in APNIC conferences. Fellows gain valuable opportunities to meet, and learn from, skilled Internet network professionals from all

around the world as well as engage in policy development and other activities. The program places special emphasis on encouraging diversity and supporting community members from less developed nations.

- **ISIF Asia grants program**

The Information Society Innovation Fund Asia (ISIF Asia) is a grants and awards program aimed at stimulating creative solutions to ICT development needs in the Asia Pacific region. APNIC will continue to operate the ISIF Asia Secretariat, providing administrative support, facilitating the selection process, grantee reporting and dissemination strategy, fund raising, and program evaluation.

- **Regional IGF**

The Asia Pacific Regional Internet Governance Forum (APrIGF) serves as a platform for discussion, exchange and collaboration on Internet governance issues at a regional level. APNIC contributes actively to national and regional IGFs, working as an information conduit between forums to ensure that IP addressing and critical Internet infrastructure issues are understood on all levels.

- **Government and sub-regional liaison**

Governments and regional inter-governmental organizations such as APECTEL, APT, SAARC and ASEAN are important stakeholders and key supporters in Internet development. APNIC provides these organizations with expert advice in IP addressing and critical Internet infrastructure issues to ensure effective involvement of governments in further development of the Internet.

Projects

- **Fellowship Alumni Program**

Establishment of an APNIC Fellowship Alumni (AFA) program. The AFA will support and promote relationships built by fellows during their fellowship experience to continue sharing experiences and knowledge.

- Objectives

- Launch of the online AFA platform and recruitment of previous fellows to join the Alumni.

- Benefits to Members

- Ongoing learning opportunities for previous fellows.

- **Internet Operations Research Grants**

APNIC's Internet Operations Research Grants aim to support and develop the regional Internet research community whose work improves the availability, reliability, and security of the Internet in the Asia Pacific. Successful applicants receive a financial grant, as well as mentoring and support from the selection committee members.

- Objectives

- Distribution of 60,000 AUD grants in 2016 (selection to be completed by December 2015).

- Benefits to Members

- Research outcomes which help improve the availability, reliability, and security of the Internet in the Asia Pacific.

3.2.4 APNIC Foundation

FTE	Expenses	CAPEX
1.0	\$181,627	-

Activities

- **Development partnerships**

APNIC works with development agencies such as Canada's IDRC, the World Bank and Japan International Cooperation Agency (JICA) to expand and enhance training and technical support for the Internet community.

Projects

- **Establish the APNIC Foundation to support APNIC's development program**

Develop and implement a new mechanism to fund an expansion of APNIC's development services (training, technical assistance, fellowships and sponsorships).

- Objectives

- Establish and register the APNIC Foundation in Hong Kong.
- Secure external funding to support the Foundation's development activities.

- Benefits to Members

- Additional source of development funding.
- Expanded development services.

3.3 Global cooperation

Goals & Strategies

Deliver advanced number registry and member information services

- Service and information exchange coordination with other RIRs and global Internet organisations

Strengthen Core Technical Focus and engage community to advance adoption and deployment

- Take leadership role as appropriate in global IPv6, RPKI and DNSSEC coordination efforts
- Monitor global IPv6, RPKI and DNSSEC deployment and share its success stories in AP region

Sustainably support AP Internet infrastructure and human capacity development

- Engage with ISOC, ICANN and other global agencies supporting regional Internet development

Engage our community to strengthen open, multi-stakeholder, bottom-up and transparent policy development processes and Internet governance model

- Facilitate a policy environment which maximises the accessibility and effectiveness of the Internet to the AP region

Maintain a strong organization to carry out APNIC's mission

- Collaborate with other RIRs on business continuity, infrastructure sharing, and staff development

3.3.1 Global technical community cooperation

FTE	Expenses	CAPEX
2.3	\$988,666	\$4,000

Activities

- **Collaboration work with other RIRs**

This activity enables APNIC to be informed of developments and initiatives in the other RIR regions, and share those with the APNIC community. Key areas of collaboration are: policy development, technology, Internet governance, and corporate management.

- **Collaboration with I* (ICANN, IANA, IETF, ISOC)**

As part of APNIC's role in the broader Internet ecosystem, key relationships need to be maintained and strengthened with global technical organizations such as ICANN, IANA, IETF, and ISOC so the development of global policies and standards includes regional technical considerations.

- **Participation in other global Internet forums**

APNIC provides Asia Pacific technical perspectives in global multi-stakeholder forums. In participating in governance forums (such as the IGF), APNIC's focus continues to remain squarely on our core responsibilities for IP addressing and critical Internet resources, on behalf of the membership we serve. It is more important than ever that a broader community understands these technical issues, and trusts APNIC's capacity and expertise to play its role in keeping the Internet strong and successful in our region.

Projects

- **IANA Stewardship Transition plan**

The IANA Stewardship Transition plan is expected to be approved by the US Government in early 2016. RIRs will complete the implementation of the IANA Stewardship Transition plan, as it relates to the Numbers proposal, including the Service Level Agreement with ICANN, by 30 Sep 2016. During this process, APNIC will support community discussions and communicate relevant updates to the community.

- Objectives
 - Successful implementation of the Internet numbering community's transition plan (assuming acceptance of the ICG plan by the US Government).
- Benefits to Members
 - Assured continuity of IANA services, with independence from the prior USG arrangements and associated risks.

3.3.2 Inter-governmental outreach

FTE	Expenses	CAPEX
1.1	\$281,360	\$3,500

Activities

- **Inter-governmental liaison**

APNIC attends various global inter-governmental forums as a member of the technical community advocating:

- The importance of IPv6 adoption as the only viable option for future Internet growth.
- The relevance of the APNIC community in the Internet ecosystem.
- The need to preserve and promote the multi-stakeholder model of Internet governance.

Inter-governmental organizations include ITU, APEC, OECD, ASEAN, CTO and Interpol.

3.3.3 Global research

FTE	Expenses	CAPEX
1.5	\$425,316	\$70,000

Activities

- **Global research and measurements**

APNIC will continue to provide world-class research and measurement of technologies including IPv6, BGP, RPKI and DNSSEC. The research outcomes provide Members with insights to help inform decisions on network design and development, and are widely referenced by prominent international organizations and technical publications.

- **Technical advocacy at global forums**

Speaking opportunities for the presentation of research outcomes and current trends enable APNIC to raise awareness, gather input and address issues faced by its community.

3.4 Corporate

Goals & Strategies

Deliver advanced number registry and member information services

- Develop clear organisational priorities for APNIC's core activities as a registry and network information centre

Strengthen Core Technical Focus and engage community to advance adoption and deployment

- Improve IPv6, RPKI and DNSSEC skills and usage in APNIC's own network, and share the knowledge widely

Sustainably support AP Internet infrastructure and human capacity development

- Establish the APNIC Foundation to provide structural separation, sustainability and scalability of development activities

Engage our community to strengthen open, multi-stakeholder, bottom-up and transparent policy development processes and Internet governance model

- Develop staff skills and knowledge to engage effectively with different stakeholders

Maintain a strong organization to carry out APNIC's mission

- Maintain a sustainable business model for now and the future
- Maintain an optimal organisational structure and culture to deliver tangible outcomes

3.4.1 Human resource management

FTE	Expenses	CAPEX
4.5	\$1,105,362	\$3,500

Activities

- **Staff recruitment**
Recruitment of talent with particular connections to the region or Internet industry skills will continue to be a focus, where there is identified need.
- **Staff training and development**
APNIC is a small organization with high tenure and therefore limited promotional opportunities. Staff are encouraged to proactively undertake skills training and professional development relevant to their roles, not only to improve their effectiveness but also to maintain staff retention rates.

Key projects:

- **Recruitment**
Fulfilment of identified need to expand online capacity and increase resources in Services area.
 - Objectives
 - Recruit additional 1 x Web Developer.
 - Recruit additional 1 x Internet Resource Analyst.
 - Benefits to Members
 - Greater capacity to deliver improvements to online Member services.

- Ability to ensure full coverage when hostmasters travel to Member events and provide regional consultation services.
- **Staff Exchange**
 Enabling staff to immerse themselves with other RIR staff to share experience and bring improvements to APNIC.
 - Objectives
 - Exchange program with RIPE NCC training team to expand APNIC’s online learning capacity to include self- paced learning.
 - Benefits to Members
 - Improved training content, increased access to learning, and improved curriculum offerings.
- **Staff Conference**
 Gather all staff together for the review and communication of the 2016-2020 Strategic Plan and to ensure alignment of goals.
 - Objectives
 - Successful conference with clear staff understanding and commitment to achieving APNIC strategy and goals.
 - Benefits to Members
 - A motivated Secretariat team committed to delivering service excellence to APNIC Members.

3.4.2 Finance and administration

FTE	Expenses	CAPEX
7.9	\$1,522,847	\$9,500

Activities

- **Financial management**
 This is the process of managing APNIC’s financial resources, including accounting and financial reporting, budgeting, internal and external audit, payroll, taxation and investment management.
- **Office management**
 Office management covers all activities related to maintaining a healthy and productive work environment for APNIC staff, which includes managing office supplies, telephony costs, postage/shipment, and general administrative tasks.
- **Travel management**
 APNIC staff, APNIC Executive Council members, and APNIC NRO NC members undertake regular travel to cover various events in the Asia-Pacific region and globally. The travel management activities involve travel planning, cost comparisons, booking, liaising with travel agencies and airlines, travel insurance and emergency support.

3.4.3 Legal and governance

FTE	Expenses	CAPEX
1.4	\$718,465	\$3,500

Activities

- **Legal counsel**
On-going legal advice, contract drafting and reviews, guidance in corporate governance, legal cooperation with other organizations.
- **Workplace health and safety compliance**
APNIC has a legal responsibility to provide a safe work environment to staff, contractors, and visitors. Management takes this responsibility seriously and undertakes a range of activities to minimise the risk of workplace incidents.

3.4.4 Facilities

FTE	Expenses	CAPEX
0.2	\$413,182	\$66,765

Activities

- **Building and office facilities**
This set of activities cover building management, utility equipment, interior fit-outs, office furniture, building security, repair and maintenance of APNIC's office in Brisbane.

4 Summary

Activity	FTE	%	Expenses (AU\$)	%	CAPEX (AU\$)	%
Serving Members	43.4	57%	9,049,183	50%	1,486,884	80%
Customer Service	13.8		2,904,402		247,800	
Member Training	6.0		1,127,182		74,000	
Registration Services	9.3		1,611,264		6,000	
Technical Infrastructure	14.3		3,406,335		1,159,084	
Regional Development & Outreach	13.7	18%	3,586,863	20%	203,000	11%
APNIC Conferences	4.6		1,219,043		23,000	
APNIC Foundation	1.0		181,627		-	
Community Engagement	4.9		1,121,126		-	
Regional Technical Development	3.2		1,065,067		180,000	
Global Collaboration	4.9	6%	1,695,342	9%	77,500	4%
Global Research	1.5		425,316		70,000	
Global Technical Community	2.3		988,666		4,000	
Inter-governmental Outreach	1.1		281,360		3,500	
Corporate	14.0	18%	3,759,856	21%	83,265	4%
Facilities	0.2		413,182		66,765	
Finance & Administration	7.9		1,522,847		9,500	
Human Resource Management	4.5		1,105,362		3,500	
Legal & Governance	1.4		718,465		3,500	
Total	76.0	100%	18,091,244	100%	1,850,649	100%

APNIC's 2016 Budget Submission provides more details on the 2016 APNIC Budget and is available with the Minutes of the December 2015 EC meeting.

Five strategic goals for 2016-2019

Deliver advanced number registry and member information services

Strengthen Core Technical Focus (such as IPv6, RPKI, DNSSEC) and engage community to advance adoption and deployment

Sustainably support AP Internet infrastructure and human capacity development

Engage our community to strengthen open, multi-stakeholder, bottom-up and transparent policy development processes and Internet governance model

Maintain a strong organization to carry out APNIC's mission

Agenda Item 9

DG report

APNIC Secretariat Report

APNIC EC meeting

2 December 2015

This is a report of Secretariat activities for the APNC EC meeting to be held on 2 December 2015 in Guam. It covers activities during the period since the last EC meeting, but statistics in most cases apply to the calendar year to date, from 1 January 2015.

1 Services Area

1.1 Member Services

See attached presentation slides (APNIC update presented at PACNOG) for details of resource allocations and transfers, and membership growth.

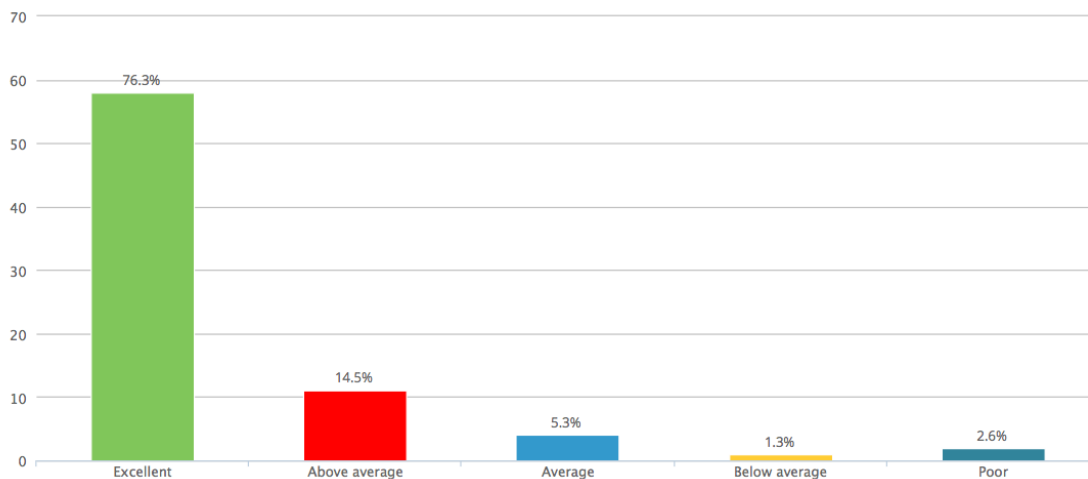
1.2 Projects

1.2.1 Instant Feedback

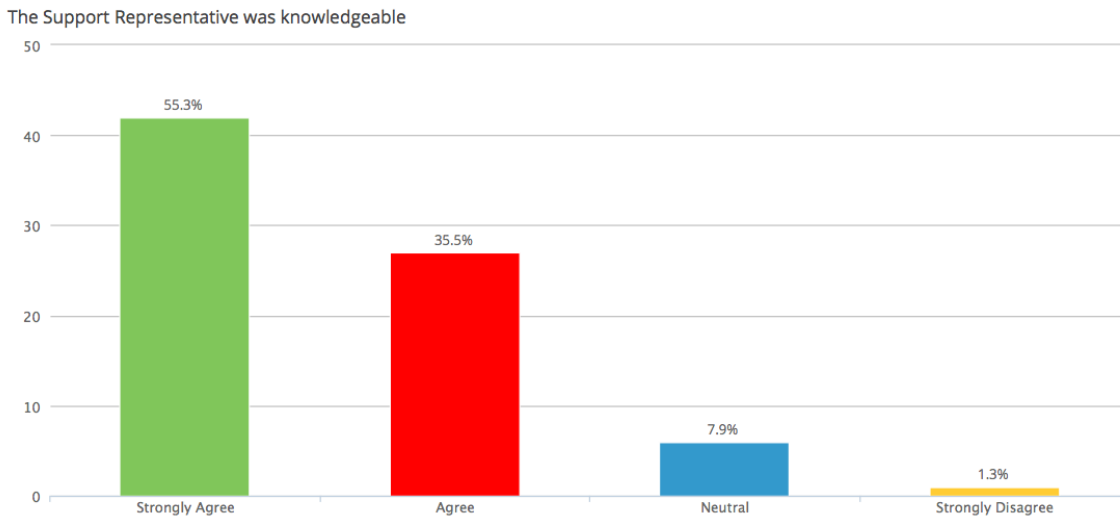
In the last 6-week period since the end of September 2015, we received 76 responses which rated the Helpdesk services as follows.

Overall service quality: 90.8% above average or excellent:

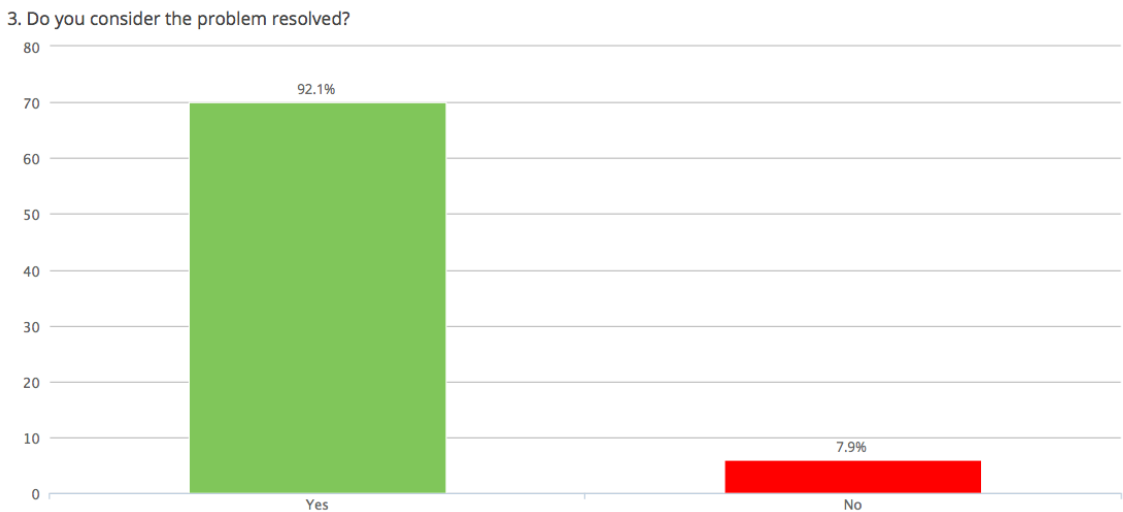
1. How satisfied are you with the OVERALL quality of the service you received?



On staff knowledge: 90.8% agree that APNIC staff are knowledgeable:



On whether the problem was resolved: 92.1% answered “Yes”



Member Services staff monitor dissatisfied responses to identify and address these as soon as possible. Aspects which have been addressed include spam complaint handling, and processes for resolution of tickets.

1.2.2 Services Roadmap - 2015

There were six projects included in the 2015 Services Roadmap:

1. New Services web page
2. MyAPNIC Survey
3. Training Survey
4. Whois data quality improvement
5. New Statistic web page
6. Skype/VOIP integration and Tool free phone number

Four of these projects have been completed and two of them (4 and 5) have remaining work to be finished before the end of 2015.

1.2.3 Services Roadmap - 2016

The 2016 Roadmap has been updated based on MyAPNIC Survey results and will focus on improving user experience, with improved tools and features to help Members manage records updates more easily and achieve better data quality. Projects include:

1. Authorized Contact Management
2. Whois Records Management
3. Reverse DNS Management
4. Route and ROA Management
5. MyAPNIC Speed Improvement
6. New Training Lab and Courses

A new Services Roadmap webpage (<http://www.apnic.net/services-roadmap>) will be available in December 2015 for easy tracking and greater transparency.

1.2.4 Service processes mapping

Earlier this year, APNIC engaged an external consultant to work on a project to identify major processes for the units that interact with APNIC Members on a daily basis. This project has documented mapping for these service processes and identified areas for easy improvement. These “quick-wins” have been implemented and they include:

- Allow invoices to be generated immediately for account reactivation
- Improve transfer service experience by providing timely reminder to use “pre-approval”
- Improve internal procedure to streamline new Member request evaluation
- New Member application approval is done via ARMS, to provide better status view internally and eliminate manual checking

1.2.5 Terminated IPv4 address pool management

A new automated report provides the status of all the terminated IPv4 addresses: whether ready to be returned to the free pool (currently 12 months after termination), or pending future return; along with routing and blacklisting status.

1.2.6 National Internet Directory

This new interface for querying registry and whois data will be launched by the end of 2015. It will provide economy-specific views of public data intended to satisfy the needs of stakeholders such as researchers, law enforcement and public officials who cannot easily use existing raw data formats.

2 Communications Area

2.1 Events

2.1.1 APNIC 40

APNIC 40 was held in Jakarta, Indonesia, from 3-10 September. The final number of delegates (excluding APNIC staff) has been confirmed at 529 (from 51 economies), making this one of the largest (if not the largest) stand-alone APNIC conferences.

The conference survey results were very positive, with 94% of respondents saying they were either satisfied or very satisfied with APNIC 40. In addition, the conference generated 23 pieces of media coverage.

Due to the compressed schedule for the August/September meeting in Jakarta, and a failure by the Secretariat to fully and consistently communicate changes to affected parties, there was some regrettable confusion as to the AMM/AGM schedule. As a result, specific improvements for future meetings were identified and communicated to the EC; these will be available for discussion in Guam.

2.1.2 Future Conferences

APNIC 41: Preparations for APRICOT 2016 in Auckland are well underway.

APNIC 42: A potential complication has arisen with the selected hotel venue, Pan Pacific Sonargaon, which has indicated it may now be undergoing renovation during 2016 (no dates have been confirmed by the hotel). The Secretariat is now assessing alternative venue options.

APNIC 43: The APIA Board has selected Ho Chi Minh City as the location for APRICOT 2017, and intends to announce this at APRICOT 2016.

APNIC 46: OPT remains interested to host APNIC 46 in Noumea. The Secretariat will begin its assessment of APNIC 46 locations (beginning with suggestions from the EC) in early 2016.

2.1.3 Regional Meetings

Four ARMs have been held in 2015 so far:

- April: Bangkok, 50 attendees; with ISOC event in support of THNOG.
- June: Manila, 150 registrations; with PHNOG and DOST-ASTI.
- October: Ulaanbaatar, 45 attendees; covered on [local television news](#).
- November: Guam, 50 attendees; with PACNOG.

One remaining ARM for 2015 is scheduled in Laos (9 Dec).

2.2 Communications Area

2.2.1 Blog

70 posts have been made since 1 October 2015, an average of more than 7 per week. Blog readership continues to rise, along with the number of guest contributions.

2.2.2 Website

The review and restructuring of the old “Services” section on the APNIC website was completed during Q3 2015. The section has now been simplified and restructured, based on visitor data and feedback, in order to improve the user experience.

The redesign of the www.apnic.net home page is progressing and is expected to be finalised by the end of 2015.

2.2.3 Other

Communications Manager, Siena Perry, is now on maternity leave until May 2016

APNIC hosted RIPE NCC's Chief Communication Officer, Serge Radovic and Member Communications Specialist, Fergal Cunningham, from 2-6 November to discuss the upcoming Member surveys (RIPE NCC's and APNIC's) and RIR communication issues.

3 Technical Area

3.1 Software

3.1.1 Systems Re-architecture

APNIC continues to work on an overall systems re-architecture, including porting of our code base from Perl to Java, and rolling out the Message Bus framework.

3.1.2 MyAPNIC development

The following improvements have been made in the recent period:

- 1) Whois database quality improvement by removing unreferenced contacts.
- 2) Automation of the EC nominations process reducing workload with a more efficient workflow. This will be completed early December.
- 3) Member feedback for MyAPNIC improvements. Based on member feedback, various MyAPNIC improvements are being done which will be released early 2016.

3.1.3 APNIC Resource Management System (ARMS)

A number of “quick wins” tasks were implemented to streamline resource management processes from a user experience perspective (as reported under Services Area).

More substantial developments are being planned and will be carried out in 2016.

3.1.4 Information Security Management System (ISMS)

Using the ISO27001 specification as reference, APNIC is developing a security framework for an internal ISMS to ensure all processes and policies are in line with the latest security principles. This project aims to develop the framework by the end of this year, and continue development of an internal ISMS into 2016. The options for formal certification will be considered during 2016.

3.2 Infrastructure Services

3.2.1 Backup Infrastructure

APNIC is deploying a new SAN (Storage Attached Network) Backup system to replace the current storage system, which is at end-of-life. The new system is based on best design practices, providing full data recovery of all APNIC internal and external services.

3.2.2 Monitoring System

To ensure high availability, and high reliability services, APNIC is developing a monitoring system that will integrate into all of its public and its critical internal services. This system will continuously monitor various critical parameters, and send alerts for any issues, or even potential issues to allow the IS team to respond appropriately and proactively.

4 Strategic Engagement

4.1 External Relations

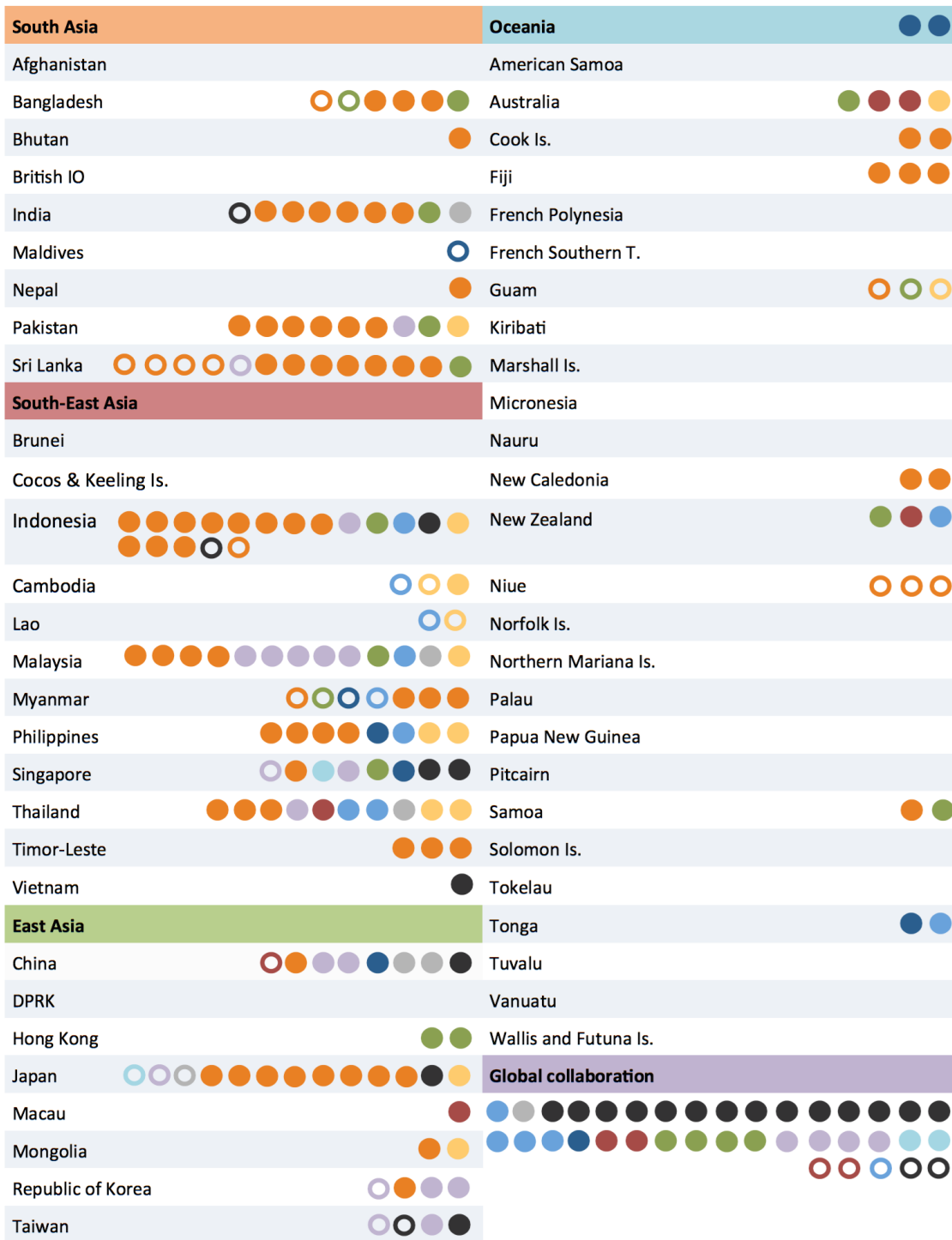
APNIC External Relations activities are now actively coordinated by the External Relations Manager through briefing and debriefing processes, information management and sharing, and better planning and analysis overall.

