

APNIC EC Meeting Minutes

Friday 16 July 2004

Meeting Start: 11:05

Minutes

Present:

Che-Hoo Cheng
Kuo-Wei Wu
Vinh Ngo
Ma Yan

Paul Wilson
Geoff Huston
Connie Chan
Irene Chan
Gerard Ross (minutes)

Apologies:

Akinori Maemura (Chair)
Qian Hualin

Agenda:

1. Agenda bashing
2. Minutes from last meeting (11 June 2004)
3. Financial report for June 2004
4. Budget update
5. ICANN status
6. Minimum allocation for African economies in APNIC region
7. AOB
8. Next meeting

1. Agenda bashing

As Akinori Maemura was unable to attend, Che-Hoo Cheng chaired this meeting.

The following topics are also to be discussed:

- none.

2. Minutes from last meeting (11 June 2004)

- The minutes from the meeting on 11 June 2004 were discussed and approved, subject to an amendment correcting the date of the meeting.
- In relation to action ec-04-011, it was reported that the NRO EC is in strong agreement that recovered resources should come back through the NRO rather than directly to the RIR that reclaims them.
- **Action ec-04-016:** Secretariat to publish minutes from 11 June 2004, subject to the requested amendments.

3. Financial report for June 2004

- This report contains the semi-annual financial report from January to June. It shows that APNIC is slightly below budget on expenses and about two percent above budget on revenue.
- The monthly membership growth figures were discussed and it was noted that there are now 928 members.
- The cash reserve analysis was discussed. The majority of the funds are now held in AU dollar accounts due to the higher interest rate. The investment portfolio has shown a 36 percent improvement from the previous year.
- The Secretariat has asked the financial adviser to provide more detailed reports on the status of APNIC's investments.
- The financial report is included in both AU and US dollars, because the mid-year financial report presented at APNIC 18 will be based on these figures, and on USD amounts.
- It was noted that APNIC's application to the Australian Taxation Office for continuation of the current tax status has been lodged but has not yet been processed.

4. Budget update

- The proposed budget update contains a revised membership growth projection. The new projection for membership level by the end of 2004 is 960 members. Other budget variables have also been revised accordingly.
- The ICANN related expenses have been revised to reflect the updated ICANN budget.
- The revised budget projects some realised gains in exchange rate by the end of the year.
- The projected surplus has risen from \$1,000 to \$23,000, although fluctuations in the next six months could still change this. The general expectation is for a balanced budget.
- It was noted that although the projected number of total members has been reduced, there is a projected increase in the higher tiers. On balance, the projected membership revenue is down 3.4 percent.
- It was noted that there will be a budget update reported at the Fiji meeting.

5