During 2015 so far, APNIC has conducted 172 distinct external engagements across the region and globally. APNIC staff visited 29 out of the 56 regional economies, with 37 economies reached when including fellowships and similar activities.

This table summarises the type and location of these activities:

Type \ Region	S Asia	SE Asia	E Asia	Oceania	Global	Totals
APNIC	1	7	2	1	0	11
Coordination	0	4	3	0	14	21
Development	1	2	2	0	1	6
Government	0	5	0	2	4	11
Member Dev	0	2	1	3	1	7
Internet Gov	0	1	1	3	2	7
NOG	4	3	2	3	4	16
Security	1	8	5	0	4	18
Technical	0	1	0	0	2	3
Training/TA	24	29	11	8	0	72
Totals	31	62	27	20	32	172

The following provides a more detailed breakdown of these activities in each economy of the region.



APNIC External Relations | January to October 2015

- Completed
- Planned

- APNIC
- Coord
- Dev
- Gov
- MemDev
- NetGov
- NOG
- Sec
- Tech
- Training/TA

4.2 IANA Transition

We have been actively engaged in IANA transition during the recent period.

4.2.1 Transition Plan

The ICG's IANA transition plan has been finalised, and the final summary of public comments published on 30 November:

<https://www.ianacg.org/icg-publishes-summary-report-on-public-comments-received>

The ICG plan cannot be submitted to ICANN until the ICANN Accountability plan has been completed, and approved by the CWG (names community planning group).

4.2.2 Accountability Plan

The CCWG has produced a plan for improvement of ICANN's Accountability, which is currently under discussion and community review. The outstanding issues are ST-18 (which is the treatment of GAC advise by the ICANN board), ICANN's mission statement and voting thresholds (to initiate IPR).

Final approval is expected to happen in January 2016, after a period of community consultation. It is necessary that this timeline be met, so that the full transition plan can be submitted to NTIA for their consideration, and approval before September 2016.

4.2.3 Implementation

There are 3 major implementation components that are directly related the Number Community transition plan:

1. The IANA Services SLA has been developed and the latest (3rd) version has been pending review by ICANN for several weeks. ICANN's latest response was received on 24 November, and is now being considered.
2. The Charter for the Number Community Review Committee has been finalised after community consultation, and published to the NRO website.
3. The selection of a suitable party for holding of the IANA IPR is still under discussion, with the IETF Trust as one possible candidate. There is still no agreement or specific proposal for consideration.

4.2.4 IANA process mapping

APNIC initiated a project to create business process maps of the IANA number services, so that these documents could be attached as supporting documentation to the IANA services SLA. This was done in cooperation with other RIRs, however the maps have not yet been fully validated by IANA. This project may be completed later, with the finalisation of the SLA.

4.3 Other developments

4.3.1 NOGs

APNIC sent staff to 16 national and regional NOGs and provided sponsorship for 13 NOG events. NOGs are an essential platform for community development in the region and an important source for people to participate more actively in APNIC policy development.

4.3.2 APriGF

In September 2015, I was re-elected as the chair of the APriGF's Multistakeholder Steering Group (MSG).

The APriIGF meeting in Macao was a success, with a larger programme and more diverse attendance than in the past. The next event will be in Taipei in 2016.

With DotAsia I have proposed a new funding structure for the APriIGF Secretariat to improve sustainability, transparency and accountability. If approved then supporting partners (including APNIC) would contribute up to around \$25,000 per year to support the Secretariat; or under an alternative model, make a larger loan to the Secretariat in the form of a repayable endowment/bond. Further details will be developed.

4.3.3 APSIG

A new proposal to establish a School of Internet Governance has been tabled, for this initiative to concur with the APriIGF. Funding and format is still under discussion by the MSG, but the idea, if successful, will mean that different initiatives, such as APILP and those from Ang Peng Hwa and Hong Xue, will evolve and continue in the APriIGF space.

The preferred model is that APSIG be coordinated within APriIGF, relying on the same established procedures for hosting, Secretariat, programme, funding, etc; so that there is no duplication or redundant efforts.

4.3.4 IGF

IGF had its 10th anniversary in Joao Pessoa. This was achievement in itself, with more than 2,400 people from around 120 countries participating, as well as many more through remote participation. It is clear that the IGF is valued and will very likely continue.

The RIRs and others in the Internet technical community support the continuance of the IGF as an important way to ensure that the RIR system, and other technical aspects of the Internet, can be better understood by others.

4.3.5 WSIS

Preparations for a two-day high level (intergovernmental) meeting at the UN General Assembly in New York are underway. Drafts of an outcome document have been produced and current language gives governments a much stronger role in Internet governance matters. Language on multilateral (instead of multistakeholder) and also new processes on cybersecurity and enhanced cooperation are very controversial.

APNIC will participate as part of the Australian delegation in the meeting in New York.

4.3.6 Cybersecurity activities

APNIC signed an MoU with APCERT in September 2015.

Adli Wahid was invited to join the INTERPOL Cybercrime Expert Group.

As a member of the FIRST board, Adli participated in a FIRST Technical Colloquium in Bali, Indonesia and the FIRST board meeting in Seoul.

APNIC staff also joined cybersecurity activities as part of APEC TEL 52 in Auckland, the APT Cybersecurity Forum in Bangkok, Sri Lanka CERT Cybersecurity Week, and the Cyber3 Conference in Okinawa.

4.3.7 Cybergreen

APNIC has received a proposal to become a foundation supported of the Cybergreen initiative. Documents have been provided to the APNIC EC for consideration.

5 Development Area

5.1 Training

5.1.1 Training in 2015

This table shows Training activity levels so far in 2015, compared with totals for 2014.

	Face to Face Workshops & Tutorials	eLearning
Courses	67 (76)	123 (141)
Days	146 (219)	33 (39)
Locations	26 cities (29) 21 economies (22)	N/A
Participants	1,955 (2,352)	644 (534)
YouTube channel		293,229 views 4,104 subscribers

5.1.2 Training Needs Analysis

As proposed by the EC, a survey was conducted during the first half of the year, summarised as follows:

Topics	Key survey responses	APNIC actions
eLearning	Improve topics; alternative video hosting platform	<ul style="list-style-type: none"> Reduced from 4 to 3 sessions Changed time slots to 11:00; 13:00 and 15:00 – increased participation Video-on-demand Reviewing content
Self-paced learning	Support for online learning and certification	<ul style="list-style-type: none"> Looking to partner with RIPE NCC on course development (Internet governance, whois)
Face-to-Face	Strong interests in advanced topics such as network security, IPv6, BGP, DNSSEC and SDN	<ul style="list-style-type: none"> Reviewing and updating existing courses Introduced Juniper-based materials and Juniper training lab
Capacity	Request for more and frequent training	<ul style="list-style-type: none"> Third and fourth trainers started in October/November to increase training capacity

5.1.3 Training Team

The Training Unit is now fully staffed (total 4 FTE) with the appointment of Training Manager (Nurul Roman Islam); two Senior Trainers, Fakrul Alam and Sheryl (Shane) Hermoso; and Trainer (Jessica Wei).

A staff exchange with RIPE NCC Training is being planned on online self-paced course development.

5.2 Community Development

5.2.1 Activities

The following community development activities have been held in the recent period:

Support for the Pakistan School on Internet Governance (PKSIG) in partnership with ICANN and ISOC.

First official visit to the Maldives, meeting with the four Members and Maldives Government representatives.

Sponsorships provided to BdNOG, MMNOG, AINTEC, SLCERT, APCERT/OIC-CERT, Internet Week Japan, and IETF Yokohama.

5.2.2 Fellowships

An increased Fellowship fund was approved for APNIC 40 and 24 fellows were supported, including 5 Youth fellowships.

We provided 8 partial fellowships to members of the AP technical community, for the IGF in Joao Pessoa, Brazil.

5.2.3 SIG Travel Support

We have received requests for funding assistance to APNIC SIG chairs and are able to provide fellowship assistance where appropriate. However this may result in questions about fairness and consistency; therefore future budget is now allocated for travel support (economy class, on request) for the Chair and one co-Chair of the Policy, NIR and Cooperation SIGs. This is consistent with policies of other RIRs except RIPE NCC.

5.2.4 Root Servers

Two new root server installations were supported in the recent period:

- Samoa L-Root server
- Cambodia F-Root server

Afghanistan is also interested in establishing a root server site.

5.3 Technical Assistance

5.3.1 Activities in 2015

During 2015, 3 TAS missions are held:

1) Sri Lanka (8 members)

Key topics: How to improve network security including DDoS attack mitigation methods and network monitoring; RPKI and ROA creation

2) Bangladesh (13 members)

Key topics: Routing fundamentals (eBGP and iBGP); network management and network security including DDoS attack mitigation

3) Thailand (10 members)

Key topics: IPv6 transition technologies; IPv6 addressing (early stage of IPv6 network deployment)

5.3.2 Singapore IPv6

Discussions with IDA Singapore are underway for a pilot training programme in support of IPv6 deployment in ASEAN countries. This will be conducted by APNIC on a cost recovery basis.

5.4 Policy Endorsement

The EC have been asked to endorse the two proposals that passed at APNIC 40:

- Prop-113: Modification in the IPv4 eligibility criteria
- Prop-114: Modification in the ASN eligibility criteria

The proposals will be discussed during the EC meeting in Guam.

5.5 Grants

5.5.1 SEED Alliance

IDRC and SIDA grants for the SEED alliance were concluded during this year, with all reporting finalised. This was coordinated by APNIC in our role as Secretariat (for which we received additional funds).

Seed Alliance awards ceremony was organised by APNIC at the IGF in Joao Pessoa, Brazil.

A new website (www.seedalliance.net) was launched. It documents 3 years of work, including 5 webinars on grant making support. More details at: <https://vimeo.com/seedalliance>

A new IDRC grant approved for 2016 – CAD 399,500

New ISOC grant also approved for 2016 – USD 68,000

SIDA has been unable to renew funding so far, due to Swedish domestic circumstances, however discussions are ongoing.

5.5.2 APNIC Research Grants

Applications for APNIC's [Internet Operations Research Grants](#) (*60,000 AUD) fund to support independent research on Internet operations, infrastructure and related protocols closed on 15 November 2015. Selection Committee review is underway.

5.6 Fundraising

5.6.1 Prospectus

A prospectus for APNIC Development activities is under development and will be used in promotion and discussion with fundraising and project partners.

5.6.2 APNIC Foundation

Development of the proposed APNIC Foundation has continued, including further research on requirements for establishment in Hong Kong, preparation of incorporation documents, and preparation of draft business plan.

These latest results will be presented to the EC in Guam; based on that discussion, final incorporation documents can be prepared for EC approval in early 2016.

6 Business Area

6.1 Strategic Planning

The Secretariat conducted strategic planning through a series of staff and management meetings:

- Area meetings involving all staff of each area, producing a “bottom up” result from each team.
- Leadership group meeting involving managers and senior/specialist staff, to assimilate the Area results.
- ELT retreat meeting to further develop planning inputs to the EC retreat.

These processes also assisted in the operational planning and budget preparation for 2016.

6.2 Review of Corporate Travel Manager

During August and September, the travel team underwent a review of the current Corporate Travel providers, a trial was undertaken to test the quality of services and the pricing for “The Corporate Traveller”, and “Pulse Travel”. During the trial a group of regular travellers were chosen to test the services provided.

After careful analysis of the trial period, it was decided to move all travel bookings to Pulse Travel who provided excellent service and a more cost effective pricing schedule. All bookings since Nov 1 have been with Pulse.

6.3 Review of Banking Providers

APNIC has been banking with NAB since inception and their level of service has eroded significantly in recent year. To improve our banking operations, it was decided to undertake a review of APNIC’s banking requirements and to consider proposals from other banking institutions. APNIC sought proposals from Westpac Bank, Commonwealth Bank, and HSBC.

After a detailed comparison of the proposals considering the range of services, pricing, and the level of engagement from each institution, Westpac was selected as having the best solution for APNIC’ future banking requirements. Transition to Westpac is underway and by January 2016, all transactional banking will be conducted through Westpac.

6.4 QMS Audit in July

Each year APNIC is required to undergo a surveillance audit of its quality management system. Once again APNIC passed the audit successfully and the auditor was very impressed with APNIC’s continued systematic adoption of the QMS. APNIC will undergo a full audit in 2016 as required in the 3 yearly audit schedule and preparations are underway for this already.

6.5 New Merchant facility

APNIC introduced a new merchant facility as part of its aim of improving flexibility for membership payment options. This facility allows for receiving payments via PayPal which is in final stages of testing. Further enhancements including recurring credit card billing which can be enabled in this facility are currently being developed and will be piloted by the end of 2015.

6.6 ATO private ruling

On behalf of APNIC, KPMG have lodged an application for a private ruling with the ATO (Australian Taxation Office) regarding APNIC’s mutuality status. This process required a large

amount of information to be gathered and provided to the ATO on APNIC's Structure, Membership, financials, and services to support this application.

A decision on this is expected in December 2015.

7 Human Resources (confidential)

[Confidential information redacted]

Agenda Item 10
APNIC policy endorsement

Proposal 113: Modification in the IPv4 eligibility criteria

Proposal text

<https://www.apnic.net/policy/proposals/prop-113/prop-113-v003.txt>

Synopsis

This proposal relaxes the criteria of IPv4 for multihoming delegation.

If an organization intends to be multihomed is also considered meeting the multihoming criteria.

Proposal History

The proposal was initially discussed at APNIC 39 in Fukuoka. It came close to consensus, although there were some concerns. Version 3 of the proposal reached consensus at APNIC 40 Open Policy Meeting and then later at the APNIC Member Meeting.

During the final comment period, four (4) community members supported the proposal. There were no objections.

Following the end of the Comment Period the Policy SIG Chair requested EC endorsement of this proposal.

For details of the proposal's progress through the PDP please see:

<https://www.apnic.net/policy/proposals/prop-113>

Implementation

The implementation of the new policy will affect the following

- IPv4 address request form
- Membership application form
- Hostmaster approval procedures
- Website information pages
- Policy document

There will be some initial workload for software changes and Hostmaster training. In the longer term there may be a slight reduction in Hostmaster workload.

As a consequence of this policy change, more organizations will become eligible to receive a direct IPv4 assignment resulting in faster depletion of the free pool.

Proposal 114: Modification in the ASN eligibility criteria

Proposal text

<https://www.apnic.net/policy/proposals/prop-114/prop-114-v003.txt>

Synopsis

This proposal relaxes the criteria for Autonomous System Number (ASN) assignment.

AS numbers will continue to be available to organizations that can demonstrate they are currently multihomed by providing the AS numbers of two peering partners.

AS numbers will also be available to holders of current APNIC IPv4 and IPv6 addresses delegations if they indicate they intend to multihome in the future.

The proposal removes the requirement for a single, clearly defined routing policy that is different from its providers' routing policies.

However, eligibility will continue to be evaluated using the guidelines described in RFC1930 'Guidelines for the creation, selection and registration of an Autonomous System' (AS).

Proposal History

The proposal was initially discussed at APNIC 39 in Fukuoka. It came close to consensus, although there were some concerns. Version 3 of the proposal reached consensus at APNIC 40 Open Policy Meeting and then later at the APNIC Member Meeting.

During the final comment period five (5) community members supported the proposal. One community member opposed the proposal as written since it did not include a criteria for a non-multi-homed need based on a unique routing policy.

Following the end of the Comment Period the Policy SIG Chair requested EC endorsement of this proposal.

For details of the proposal's progress through the PDP please see:

<https://www.apnic.net/policy/proposals/prop-114/>

Implementation

The implementation of the new policy will affect the following

- ASN request form
- Membership application form
- Hostmaster approval procedures
- Website information pages
- Policy document

There will be some initial workload for software changes and Hostmaster training. In the longer term there may be a slight reduction in Hostmaster workload.

As a consequence of this policy change, more organizations will become eligible to receive a direct AS number assignment resulting in faster depletion of the free pool.

Agenda Item 13
APNIC Foundation update

APNIC Foundation Update 5*

EC meeting - Guam

* “Update 1, 2, 3 and 4” were in Singapore, Fukuoka, Manila and Jakarta

APNIC



The Singapore Road Map

- Nov 2014 (Singapore)
 - This presentation to APNIC EC*
- Feb 2015 (Fukuoka)
 - Presentation of Concept Paper*
- June 2015 (EC meeting, Manila)
 - Presentation of options identified* (HK or Singapore)
- Aug 2015 (Jakarta)
 - Proposal for EC approval*
- **Nov 2015 (EC meeting, Guam)**
 - **Implementation (business) plan and budget approval***

* With go/no-go at each stage

Jakarta proposal

That APNIC management develop for EC consideration in Guam the necessary legal documents for the establishment of the APNIC Foundation Hong Kong including:

- Memorandum of Association
- Articles of Association
- Business Plan (including budget)

Foundation Business Plan

- Business rationale
- Establishment and governance
- Operations
- Functions
- Finances and fund raising (including budget)
- Risk factors (summary)
- Evaluation
- Appendix (Foundation Concept Paper; APNIC Development Programme; APNIC donors; budget)

Next steps

- Finalise the Memorandum and Articles of Association
- Decide on the Foundation Board and management structure
- Foundation set up. Two steps:
 1. Set up a limited liability company/non-profit (1-2 months)
 2. Register non-profit as a charity (10-12 months)

Operational by the 4Q 2016

Thank you

Setting up the APNIC Foundation

APNIC EC Meeting
1-2 December 2015
Hyatt Regency Guam

APNIC

Issue Date: [Date]

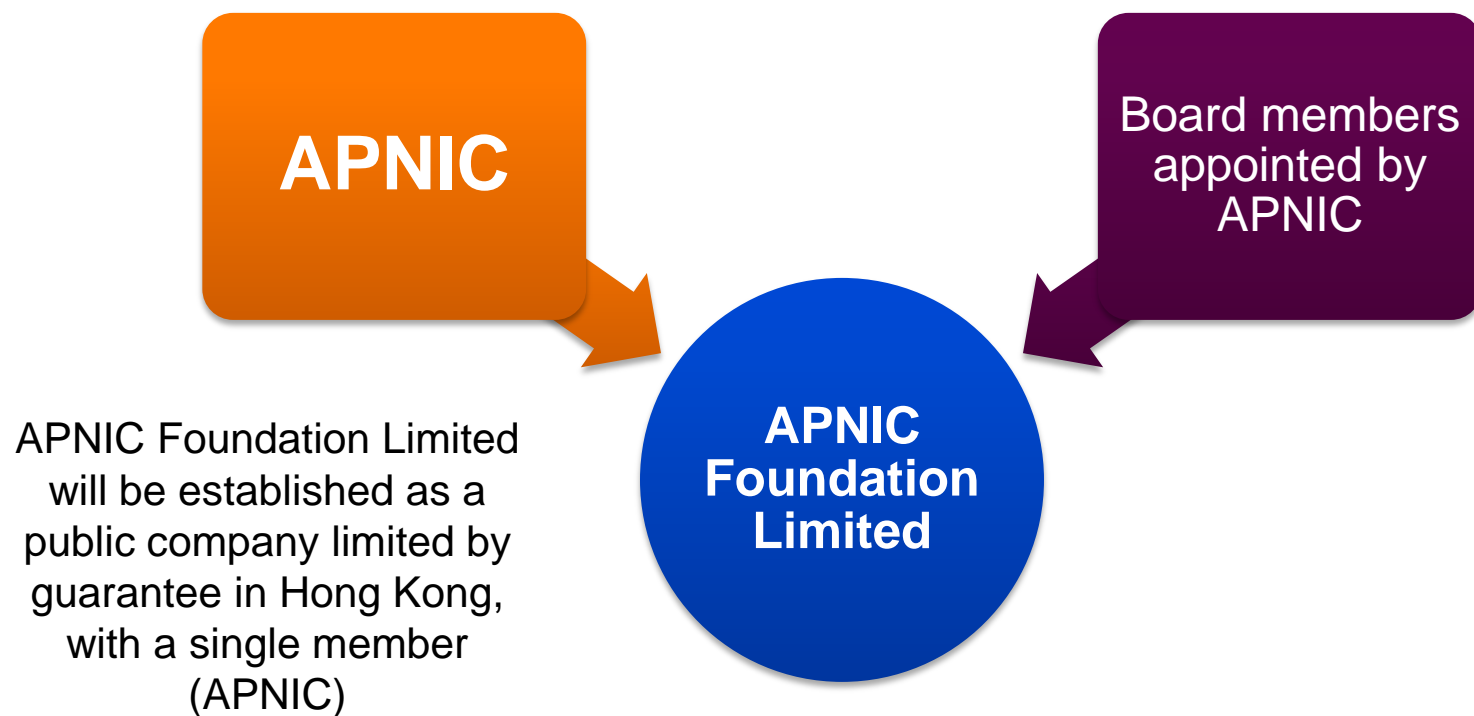
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Agenda

- Proposed structure of APNIC Foundation
- Hong Kong regulatory requirements for tax exemption
- EC decisions and discussions:
 - Objects of APNIC Foundation
 - Board composition of APNIC Foundation

Proposed structure of APNIC Foundation



Hong Kong regulatory requirements (1)

To be exempt from income tax, APNIC Foundation must be:

- set up as a “charity” under Hong Kong laws
- established for public benefit
- have a governing instrument (memorandum and articles of association) with specified provisions:
 - clearly specified objects
 - limit application of funds towards attainment of the specified objects
 - prohibiting distribution of income and properties to its members
 - prohibiting members of its board from receiving remuneration
 - specifying how assets are to be dealt with upon its dissolution

Hong Kong regulatory requirements (2)

Under Hong Kong laws, there are four heads of charitable purpose:

- relief of poverty
- advancement of education
- advancement of religion
- other purposes of a charitable nature beneficial to the Hong Kong community

Proposed “objects” of the APNIC Foundation

- To advance education in technical, operational and policy matters relating to Internet infrastructure
- For example
 - technical training for engineers
 - technical assistance (including support for the deployment of root servers and IXPs)
 - provision of scholarships and fellowships for conferences, training and other similar events
 - research on Internet operational issues
- To raise funds to support the training, developmental and capacity building activities of APNIC, for the advancement of education in Internet infrastructure including routing and addressing

Board of APNIC Foundation

- How many directors? (Minimum is two)
- How should directors be appointed? Should concept of “community election” be entrenched in constitution?
- Should there be a non-voting paid Executive Director?
- Chair is usually appointed from amongst board members. Should chair by an APNIC EC member?
- Should there be office-bearer positions (for example: Honorary Treasurer; Honorary Secretary)?
- Should there be a limit to a director’s term? Or should all retiring directors be eligible for re-election indefinitely?

Business Plan For The APNIC Foundation Hong Kong

Executive Summary

This business plan explains the proposed establishment, operation and functions of The APNIC Foundation Hong Kong (the Foundation). A strategic rationale for the Foundation's establishment is provided in Appendix 1. The Foundation's main function will be to support and further develop the APNIC Development Programme which is explained in Appendix 2.

Information provided in this business plan includes a business rationale for the Foundation's operation; information on its establishment and governance; its operations; its main functions; finances (including budgets); and risks.

The Foundation's main aim will be to support key aspects of APNIC's mission¹; by facilitating and expanding the activities of APNIC's Development programme (see Appendix 2). In support of its vision of a global, open, stable, and secure Internet that serves the entire Asia Pacific community, APNIC responds to the needs of its members, and the wider Internet community, by providing a range of development services including:

- Technical training for engineers (face to face and on-line)
- Technical assistance (including support for the deployment of root servers and IXPs)
- Fellowships (for conferences, training and other events)
- Community development (support for Network Operator Groups (NOGs) and other regional events, activities and organisations)
- Research on Internet operational issues
- Capacity building in broader Internet policy and governance matters
- And, support for activities (such as the ISIF grants and awards program) that highlight the positive social impact of APNIC members and the Internet in general with particular emphasis on issues such as diversity.

However – at a time of rapid growth in the demand for networking skills - a major challenge is how to ensure these services are readily available to all those who need them in the developing economies of the region². The Foundation seeks to respond to this challenge.

¹ Provide information, training, and supporting services to assist the community in building and managing the Internet; support critical Internet infrastructure to assist in creating and maintaining a robust Internet environment; provide leadership and advocacy in support of its vision and the community; facilitate regional Internet development as needed throughout the APNIC community

² See Appendix 1 for more detail

The funding needs of the Foundation will be:

- 1) Operational overhead: The Foundation will have no salaried staff or office until it is able to pay for these from its own revenues. Its initial operational costs will be fully supported by APNIC until such time as it has sufficient revenues of its own to do so. Such revenues will be generated by a 10 per cent overhead on all funding received.
- 2) Project costs: All the Foundation's activities will be supported by external funding provided by development agencies; the private sector; foundations; philanthropy and any other sources available (i.e. via resource mobilization and fund raising). All these funds will be subject to a 10 per cent overhead to support the Foundation's operational overheads.

The initial operational capital needed to start the Foundation will be provided by APNIC and carefully managed and monitored by APNIC management.

The implementation of the Foundation's projects will initially be by APNIC, which will also provide financial and administrative support, mobilise resources, manage projects, and seek and manage partners for project implementation and development. APNIC will initially underwrite all operational overhead costs for the Foundation during an incubation period of 1 to 2 years.

Fundamental to the success of the Foundation will be its ability to raise money to support its activities via a successful fund raising strategy. This is explained in more detail in Appendix 2. A fund raising strategy will be developed following the approval of this business plan that will identify key opportunities, methods of engagement and achieving support as well as likely amounts raised.

Business Rationale

The Foundation is being established to:

- Allow the separation of fund-raising and the projects it supports from the operations and revenues of the APNIC registry.
- Ensure that APNIC's financial position remains unaffected by the success (or not) of the Foundation's development activities.
- Provide greater flexibility in the hiring of specialized technical staff to support and implement fund raising activities and related projects.
- Establish an Asian "identity" for APNIC's development activities that complements its strong existing reputation as the regional registry.

Over many years, APNIC has received strong and committed external support for various development activities in the Asia Pacific region³. This assistance has ranged from substantial grants from the Canadian and Swedish governments for the Information Society Impact Fund (ISIF Asia) to support from the ITU and the World Bank for training and technical assistance.

While the ISIF grants have not directly supported APNIC's core role as a regional Internet registry they have relied on two other important aspects of APNIC's activities. The first is its respected technical reputation and the second is its strong regional presence across the Asia Pacific. The ITU and World Bank have more directly supported APNIC's registry-related activities while also relying on its technical reputation and regional presence.

This success in achieving support for its development activities confirms the potential for APNIC to receive more support. However, it is important that this support (and the related activities) do not impact on APNIC's core function as an Internet registry, especially – for example - in meeting the terms and conditions expected by many donors. For this reason, this business plan proposes the establishment of the Foundation to achieve the following goals on half of the APNIC mission:

- To identify and engage potential donors
- To receive and manage support for APNIC's development activities
- To manage projects and activities in support of APNIC's mission
- To report and provide information on these projects and activities

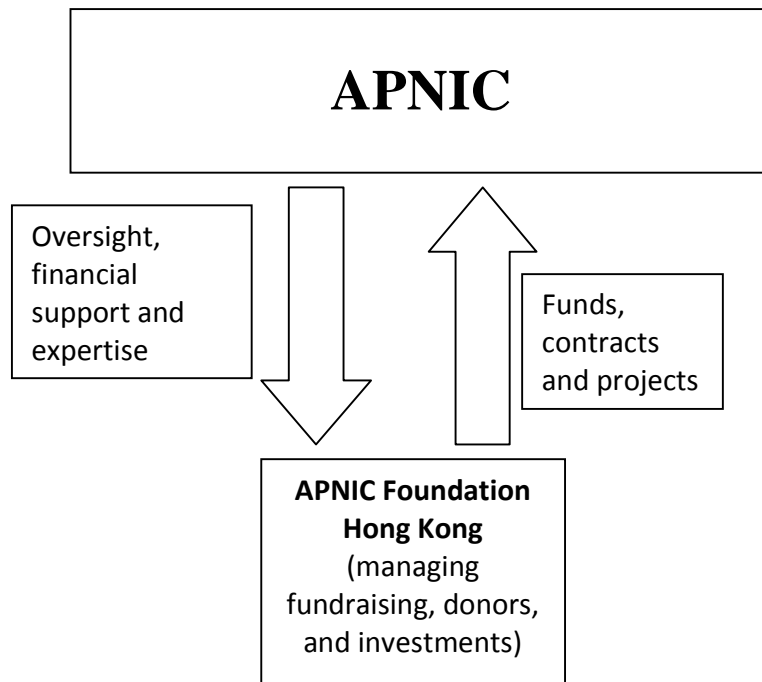
Establishment and governance

The Foundation will be established as a Limited Liability Company (LLC) with the only member being APNIC. It is proposed, that the Foundation Board will initially consist of APNIC management and one or two other representatives; local Hong Kong residents are not required. A legal and/or accounting firm will be contracted to serve as the registered office and provide Board secretary services.

For tax purposes, the Foundation will be registered under section 88 of the Hong Kong tax code, which permits donations to be received free of tax, exempts income from tax, and provides tax deductions to donors with Hong Kong tax liabilities. The statutory reporting for the Foundation will be done by a Hong Kong-based legal firm retained for this function.

As the only member, APNIC will have sole control of the appointment of other members and therefore the Board of the Foundation and so will have clear and undisputed control over its operations in perpetuity.

³ For a full list of supporters of APNIC's activities in the Asia Pacific please see Appendix 3



This business plan proposes that APNIC provides financial and other support to the Foundation during an incubation period of 2 years, with a review after that period. The Foundation's assets, revenues and activities will be managed by its Board and a small management team, both of which will be under the oversight of APNIC's management.

In order to minimize any reputation risks, the APNIC Foundation will be committed to adopting and implementing governance standards befitting an international organization seeking contributions from international development agencies, private companies and high net worth individuals with exacting standards.

The operations of the APNIC Foundation, including financial statements, hiring and operations will be reported to the APNIC EC on an annual basis.

Hong Kong

Hong Kong is a well-established and recognised regional center for business activity, investment and as a gateway to China. Because of a supportive legal environment for fund raising (i.e. charities are not required to have a physical presence to raise money, or to move money off shore) it is not anticipated that assets will be held in Hong Kong unless required by a donor or until such time the Foundation is financially well established. Hong Kong's Section 88 registration provides tax relief to Hong Kong-based donors but there is no geographic restriction on where funds can be spent or held.

Operations

It is not proposed to have an office or employ staff in Hong Kong, until there is both a need and sufficient Foundation revenues to cover those additional operational overheads.

It is proposed the Foundation will develop/operate in three distinct phases:

Phase 1 (implementation): The Foundation's legal and tax entities will be established while staff resources will be contributed by APNIC to a minimum number of essential operational roles (e.g. Executive Director, Finance Director, Legal Counsel). This phase is expected to be completed by the end of 2016, possibly earlier depending on the application process for charitable status.

Phase 2 (incubation): Active fund raising, project development and implementation. During this 2 year phase the Foundation will continue to receive financial and personnel support from APNIC because it will not have enough revenue to pay its operational overheads. At the end of this period, there will be a review. The decision to continue could be with additional APNIC support or because the Foundation is self-sufficient

Phase 3 (self-supporting): In this phase, the Foundation is generating enough revenue to be self-supporting and requires no additional financial support from APNIC for its operational overheads. APNIC may provide ongoing in-kind support as a "host" for the Foundation in the long term, for example providing office space and staff support. In this phase the Foundation will start growing organically on its own revenues hiring its own staff and establishing an office in Hong Kong as decided by its Board. The Foundation may also choose to refund to APNIC its initial support for operational overheads

Functions

The Foundation will support and collaborate with APNIC's Development activities. APNIC's Development Director will be responsible for ensuring close coordination and integration with APNIC's Strategic Plan and external relations activities. The APNIC Development Director will also ensure close coordination with any related APNIC activities such as conferences and events, communications, and research.

Foundation staff will focus on:

- Generating ideas for support and ensuring close coordination with APNIC activities;
- Identifying potential investors, researching their interests, and presenting ideas as per those interests;
- Ensuring close liaison with all donors (regular contact, materials, project updates, etc.);
- Coordinating statutory reporting to donors and Hong Kong authorities.

APNIC support

As noted, the Foundation's operations and activities will be coordinated by the APNIC Development Director. The Foundation will also receive support from other APNIC units including Finance, Human Resources, Legal and Communications.

During incubation, the Foundation will be audited annually within APNIC's own regular financial audit process.

Finances and fund raising

In addition to APNIC's support, the Foundation will seek external support from a range of sources including, international and national development agencies, government ministries, private companies, philanthropic foundations and wealthy individuals, primarily in Asia. The Foundation will be structured to support this "wholesale" or big donor approach. Retail fund-raising strategies such as crowd funding will also be investigated.

The Foundation will retain all the support it receives and disburse it only to APNIC to support agreed on projects and activities.

In considering the appropriateness of entering into a relationship with potential donors, the Foundation will consider the following:

- Whether the support comes from reputable sources. All donors will undergo a due diligence process.
- Whether the support infringes upon the integrity, independence, and operational freedom of APNIC or the Foundation. There must be no conditions attached to a donation that could affect APNIC or the Foundation's ability to carry out its functions in a fair and impartial manner.
- Whether the support inhibits the Foundation or APNIC from seeking gifts from other donors.
- If the support exposes the Foundation or APNIC to adverse publicity; requires supporting expenditures beyond APNIC's resources; or, involves the Foundation or APNIC in unexpected responsibilities.
- If the support involves unlawful discrimination based upon race, religion, gender, age, physical disabilities, or any other basis prohibited by the United Nations and/or Hong Kong or Australian law. Nor can the Foundation accept gifts that obligate it to violate any other applicable law or regulation or that violate APNIC's charter.

- In the case of endowed funds, since they exist in perpetuity, the APNIC Foundation will ensure that the donor's wishes are maintained even in light of any unforeseen future changes.
- A donation should not in any way give or be perceived to give a business sponsor or donor an unfair commercial advantage over others in the same trade, industry, or profession.
- No employee of the Foundation or APNIC should ask for or receive any private benefits connected with a donation.

Appendix 4 contains an initial three-year budget. As noted, the initial start-up costs for the Foundation will be provided by APNIC. APNIC will ensure that its registry operations are not compromised due to expenditures to develop the Foundation.

The Foundation's accounts will be maintained in US\$, reflecting the regional nature of the Foundation and the regional mandate that it supports. The fiscal year will end on December 31. The Foundation may also choose to maintain multicurrency bank accounts with major international banks. The disclosure of contributions will be determined by the donor and within the reporting requirements of Hong Kong charity laws.

The Foundation board will approve an investment policy designed to preserve capital over the medium to longer term and to exceed bond fund returns. The board will benefit from independent investment advice (or perhaps an investment committee).

Bank signing officers for the Foundation will be the same as for APNIC. External auditors will be appointed, preferably the same auditors as for APNIC.

Risk Factors

The risks to APNIC in creating the Foundation include the following:

1. Damaged reputation if the Foundation fails or its commitments are not delivered.
2. Support is received from inappropriate persons.
3. Governance fails, resulting in financial liabilities and inappropriate allocation of assets.
4. Start-up and ongoing costs become excessive.
5. Misunderstandings within the registry community and among APNIC's members about the goals and activities of the Foundation
6. Confusion with existing APNIC activities

Some comments related to specific risks follows:

1. Damaged reputation

Responsibility for the governance and management of the Foundation will rest with the Foundation Board and its management. While there will obviously be strong connections to APNIC, the registry will hold no legal or fiduciary responsibilities in relation to the Foundation or its operations

2. The APNIC community

The Foundation will be a new concept within the APNIC community and thus might raise some questions or concerns. However, it will be emphasized that the APNIC has always undertaken a range of development activities, and community will continue benefit both from an improved regional Internet infrastructure, and by having its development needs better supported and resourced. The Foundation is a way for APNIC to respond to the increasing needs of its members for Development services such as training.

3. Existing APNIC activities

APNIC will remain fully committed to providing international best practice training, fellowships and sponsorships to its members via its own Development services. The Foundation will seek to expand the scope of these services without changing their effectiveness or delivery to members.

Evaluation

The Foundation and its activities will be first reviewed after the incubation period of 2 years (described above). It will then be subject to a full financial and performance evaluation after four years and for every four years after that under the guidance of its Board as part of its strategic planning process. The Foundation Board will commission these reviews. Reviews will consider fund-raising success and relevance to the APNIC mission, investment returns, governance effectiveness, etc. The Foundation Board will also use this review to develop a four year strategic plan for the foundation.

APPENDIX 1

"The EC invited the Director of Development to develop a proposal for a developmental funding foundation for further EC consideration, including consideration of developmental needs in the region, and the means and methods for fulfilling those needs, noting that APNIC is committed to providing no lesser level of developmental support than is the case today."

Concept Paper

The APNIC Foundation

*Supporting a global, open, stable, and secure Internet
that serves the entire Asia Pacific community*

Executive Summary

This Concept Note seeks support from the Executive Council to contact the appropriate government agencies in Hong Kong/China and Singapore to assess the level of official support for the establishment of an APNIC Foundation in either nation. This process will also include an assessment of the potential for other financial and in-kind support outside of the government agencies contacted.

Governments and related agencies will be asked to provide financial support for the cost of setting up and running the foundation for the first five (5) years including:

- The establishment of a legal entity
- Office rent
- Staff salaries
- Other legal, administrative and travel costs

Official (political) support will also be requested for the registration and other administrative procedures required for the setting up of a foundation that can provide the full range of Development services to the Asia Pacific region⁴. The EC will be informed of the responses from China/Hong Kong and Singapore at the next EC meeting.

Introduction

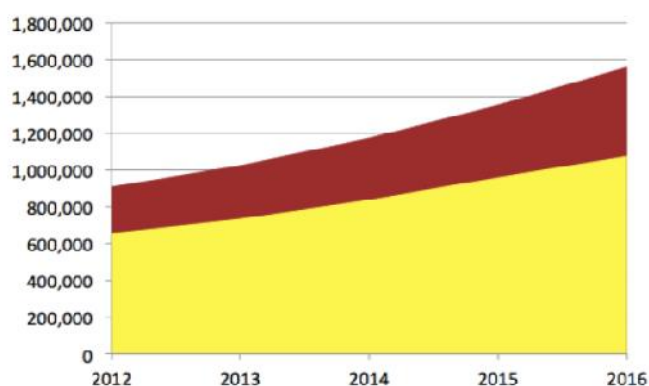
In support of its vision of a global, open, stable, and secure Internet that serves the entire Asia Pacific community, APNIC responds to the needs of its members, and the wider Internet community, by providing a range of development services including:

⁴ No special budget request is required from the EC as the cost of engaging China and Singapore can be carried by the Development section's budget for 2015.

- Training (face to face and on-line)
- Technical assistance (including support for the deployment of root servers and IXPs)
- Fellowships (not just for APNIC conferences, but for other events and activities)
- Community development (support for Network Operator Groups (NOGs) and other regional events, activities and organisations)
- And, support for community activities (such as the ISIF grants and awards program) that highlight the positive social impact of APNIC members and the Internet in general.

However – at a time of rapid growth in the demand for networking skills - a major challenge is how to ensure these services are readily available to all those who need them in the 56 economies of the region (see Figure 1).

Total Networking Skills Demand and Supply Trends in Asia/Pacific, 2012–2016



Source: IDC, 2013

Figure 1

(Demand is brown. Yellow is supply)

In response to this challenge, APNIC is focused on carefully managed and sustainable growth in its development services that is supported – wherever possible – by resources in addition to its own. Such growth though, poses a number of important questions including: How best to handle growth without impacting APNIC’s core registry services? How best to manage the additional financial and human resources required? And, how best to manage the risks involved in such expansion?

This Concept Paper (CP) seeks to answer not only to these key questions, but most importantly respond to the EC resolution requesting a proposal on how to support the continued growth and development of these services in a sustainable manner.

Rationale

APNIC can use – and is already using – several different strategies to support the continued growth and expansion of its development services. In addition to the careful and appropriate use of its own limited resources, APNIC also actively seeks to partner and collaborate with a wide range of agencies, companies and organisations including (for example) NSRC, the ITU, DotAsia, ICANN, and Google. For its training programs, APNIC also partners (via sponsorships) with its members and other agencies on a regular basis to ensure its training reaches as many people as possible. In addition to this partnering and collaboration, APNIC also seeks - and receives - direct financial support for activities including its conferences and the ISIF grants and awards program.

APNIC's success so far in partnering and seeking financial support for its activities demonstrate the potential of both these strategies to support the further expansion of its Development services. APNIC has four important assets that further support its efforts to partner, collaborate and seek financial support. They are:

- 1) Its strong technical focus and knowledge.
- 2) Its financial strength and transparency
- 3) Its robust regional networks and relationships
- 4) Its established and respected reputation

However, in addition to APNIC's own strengths, experience and community, it is also important to better understand the potential to engage the larger development and philanthropic communities and the private sector. Here are some examples of the type of support available from each community.

In the development community, the Asian Development Bank (ADB) provides a good example of the priorities and scale of the investments being made that APNIC could consider connecting to. From 2000 to 2013, the ADB invested US\$17.67 billion in 547 ICT-related projects as follows⁵:

- \$28.18 million - projects supported by ICT-specific funds (e-Asia and Knowledge Partnership Fund and Japan Fund for Information and Communication Technology)
- \$786.62 million - ICT-led projects whose outputs are mainly telecom and ICT-related infrastructure, policy and strategy, and knowledge sharing activities.
- \$17.16 billion - ICT-supported projects that use ICT as a component to support projects in key ADB sectors (e.g., public sector management, education, health etc.)
-

In the philanthropic community, Google in 2013 awarded US\$3.1 million to NSRC to provide local network engineering expertise to universities and national research and education

⁵ From the ADB website: <http://www.adb.org/sectors/ict/projects/summary>

networks (NRENs). Google awarded an additional US\$1.3 million to the Internet Society to create and improve Internet exchange points (IXP) in emerging markets⁶.

Finally, in the private sector substantial opportunities for support exist under the Corporate Social Responsibility (CSR) programs of large IT firms such as Cisco, Microsoft and IBM all of whom have collaborative programs in areas such as training, technical assistance and community development.

Project Description

The EC response in Brisbane seeks information on three key issues or activities as follows:

1) *“a proposal for a developmental funding foundation”*

The production of a full proposal for a developmental funding foundation is a major undertaking requiring considerable research, a detailed implementation plan and budget, and the provision of legal, financial and governance advice on a range of issues. With this in mind, at the December 2014 EC meeting the following roadmap was presented and agreed on (with a go/no-go at each stage):

- Feb 2015 (Fukuoka) Presentation of Concept Paper
- May 2015 (EC meeting, TBD) Presentation of options identified
- Aug 2015 (Jakarta) Proposal for EC approval
- Nov 2015 (EC meeting, TBD) Implementation plan and budget approval

Therefore, this CP presents two possible options for a developmental funding foundation for consideration by EC. They are:

1.1) The APNIC Foundation (Australia)⁷

The advantages of this option are considerable and largely self-evident. First and foremost, the APNIC Foundation (Australia) would operate in legal and financial jurisdictions that APNIC has considerable experience and expertise in. Governance and transparency would also be robust and assured, again because of APNIC’s established position in the Australian community.

It’s also likely that the investment needed to establish a foundation in Australia would be considerably less than the investment needed to establish a foundation in another country. One reason for this is that it maybe be optimal for APNIC to use mechanisms such as trust accounts to manage and run its development services instead of investing in the creation of a completely separate organisation. Other expenses could also be mitigated via the use of existing APNIC resources.

⁶ The Philanthropy News Digest: <http://philanthropynewsdigest.org/news/google.org-awards-grants-totaling-4.4-million-to-expand-internet-access>

⁷ The name “The APNIC Foundation” is only a descriptive, temporary name for the proposed “developmental funding foundation”.

At the same time, the potential disadvantages of the APNIC Foundation (Australia) are also notable. They include the possible reinforcement of APNIC's image as an Australian-centric organisation; missed collaborative opportunities because of a less visible Asian presence; and, most importantly, an inability to access resources available in the Asia Pacific because of a reduced ability to network and connect.

1.2) The APNIC Foundation (Hong Kong)⁸

The advantages of this option include: A more visible presence in Asia (thus reducing any concerns about APNIC being an Australian-centric organisation); increased collaborative opportunities because staff would be based in the region and more directly engaged with local communities; and, improved access to resources to support APNIC's Development services.

However, there are also at least two important disadvantages to this option. While both can be mitigated - if not completely overcome - by careful planning, they are still substantial and should be noted. The first is that there will clearly be additional costs involved. Not only is it likely to cost more money to set up and run a foundation in Asia than Australia, but it will also cost more in terms of staff time. The second disadvantage is that it will require APNIC to learn and operate in new legal and financial jurisdictions. This includes the challenge of building a governance structure that ensures APNIC remains in control of the foundation, especially over the long term after the first generation of leadership has departed.

But these disadvantages also provide an opportunity for APNIC. It is recommended that APNIC contact relevant governments to seek their possible support for the establishment of an APNIC Foundation. In the case of the APNIC Foundation (Hong Kong), this would be the Chinese government and/or the relevant government agency (CNNIC or the Ministry). If the government agrees to provide support (financial, human or other) – especially if it is substantial – then this would remove or reduce the disadvantages involved in this option. In fact, this could provide APNIC with an important new strategic alliance in the region.

2) *“consideration of developmental needs in the region”*

In addition to its training activities, APNIC is committed to providing a range of development services to its members and the wider Asia Pacific Internet community. These services include direct technical assistance to members; support for the NOG community via sponsorships and presentations; fellowships (not just for APNIC conferences but also to other relevant technical events); and a community grants and awards program that promotes the positive impact of the Internet.

APNIC provides these services in direct response to the development needs of the region. Despite these efforts research, not just by APNIC, has shown that the Asia Pacific

⁸ The name “The APNIC Foundation (Hong Kong)” is only a descriptive, temporary name for the proposed “developmental funding foundation”.

region suffers a serious shortfall in the technical skills and resources needed for the Internet's continued development.

A report⁹ commissioned by Cisco and released by the consultancy IDC in June 2013 said: "Access to the types of skills needed to keep pace with changes in technology and maintain an IT team's high level of performance will increasingly become a key strategic advantage. The Asia Pacific trends show an increasing need for people with network skills in emerging technologies and for well-trained teams that focus on higher value-added activities..."

The IDC report estimates that at the end of 2012 there was a shortage of just over 250,000 professionals with networking skills in the Asia Pacific (excluding Greater China and Japan). IDC predicts this shortage will grow to more 450,000 networking professionals by the end of 2016 and then from there continue to expand.

Closer to home, in the 2014 APNIC Survey training jumped from 5th to 2nd place in how members prioritised APNIC services. In past surveys many respondents, particularly from the developing economies (such as China and India), also emphasized the importance of broader training opportunities through workshops, online/webinar trainings, regional trainings and conferences, as well as engaging with groups and institutions outside of APNIC.

In response to this continuing demand for more training from its members, APNIC is presently implementing a Training Needs Assessment (TNA) for the Asia Pacific region.

The results of this assessment will provide detailed information on the developmental training needs of the region

3) *"and the means and methods for fulfilling those needs"*

In addition to using its own resources, APNIC is having good success in developing new means and methods to support its development and other services. These additional resources have included government funding from Canada and Sweden for its community grants and awards program and private sector sponsorships of its conferences. It also operates – with some success - its training on a cost recovery basis, seeking sponsorships from local hosts.

Looking ahead, there are six sectors that APNIC should focus its efforts on to develop additional resources. These are:

1. Development agencies (ADB, WB, JICA, KOICA)

APNIC's strong existing relationships with Canada's IDRC and Sweden's SIDA – both globally respected development agencies in their own right – provide an important foundation on which to build new relationships not only with other national development agencies such as the Japan International Cooperation

⁹ "The Evolution of the Networking Skills Gap in the Asia/Pacific". William Lee PhD. June, 2013

Agency (JICA) and the Korea International Cooperation Agency (KOICA), but also multilateral development agencies such as the Asia Development Bank (ADB) and the World Bank (WB).

2. Philanthropy

Initial research by APNIC on philanthropic foundations in the US that support Internet-related development in Asia has identified a small number of possibilities such as the Hewlett and Packard foundations. However, a higher priority would be to identify and engage philanthropic foundations in Asia that support Internet development. This will be more challenging, but offers opportunities because of APNIC's strong technical focus and knowledge; financial strength and transparency; robust regional networks and relationships; and, established and respected reputation

3. The private sector (including member CSR programs)

APNIC has been engaged with and receiving support from many companies for some time, much of it via conference and event sponsorships but also for activities such as research. These companies include Cisco, Microsoft, and Google.

In addition to further developing these existing relationships, APNIC has a number of members (e.g. Singtel, Telstra et al) that operate large CSR and sustainability programs that could provide additional opportunities for support.

4. National Governments (ministries and agencies)

While many governments in Asia may be willing to support APNIC's development services in their own countries, few may be willing to support these services in other countries. The exceptions are Australia, China, India, Japan, Korea, New Zealand and to a lesser extent Singapore. All these nations operate (some type of) Official Development Assistance (ODA) programs that support the type of training and technical assistance activities that APNIC provides.

5. The Internet community (ICANN, ISOC, DotAsia et al)

Like the private sector, APNIC has established relations with a number of agencies in the Internet community that provide support to Development services (e.g. ICANN, ISOC and DotAsia support for ISIF). It seems reasonable to expect this support to continue, however it is difficult to assess if it can be increased in any substantial way.

6. Retail (the Internet and individuals)

Development services includes a number of activities – such as fellowships – which are well suited to what's known as retail or on-line fund raising. This

involves smaller donations for specific items or activities (such as \$1,000 for one fellowship). While it would be difficult for APNIC as a registry to process and manage a large number of such small donations, the APNIC Foundation would be in a better position. For example, it could install a “Donate Now” button on its website seeking individual donations.

Without further research it is difficult to prioritise this list, however, APNIC has an established track record with two leading development agencies – IDRC and SIDA – that would suggest it is in a strong position to successfully engage other development agencies.

APPENDIX 2

The APNIC Development Programme

A global, open, stable, and secure Internet that serves the entire Asia Pacific community

The Internet in the Asia Pacific

For millions of people across the Asia Pacific the Internet is an essential fact of life. From all walks of life, they depend on it for their livelihoods, health, education and much, much more. For many, it has always been there and is always available.

But there are millions of others who are still unconnected; and millions more who have only limited or restricted access to the Internet. If they are to be better educated, healthy and more productive citizens of the Asia Pacific it is essential they get connected.

To get people, business, and organisations connected – and ensure they stay connected – takes robust and resilient, modern networks properly managed by trained and experienced technicians. Just as we all need well trained doctors to help keep us fit and healthy, the Internet needs well trained technicians and engineers to help keep it fast, reliable, secure and inexpensive.

But the Internet is growing fast – too fast for any static curriculum to keep up. What we need - as well as good tertiary training - is current and relevant experiential learning, through interactive workshops, tutorials, fellowships and technical assistance.

A truly healthy Internet requires a vibrant, hands-on approach to training for all those involved in building and maintaining it.

The Challenges

Many reports predict the Internet boom in the Asia Pacific will continue with strong growth in traffic, devices and users. By 2019, the region will have the most Internet traffic from mobile devices in the world¹⁰. Another report¹¹ on Pacific island nations says recent submarine cable installations have resulted in an explosion of capacity. Across the Pacific, international Internet bandwidth jumped more than 1,500 per cent between 2007 and 2014, rising from fewer than 100 Mbit/s to over 1 Gbit/s.

But those who travel the region know the availability, stability, speed, and security of Internet services vary widely from place to place. Users in some developing economies tolerate conditions that are unacceptable in the developed world, and these

¹⁰ “Global Internet Report 2015: Mobile Evolution and Development of the Internet” ISOC July 2015

¹¹ “Economic and Social Impact of ICT in the Pacific” Pacific Region Infrastructure Facility 2015

shortcomings can seriously limit the benefits that the Internet can deliver to those that need them most.

The single biggest factor affecting the Internet's capacity to deliver – once it's connected – is the ability of people to run it properly. It is essential that businesses, technicians and individuals all have the skills to properly understand and adopt new technologies. A report¹² from technology analysts, IDC, warns of a shortage of such technical skills saying: "The Asia Pacific trends show an increasing need for people with network skills in emerging technologies and for well-trained teams that focus on higher value-added activities".

The IDC report estimated that at the end of 2012 there was a shortage of just over 250,000 professionals with networking skills in the region (excluding Greater China and Japan). It predicts this shortage will grow to more 450,000 networking professionals by the end of 2016 and from there, continue to expand.

Meanwhile, the region is facing a growing list of technical challenges including:

- 1) The transition to IPv6: With IPv4 resources all but exhausted globally, IPv6 is the only viable option for the Internet's future growth in the Asia Pacific region.
- 2) Improved security: From DDoS attacks to hacking, malware and how to safely manage information in the cloud; security remains the top priority of network engineers and administrators around the region.
- 3) Stability and scalability: Having reached the "first billion" users in the booming cities of the Asia Pacific, networks are now reaching across the digital divide to the region's remotest communities on a large scale.
- 4) Efficiency and cost: Wherever they are, networks must always be efficient; whether they are connecting small, remote communities at the lowest possible cost or delivering services cheaply and efficiently to millions of users in the largest cities.
- 5) Localization: And they need to localize. Internet Exchange Points (IXPs) allow local content to stay local, lowering network costs and increasing speed and efficiency.
- 6) Regulation: The Internet's success is based on a unique model of consensus-driven and accessible processes. An inclusive, multi-stakeholder community using standards that are freely available to build on. It's important that regulation does not unexpectedly inhibit or damage this model.

¹² "The Evolution of the Networking Skills Gap in the Asia/Pacific". William Lee PhD. June, 2013

- 7) Research: With its rapid growth and improving technologies, we need research that will help us understand where the problems are now and where they will be in the future.

The community response

Across the Asia Pacific, network operators and their communities are responding to these technical challenges by doing their best to build and manage networks that are robust, resilient and efficient.

To help them run their networks, many network engineers and administrators are working together to establish community groups. For example: Network Operator Groups (NOGs) for operational issues; Computer Emergency Response Teams (CERTs) for security issues; and associations of Internet Service Providers (ISPs) to share their needs and opinions.

These community groups play a vital role in the development and maintenance of the networks that make-up the Internet. For APNIC, they also make ideal development and training partners.

The APNIC response

As the Internet registry for the Asia Pacific, APNIC is responsible for the management and distribution of critical Internet resources that are essential to the stable and reliable operation of the Internet.

A non-government, not-for-profit, membership-based organization, it is one of five Regional Internet Registries (RIRs) worldwide handling the fair distribution and responsible management of Internet Protocol (IP) and Autonomous System (AS) numbers and related resources globally.

APNIC serves the 56 economies of the Asia Pacific region that together account for more than half of the world's population, and where the vast majority of global Internet development activity will occur in the years ahead.

As part of its mission, APNIC is actively involved in the development of the Asia Pacific Internet community. It provides training, technical assistance, as well as making investments that support community and human capacity development. APNIC also supports and facilitates the deployment of important infrastructure such as IXPs, root servers and devices used to monitor and measure the Internet itself.

Training

The mandate of APNIC's training is to improve the knowledge and expertise of Internet network operators, engineers, managers, educators, and regulators, ensuring they

adopt and use best current practices. This helps them make full and efficient use of their Internet resources and effectively apply new technologies and techniques. APNIC provides face-to-face and on-line (anywhere, anytime) training that delivers international standards of best practice.

Technical assistance services (TAS)

APNIC TAS supports the region's Internet community in the deployment and maintenance of scalable and resilient networks using internationally-recognised, best current practices. TAS works with recognised Internet specialists to:

- Provide customized technical mentoring on core APNIC competencies and services.
- Improve the technical understanding of Internet technologies in practical ways.
- Provide technical support for the deployment of root servers and IXPs.

Fellowships

Every year, APNIC provides paid fellowships to members of the Asia Pacific Internet community to allow them to attend technical training and conferences where they can engage and learn from recognised international experts. The APNIC fellowship program places special emphasis on supporting diversity in the community, ensuring the participation of women, young people and those from less developed nations.

Community development and engagement

APNIC strongly supports the continuing development of the Asia Pacific's thriving community of NOGs. Their members are typically key technical staff from Internet Service Providers (ISPs), mobile operators, IXPs, and the operational security and network communities. They play a crucial role in the functioning of the Internet.

In addition to its NOG support, APNIC also organises its own annual conference and partners with the Asia Pacific Internet Association (APIA) in organising the region's largest and most successful technical event, APRICOT (Asia Pacific Regional Internet Conference on Operational Technologies). APNIC also sponsors and supports a wide range of other Asia Pacific events and organisations.

Grants and awards

APNIC manages a successful grants and awards program called the Information Society Innovation Fund (ISIF Asia) to support national and regional projects that use the Internet to achieve social and economic development in the region. Funded by a range of donors including Canada's IDRC and Sweden's Sida, ISIF Asia is an established and respected program that has supported scores of important initiatives, projects and activities focusing on:

- Internet infrastructure and services that are affordable and efficient
- Innovative Internet applications
- Successful and sustainable models for the provision of Internet services

- Internet business environments which can become commercially competitive and sustainable

Research

APNIC is deeply involved in research and development initiatives. These are designed to inform APNIC's operational and policy activities and to assist community members to better understand the operation of the global Internet.

APNIC – A respected and recognised partner

With more than 5,000 Members in almost every nation of the Asia Pacific, APNIC has spent 20 years helping to build a world class community of Internet service providers to serve the region's 3 billion citizens. Many of its 70 plus staff travel regularly to events and activities around the region to support the needs of Members, provide training and technical assistance, or give presentations at conferences. APNIC also partners with scores of local, national and regional organisations through MoUs, sponsorships and informally to support the continuing development of the Internet.

APNIC's success in partnering and seeking financial support for its activities is founded on five important assets:

- 5) A strong technical focus and regional recognition as a source of best-practice and expertise
- 6) Neutrality and independence from any particular vendors, services, or technologies
- 7) Financial strength and transparency
- 8) Robust regional networks and relationships
- 9) Long track record of successful management and implementation

APPENDIX 3
APNIC Donors

DONOR Financial not in-kind Alphabetical order (Red is active)	SUPPORT PROVIDED (yes or no)	FOR WHAT (ISIF, conference, development etc.)
1. ADB	No	Development/ training
2. APIA	Yes	ISIF
3. Dot Asia	Yes	ISIF
4. Google	Yes	Conferences
5. ICANN		
6. IDRC	Yes	ISIF
7. ITU	Yes	IPv6 training
8. ISOC	Yes	ISIF
9. JICA	Yes	Training
10. Kadoorie Foundation (HK)	No	Development
11. KDDI Foundation (Japan)	No	Development
12. Microsoft	Yes	Conferences
13. OPT	Yes	Conferences
14. SIDA	Yes	ISIF
15. Softbank	No	Development
16. Taiwan's International Cooperation Development Fund	No	Development
17. USAID	No	Development
18. Vocus	Yes	Conferences
19. World Bank	Yes	Development/ training

APPENDIX 4
Three Year Budget

	Year End Dec		
	2016	2017	2018
Funds received for Foundation Activities	\$ 340,000	\$ 840,000	\$ 1,840,000
APNIC Contribution to ISIF Grants Program	\$ 100,000	\$ 100,000	\$ 100,000
APNIC Contribution to Research Grants	\$ 60,000	\$ 60,000	\$ 60,000
Total Funds Received	\$ 500,000	\$ 1,000,000	\$ 2,000,000
Less: Overhead deducted*	\$ 25,000	\$ 75,000	\$ 150,000
Funds available for Foundation Activities	\$ 475,000	\$ 925,000	\$ 1,850,000
Foundation Operating Activities			
Funds available:			
Foundation funds available for expenses	\$ 25,000	\$ 75,000	\$ 150,000
APNIC Start-Up Funds	\$ 50,000	\$ -	\$ -
Total Funds for Operations	\$ 75,000	\$ 75,000	\$ 150,000
Expenses:			
SetUp Costs	\$ 10,000	\$ -	\$ -
Ongoing Registration Costs		\$ 1,500	\$ 1,500
Audit and Accounting	\$ 5,000	\$ 7,000	\$ 10,000
Media/Advertising/Promotion	\$ 20,000	\$ 10,000	\$ 10,000
Legal Fees	\$ 10,000	\$ 15,000	\$ 20,000
Other	\$ 5,000	\$ 5,000	\$ 5,000
Total Foundation Expenses	\$ 50,000	\$ 38,500	\$ 46,500
Surplus/Deficit of funds	\$ 25,000	\$ 36,500	\$ 103,500
<i>APNIC in kind Staff & travel</i>	\$ 198,000	\$ 207,900	\$ 218,295
FTE	1.0	1.0	1.0
<i>*Overhead calculated at 10% but recognised as funds are used, so assume only 50% recovery in current year</i>			
<i>Total Funds Received</i>	\$ 500,000	\$ 1,000,000	\$ 2,000,000
<i>Overhead @ 10%</i>	\$ 50,000	\$ 100,000	\$ 200,000
<i>Year 1</i>	\$ 25,000	\$ 25,000	\$ -
<i>Year 2</i>		\$ 50,000	\$ 50,000
<i>Year 3</i>			\$ 100,000
	\$ 25,000	\$ 75,000	\$ 150,000

Agenda Item 14

Staff survey results

APNIC

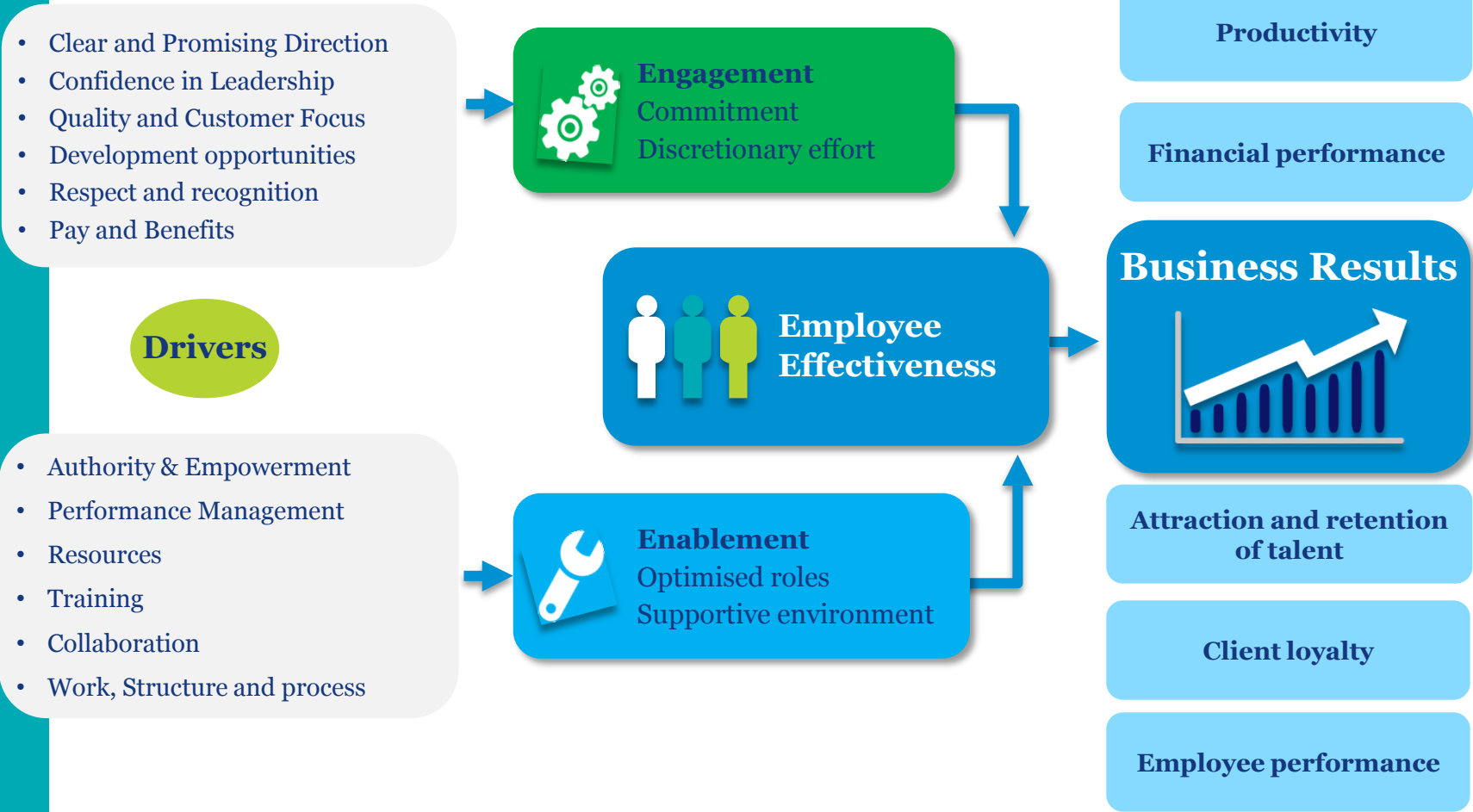
Employee Effectiveness Survey

Overview of results

November 2015

EMPLOYEE EFFECTIVENESS FRAMEWORK

Hay Group’s Employee Effectiveness survey contains questions which cover 14 dimensions. As shown below, 12 of the dimensions are key drivers of the employee outcomes engagement and enablement. The level of influence each driver has can vary within and across organisations.



SURVEY DETAILS



SURVEY

Survey was completed over **21 September- 9 October 2015**.

The survey consisted of **65** questions.



BENCHMARKS

The **High Performing Benchmark** was selected as the main external comparator. This consists of data from **900,000** employees in **30** organisations.

RESPONSE RATE

100%

71 employees were invited to provide feedback. Great preparation and communication lead to this result. Well done!

ENGAGEMENT AND ENABLEMENT SUMMARY

CONGRATULATIONS!



Engagement is on par other **High Performing** organisations.



Enablement is above other **High Performing** organisations



STRENGTHS

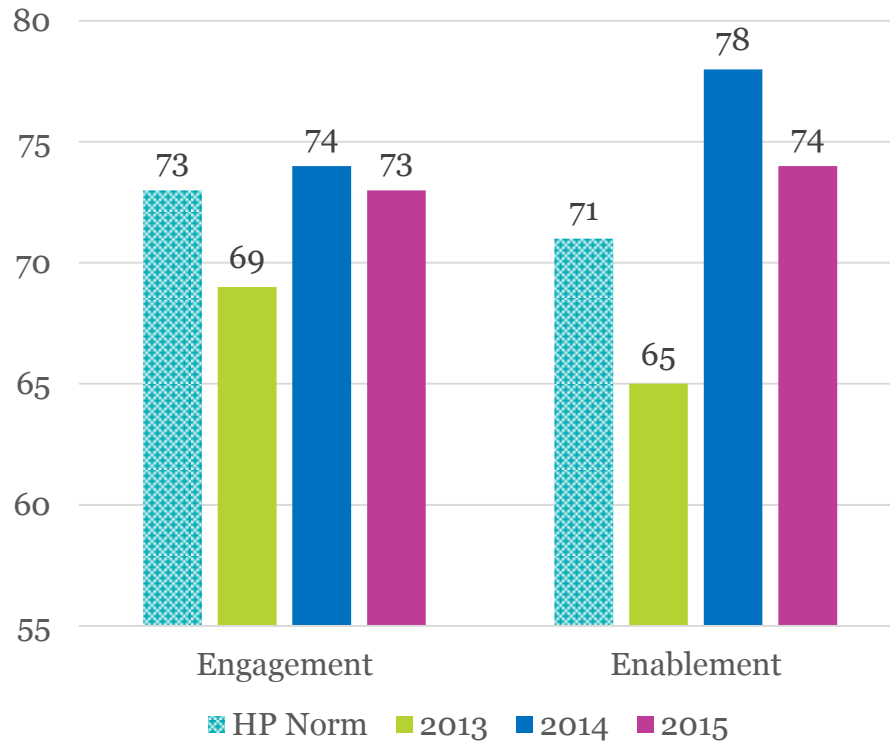
- Quality & Customer Focus
- Respect & Recognition
- Clear & Promising Direction
- *Pay & Benefits*

OPPORTUNITIES

- Performance Management
- Year on Year **Authority & Empowerment** and **Collaboration** have declined although still high performing results.

TREND SUMMARY

AS A HIGH PERFORMING ORGANISATION THE CHALLENGE WILL BE TO MAINTAIN AND IMPROVE ON RESULTS



2014-2015

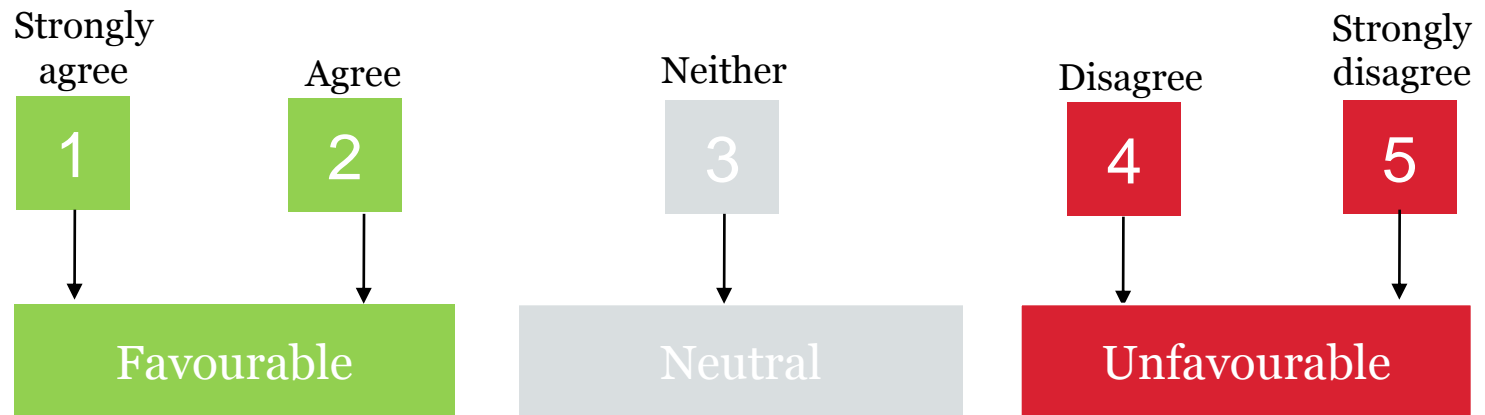
1% Down on Engagement.

4% Down on Enablement.

UNDERSTANDING HOW QUESTIONS ARE ASKED

FOR MOST QUESTIONS, RESPONDENTS WERE ASKED TO EXPRESS THEIR LEVEL OF AGREEMENT WITH VARIOUS STATEMENTS

Responses are made on five-point scales. They are then categorized into favourable, neutral or unfavourable categories



DIMENSION SUMMARY

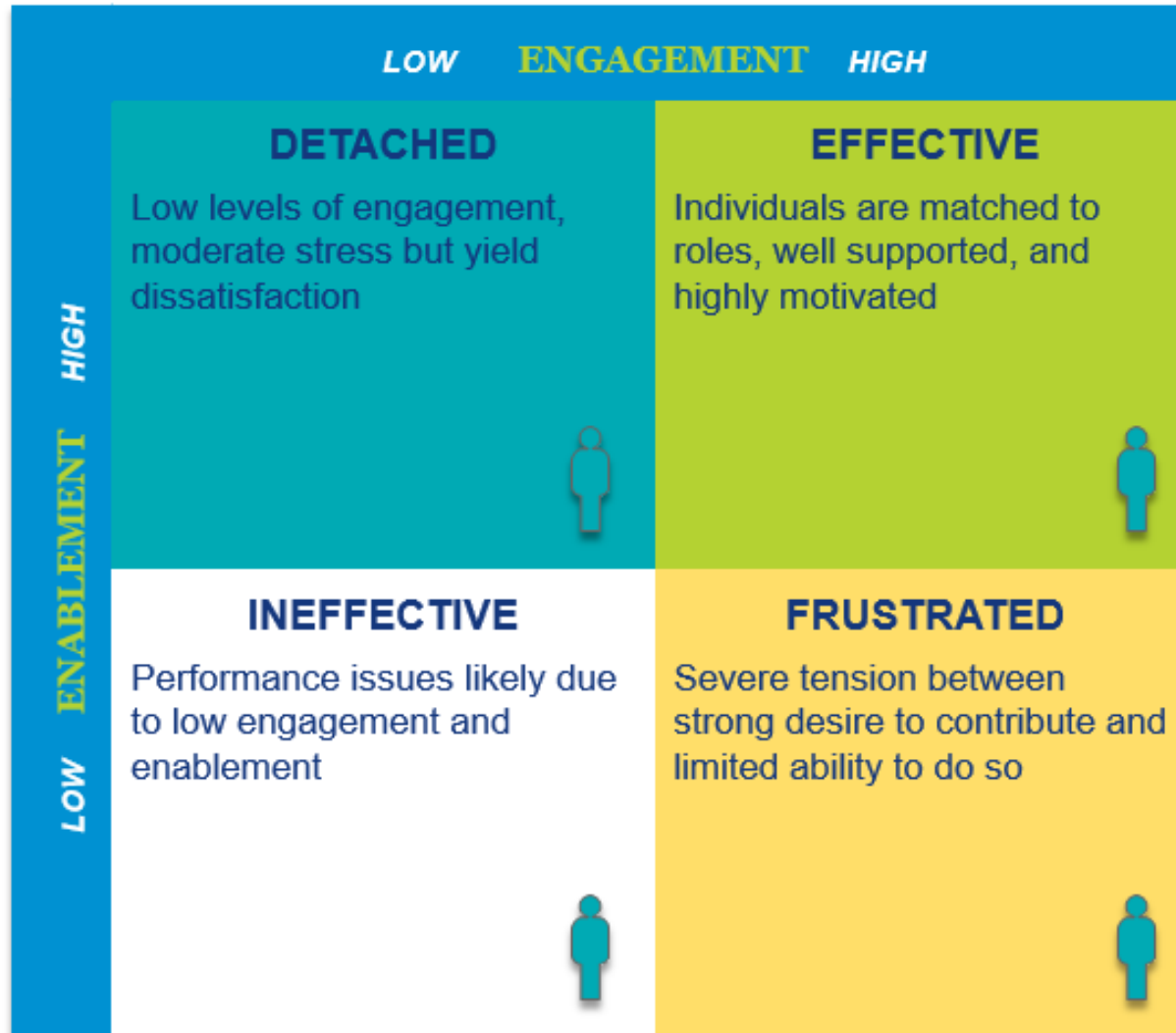
Results for all dimensions					Benchmarks			
Dimension	Percentage favourable				Trend	External		
	0	25	50	75	100			
Employee Engagement						-1	0	
Employee Enablement						-4	+3	
Clear & Promising Direction						+4	+9	←
Confidence in Leaders						0	+3	
Quality & Customer Focus						+4	+8	←
Respect & Recognition						-3	+10	←
Development Opportunities						-2	+2	
Pay & Benefits						+2	+16	←
Performance Management						0	-5	←
Authority & Empowerment						-8	+1	
Resources						0	+8	
Training						+1	+5	
Collaboration						-7	0	
Work, Structure, & Process						-3	+6	

DIMENSION TREND SUMMARY OVER 3 YEAR PERIOD

THE BELOW TABLE INDICATES FAVOURABLE RESPONSES

Dimensions	HP Norm	2013	2014	2015
Employee Engagement	73	69	74	73
Employee Enablement	71	65	78	74
Clear & Promising Direction	80	79	85	89
Confidence in Leaders	70	64	72	72
Quality & Customer Focus	82	82	86	90
Respect & Recognition	72	80	85	82
Development Opportunities	64	56	68	66
Pay & Benefits	61	67	75	77
Performance Management	71	63	66	66
Authority & Empowerment	73	76	81	73
Resources	69	71	77	77
Training	64	67	67	68
Collaboration	70	71	78	71
Work, Structure, & Process	63	63	73	70

EMPLOYEE PROFILE EXPLAINED



EMPLOYEE PROFILE SEGMENTATION ANALYSIS



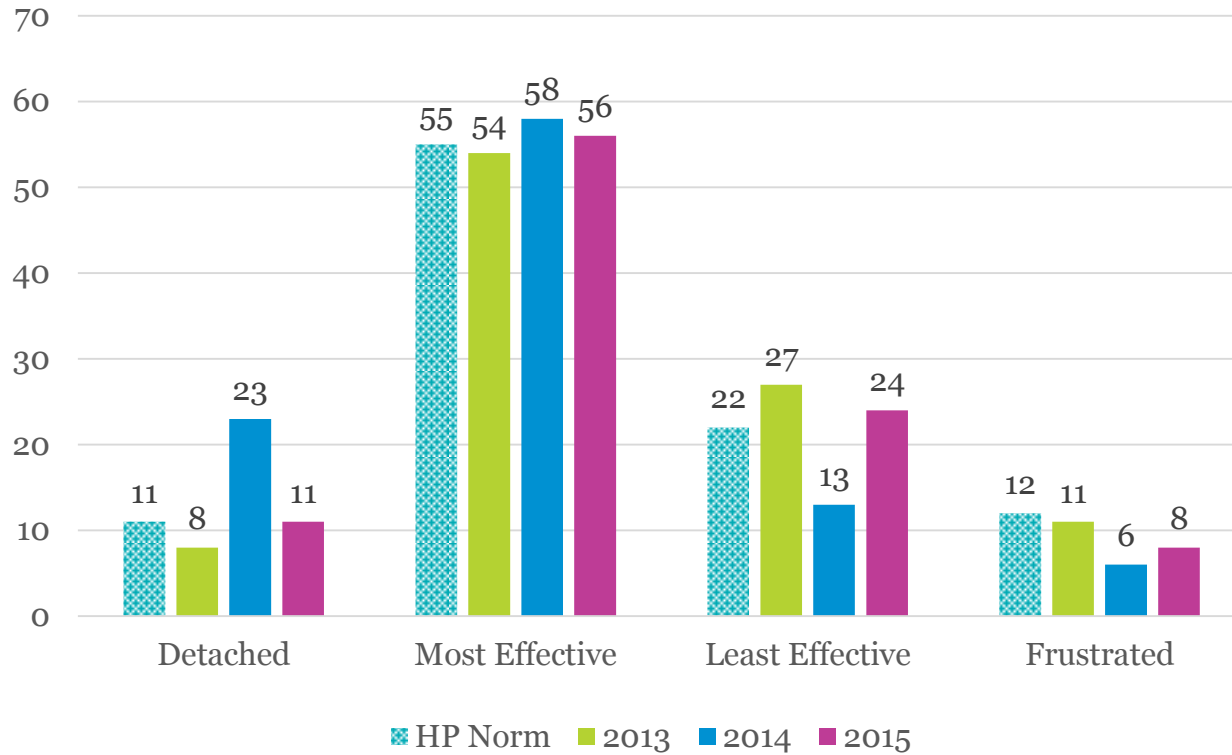
56% of respondents feel productive & efficient. They are willing & able to perform at their best.

24% of respondents are performing below their potential. Consider the impact this is having on productivity.

Number of **Least Effective** and **Frustrated** employees has increased.

EMPLOYEE SEGMENTATION PROFILE MOVEMENT

TREND OVER 2013 2014 2015



DIMENSION SUMMARY

94% STRONGLY AGREE/ AGREE THAT IF A CUSTOMER HAS A PROBLEM OR CONCERN, WE DO WHATEVER IT TAKES TO SATISFY HIM OR HER
(QUALITY & CUSTOMER FOCUS)

91% OF EMPLOYEES BELIEVE APNICS BUSINESS PROSPECTS OVER THE NEXT 2-3 YEARS ARE VERY GOOD/GOOD *(CLEAR & PROMISING DIRECTION)*

POOR PERFORMANCE IS USUALLY NOT TOLERATED AT THE ORGANISATION

ONLY 47% STRONGLY AGREE/AGREE *(PERFORMANCE MANAGEMENT)*

WHERE ARE WE BELOW OTHER HIGH PERFORMING ORGANISATIONS?



WHERE ARE WE ABOVE OTHER HIGH PERFORMING ORGANISATIONS?



Agenda Item 15

APNIC conference update

APNIC 40

Conference Improvements – Initial Recommendations

APNIC 40 was the first conference held using the compressed three day format. This new format meant changes to the program, timings and logistics, and while the conference was an overall success, unfortunately not everything went smoothly.

The Secretariat is conducting its standard post-conference debriefs, and is examining ways to improve the conference to avoid the issues which emerged in Jakarta. While that process is being completed, following are some initial recommendations discussed at an Executive Team level for dealing with the priority issues.

Identified Issue	Issue Description	Actions
AMM reports by AP* organisations / BoFs	The changes resulting from a shortened AMM, under the new program, were not communicated effectively to APIX and IPv6 BoF session owners (TWNIC). This led to last-minute confusion on whether they would be presenting or not, and caused unnecessary distress.	More rigorous processes will be put in place to ensure the EC has full visibility and control over the AMM: <ul style="list-style-type: none">• The agenda and speakers will be proposed by the Secretariat and formally approved by the EC at least one month in advance of the AMM.• Any variations to the published AMM agenda, before or at the conference, will be subject to EC approval• The EC will determine the level of support required from the Secretariat to arrange and run the AMM
On-site co-ordination and escalations	Some responsibilities allocated to staff and community members during the event were not fulfilled. This led to a greater number of issues being escalated to the event manager and director than would be normally expected. Some issues were also not escalated appropriately.	Establishment of clearer on-site conference management roles to ensure responsibilities are more evenly spread, and all facets of the conference are more closely managed. Four on-site managers will be appointed (from existing conference team): <ol style="list-style-type: none">1. Event manager: the event lead, responsible for all logistics and venue

		<p>management</p> <ol style="list-style-type: none"> 2. Technical Manager: responsible for all technical matters including network and A/V coordination 3. Program Manager: responsible for ensuring program content is finalised, working with session owners 4. Roles & Responsibilities Manager: responsible for ensuring all staff allocated conference duties are executing those duties <p>Escalation of issues from these managers would be to the Communications Director, and then to the Deputy DG and DG.</p> <p>A review of all checklists and processes related to the meeting will be performed (and any changes applied) prior to the next conference.</p>
Conference wifi outage	The conference wifi network was unavailable / slow for many delegates on day one of the conference due to a miscalculation of the number of IP addresses required.	Conference wifi networks will be provisioned with much higher amounts of IP addresses at future events .
Online chat monitoring	During the AMM, the Adobe Connect chat room – used by remote participants – was left unattended despite staff being rostered to cover the duty.	<ul style="list-style-type: none"> • Assigned roles and responsibilities at conference will be made clearer prior to conference via small group briefings • A Roles & Responsibilities Manager (as mentioned above) will be appointed for future conferences to ensure staff are executing their allocated duties and to manage on-site variations / escalations
Intermittent A/V problems	Minor A/V problems were repeatedly experienced during sessions, and in general, A/V issues took longer to resolve than	<ul style="list-style-type: none"> • Greater rigour will be exercised in selecting a local A/V partner for each conference, including more

	was reasonably expected.	<p>detailed background / experience checks, and mandatory proficiency in spoken English</p> <ul style="list-style-type: none">• Joint briefings between APNIC technical staff and local A/V staff will be held on-site at the start of each day to ensure the program requirements are understood• APNIC on-site Technical Manager (as mentioned above) to take greater role in overseeing A/V supplier during conference to manage any issues• APNIC staffing levels for the conference are being reassessed to ensure adequate technical staff are available to execute required tasks
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Event Role Descriptions – On-site Management Team

From 2016 onwards, APNIC meetings will shift to a four person management team on-site to ensure responsibilities are more evenly spread and all facets of the conference are more closely managed.

Four on-site managers will be appointed (from existing conference team):

1. Event manager
2. Technical Manager
3. Program Manager
4. Roles & Responsibilities Manager

The four managers are expected to work closely during the conference and co-ordinate activities so the event runs smoothly and clear responsibility is taken for key conference activities. Daily morning meetings would be appropriate (in addition to regular contact during the conference). The Event Manager remains the lead who is in charge of the conference overall.

At an APNIC meeting, these four managers are responsible for the entire conference; at an APRICOT, these roles cover the APNIC portions of the meeting only (or the APNIC portion plus any APRICOT sessions that have been specifically delegated to APNIC to manage from either a program or technical perspective).

Escalation of issues from these managers would be to the Communications Director, and then to the Deputy DG and DG.

Event Manager (Lead Event Project Manager)

- Event lead project manager
- Responsible for all logistics and venue management – rooms, catering, setup, equipment, shipment, registration
- Overall manager of event and troubleshooter for issues outside of specific program and technical areas
- Main point of communication with the Local Host and coordinator with local suppliers
- Main point of communication with the APNIC core team and conference goers
- Manage any WHS issues

Program Manager

- Prior to conference is responsible for co-ordination of APNIC sessions with APNIC session owners (APRICOT); for a stand alone APNIC meeting this person is also a co-chair of the PC in addition to coordinating the program from APNIC's side
- Responsible for finalising program with session owners; responsible for communicating changes to program with events and comms team

- Works with session owners / presenters on any special requirements for the session – room setup, technical requirements (remote participation, video etc) and works with Event Manager and Technical Manager to ensure those requirements are known, tested and catered for
- Chases up final slides from presenters. Ensures final slides are received and available for technical team to download (30 mins prior to session at the very latest)
- Works with session owners to have presenters in the right place to present at the right time – the aim is to avoid presenters turning up late

Technical Manager





- Responsible for all technical matters at the conference, including conference network (at APNIC meetings) and A/V coordination
- Planning, rostering and coordination of technical team on site to ensure all requirements are met
- Ensures technical team members rostered on for tasks are where they are supposed to be and meeting their responsibilities
- Escalates and reports any serious technical issues to Events Manager and Communications Director to ensure appropriate communication with delegates / staff / ELT / EC occurs
- Organises daily morning meeting between technical team, program manager, A/V suppliers and conference A/V producer to ensure all requirements for the day are understood
- Troubleshoots problems on the fly and makes sure core technical tasks are covered

Roles & Responsibilities Manager

- Responsible for ensuring all staff allocated conference duties are executing those duties
- Develops the conference goers Roles & Responsibilities document, communicates this to conference goers
- Ensures all who have a role at the event understand that role before they depart Brisbane for the conference (individual meetings)
- Reminds all those with a role on site where they are supposed to be that day, and answers questions
- Juggles the roster on site due to staff illness or unavailability to ensure all roles are fulfilled
- Prior to each session, checks to ensure all staff are in place and takes corrective action should issues arise

Results

How satisfied were you with the conference venue?

Response	Count	
5 - Very satisfied	62 59.0%	
4 - Satisfied	37 35.2%	
3 - Neutral	4 3.8%	
2 - Dissatisfied	2 1.9%	
<i>Total: 105</i>		

Comments:

Response	Count
	31 responses

kdjfdwjlxs

The venue is very comfortable and the services provided are satisfying

Hotel's facility is good.

the conference venue was spacious and the participants could see the speakers clearly

Good meeting facility, good hotel, but a little bit cold.

x

there is very pleasant to do conference

It was very informative.

nice location

very satisfied

Totally complied with conference environment

Indeed one of the best places in Jakarta

indeed one of the best places in jakarta

the program was very good. It was very advantageous to me in many perspective.

i love it

Properly organized and very useful topics were discussed

Some group activities could be done during the workshops. Practical experiences in an ISP or IXP for one or two sessions would increase the visibility of the work nature and problems to address.

in jakarta is first my conference with apnic, i am very interst for next apnic.

Ritz Carlton is better choice

The event really useful

The venue is outstanding.

Great conference hotel and conference rooms with the right sizes.

Conference venue was excellent and well arranged.

the most merrier conference that I ever had.

very nice and comfortable venue

interisting

such a great opportunity to attend this conference,so many things to learn, and an exciting experience

it's a big venue and most important





Venue easy to access .

Audio-visual and webcasting needs improvement

Great place

Really well organized.

How satisfied were you with the conference catering?

Response	Count	
5 - Very satisfied	54 51.9%	
4 - Satisfied	43 41.3%	
3 - Neutral	6 5.8%	
2 - Dissatisfied	1 1.0%	
<i>Total: 104</i>		

Comments:

Response	Count
	29 responses

skldckl

Lots of choices and all in premium class. I liked it

Food is good, asian taste is the best.

the food was delicious

too much food, and not enough healthy and vegetarian options during breaks.

Excellent foods and drinks.

x

the catering was great

very delicious

very very satisfied

The food was really good

Food was great!

catering was impressive

Simply awesome and amazing

Asia Restaurant has foods with good taste

Good choice with multi cultural food

the food is good and had lots of variations

Overall i'm statisfied.

Fantastic food with good variety.

Catering was managed exceptionally good.

It was diamond class Hotel of services

amazing selection of food

good menu

Portion is not enough, venue is not sufficient comparing to partisipant

Good food,many choices

it;s very good foof combining

Food and beverages excellent

Needed more variety taking into consideration the food habits of different countries

Awesome....

How satisfied were you with the quality of the keynote presentations?

Variable	Very Satisfied	Satisfied	Neutral	Dissatisfied	Very Dissatisfied	Did not attend	
Barry Greene	33 32.0%	57 55.3%	11 10.7%	0 0.0%	0 0.0%	2 1.9%	<i>Total: 103</i>
Johar Alam Rangkuti	33 32.0%	54 52.4%	13 12.6%	1 1.0%	0 0.0%	2 1.9%	<i>Total: 103</i>

Comments:

Response

Count

22 responses

fjdkjdx

xx

This is my first time attending this conference, but they gave an understandable and insight about the material.

They are experts in these topics.

i know Johar could have said much more, so i was disappointed to be honest.

x

very informative

very satisfied

I personally met with Barry Greene by getting inspired by his speech

They were good.

Well planned and good delivery

Helpful topic

They are not boring and give insights to everyone who listens.

Some technical glitches, but good overall.

presenters were very knowledgeable, experienced and well versed.

Mr BG is my oldbuddy (1997~); Mr JA was my Staff;-)

clearly

great speaker

i'm very satisfied with those person

Right man on the right places

Key note should have some visionary speeches covering future of Internet Technologies and policies and global scenarios

Great Presentations

How satisfied were you with the quality of the program sessions?

Very

Very

Did not

Variable Variable	very Satisfied	Satisfied	Neutral	Dissatisfied	very Dissatisfied	Did not attend	
APOPS	18 17.6%	50 49.0%	17 16.7%	0 0.0%	0 0.0%	17 16.7%	Total: 102
Introduction to Policy SIG (in Bahasa)	13 12.9%	30 29.7%	16 15.8%	0 0.0%	0 0.0%	42 41.6%	Total: 101
NIR SIG	9 8.9%	47 46.5%	18 17.8%	0 0.0%	0 0.0%	27 26.7%	Total: 101
Lightning Talks	12 12.0%	38 38.0%	22 22.0%	0 0.0%	0 0.0%	28 28.0%	Total: 100
IANA Transition	19 18.6%	49 48.0%	14 13.7%	1 1.0%	0 0.0%	19 18.6%	Total: 102
Network Funtion Virtualization (NFV) BoF	10 9.9%	44 43.6%	14 13.9%	2 2.0%	1 1.0%	30 29.7%	Total: 101
Disaster Preparedness BoF	14 14.0%	31 31.0%	21 21.0%	0 0.0%	1 1.0%	33 33.0%	Total: 100
DNS Variant Management BoF	13 12.9%	35 34.7%	19 18.8%	0 0.0%	1 1.0%	33 32.7%	Total: 101
Mobile Technology BoF	16 15.8%	32 31.7%	20 19.8%	2 2.0%	1 1.0%	30 29.7%	Total: 101
Cooperation SIG	14 13.7%	41 40.2%	23 22.5%	1 1.0%	0 0.0%	23 22.5%	Total: 102
IRR Tutorial and RPKI demo	14 13.9%	34 33.7%	13 12.9%	1 1.0%	1 1.0%	38 37.6%	Total: 101
DNSSEC deployment tutorial	19 18.8%	33 32.7%	13 12.9%	1 1.0%	0 0.0%	35 34.7%	Total: 101
IPv6 tutorial	15 14.7%	42 41.2%	13 12.7%	0 0.0%	1 1.0%	31 30.4%	Total: 102
Internet - Mobility Nexus: Are we ready for real mobile/wireless broadband	19 18.6%	40 39.2%	20 19.6%	1 1.0%	0 0.0%	22 21.6%	Total: 102
Global Reports	21 20.4%	39 37.9%	23 22.3%	1 1.0%	0 0.0%	19 18.4%	Total: 103
Hypes? Fanfares? Fads? - Wading through the muddy IPv6 muddle	12 11.7%	47 45.6%	13 12.6%	1 1.0%	1 1.0%	29 28.2%	Total: 103

IPv6 profile							
Variable	Very satisfied	Satisfied	Neutral	Dissatisfied	Very Dissatisfied	Did not respond	
Security Session	22 21.6%	40 39.2%	20 19.6%	0 0.0%	0 1.0%	11 18.6%	<i>Total: 102</i>
APNIC Services	19 18.8%	45 44.6%	13 12.9%	1 1.0%	0 0.0%	23 22.8%	<i>Total: 101</i>
IPv6 Readiness Measurement BoF and APIv6TF	12 11.9%	45 44.6%	18 17.8%	1 1.0%	1 1.0%	24 23.8%	<i>Total: 101</i>
Policy SIG	18 17.6%	41 40.2%	22 21.6%	1 1.0%	0 0.0%	20 19.6%	<i>Total: 102</i>
AMM	16 15.7%	37 36.3%	24 23.5%	0 0.0%	0 0.0%	25 24.5%	<i>Total: 102</i>

Comments:

Response	Count
	18 responses

kljldlfjsdjf

shorter amm is good. 2hrs was about right.

If possible, please void pallarel sessoins.

x

good

As newcomer it was a bit advance for me

The program sessions were great. But I could not attend all of them since they were going in parallel. I hope APNIC takes a note of it.

I was mostly at the APTLD meeting

Neutral

i think better if you make the schedule with a table format with colom header

that it what it was.

Could not attend last two sessions due to fellows meeting and dinner...

enough

overall is good




very helpful

Good

Great experience for me

I was there, but I was working at the same time, so I can not comment fully, so I checked "I did not attend".

How satisfied were you with the overall quality of the conference speakers?

Response	Count	
5 - Very satisfied	26 25.2%	
4 - Satisfied	65 63.1%	
3 - Neutral	12 11.7%	

Total: 103

Comments:

Response	Count
	16 responses
lcjkfjsdd	
Every speakers tried hard though.	
x	
It was a complete distraction when a speaker who was not fluent speaking in english as half the time was trying to understand what the speaker was trying to say. It would be best if there was a translator so that the speaker is about to speak in their native language while being interpreted by a translator...	
good	
I attended only the workshop, not the conference	
Their content was informative enough	
Great speakers. Every single one of them. The only problem was understanding the people whose native language was not English.	
good enough	
i often cannot understand when people from east asia speaking	
clarity	
good conference	
could be better	
very helpful	
Good	
awesome people	

How satisfied were you with the APNIC 40 social events?

Variable	Very Satisfied	Satisfied	Neutral	Dissatisfied	Very Dissatisfied	Did not attend	
Conference Opening Reception	49 47.6%	42 40.8%	6 5.8%	1 1.0%	0 0.0%	5 4.9%	<i>Total: 103</i>
Newcomers luncheon	27 26.5%	34 33.3%	13 12.7%	0 0.0%	0 0.0%	28 27.5%	<i>Total: 102</i>
Women in ICT luncheon	27 26.7%	21 20.8%	16 15.8%	0 0.0%	0 0.0%	37 36.6%	<i>Total: 101</i>
Meet the Executive Council cocktail	23 22.8%	26 25.7%	13 12.9%	1 1.0%	0 0.0%	38 37.6%	<i>Total: 101</i>
APNIC Closing Dinner	39 39.4%	24 24.2%	13 13.1%	0 0.0%	1 1.0%	22 22.2%	<i>Total: 99</i>

Comments:

Response

Count

17 responses

fvdbcv

all were good. thanks! please don't have such loud music in future, during any event.

At the closing dinner, music was so loud and could not talk with other people.

x

good

I really got to socialize with everyone

Met a lot of new people. Exchanged a lot of contacts. One of the best thing of APNIC.

Good

The venue of APNIC Closing dinner was nice and quality of music was high i.e. very nice setting but would have been nice if this happened later after people were able to socialize. Generally music was too loud to have conversation.

merrier and need more some space;-)

good

great

it's a good events




Good

Great..

Too loud in general.

I think I did not know newcomers luncheon or executive council cocktail etc., I should have known that opportunities.

Overall, how satisfied were you with APNIC 40?

Response	Count	
5 - Very satisfied	47 45.6%	
4 - Satisfied	50 48.5%	
3 - Neutral	6 5.8%	
<i>Total: 103</i>		

Comments:

Response	Count
	17 responses

kjfdkadd

congrats to APNIC.

3 days meeting was too short. It could be more informative and useful if it was usual format.

x

good

I would have missed something if I didn't attend the event

I wish I could come again and again on every APNIC meeting :/

You could have provided some type of certificate to fellows

Good enough

While I was not able to attend many conference sessions, there was generally lively atmosphere, nice opportunity to get to know local speakers and attendees.

love it, information exchanges and met with those colleagues over the region-reps. :-)

ok, good

awesome

good job team

Satisfied

Overall the APNIC 40 was lacking the VOW factor and needed more participation, new ideas, discussions. It looked like more straight jacketed agendas and deliberations

Great event

If this was your first APNIC conference, please let us know what you thought about the Newcomers' Orientation?

Response

Count

46 responses

dkdkd

v7cv7

Met others on the same network it was very interesting and an eye opener

I want to know more about APNIC, and progression internet on worldwide

Actually I did not coming to Newcomer's Orientation

The newcomers were very welcomed into the association. The regular members introduced the association very well. In conclusion, I feel that I might want to join the association in the future.

x

We were late as we were in the wrong room. The event was good...

get as much as information, and rotating the event could be more flexible.

It was really good. It makes us felt more comfortable and feeling welcome about joining this big event even this were our first time.

There should be some more interactive discussion or team building or sharing or introduction session from each or smaller groups, especially from other APNIC members, to knowing each other more closely, to share what are other country does, what are their challenges, etc.

Sometimes people not talking if they are not asked, and people not asking, because they don't know what to ask, or to whom they should ask.

I did not attend the conference

It would have been better if the event wouldn't have occurred during lunch time. People were more concentrating on lunch. It's tough to keep the attention on slides while having lunch. From next time it can be a separate event.

The food and Sunny were superb.

Newcomers's event was so good and i am satisfied.

It was such an amazing and wonderful event. Had a great experience a lot meeting with all the inspirational leaders across the APAC regions. With all the newcomers got an opputunity to socialize and share ideas about the current ICT in the regions. Made lots of freinds and had fun.

i loved it

Properly organized and very useful topics were discussed during the conference. Let lot os very interesting and significant personnel

It was great to be introduced with many new guys from different corners of the world. Hope to meet them again some day in other places of the world. The networking that we could be able to establish is worthy for collaborative efforts in strengthening the health of the Internet.

very informative and to the point

This event good to meet other people from many countries with same line business

I didn't attend the luncheon but one thing I have to say, there are many acronyms going on unexplained in many of the presentations and it's really confusing as most of us don't know what it stands for. I hope that there were some handout that explains most of the things beforehand to catch up with the lots of information.

i think it is good to give insight about the APNIC itself

I didn't come to Newcomers' Orientation because I attended Introduction to Policy SIG (in Bahasa).

Missed the luncheon.

I experienced good result and learn alot from this conference, i will try to join as much as i can in the future. I will share the ideas, knowledge and the trend of internet society to my country.

This was my first experience with APNIC 40. All programs including new comers orientation was very good. Especially newcomers orientation program provided an opportunity for us to share and exchange our views and experiences and express our thought and insights. This was also platform to provide constructive feed back. This was also provided chance to get clarifications on some of the doubts and issues new comers had.

I was a founder of APJII/IDNIC altogether with my Indonesian Colleagues, incl. Mr Sanjaya:-)
It was great, and is still echoing nowadays and future actions plan

It would have been better if it was managed before the conference day and should have started with the introduction of all the fellows. Also, more interaction among fellows would have been possible if some group games eg. broken square game, etc. were played making different teams.

I thought this was excellent. Having a mentor guiding fellow through from even before the conference was a great initiative. It allowed us to better appreciate the conference and put us in a better position within the APNIC ecosystem.

It was terrific. I was briefed on many aspects of APNIC ecosystem. I gained lot of new insights and had a memorable experience. I made many new connection in my field of expertise. In addition to that, I also learned a lot about new domains. I am really grateful to APNIC for granting me fellowship to attend this event and enabling me to broaden my technical, experiential, and professional network horizon. I am proud to be part of this great community.

It was great.

Need more information on the policy in apnic

I thinks enough

Well done

Good

More choices for newcomers orientation

Excellent

Yes it is

This is great event and give me great experience. I have learn a lot of new stuffs in this event. And absolutely know about internet regulations at asia pasific and how important we have to move to IPv6.

It is very good opportunity to build a network and share experience with people who work in the same field. And through this event you can receive many update in ICT from people around the world.

It is interesting. Topical themes.

I don't know about new comers' orientation. I should have known there was such an event.

Very great conferences overall. Very great opportunities to meet new people.
Fellows program attendees were excellent, very motivated.

Need more explanation. The slide is very short

It was my first APNIC conference but i was not part of the Newcomers' Oreintation.

Much appreciated to have an introduction to APNIC and be welcomed

Did you visit the APNIC Members Services Lounge?

Response	Count	
Yes	40 38.8%	
No	63 61.2%	
<i>Total: 103</i>		

Comments:

Response	Count
	4 responses

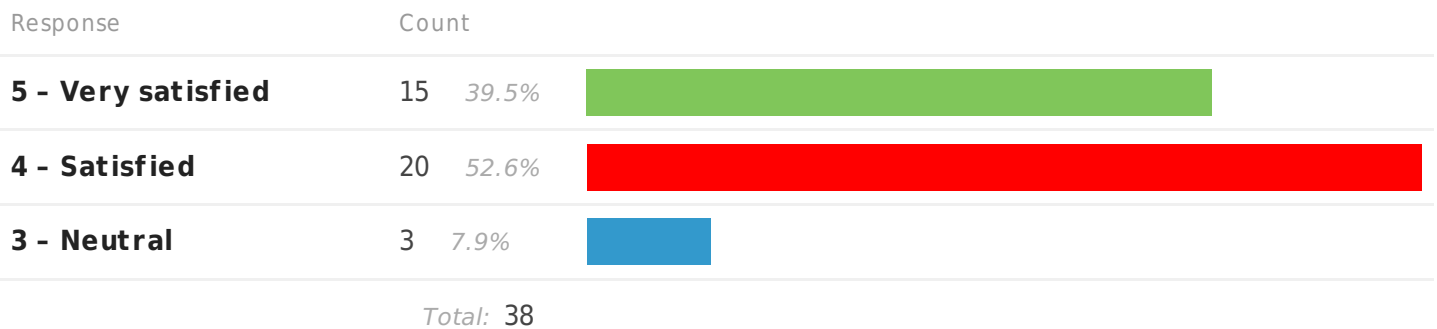
jbjkb

There are lot of things in this conference that i didnt even know about it before. Thank you to APNIC and APJII for inviting me as a fellowship from Indonesia.

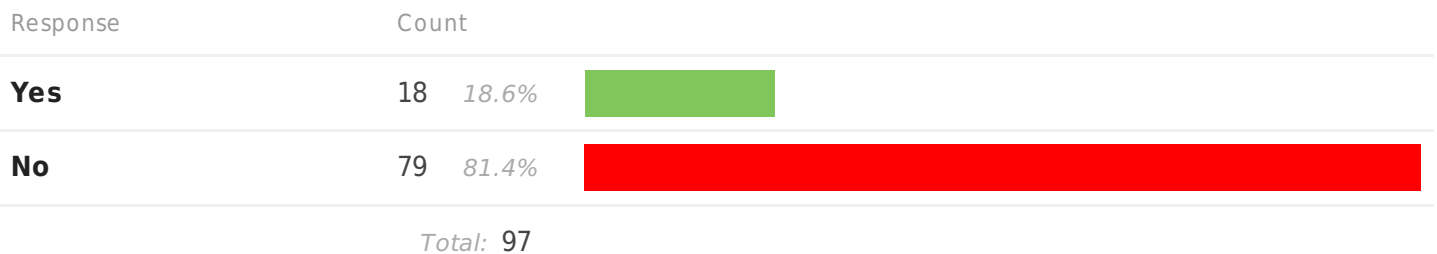
Met my expectations fully.

this is one of the best survey form distributions.

Were you satisfied with the service you received at the lounge?



Did you make use of the APNIC Hostmaster Consultation service?



Was your APNIC Hostmaster Consultation:





Comments:

Response	Count
	2 responses

jkll

I know them well in years, so everything is moving forward for the sake of public good :-)

Was it easy to find all the information you needed to participate at APNIC 40 on the conference website?

Response	Count
Yes	88 91.7% 
No	8 8.3% 
<i>Total: 96</i>	

Comments

Response	Count
	16 responses

Slideshare should be uploaded for all speakers.

The conference website displayed the information clearly, and in an organized layout. The CONFER system was extremely interesting.

Mostly OK but some things are hard to find: links for remote participation, easy link to today's schedule.

I can find all information easily.

The information also provided by a mailing list. It's really helpful.

Everything was mentioned in the website.

Almost.

The website was very informative for this purpose.

Most of them but some little information did not get in the place.

It was. I was forgotten to fill in online registration due to hectic activity recently. But it was solved by the desk the right time.

Introduction about the presentation should be put in advance, not only the topic. eg. In case of Mobile Technology, I had thought much but to my surprise it was just about the software.

OK, good information.

ez

Good

Great effort from committee to provide us information about this conference and absolutely translation for each speaker.

I just did not read much on the conference, sorry.

Did you find the conference offered enough networking opportunities for you?

Response	Count	
Yes	85 88.5%	
No	11 11.5%	
<i>Total: 96</i>		

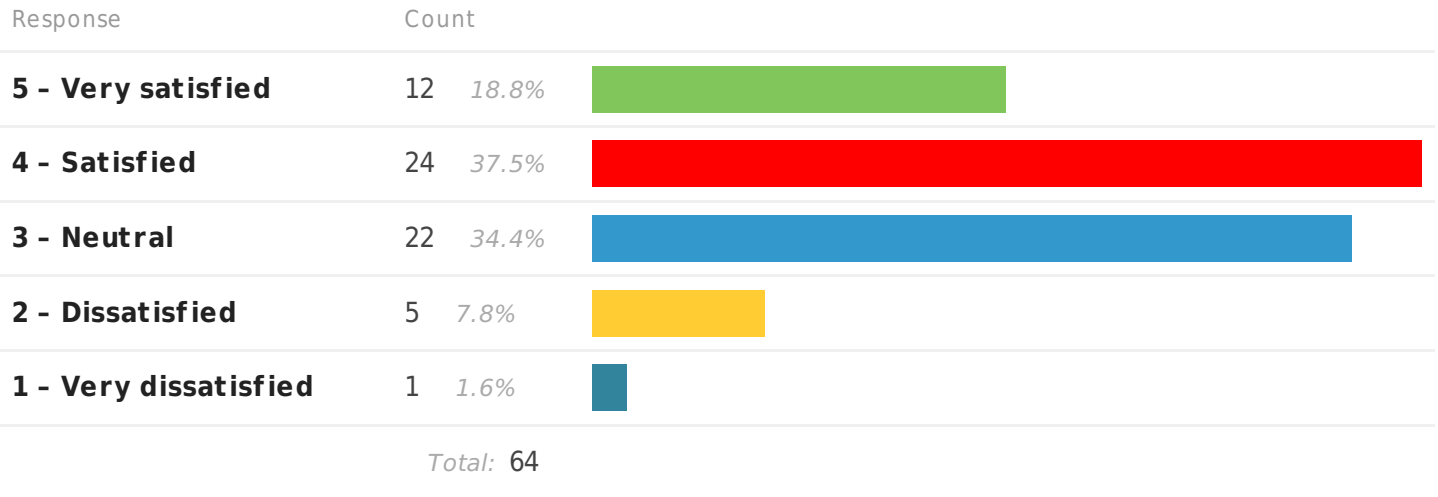
Comments:

Response	Count
	13 responses
With this conference, now i know what you guys talking about and the international problematic.	
Yes it could be great for networking, with more people. loud music makes networking impossible!	
Meetings and socials were not enough mainly because of limited time.	
I got to introduce myself with legends	
Like I said before, networking with people was one of the best thing I witnessed in APNIC 40.	
WiFi was almost unusable (DHCP problem)	
If we can have more social on the APNIC alumni social network, that will be more great because we can build a strong network of our internet society	
very good opportunity for networking	
as I mentioned earlier, this very best effort in gathering with multi-stack-holders participation	
ok enough	
good fortune	
No	
I wish I could talk more variation of people.	

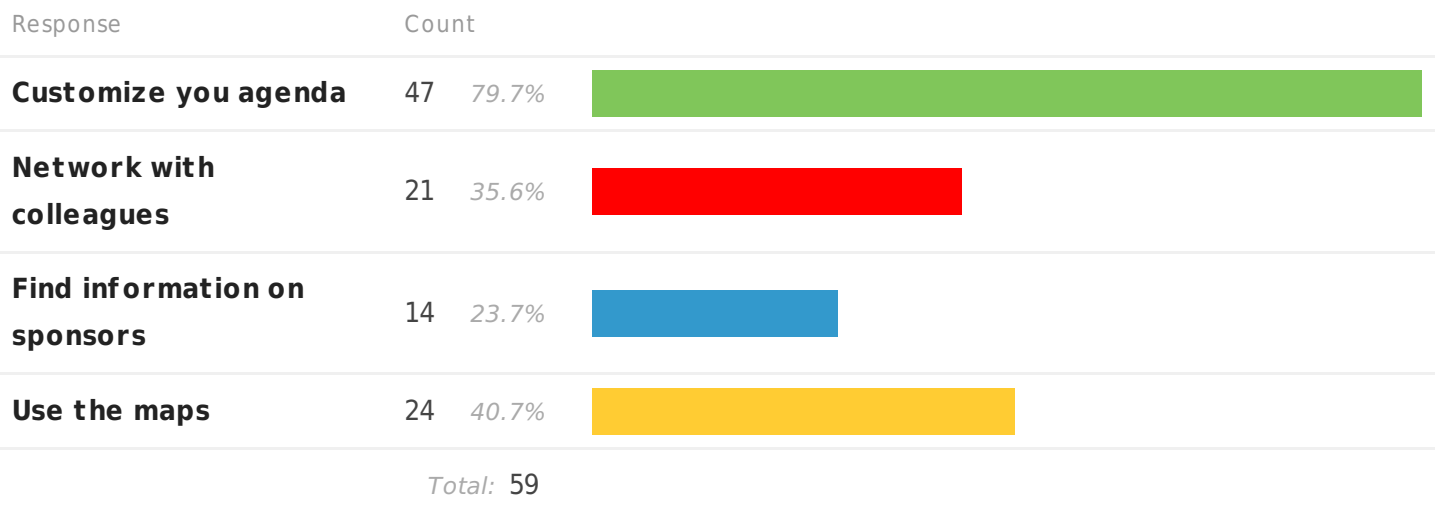
Did you use the APNIC 40 mobile app?

Response	Count	
Yes	50 52.1%	
No	46 47.9%	
	<i>Total:</i> 96	

If yes, how satisfied were you overall with the mobile app?



Did you use the mobile app to:



Did you use the networking functionality offered by the Presdo Match website to connect with colleagues and friends?



Are there any other comments you would like to provide to us about the conference?



vhhjgjk

This is my first international conference. A lot of information i got from this conference. Through this conference, now i know what you guys are doing all the time. Thank you for invited me to this conference.

The conference was perfect for learning what's going on in the networking association, especially in the asia-pacific region. The speakers also proposed their idea clearly. As one of the APNIC Fellowship participants, this conference was very educational. This could be improved by allowing more university students to participate in this conference. We could learn about the network technology and make new friends in the same interest. And hopefully, the students would understand the current situation and improve for the future.

Thank you so much for whole arrangement of the conference!

About the mobile app, it was useful. Please consider it to provide every meetings. Two points:

- Current agenda (especially the day) should be the default screen when started.
 - Program should be more visualized and make it possible to visit full agenda and materials.
-

Thank you!

no

The Conference was very informative and would like to thank the APNIC Staff for everything making the conference successful.

not now, cause I am new comers

The app still cause some bugs. for example if you login into the app sometimes the apps will crash and closed by itself

There should be more explanation on Bahasa on what are the agenda, what kind of service/agenda that can be attend by each type of registered attendees (especially the free ones).

I just loved everything about the conference

Since IETF is a global standard body, one member from it must be present on each APNIC conference. Similarly, in every IETF meeting, one member from APNIC must be present.

Overall it was very good.

Keep going

iam a student from surabaya indonesia, this is my first conference. the show opened my horizons. i hope i can join again in apnic 41. :)

Better integration of agenda/uploaded slides/transcript/webcast would be appreciated.

Thank you for choosing Jakarta for APNIC event, we'll be waiting for others international event held in Jakarta :)

Five days was a bit long, three days is a bit short, how about four days ?

na

over all the conference was excellent opportunity to learn and know many new things, get good experience and networking.

nope. it was great. thats all :-)

It was an excellent conference and definitely broadened my horizon on the Internet within our region. I will be looking to spread the word and getting more people within my country involved.

I pay special thanks to APNIC Staff and members for giving me the opportunity to participate in such a prestigious international workshop & conference. The most interesting part of this workshop & conference was to learn about new technologies, making new connections and new friends.

The Conference was great.

My only comment is, since the event was hosted in Asia, those of us fellows from the Pacific should be booked on flights that arrived in Jakarta atleast 2 days before the conference, this is to give us enough rest (from jet lag) before the start of the conference.

no

Nope

less Interactive

your mobile apps must be helpful and more information.

No

Great event.. good job for committe

Sorry, i was a new comer, and I didn't think I know what's going on 100%, and seems like I missed some occasion. Maybe I was careless, but I wish I could have known all opportunities I can have.

The presentations went very late into the evening making it become very tiring. Keep it to 5pm and let participants feel the enjoyment of the conference. Also, organise tour at the end of the conference to help the participants understand about the host country.

App stopped working continuously on my phone, I did not manage to use it properly

APNIC 40



Media Coverage report

As of 21 September 2015

Outlet	Economy	Language	Date	Title	Writer	Page
Digital News Asia	Region	English	14/09/2015	Businesses need to go IPv6, or go bye-bye	Masyitha Baziad	2
itnews	Australia	English	11/09/2015	Second-hand IPv4 addresses reaping big bucks	Juha Saarinen	5
Digital News Asia	Region	English	10/09/2015	Indonesia aims to beat Malaysia in Internet access by 2019	Masyitha Baziad	10
MalayMail Online	Malaysia	English	10/09/2015	Indonesia aims to beat Malaysia in Internet access by 2019	Masyitha Baziad	13
Techno.id	Indonesia	Bahasa	10/09/2015	PANDI sukses himpun pengelola nama domain se-Asia Pasifik di Jakarta	Indra Zakaria	16
Techno.id	Indonesia	Bahasa	10/09/2015	Intip hari terakhir penyelenggaraan APNIC 40 di Jakarta	Indra Zakaria	18
Techno.id	Indonesia	Bahasa	09/09/2015	APNIC: Penetrasi Internet di Indonesia Masih Rendah		19
Merdeka.com	Indonesia	Bahasa	09/09/2015	APNIC 40 di Jakarta, sedot perhatian pegiat internet se-Asia Pasifik	Fauzan Jamaludin	20
Bijaks	Indonesia	Bahasa	09/09/2015	Indonesia Gerilyakan Kampanye IPv6		21
Merdeka.com	Indonesia	Bahasa	09/09/2015	Mengupas penggunaan IPv6 untuk jaringan 4G LTE di APNIC 40	Fauzan Jamaludin	22
New Zealand Herald	New Zealand	English	09/09/2015	The battle for the internet	Juha Saarinen	23
Techno.id	Indonesia	Bahasa	09/09/2015	Tak kalah dari operator AS, provider Asia sudah lirik penggunaan IPv6	Ulwan Fakhri Noviadhista	26
Tribun Internasional	Indonesia	Bahasa	09/09/2015	Indonesia Berhasil Kumpulkan Profesional Domain Internet Dunia	Richard Susilo	27
Merdeka.com	Indonesia	Bahasa	8/09/2015	Isu-isu besar ini bakal dikupas habis di APNIC 40	Fauzan Jamaludin	28
detikinet	Indonesia	Bahasa	8/09/2015	Indonesia Terus Gerilya Kampanye IPv6	Adi Fida Rahman	29
detikinet	Indonesia	Bahasa	8/09/2015	Menkominfo Takkan Ikut Campur Kelola Alamat IP	Adi Fida Rahman	30
Techno.id	Indonesia	Bahasa	08/09/2015	APNIC lihat Indonesia miliki potensi besar pertumbuhan internet	Indah Pertiwi	31
Merdeka.com	Indonesia	Bahasa	08/09/2015	Banyak pakar internet hadir di acara APNIC 40	Fauzan Jamaludin	32
Techno.id	Indonesia	Bahasa	08/09/2015	Indonesia fokus bahas perpindahan IPv6 di APNIC 40	Indah Pertiwi	33
Merdeka.com	Indonesia	Bahasa	07/09/2015	Ini 3 tujuan APNIC 40, konferensi internet terkemuka di Asia Pasifik	Fauzan Jamaludin	34
Techno.id	Indonesia	Bahasa	07/09/2015	Alasan APNIC 40 digelar di Jakarta	Firli Firlani	35
Techno.id	Indonesia	Bahasa	07/09/2015	Pentolan dunia internet Asia Pacific kumpul di Jakarta, ada apa?	Denny Mahardy	36
Techno.id	Indonesia	Bahasa	04/09/2015	Ajang konferensi internet Asia Pasifik bakal dihelat di Jakarta		37



Businesses need to go IPv6, or go bye-bye

By Masyitha Baziad Sep 14, 2015

- *World facing IPv4 address exhaustion, urgent need to migrate*
- *IPv6 migration will lead to the competitive advantage of early adoption*

WITH growing mobile Internet use and the booming Internet of Things (IoT), the demand for Internet addresses will only explode, and businesses have no choice but to migrate from Internet Protocol version 4 (IPv4) to Internet Protocol version 6 (IPv6).

Both are communications protocols for the Internet, but the list of available IP or website addresses for IPv4 is quickly being exhausted. IPv4 allows only billions of IP addresses, while IPv6 would allow trillions, which is becoming critical as more mobile devices connect to the Internet.

“There are three billion people on the Internet and 50 billion devices are expected to connect to the Internet in 2020,” said Paul Wilson, director general of the Asia Pacific Network Information Centre (APNIC).

“One thing that must be clear is that IPv4 cannot keep stretching out to support Internet growth at this rate.

“IPv4 scarcity is now a very real issue worldwide, and if your business and your work depend on the Internet, deploying IPv6 is the only way,” he told the APNIC 40 forum in Jakarta last week.

APNIC is the [regional Internet registry](#) for Asia Pacific, providing number resource allocation and registration services. Its members include Internet service providers (ISPs) and national Internet registries.

With the depletion of IPv4 address, there is no way companies can provide IP addresses to the smart devices that need to connect to the Internet, from smartphones to smart TVs.

“Even if another billion addresses could be made available on the market, it’s abundantly clear that the only way to support Internet growth in the next five years is through IPv6 adoption,” Wilson said.



Growing IPv6 deployment

Still, the deployment of IPv6 to support the sophisticated technologies of the future is currently growing. According to [Google reports](#), IPv6 usage has been increasing steadily each year, with more than 8% of Google traffic now being delivered over IPv6, nearly double from 4.5% last year.

According to Wilson (*pic above*), APNIC Labs found that almost 25% of all users in the United States are now IPv6-capable.

“Big telecommunication companies, ISPs and content providers in the United States have been moving to IPv6 – Comcast, AT&T, Time Warner Cable, Verizon, Facebook, and Google, among them.



“The Asia Pacific region and the rest of the world have also been adopting IPv6, [albeit unevenly](#),” he said.

APNIC predicts that IPv6 adoption is going to follow the current growth path, and hopefully accelerate as more companies realise the urgency to secure more IP addresses to serve their customers, he added.

Wilson noted that IPv6 is no longer new, and that the need to make that transition has been publicised over the last 10 years.

“If your organisation moves towards IPv6, it is going to be your competitive advantage, the advantage of early adopters,” he said.

Mobile drive, different approaches

According to the Internet Society’s 2015 [Global Internet Report](#), mobile Internet device penetration in the developed Asia Pacific region has already exceeded 100%, and by 2019, the region is predicted to have the world’s largest proportion of mobile Internet traffic.

To cater this heavy growth, as well as new applications that come with it, businesses need to provide more mobile IP addresses, APNIC said, urging all organisations to turn their investments towards IPv6 transition.

The APNIC 40 conference also discussed how different organisations may need to take different paths to IPv6, depending on their current stock of IP addresses, their growth, and the need for addresses in the future.

“Each carrier has unique requirements for deploying IPv6. We are not saying that it is easy, but we know that it needs to be done,” said Sunny Yeung (*pic*), senior technology specialist at Telstra wireless network engineering.

“There are different methods and requirements, depending on each carrier.

“IPv6 deployment status is varied among operators, economies, and regions, and this is the thing that we need to still discuss together – how to bring good infrastructure to support the rising future of mobility,” he added.

If network providers do not take any steps to move towards IPv6, it is their customers who will suffer service degradation, APNIC members argued.

IPv6 will deliver better connectivity to the public, and also at the same time allow the immediate flow of Internet traffic which can connect to the many IPv6-enabled internet services,

such as Google, Facebook, LinkedIn and others.

And the hardier security features in IPv6 will provide for better end-to-end encryption standards, according to Wilson.

“Without IPv6, mobile users will receive private IPv4 addresses, and traffic will flow via CGNs (Carrier Grade Network Address Translators) which will increase cost and complexity.

“Further, any attempt to share these connections – through personal hotspots on mobile phones, or through dedicated wireless last-mile devices – will add another layer of NAT (network address translation), making matters even worse,” he said on the sidelines of the conference.



Second-hand IPv4 addresses reaping big bucks



Up to US\$100 per IPv4 address could become the norm.

Network operators continue to demand IPv4 address space and are willing to pay rising prices and enter into potentially risky trading to obtain allocations of the older protocol. Explosive growth of internet-connected devices has led to the worldwide pool of approximately 4.2 billion IPv4 addresses emptying out.

The situation was predicted many years ago, but it was never adequately dealt with by concerted migration to the newer IPv6 protocol, which holds a far larger numbering space.

The looming shortage has created a market for second-hand IPv4 addresses, which started in earnest in 2011 with Microsoft [famously paying](#) US\$11.25 per IP to bankrupt Nortel's receivers.

This year has seen a [marked increase](#) in IPv4 addresses being traded, and has led to the novel situation of brokers proffering their services at internet registry and network operator conferences.

The brokers act as intermediaries between the IPv4 haves and have-nots, and promise to smooth out the relatively complex process of transferring address blocks.

Part of their mission is to persuade companies and organisations that were handed out large IPv4 allocations in the early days of the internet to view them as valuable assets, IPv4 market group head Sandra Brown told *iTnews*.

“There are large stockpiles of IPv4 addresses that were given out to friends, and which now sit unused,” Brown said.

Contrary to what most people think, the IPv4 internet still hasn't run out of addresses; they're just not being used.

Chief scientist of the Asia-Pacific Network Information Centre (APNIC), Geoff Huston, told *iTnews* around 22 percent of the currently allocated IPv4 space is not advertised - meaning it's not actively used on the internet.

In theory, this provides millions more addresses that could be made available.

"A lot of that unadvertised space is currently administered by ARIN, and it reflects space in the old Class A and Class B networks that pre-date the regional internet registry system," Huston said.

"As they predate the RIR system, they are not covered by any regional registry contract, so there is no clear way to reclaim them in many cases."

This means that those who have the old-style Class A and B IPv4 allocations can do pretty much what they like with them.

Meanwhile, APNIC's last allocatable /8 address block is predicted to run dry in 2020, and other RIRs are also feeling the IPv4 pinch, kicking off a brisk trade in addresses.

Elvis Velea from address broker V4Escrow told APNIC 40 conference participants in Jakarta that his company had seen almost 27 million IPv4 transferred worldwide in 2015 until August, with many more to come this year.

Local companies seem to have caught the IPv4 trading fever too, according to cumulative figures from APNIC.

Pay TV provider Foxtel has been Australia's largest buyer of transferable IPv4 addresses, acquiring 524,288 in total from America Online, making it the fourth most active in the APNIC regional internet registry area.

Telco Optus, which has had 180,224 addresses transferred into its possession, is the only other Australian IPv4 acquirer breaking into the top 15 list of address buyers in APNIC, which is dominated by Chinese, Hong Kong, Japanese and Indian companies.

A total of 175 transfers were made in Australia, covering just under 1.4 million addresses.

Not all were commercial trades - some occur when companies close shop and assets are sold off, others are the result of internal transfers, and others are exports of locally allocated addresses to overseas buyers.

But a number are imported address blocks from ARIN in the US, pointing to Australian companies being willing to engage in IPv4 trading.

IPv6 not yet the answer to IPv4 scarcity

Meanwhile, IPv6 adoption continues to rise, with more networks using the newer address protocol and end-user software support rapidly improving.

“The rise of IPv6 adoption in the past 12 months calls into question precisely how much longer we will need to keep IPv4 in circulation,” Huston noted.

In the year to August 2015, Google saw [IPv6 traffic double](#) from 4 percent to over 8 percent of the total - and the growth is accelerating.

Belgium has reached over 35 percent IPv6 adoption, followed by the US at 21 percent, and several other European countries are not far behind, Google’s traffic statistics show.

The problem is that IPv6 adoption worldwide is very uneven. For instance, Google rates Australia as a laggard globally, having just 1.46 percent IPv6 adoption. IPv6 is also not directly compatible with the older IPv4 protocol, so migration is not straightforward.

Migration to IPv6 has some way to go, and Brown estimates there will be substantial demand for IPv4 addresses in the next five to ten years - which will result in price rises.

Currently, larger address blocks such as a /16 with 65,536 addresses costs US\$10 per IP, while smaller /20 blocks with 4096 addresses go for US\$15.50 per IP.

Intra-RIR address block transfers in the same region attract a small price premium of 0.50 US cents per IP address, as they are somewhat less complicated to manage for buyers.

Brown and Waller’s sales pitch is that prices are as low as they will be and now’s a good time to buy.

They expect US\$30 per IPv4 address to be the going rate soon.

"Even at US\$100 per IP address, internet providers can easily recover the money spent on buying allocated IPv4 space by on-charging it to customers at a relatively low cost per month," Waller said.

APNIC’s Huston noted that providers' high monthly charge for static IPv4 addresses means there's plenty of room for the address purchase price to move upwards.

“I did a reverse calculation based on the premium that ISPs charge for static public IP addresses (currently around A\$20 per month) and this leads to a number around A\$100 - A\$200 (US\$71-US\$142) per address,” Huston said.

Brown and Waller believe the “pain threshold” above which network operators will feel compelled to move to IPv6 lies at US\$60 per IPv4 address for large blocks, and US\$100 for smaller ones.

But Huston didn't necessarily agree.

“The problem is that it's not either/or for IPv6 and IPv4, so the pain threshold is not really relevant. An ISP has to support IPv4 for as long as there is content / services that their customers can only reach on IPv4,” he said.

"They can't substitute IPv6 until the content and services also have IPv6. So to some sense the price is not really a switch price, but more an expression of demand and supply."

While high IPv4 pricing isn't an issue for developed economies like Australia, it is a big problem for poorer countries building out their internet connectivity.

Brown noted that already, IPv4 prices are becoming too steep for developing economies such as India with large populations.

Such countries will need large amounts of address space to match internet connections growth, and being priced out of the IPv4 market, there is unlikely to be an alternative to IPv6 adoption en masse to meet demand.

Many pitfalls face second-hand IPv4 space buyers

On the face of it, paying for some IPv4 space while they still can afford it makes sense for network providers.

However, the price paid per IP doesn't cover all the costs associated with address block transfers.

Buying used IPv4 space can be a bit like shopping for clothes in a dodgy second-hand store - buyers could end up with some seriously whiffy and buggy space that has been used for nefarious purposes, and because of that, been cordoned off by other providers.

Brown advised buyers to carefully check for several factors to ensure they get “quality address space”.

Firstly, make sure it's not named in any blacklists as having been used by spammers.

“We tell clients to test first by setting up a mail server on the address block, and to see if messages get through or are blocked,” Brown said.

Getting out of anti-spam and other blocking lists can be difficult, so it's best to avoid listed address space, he said.

Second, make sure the seller has a clear title to the allocation and is permitted to authorise the transfer to the buyer. RIRs are very finicky and will say no if there's anything in the proposed transfer that goes against their policies.

This goes for any attempts at cashing in on speculative IP address buying, Brown said.

Then there's geolocation/geoblocking which usually bites end-users wanting to buy goods and services on the internet, but are prevented from doing so as the IP address of their computers is assumed to be in a certain part of the world.

IPv4 address blocks are listed in geolocation databases like [Maxmind](#) which a large number of service providers like Google rely on to work out where a particular computer system is located.

Getting the geolocation data for an address block sorted out can take two to three months, and Brown suggests that newly bought IPv4 space not be put to production use until that has been done.

Making sure the newly bought address block is advertised on the internet immediately is crucial however, he noted, so as to prevent it from being hijacked and used by other networks.

Un-hijacking address space can be a long winded process, and if the network block is used for spamming or nefarious activities, it could end up in blocking lists.

Finally, Brown conceded that trading in IPv4 addresses could degrade the internet.

Many trades are done as small address blocks, which have to be advertised separately - filling up the global routing table and making it more complex.

Most transfers in Australia are tiny /24 blocks, with just 256 addresses, Brown said. Large internet providers are often reluctant to route such small blocks for the above reasons.

The cost and complexity of the IPv4 transfer market doesn't seem to faze buyers, however.

V4Escrow's Velea claimed that last year, his company organised transfers of over two million IP addresses, worth some US\$22 million.

As the RIRs streamline their transfer policies, the number of address transactions is expected to increase further - Huston's figures from APNIC show that the current number of transfers have doubled from the past year, hitting in some cases up to 6000.

That shows there's plenty of demand for IPv4 addresses for the next few years, so the market can be expected to flourish while there's still supply.



Indonesia aims to beat Malaysia in Internet access by 2019

By Masyitha Baziad Sep 10, 2015

- **Countries to beat: Malaysia at 70.4% and Thailand at 43.8%; Singapore rules at 99%**
- **'The best regulation is actually less regulation,' minister tells APNIC 40 conference**

Untuk membaca berita ini dalam Bahasa Indonesia, silahkan [klik di sini](#)

UNDETERRED by its current Internet penetration rate of only 34.9%, Indonesia has laid down the gauntlet and said it intends to overtake its Asean neighbour Malaysia by 2019.

The republic's Minister of Communication and Information Technology Rudiantara acknowledged that Indonesia lags behind other Asean (Association of South-East Asian Nations) countries in terms of Internet penetration, but believes it can climb up to the region's No 2 spot by 2019, behind Singapore.

"It is quite aggressive, yes – we're going to be above Malaysia, but still cannot beat Singapore because we're facing the challenge of connecting thousands of islands across our archipelago," he said.

According to industry regulator the Malaysian Communication and Multimedia Commission (MCMC), the Internet penetration rate in Malaysia stood at 66.6% as of the first quarter of 2014.

Indonesia itself estimates the Internet penetration rate in Malaysia is 70.4% currently, and Thailand is slightly ahead of the republic at 43.8%, while Singapore is just about completely wired at 99%.

Speaking at the APNIC 40 (Asia Pacific Network Information Centre) conference in Jakarta on Sept 8, Rudiantara said his government was

working hard to develop the Internet infrastructure in the country.

He also invited the Internet community and industry players to assist the Indonesian Government in its policy-making.

“We want all of you to participate in our policy-making process in Indonesia – we are open to discussions and any advice,” Rudiantara said in his speech at the opening ceremony of APNIC 40.

“The Internet [space] in this country is very dynamic – the Government will not pretend that we understand the technical details,” he said. “For me, the best regulation is actually less regulation.”

APNIC is the [regional Internet registry](#) for Asia Pacific, providing number resource allocation and registration services. Its members include Internet service providers and national internet registries.

The [APNIC 40 conference](#) itself is bringing together Internet and networking experts from around the region over eight days for policy development, decision-making, education, information sharing, and networking.

Last year’s edition was held in Brisbane, while this year’s conference is being backed by the Association of Indonesian Internet Providers (APJII).

Rapid growth, sophisticated use

Indonesia’s aspirations to overtake Malaysia may not be so farfetched after all. With a rapid growth in Internet access over the last few years, the republic is now home to 88.1 million Internet users.

This is a relatively small proportion of its total population of approximately 250 million people, however, which is why APJII chairman Jamalul Izza underlined the urgent need for more robust Internet infrastructure.

“Based on our survey last year, the number of Internet users in Indonesia has grown tremendously from 16 million users [nine years ago] to 88.1 million in 2014.

“We expect the number to grow at the same rapid rate in the future, and that will not happen without the support of Internet infrastructure in the country,” he said in his speech at APNIC 40.



But it is not only the number of Internet users that is moving up rapidly – Internet use amongst the populace has also become more sophisticated, according to Jamalul.

“The Internet used to be only for checking emails ... then we started to browse for any kind of information.

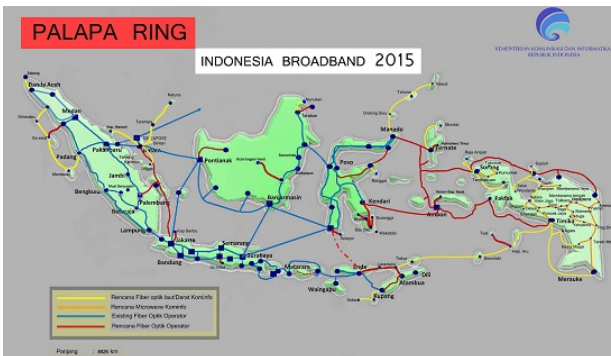
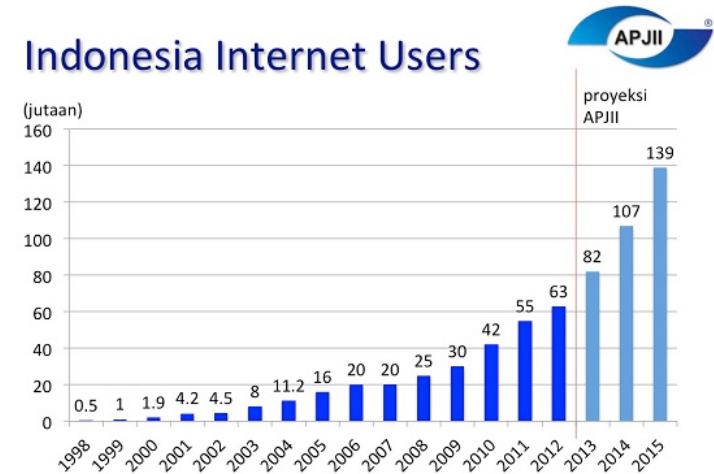
“Nowadays, people are using Internet to shop online, to video-conference, even to order motorbike taxi or *ojek*,” he said.

Infrastructure boost

The Indonesian Government’s ambition may still come back to haunt it, but Rudiantara (*pic above*) is optimistic of reaching the target with the [implementation of its National Broadband Plan](#), which aims for fixed-broadband access at 71% of urban households and 10% of rural households.

“In accordance with our National Broadband Plan, we are now in process of making sure that approximately 500 major cities and regional capitals are connected to the Internet by 2018.

“This plan is supported by our Palapa Ring Project which is deploying 36,000km of fibre-optic connectivity throughout the country, except for Papua island, where we are still using satellites,” he said.



The Palapa Ring Project (*click image below to enlarge*) is a mega project Indonesian President Joko Widodo has instructed Rudiantara to kick off to support connectivity in the country.

It is expected to be the backbone of the five-year goal of the National Broadband Plan, and is also expected to boost the country’s telecommunication industry.

Tech/Gadgets

Indonesia aims to beat Malaysia in Internet access by 2019

By Masyitha Baziad
September 10, 2015



Indonesian Minister of Communication and Information Technology Rudiantara believes his country can climb to the region's No 2 spot for Internet penetration by 2019, behind Singapore. — DNA picJAKARTA, Sept 10 — Undeterred by its current Internet penetration rate of only 34.9 per cent, Indonesia has laid down the gauntlet and said it intends to overtake its Asean neighbour Malaysia by 2019.

The republic's Minister of Communication and Information Technology Rudiantara acknowledged that Indonesia lags behind other Asean (Association of South-East Asian Nations) countries in terms of Internet penetration, but believes it can climb up to the region's No 2 spot by 2019, behind Singapore.

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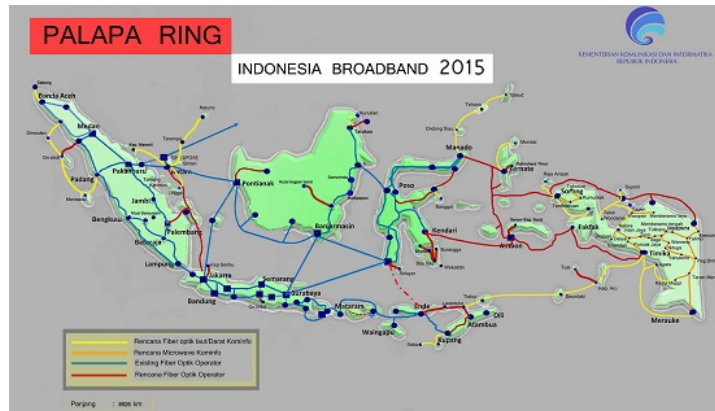
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This article was first published [here](#).

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Indra Zakaria |

10 September 2015 16:00

PANDI sukses himpun pengelola nama domain se-Asia Pasifik di Jakarta

Pada pertemuan ini, hadir 70 orang peserta dari 21 pengelola nama domain negara-negara Asia Pasifik.

APTLD meeting di Indonesia. ©2015 Merdeka.com

Techno.id - Pengelola Nama Domain Internet Indonesia (PANDI) baru saja rampung menggelar APTLD (Asia Pacific Top Level Association) Meeting yang dilaksanakan pada 7 hingga 9 September lalu di Hotel Ritz Carlton Mega Kuningan. Pada pertemuan yang dilaksanakan bersamaan dengan APNIC ke 40 dan PANDI Meeting ke 5 ini, hadir 70 orang peserta dari 21 pengelola nama domain negara-negara Asia Pasifik.

Andi Budimansyah, Ketua PANDI mengaku gembira atas suksesnya penyelenggaraan APTLD Meeting di Indonesia kali ini. Menurutnya para peserta yang hadir dari Rusia, Kazakhstan, Tajikistan, Nepal, Ukraina, Singapura, Vietnam, Timor Leste, Jepang, Tiongkok, Arab Saudi, Taiwan, Korea Selatan, Srilanka, Malaysia, dan satu perwakilan dari DENIC yakni pengelola domain Jerman ini makin memperkuat kemampuan teknis pengelola nama domain terlebih untuk ia dan rekannya di PANDI.

Seperti dikutip dari Merdeka (10/9/15), kegiatan ini menurut Andi, semata-mata bentuk kontribusi Indonesia pada pengelolaan nama domain di kawasan Asia Pasifik. Menurutnya, kerjasama antar pengelola nama domain akan meningkatkan kualitas layanan kepada pengguna nama domain di kawasan ini.

Menanggapi gelaran yang dilakukan selama 2 tahun sekali ini, General Manager APTLD Leonid Todorov menyampaikan penghormatan dan apresiasinya yang besar kepada PANDI. Menurut Todorov, penyelenggaraan APTLD Meeting 2015 di Indonesia sangat profesional. Todorov juga mengapresiasi keaktifan PANDI menjadi pembicara dan moderator dalam kegiatan ini. PANDI juga disebut terlibat aktif dalam diskusi-diskusi yang sangat bermanfaat bagi perkembangan domain di Asia Pasifik.



Pria asal Rusia itu pun mengungkapkan harapannya yang besar mengenai tindak lanjut dari hasil pertemuan yang diselenggarakan selama 3 hari itu. Menurut Todorov, melakukan visualisasi dan konseptualisasi adalah hal yang menjadi perhatian dan kepentingan bersama anggota APTLD saat ini dan di kemudian hari.

Indra Zakaria | 10 September 2015 17:00

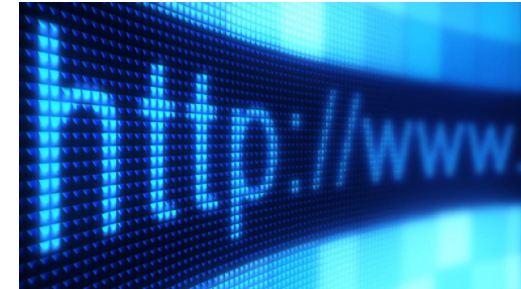
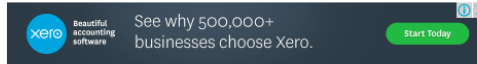
Intip hari terakhir penyelenggaraan APNIC 40 di Jakarta

Di hari terakhir penyelenggaraan konferensi internet tingkat Asia Pasifik itu para peserta masih nampak aktif.

Gelaran APNIC 40 di Jakarta akan segera usai. Di hari terakhir penyelenggaraan konferensi internet tingkat Asia Pasifik itu para peserta masih nampak aktif membahas isu-isu yang menarik seperti soal policy, domain, IP, dan lain sebagainya.

Nah, bagaimana suasana selengkapny hari terakhir penyelenggaraan APNIC 40? Berikut beberapa potret kegiatan APNIC 40 di hari terakhir seperti dikutip dari Merdeka (10/9/15)





APNIC: Penetrasi Internet di Indonesia Masih Rendah

Rabu, 09 September 2015 | 04:19 WIB

TEMPO.CO, Jakarta - Asia-Pacific Network Information Centre (APNIC) menyatakan penetrasi Internet di Indonesia masih rendah dibanding negara tetangga. Deputi Direktur APNIC Sanjaya mengatakan angka penetrasi Internet di Indonesia baru 34,9 persen.

Sedangkan angka penetrasi negara tetangga, kata Sanjaya, seperti Malaysia, sudah mencapai 70,4 persen. Apalagi Singapura, yang mencapai 99 persen. Bahkan Vietnam masih di atas Indonesia, yakni 43,8 persen.

Selain itu, Indonesia sulit mencapai target Millennium Development Goals PBB untuk menghubungkan 50 persen populasi ke Internet pada akhir 2015. Meski, sudah bisa dipastikan Indonesia adalah negara dengan jumlah pemakai Internet terbesar ketiga di Asia pada akhir abad ini setelah Cina dan India.

Sanjaya mengatakan, sejak 2010, jumlah pengguna Internet di Indonesia tumbuh lebih dari dua kali lipat. Saat ini, lebih dari 88 juta orang terhubung ke jaringan Internet, sebagian besar berusia 15-25 tahun. Tapi, seperti halnya sebagian besar negara-negara di Asia-Pasifik, banyak tantangan yang harus diatasi, terutama dalam memberikan akses Internet di luar kota-kota besar.

APNIC mengadakan konferensi di Jakarta untuk membahas perkembangan Internet di Indonesia dan keterbatasannya selama ini. APNIC mencoba berbagi pengalaman mengenai cara pengoperasian jaringan seefektif mungkin dan aman. Acara konferensi kali ini benar-benar memunculkan potensi Indonesia, tidak hanya sebagai panitia, tapi juga sebagai pembicara. Sebagai *keynote speaker* adalah Menteri Komunikasi dan Informatika Rudiantara, pembicara teknis setelah menteri adalah Johar Alam (IDC) dan Barry Green, yang lama di Smartfren, serta Silvia W. Sumarlin, sebagai salah satu ketua Kamar Dagang dan Industri.

"Saya sangat optimistis tentang masa depan Internet di Indonesia. Budaya gotong-royong bangsa kita sesungguhnya sangat cocok dengan jaringan Internet, yang pada awalnya bermula dari kerja sama jaringan lokal yang kemudian tumbuh berkembang menjadi jaringan global," kata Sanjaya di Ritz-Carlton, Jakarta, 8 September 2015.

Dalam acara ini, Direktur Umum Asia-Pacific Network Internet Center (APNIC) Paul Wilson sangat senang atas banyaknya tamu yang datang dalam acara tersebut. "Saya sangat senang karena yang datang jumlahnya besar sekali," ujar Paul, yang mencoba berbicara dengan bahasa Indonesia.

APNIC 40 menyajikan beberapa sesi mengenai IPv6, termasuk tutorial pertama di dunia tentang penggelaran IPv6 untuk operator seluler. Pada sesi ini, operator jaringan akan belajar dari pengalaman nyata implementasi IPv6 di jaringan operator seluler besar di luar negeri.

APNIC 40 di Jakarta, sedot perhatian pegiat internet se-Asia Pasifik

Reporter : [Fauzan Jamaludin](#) | Rabu, 9 September 2015 09:45



Merdeka.com - Indonesia di tahun ini menjadi tuan rumah acara bergengsi dan penting soal internet di kawasan Asia Pasifik, yakni APNIC 40 yang diadakan di [Jakarta](#). Dalam pertemuan kali ini akan banyak dibahas seputar isu-isu besar di seluruh kawasan Asia Pasifik.

Menariknya, dari acara itu, menurut postingan di [Facebook](#) dari akun salah satu pembicara APNIC 40, Che-Hoo Cheng, Associate Director (Infrastructure), Information Technology Service Center, Chinese University of Hongkong, terungkap bahwa acara APNIC 40 di Jakarta didatangi lebih dari 600 orang.

"APNIC 40 in Jakarta this time is as big as APRICOT as it has over 600 attendees!!!" tulisnya di Akun [Facebook](#)nya.

Acara APNIC ini merupakan perhelatan kali ke-2 setelah APRICOT yang mampu menarik 11.000 peserta. Tak ketinggalan beberapa pembicara ahli di bidang internet se Asia Pasifik pun turut hadir pada acara tersebut. Sehingga, akan banyak informasi yang didapatkan dalam acara itu.

"APNIC 40 memberikan para network engineer Indonesia para pembangun jaringan lokal maupun nasional kesempatan untuk belajar langsung dari pakar-pakar Internet dunia yang akan menyampaikan berbagai informasi terkini tentang pengoperasian jaringan yang efektif, aman dan andal," ujar Sanjaya, Deputy Director General, APNIC.



Indonesia Gerilyakan Kampanye IPv6

09 Sep 2015 11:09 AM

JAKARTA, BIJAKS – Indonesia dipercaya menjadi tuan rumah acara Asia Pacific Network Center Workshop and Conference (APNIC) ke-40. Pertemuan yang diikuti oleh peserta dari berbagai negara ini membahas berbagai isu penting dunia internet, mulai dari IP, domain hingga regulasi.

“APNIC ini acara profesional meeting. Setiap perwakilan negara bakal membawa isu menarik di kawasannya masing-masing,” ujar Jamalul Izza, Ketua Umum Asosiasi Penyelenggara Jasa Internet Indonesia (APJII), Rabu (9/9).

Perwakilan Indonesia sendiri akan memfokuskan pada IPv6. Hal ini guna mendorong penggiat internet di Tanah Air untuk bermigrasi dari IPv4 ke IPv6. Karena saat ini alokasi blok alamat IPv4 di dunia akan segera habis. (as/dc/bc)

Mengupas penggunaan IPv6 untuk jaringan 4G LTE di APNIC 40

Reporter : [Fauzan Jamaludin](#) | Rabu, 9 September 2015 10:45



4G-LTE. ©2013 Merdeka.com

Merdeka.com - Jaringan 4G/LTE yang menggunakan arsitektur jaringan berbasis IP (Internet Protocol) sudah cukup banyak digelar di berbagai negara. Akan tetapi penambahan jaringan baru banyak terbentur dengan kendala habisnya IPv4, yang membuat operator seluler besar mulai melirik ke penggunaan IPv6 di jaringan 4G LTE mereka.

Misalnya saja, Verizon dan T-Mobile di Amerika sudah secara agresif menggelar IPv6 di jaringan seluler mereka, yang mengakibatkan meningkatnya statistik penggunaan IPv6 di negara itu. 79 Persen pelanggan Verizon dan 61 persen pelanggan T-Mobile akan otomatis menggunakan IPv6 apabila mengunjungi situs yang mendukung IPv6 seperti Google, [Facebook](#) dan lain sebagainya.

Bagaimana dengan Asia? Di acara APNIC 40 yang saat ini sedang berlangsung di hotel Ritz Carlton [Jakarta](#), ada 2 sesi menarik di hari Rabu (9 September 2015) yang menunjukkan bahwa operator seluler Asia juga sudah mulai bergerak ke arah yang sama.

SK Telecom, operator seluler terbesar di Korea Selatan, baru-baru ini berhasil mengimplementasikan protokol IPv6 di jaringan LTE mereka. 13 Persen dari pelanggan mereka dideteksi menggunakan IPv6 untuk berkomunikasi dengan situs2 yang mendukung protokol baru ini.

Di sesi berjudul "Internet Mobility Nexus: Are We Ready for Real Mobile/Wireless Broadband?", Deoknyong Ko dari SK Telecom akan menceritakan bagaimana cara menerapkan IPv6 di jaringan LTE mereka.

Park Jin-hyo, Kepala Pusat Penelitian dan Pengembangan Teknologi jaringan SK Telecom mengatakan, SK Telecom akan memberikan kontribusinya ke ekosistem global IPv6 dengan membagi pengalaman dalam mengkomersialisasikan IPv6.

Sesi lainnya berupa tutorial yang berjudul "Hypes? Fanfares? Fads? Wading through the muddy IPv6 puddle", di mana Sunny Yeung dari Telstra dan Masataka Mawatari dari JPIX akan mengulas salah satu teknologi transisi IPv6 yang dinamakan 464XLAT. Teknologi ini terbukti dapat membantu proses implementasi IPv6 di jaringan seluler.

Seluruh sesi konferensi APNIC 40 akan ditayangkan langsung melalui YouTube live, dan rekamannya (termasuk transkrip) dapat dilihat di <http://conference.apnic.net/40>.

Juha Saarinen: The battle for the internet

Wednesday, 09 September 2015 7

Even though NZ is a small player globally, we should pay a great deal of attention to what's happening with internet governance. Photo / iStock



By Juha Saarinen

As we wait for Apple and other vendors to churn out even more products and services, it's worth considering what makes them so useful and desirable, which is that they're connected to the internet.

At the end-user level, we take great deal of interest in how our devices' internet connections work and figure out broadband access, data deals, wi-fi gremlins and more.

Few people take a great deal of interest what goes on further up network chain though, despite this being just as important for healthy internet access as the endpoint.

That's understandable as providers and telcos have preferred to keep quiet about how they interconnect with each other — often not terrible well, and they wouldn't want retail customers to know that.

However, as the internet becomes increasingly integrated with our daily lives, politics, education and medicine, issues beyond just physically connecting everyone to everything emerge.

I can't remember who told me this first, but the value of the internet lies in the number of people — and devices — that are connected to it but also that the interconnected global hive-mind remains free and open.

The more, the merrier, basically. That's pretty easy to understand, but not something bonehead politicians like as it sidelines them. Since time immemorial (OK, last few decades then), the administration of things internet have been in the hands of techie gnomes who have generally been interested in the principle of connecting as many people and things as possible, and doing so in an open fashion.

Thanks to that, we now have an astonishingly powerful invention that lets us communicate, work, do all sorts of things from just about everywhere and across several different technologies, wireless and wired.

Imagine if you could control the internet through its administrative processes, such as who or which organisation can have internet-addressable numbers that lets other computers and users to exchange data with them.

Or, which domain names — like `nzherald.co.nz` — can be used, in which context, who can have them, when and for how long. Presently, the techies have been mostly in charge of those processes, and worked on keeping them neutral, fair and reasonable and by and large succeeded.

That looks set to change however, with nation-states, corporations and interest organisations doing battle in different forums few people have heard about, trying to wrestle control over arcane matters that determine how the internet operates from the techies that originally devised them. The internet has its roots in the United States, which is why organisations such as the cryptically named Internet Corporation for Assigned Names and Numbers (ICANN) live there.

ICANN was created fairly recently, in 1998, and manages the worldwide domain name system and also the internet numbering system used to provide each single connected system with a unique identifier.

That a US-based organisation controls such powerful information troves has annoyed giants Russia and China especially, but also other large and medium-sized countries that aren't friends of the Americans — or particularly interested in democracy and individual liberties.

France, which likes to do its own thing whenever it can, is [in full war with ICANN](#) and would like the organisation replaced with something else. The problem here is that the internet was envisioned to be an interoperable entity, with for instance, the DNS system running as a central database that everyone could use to look up information in. Ditto the numbering identifiers for internet connected devices. Some interest groups have pounced on this apparent weakness.

A process has now kicked off to make ICANN less US-government controlled, and more inclusive with other countries having a greater say in internet governance.

Depending on who you speak to, the "global multi-stakeholder" process has been a success, or a bureaucratic morass that's feeding lawyers and lobbyists without achieving much — and with the US government not actually ceding any control over internet administration.

Fiddling with either mechanism is likely to fragment and break today's internet, which is not in the global community's interest but might appeal to regimes desiring to control the information their population has access to.

A future with several different made-for-purpose internets could replace our current multipurpose network in a worst-case scenario, and that's not where we want to be.

Even though New Zealand is a small player globally, we should pay a great deal of attention to what's happening with internet governance, and fight for it to remain independently managed and open in the future.

There was nothing particularly broken in the common-sense and cooperative model that techies developed for internet governance, so why not just stick with that and keep politicians, lawyers, and lobbyists at an armslength to avoid having to constantly route around the damage that they want to inflict?

- *Juha Saarinen travelled to APNIC 40 as a guest of the Asia Pacific Network Information Centre.*

Ulwan Fakhri Noviadhista |
9 September 2015 19:46

Tak kalah dari operator AS, provider Asia sudah lirik penggunaan IPv6

IPv6 adalah jaringan penyempurnaan dari IPv4. Arsitektur jaringan ini dianggap sebagai solusi yang tepat untuk sistem komunikasi global saat ini.

Techno.id - Demi meningkatkan layanan jaringan 4G LTE, operator telekomunikasi kini mulai beralih ke arsitektur jaringan berbasis Internet Protocol (IP). Nah, arsitektur jaringan yang sudah dipakai oleh provider ternama, misalnya Verizon dan T-Mobile dari Amerika Serikat, saat ini adalah IPv6.

Seperti dikutip dari **Merdeka.com** (09/09/15), salah satu bahasan menarik di ajang APNIC 40 yang dihelat di Jakarta ialah menyoroti kesiapan operator seluler Asia untuk bergerak ke arah tersebut.

Sekarang ini di Asia, baru SK Telecom yang mampu mengimplementasikan protokol IPv6 ke jaringan LTE mereka. Provider asal Korea Selatan itu memiliki 13 persen pelanggan yang telah menggunakan IPv6 untuk mengakses situs-situs yang sudah mendukung protokol baru ini, sebut saja Facebook atau Google.

IPv6 sendiri adalah jaringan penyempurnaan dari IPv4. Arsitektur jaringan ini dianggap sebagai solusi yang tepat untuk sistem komunikasi global saat ini. Pasalnya, IPv4 sudah tak mampu lagi mawadahi semua pengguna dalam berkomunikasi.





Indonesia Berhasil Kumpulkan Profesional Domain Internet Dunia

Rabu, 9 September 2015 18:40 WIB

Foto Sigit Widodo

Pertemuan Asosiasi Level Top Domain Asia Pasifik (APTLD) di Hotel Ritz Carlton Mega Kuningan Jakarta yang berakhir sore tadi (9/9/2015)

Laporan Koresponden Tribunnews.com, Richard Susilo dari Tokyo

TRIBUNNEWS.COM, TOKYO - Indonesia ternyata berhasil menyelenggarakan Pertemuan Asosiasi Level Top Domain [Asia Pasifik](#) (APTLD) di Hotel [Ritz Carlton](#) Mega Kuningan Jakarta sejak 7 September hingga sore hari ini (9/9/2015).

"Pengelola Nama Domain Internet Indonesia (PANDI) berhasil menghadirkan 70 peserta dari 21 pengelola nama domain di [Asia Pasifik](#) dan membuat pertemuan sejak 7 September lalu hingga hari ini," ujar Sigit Widodo, Direktur Operasional PANDI kepada Tribunnews.com. Mereka berkumpul di Jakarta untuk berbagi pengalaman dan meningkatkan kemampuan mengelola nama domain di negaranya masing-masing. Kegiatan APTLD Meeting di Jakarta dilaksanakan bersamaan dengan kegiatan Asia Pacific Network Information Centre (APNIC) Meeting ke-40 dan PANDI Meeting ke-5.

Sebanyak 70 orang peserta dari 21 pengelola nama domain negara hadir dalam APTLD Meeting, di antaranya dari Rusia, Kazakhstan, Tajikistan, Nepal, Ukraina, Singapura, Vietnam, Timor Leste, Jepang, Tiongkok, Arab Saudi, Taiwan, Korea Selatan, Srilanka, dan Malaysia. Selain dari kawasan Asia-Pasifik, kegiatan ini juga dihadiri oleh perwakilan DENIC, pengelola nama domain .de dari Jerman.

Kegiatan APTLD Meeting dimulai dengan Pelatihan "Resilient TLD Operations" selama satu hari pada 7 September 2015. Pelatihan yang bertujuan untuk memperkuat kemampuan teknis pengelola nama domain se-[Asia Pasifik](#) ini diselenggarakan bekerja sama dengan Internet Corporation for Assigned Names and Numbers (ICANN).

Isu-isu besar ini bakal dikupas habis di APNIC 40

Reporter : [Fauzan Jamaludin](#) | Selasa, 8 September 2015 15:07



Merdeka.com di sela-sela acara APNIC 40, Jakarta, Selasa (8/9).

Ketua Umum Asosiasi Penyelenggara Jasa Internet Indonesia (APJII), Jamalul Izza.
©2015 Merdeka.com

Merdeka.com - Indonesia di tahun ini menjadi tuan rumah acara bergengsi dan penting soal internet di kawasan Asia Pasifik, yakni APNIC 40 yang diadakan di **Jakarta**. Dalam pertemuan kali ini akan banyak dibahas seputar isu-isu besar di seluruh kawasan Asia Pasifik.

"Jadi APNIC ini kan acara profesional meeting. Nah, nantinya masing-masing perwakilan seluruh Asia Pasifik akan membagi dan membahas soal isu-isu yang menarik di kawasannya. Seperti halnya soal policy, domain, IP, dan lain sebagainya," ujar Ketua Umum Asosiasi Penyelenggara Jasa Internet Indonesia (APJII), Jamalul Izza, kepada

Indonesia sendiri, kata Jamal, akan membawa isu seputar IPv6. Isu IPv6 ini memang sedang menjadi pembahasan oleh para pegiat internet Indonesia bahkan dunia. Dibahasnya isu tersebut, lantaran IPv6 sudah saatnya menggantikan IPv4 yang hampir habis.

"Aturannya seperti apa dan regulasinya akan seperti apa. Nah, yang kemudian nanti merujuk ke soal perangkat. Karena selama ini masih belum banyak perangkat yang support di IPv6," katanya.

Jamal pun mencontohkan Jepang yang telah mengimplementasikan IPv6. Maklum, penetrasi internet di negeri sakura itu berbeda dengan Indonesia. Secara teori, semakin besar penetrasi internet, maka IP akan makin habis dan perangkat yang dibutuhkan banyak.

"Di Jepang, rata-rata sudah pakai, karena tergantung penetrasi internet seperti apa. Jika semakin banyak, perangkatnya makin banyak maka IP bakal habis," ujarnya.

Indonesia Terus Gerilya Kampanye IPv6

Adi Fida Rahman - detikinet
Selasa, 08/09/2015 16:23 WIB
Halaman 1 dari 2



Jamalul Izza (bgs/detikINET)

Jakarta - Indonesia dipercaya menjadi tuan rumah acara Asia Pacific Network Center Workshop and Conference (APNIC) ke-40. Pertemuan yang diikuti oleh peserta dari berbagai negara ini membahas berbagai isu penting dunia internet, mulai dari IP, domain hingga regulasi.

"APNIC ini acara *profesional meeting*. Setiap perwakilan negara bakal membawa isu menarik di kawasannya masing-masing," ujar Jamalul Izza, Ketua Umum Asosiasi Penyelenggara Jasa Internet Indonesia (APJII) di Hotel Ritz Carlton, Kuningan, Jakarta Selasa (8/9/2015).

Perwakilan Indonesia sendiri akan memfokuskan pada IPv6. Hal ini guna mendorong penggiat internet di Tanah Air untuk bermigrasi dari IPv4 ke IPv6. Karena saat ini alokasi blok alamat IPv4 di dunia akan segera habis.

"Aturan atau regulasinya akan seperti apa. *Nah*, yang kemudian nanti merujuk ke soal perangkat. Karena selama ini masih belum banyak perangkat yang mendukung IPv6," katanya.

Pihak APJII, kata Jamal, sudah pernah membuat task force terkait IPv6 bersama pemerintah. Sayangnya, hal tersebut sempat vakum beberapa waktu. Namun kini APJII akan melanjutkannya kembali.

"Kenapa *task force* harus dihidupkan. Karena gini, misalnya saya melakukan research tentang IPv6. Abis itu teman-teman lain gak ada yang pakai. Saya mau konek ke siapa?," jelas pria berkacamata ini.

Lebih lanjut, Jamal mengungkapkan saat ini APJII mulai membatasi permintaan IP baru. Ini sebagai upaya untuk mempercepat migrasi ke IPv6 di tanah air.

Menkominfo Takkan Ikut Campur Kelola Alamat IP

Adi Fida Rahman - detikinet
Selasa, 08/09/2015 13:53 WIB

Menkominfo Rudiantara (rou/detikINET)

Jakarta - Pemerintah konon bakal ikut serta dalam pengaturan alamat IP bersama Asosiasi Penyelenggara Jasa Internet Indonesia (APJI). Namun hal tersebut dibantah langsung oleh Menkominfo Rudiantara.

Saat ditemui usai menyampaikan keynote di Asia Pacific Network Center Workshop and Conference (APNIC) ke-40 di Ritz Carlton, Jakarta, Selasa (8/9/2015), terkait alamat IP, Rudiantara mengatakan pemerintah sebatas menyiapkan koridor. Adapun untuk eksekusi dan urusan teknis di lapangan tetap diserahkan ke komunitas.

"Itu namanya *self regulatory*. Jika dilihat dari *regulatory framework*, yang bagus itu ya *self regulation* dari komunitas," ujar pria yang kerap disapa Chief RA ini.

Dijelaskannya, saat ini pemerintah fokus dalam pembangunan infrastruktur Teknologi Informasi dan Komunikasi (TIK). Sebab dinamika perkembangan TIK lebih cepat dibanding infrastrukturnya, karena itu Rudiantara lebih mendorong *self regulatory* dari komunitas dalam hal ini APJII terkait pengaturan IP.

"Jangan semuanya pemerintah, nanti malah lambat. Hal teknis saya berharap APJI yang berperan banyak. Sementara regulasi makro kita siapkan bersama-sama," ujarnya.

Saat ini, kata menteri pihaknya tengah menyiapkan koridor dari regulasi yang lebih besar. Supaya APJI dapat bergerak lebih cepat.

Ditemui di tempat yang sama, Ketua APJII Jamalul Izza turut mengamini pernyataan menkominfo. Ia menambahkan, pemerintah tidak ikut serta tapi lebih ke fungsi pengawasan saja. Hal ini memberikan kekuatan bagi APJII bila terjadi sesuatu.

Lebih lanjut pria yang disapa Jamal ini mengatakan, Indonesia dan Jepang menjadi negara di Asia Pasifik yang pengelolaan IP tidak dipegang pemerintah. Selebihnya semua diatur oleh pemerintahnya masing-masing.

"Jadi tidak mengatur, tapi turut berperan dalam menyiapkan kebijakan," pungkas Jamal.





Indah Pertiwi |
8 September 2015 16:00

APNIC lihat Indonesia miliki potensi besar pertumbuhan internet

Benarkah Indonesia menempati posisi ke-7 dunia sebagai pengguna internet aktif? Yuk simak berita berikut ini...

Techno.id - Jumlah pengguna Internet di Indonesia telah tumbuh lebih dari 2 kali lipat sejak 5 tahun lalu. Pada saat ini, lebih dari 88 juta orang terkoneksi ke jaringan Internet dengan proporsi sebagian besar berusia rentan 15-25 tahun.

Johar Alam Rangkuti, Chairman of Internet Data Center Indonesia mengungkapkan Indonesia berada di posisi nomor 7 terbesar pengguna internet di dunia dengan 82 juta pengguna aktif.

Melihat potensi yang terus bertumbuh, APNIC sebagai penyedia jasa internet menghadirkan APNIC 40 guna mewadahi *network engineer* mendapatkan kesempatan untuk belajar langsung dari pakar-pakar Internet dunia yang akan menyampaikan berbagai informasi terkini tentang pengoperasian jaringan yang efektif, aman dan andal.



Sanjaya, Deputy Director General APNIC mengungkapkan pihaknya optimis Indonesia akan menunjukkan kemampuan dan kontribusinya yang signifikan terhadap pertumbuhan Internet di kawasan Asia Pasifik dan di dunia, salah satunya lewat kesempatan menjadi tuan rumah perhelatan ini.

Saat ini sudah 600 orang terdaftar di konferensi APNIC 40, kesempatan yang sangat baik untuk menjalin hubungan profesional antara *network engineer* di Indonesia maupun di luar negeri. Perhelatan ini merupakan kali ke-2 setelah APRICOT yang mampu menarik 11.000 peserta.



Banyak pakar internet hadir di acara APNIC 40

Reporter : [Fauzan Jamaludin](#) | Selasa, 8 September 2015 19:17



Merdeka.com - Indonesia di tahun ini menjadi tuan rumah acara bergengsi dan penting soal internet di kawasan Asia Pasifik, yakni APNIC 40 yang diadakan di [Jakarta](#). Dalam pertemuan kali ini akan banyak dibahas seputar isu-isu besar di seluruh kawasan Asia Pasifik. Tak ketinggalan beberapa pembicara ahli di bidang internet se Asia Pasifik pun turut hadir pada acara tersebut. Sehingga, akan banyak informasi yang didapatkan dalam acara itu.

"APNIC 40 memberikan para network engineer Indonesia para pembangun jaringan lokal maupun nasional kesempatan untuk belajar langsung dari pakar-pakar Internet dunia yang akan menyampaikan berbagai informasi terkini tentang pengoperasian jaringan yang efektif, aman dan andal," ujar Sanjaya, Deputy Director General, APNIC.

Adapun narasumber yang hadir dalam acara APNIC 40 ini adalah Barry Greene, salah seorang yang paling berpengalaman dalam layanan keamanan internet di industrinya yang menyampaikan pendekatan praktis pengamanan Internet untuk penyelenggara jasa Internet dan jaringan korporasi.

Selain Greene, ada juga Johar Alam Rangkuti, Chairman dari Internet Data Centre (IDC) Indonesia dan Administrator dari OpenIXP. Johar menyampaikan hasil eksperimen yang menghubungkan tiga Internet exchange di Indonesia, Malaysia dan Filipina. Kemudian, Remco Van Mook yang membahas tentang apakah mungkin membangun Internet exchange hanya dengan biaya USD 1.000. Di sisi lain, Sanjaya mengutarakan gelaran konferensi APNIC 40 di Jakarta, pada dasarnya telah diputuskan semenjak dua tahun silam. Bergantian dengan kawasan negara-negara lain.

"Diputuskannya semenjak dua tahun yang lalu. Jadi meeting kita itu selalu dirotasi. Setiap enam bulan kita meeting di setiap sub region South East Asia, Pasifik Asia. Nah, sekarang jatahnya south asia. Akhirnya kita pilih di Jakarta. Ini juga berkat kerjasama dengan Asosiasi Penyelenggara Jasa Internet Indonesia (APJII)," ujarnya.

Indah Pertiwi |
8 September 2015 19:00

Indonesia fokus bahas perpindahan IPv6 di APNIC 40

Isu IPv6 ini memang sedang menjadi pembahasan oleh para pegiat internet Indonesia bahkan dunia.

Para panelis APNIC 40 © 2015 Indah Pertiwi/ techno.id

Techno.id - Sebagai salah satu negara yang memiliki pertumbuhan internet cukup pesat, Indonesia berkesempatan menjadi tuan rumah perhelatan akbar yang membahas perihal internet di kawasan Asia Pasifik, yaitu APNIC 40.



Menanggapi kegiatan yang diusung bagi penyedia dan pengguna internet ini, Jamalul Izza, Ketua Umum Asosiasi Penyelenggara Jasa Internet Indonesia (APJII) mengungkapkan bahwa APNIC 40 merupakan acara profesional meeting. Nantinya masing-masing perwakilan seluruh Asia Pasifik akan membagi dan membahas soal isu-isu yang menarik di kawasannya. Seperti halnya soal policy, domain, IP, dan lain sebagainya.

Sementara itu, Indonesia sebagai tuan rumah akan membawa isu seputar IPv6. Isu IPv6 ini memang sedang menjadi pembahasan oleh para pegiat internet Indonesia bahkan dunia. Dibahasnya isu tersebut, lantaran IPv6 sudah saatnya menggantikan IPv4 yang hampir habis.

Terkait regulasi yang akan diterapkan, Jamal mengungkapkan bahwa nantinya merujuk ke soal perangkat karena selama ini masih belum banyak perangkat yang support di IPv6.

"Saat ini, rata-rata di Jepang sudah pakai, karena tergantung penetrasi internet seperti apa. Jika semakin banyak perangkatnya maka IP bakal habis," tutup Jamal.

Ini 3 tujuan APNIC 40, konferensi internet terkemuka di Asia Pasifik

Reporter : [Fauzan Jamaludin](#) | Senin, 7 September 2015 13:04

Merdeka.com - Kali ini [Jakarta](#) menjadi tuan rumah acara bergengsi dan penting soal internet di kawasan Asia Pasifik, yakni APNIC 40. Menurut Deputy Director General, APNIC, Sanjaya, gelaran konferensi APNIC 40 di Jakarta, pada dasarnya telah diputuskan semenjak dua tahun silam. Bergantian dengan kawasan negara-negara lain.



"Diputuskannya semenjak dua tahun yang lalu. Jadi meeting kita itu selalu dirotasi. Setiap enam bulan kita meeting di setiap sub region South East Asia, Pasifik Asia. Nah, sekarang jatahnya south asia. Akhirnya kita pilih di Jakarta. Ini juga berkat kerjasama dengan Asosiasi Penyelenggara Jasa Internet Indonesia (APJII)," ujarnya kepada **Merdeka.com** di Jakarta, Kemarin (7/9).

Sebelumnya, kata dia, Indonesia pernah menjadi tuan rumah APNIC pada tahun 2007 di Bali. Terlepas dari itu, dipilihnya Jakarta sekaligus mewakili Indonesia, lantaran di South East Asia, Indonesia merupakan pasar yang besar.

"Jadi pilihan Jakarta karena di South East Asia, market Indonesia besar. Pertumbuhan internet paling aktif. Terus terang kalau dibandingkan dengan negara lain di Asia, Indonesia dari segi jumlah jaringan internetnya itu paling besar," ungkap Sanjaya.

Bagaimana tidak, sejak lima tahun yang lalu, tepatnya tahun 2010, jumlah pengguna Internet di Indonesia telah tumbuh lebih dari dua kali lipat. Pada saat ini, tercatat lebih dari 88 juta orang terkoneksi ke jaringan Internet dengan pengguna sebagian besar berusia 15-25 tahun.

"Tujuan utama dari conference ini adalah bagaimana agar jaringan internet lebih handal, aman, dan tetap satu jaringan yang global. Makanya ini kita bawa orang-orang dari luar negeri sebagai pengingat bahwa internet itu global. Setelah konferensi selesai, para peserta bawa ilmu tambahan tentang tiga hal itu," ucap dia.

Alasan APNIC 40 digelar di Jakarta

Dikatakan jika Indonesia memiliki perkembangan internet paling aktif.

Techno.id - Jakarta saat ini terpilih menjadi tuan rumah acara bergengsi dan penting soal internet di kawasan Asia Pasifik, yakni APNIC 40. Dilansir oleh **Merdeka.com** (07/09/15), Deputy Director General, APNIC, Sanjaya, mengatakan jika gelaran konferensi APNIC 40 di Jakarta pada dasarnya telah diputuskan semenjak dua tahun silam. Bergantian dengan kawasan negara-negara lain.



"Diputuskannya semenjak dua tahun yang lalu. Jadi meeting kita itu selalu dirotasi. Setiap enam bulan kita meeting di setiap sub region South East Asia, Pasifik Asia. Nah, sekarang jatahnya south asia. Akhirnya kita pilih di Jakarta. Ini juga berkat kerja sama dengan Asosiasi Penyelenggara Jasa Internet Indonesia (APJII)," ujarnya dikutip dari **Merdeka.com**.

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Denny Mahardy |
7 September 2015 12:00



Pentolan dunia internet Asia Pacific kumpul di Jakarta, ada apa?

Sebuah acara besar sedang digelar di Jakarta. Acara ini melibatkan para former dunia internet Asia Pacific. Yuk simak berita berikut...

Techno.id - Indonesia kebagian jadi tuan rumah perhelatan akbar bagi industri internet dan jaringan Asia Pacific yang diselenggarakan Asia Pacific Network Information Center (APNIC). Ajang akbar bernama APNIC 40 ini bakalan dihadiri *pentolan* dunia internet yang berada di kawasan Asia Pacific.

Lembaga antar-negara ini menyebutkan pemilihan Indonesia sebagai lokasi diselenggarakannya APNIC Conference tahun ini karena sudah lama tak menjadi lokasi pertemuan mereka. Tercatat, APNIC terakhir melakukan pertemuan di Indonesia pada tahun 2007 di Bali.

“Prinsipnya kita memang biasa melakukan rapat dan pertemuan berpindah dari satu regional ke regional lainnya, sekarang giliran Asia Tenggara. Kita pilih Indonesia bagaimana juga di sini sebagai pasar terbesar di kawasan Asia Tenggara,” kata Sanjaya, Deputy Director General APNIC.

Alasan lainnya ialah karena porsi dan kekuatan Indonesia sebagai pengguna internet yang jauh lebih besar daripada negara lain di Asia Tenggara. Keterbukaan dan aktivitas tinggi yang berlangsung di kalangan netizen Tanah Air jadi alasan lain penyelenggaraan konferensi tahunan APNIC di Indonesia.

"Terus terang dibandingkan negara-negara lain di ASEAN, Indonesia dalam sisi jumlah jaringan yang terkoneksi memiliki pengguna internet yang paling aktif pertumbuhannya. Terima kasih atas kerja keras yang dilakukan APJII," ungkap Sanjaya.

Dalam pertemuan ini, APNIC berharap para pelaku industri jaringan bisa bekerjasama dan lebih akrab satu sama lain. Sanjaya ingin mengajak masyarakat bahwa internet adalah jaringan global yang memerlukan kerjasama baik teknis maupun orang-orang yang terlibat di dalamnya.

“Pada pertemuan tahun ini di Indonesia kita akan bahas internet bisa jadi yang lebih handal, lebih aman dan tetap merupakan satu jaringan yang global. Makanya kita bawa orang-orang dari berbagai negara supaya kita sadari internet itu gak hanya di Indonesia saja,” tandas Sanjaya.

Indra Zakaria |

4 September 2015 18:00

Ajang konferensi internet Asia Pasifik bakal dihelat di Jakarta

APNIC 40 bakal dihelat selama tiga hari mulai tanggal 7 hingga 10 September di Ritz Carlton Mega Kuningan, Jakarta.



Techno.id - APNIC 40 bakal digelar di Jakarta. Ajang konferensi internet bergengsi dan penting di kawasan Asia Pasifik ini kabarnya akan dilaksanakan pada 7 sampai 10 September nanti di Ritz Carlton Mega Kuningan, Jakarta.

Menurut Deputy Director General APNIC Sanjaya, Indonesia dipilih sebagai tuan rumah APNIC 40 bukan tanpa alasan. Menurutnya, pertumbuhan pengguna internet saat ini menunjukkan peningkatan positif sejak tahun 2010. Menurutnya, kini pengguna internet di Indonesia meningkat menjadi 88 juta orang meski tak bisa dipungkiri Indonesia saat ini sedang masuk dalam negara yang tingkat penetrasi internetnya rendah.

"Pemerintah Indonesia menunjukkan antisipasi yang baik dengan mendukung program pengembangan jaringan Palapa Ring I yang telah digelar di sepanjang pantai kepulauan Indonesia bagian Barat di tahun 2009. Proyek pengembangan ini akan menambahkan kabel serat optik sepanjang 8.295km di kawasan Indonesia bagian Timur. Diharapkan selesai 2018, Palapa Ring akan menjadi tulang punggung pita lebar internet yang menghubungkan 33 provinsi dan 460 kota serta kabupaten," ungkap Sanjaya seperti dilansir oleh Merdeka (3/9/15).

Nantinya, infrastruktur yang sudah ada bakal membantu memperbesar kapasitas lalu lintas data untuk mengantisipasi teknologi baru seperti Internet of Things yang akan menghubungkan milyaran perangkat ke jaringan internet. Namun di sisi lain, Sanjaya menegaskan peningkatan infrastruktur saja sebenarnya tidak cukup. Masyarakat harus dipersiapkan untuk menggunakan protokol baru IPV6 sebagai ganti dari IPV4 yang sudah kehabisan nomor alamat dan punya beberapa kelemahan di sisi kinerja maupun sekuriti.

Oleh karena itu, pada ajang APNIC 40 nanti akan disajikan beberapa sesi mengenai IPV6 termasuk tutorial pertama di dunia tentang implementasi IPV6 untuk operator seluler. Di sesi ini, operator jaringan nanti akan belajar dari pengalaman nyata implementasi IPV6 di jaringan operator seluler besar di luar negeri.

"Saya sangat optimis tentang masa depan Internet di Indonesia. Budaya gotong-royong bangsa kita sesungguhnya sangat cocok dengan jaringan Internet, yang pada awalnya bermula dari kerjasama jaringan lokal yang kemudian tumbuh berkembang menjadi jaringan global. Tanpa kerjasama yang baik antar jaringan, baik besar maupun kecil, Internet tidak akan menjadi sarana komunikasi yang sangat penting seperti sekarang ini. Saya percaya dengan menjadi tuan rumah di konferensi penting ini, Indonesia akan menunjukkan kemampuan dan kontribusinya yang signifikan terhadap pertumbuhan Internet di kawasan Asia Pasifik dan di dunia," tutup Sanjaya.

Agenda Item 16
Survey planning update

APNIC Survey 2016

EC Retreat, December 2015

Guam

APNIC

Issue Date: [Date]

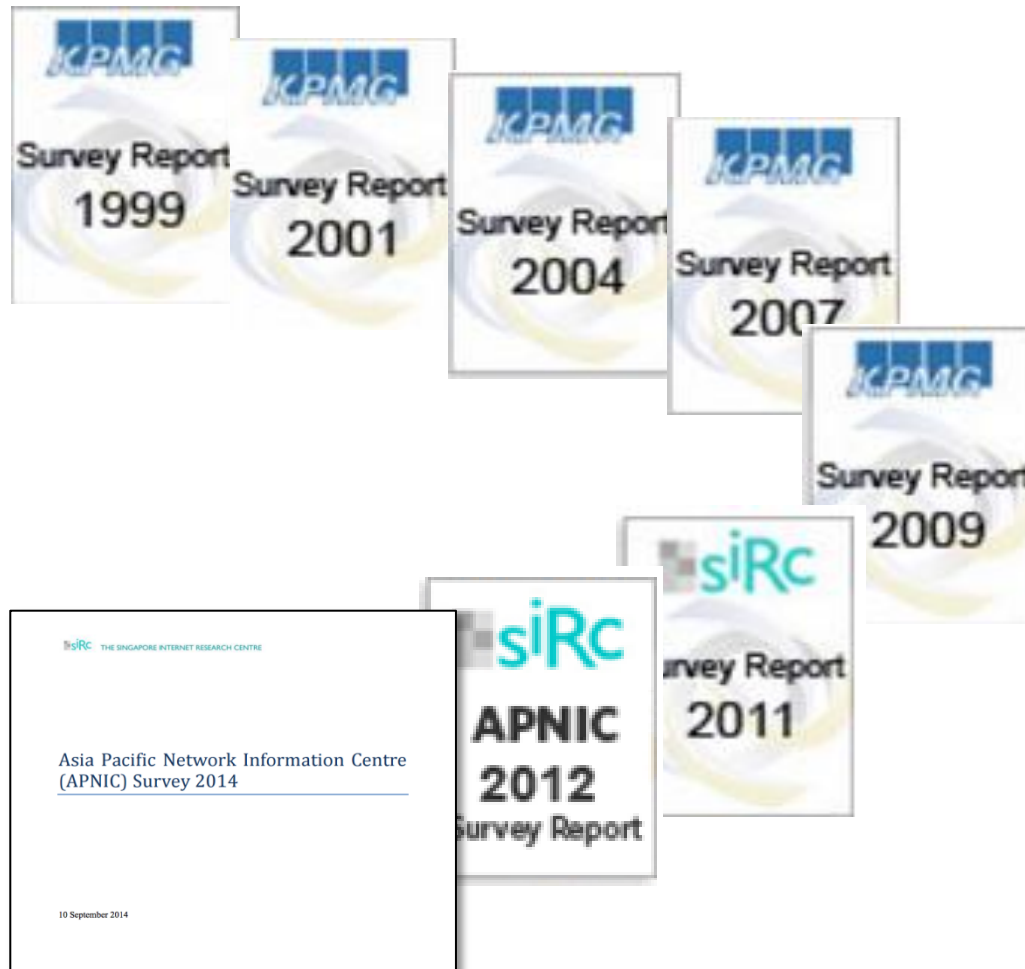
Revision: [xx]



Overview

- Survey history
- Survey evolution
- Tentative schedule
- Challenges for 2016
- Online Survey
- Interviews and Focus Groups
- Coordination with RIPE NCC
- Next steps

Survey history



Survey evolution

- 2011 Survey
 - Engaged SIRC to undertake survey and reporting
- 2012 Survey
 - Focus Groups included for the first time
- 2014 Survey
 - Interviews included for the first time
 - Survey Response Activity Tracking (www.apnic.net/community/participate/member-feedback/survey-response-activity)

APNIC Survey Response Activity

APNIC values the feedback it receives from Members and the community. On this page you can track the progress of APNIC initiatives aimed at addressing specific Member feedback received in the 2014 APNIC Survey.

Complete 100% In progress 0% Not started 0%

Project / Fees	Notes	Status
Fee review	<ul style="list-style-type: none">• New reduced fee schedule effective 1 Jan 2015	Complete
Improved bill payment experience for Members	<ul style="list-style-type: none">• Migration to new merchant payment facility complete• Investigating adding PayPal as a new payment option	In progress

Transparency and Accountability	Notes	Status
Publish updated Five Year Strategy	<ul style="list-style-type: none">• Five Year Strategy	Complete
New detailed activity-based plan and budget for 2015	<ul style="list-style-type: none">• 2015 Activity Plan and Budget	Complete
Financial reporting based on new activity plan	<ul style="list-style-type: none">• 2015 financial reports to track costs by budgeted activities – First report delivered to EC at March meeting	Complete
EC direct submission system	<ul style="list-style-type: none">• Submission system available for Members via MyAPNIC	Complete
Meet the EC events	<ul style="list-style-type: none">• New an established session, beginning at APNIC 38, and to be held at all future conferences	Complete

Tentative schedule

Year	Month	Activities
2015	Dec	Appoint consultants & survey analyst
2016	Jan-Feb	Establish Survey themes
	Mar	Announcement at APRICOT 2016 – Auckland
	Mar-Apr	Focus groups discussions
	Apr-May	Design the online survey
	Jun-Jul	Run the online survey
	Aug	Survey analysis
	Sep	Survey report presented at APNIC 42 – Dhaka

Challenges for 2016

- Aim to increase participation:
 - 1,039 in 2014 down from 1,333 in 2012
 - Less participation in China(250), India(100), and Indonesia(100)
- Selecting locations for Consultations and Interviews:

2014 Locations included:

- Australia – Melbourne
- Bangladesh – Dhaka
- Myanmar – Yangon
- Laos DPR – Vientiane
- Sri Lanka – Colombo
- Mongolia – Ulaan Bator
- Pakistan – Islamabad
- China – Honk Kong SAR, Beijing
- India – Mumbai, Chennai
- Japan – Tokyo
- Indonesia – Jakarta
- Malaysia – Kuala Lumpur
- New Caledonia – Noumea
- New Zealand – Auckland
- Singapore
- Taipei

Challenges for 2016 cont'd.

- RIPE Survey in 2016
 - Announced at RIPE meeting in Copenhagen May 2016
- Improving the Survey
 - Make it shorter/more user friendly
 - More refinement on questions
 - Improved interface
 - Engage professional survey company

Online survey

- We have identified a suitable professional Survey organisation
 - Working on scope and deliverables before presentation to EC for approval.
- Their primary role is to conduct the online survey in a neutral and professional manner, and to produce the analysis and final report
- Promotion will continue to be done by the APNIC Secretariat

Interviews and focus groups

- Individual interviews
 - Targeted at influential Individuals in all 4 sub-regions
 - Individual interviews report will be submitted to the Secretariat and the EC only
- Focus groups
 - APNIC liaison team will help to identify and invite the participants
 - A separate focus group report will be published to complement the online survey report
- In the process of finding interviewers/facilitators

Coordination with RIPE

- APNIC 2016 will coincide with RIPE-NCC's survey
- Possible opportunities
 - Resource sharing
 - Collaboration in survey design and development of questionnaire
- Possible issues
 - Survey timing
 - Scheduling of shared resources
- Based on conversations with RIPE NCC themes for consultations will likely be:
 - Regional Outreach and Engagement
 - IPv4/IPv6/AS Number Registration and Distribution
 - RIPE NCC Services Development
 - RIPE NCC Accountability and Transparency
 - Internet Governance Including IANA Stewardship Transition

Next steps

- Finalise survey project plan
 - Schedule & deliverables
 - Interview & focus group facilitators
 - Online survey consultant
- Seek EC approval and obtain EC's input on the themes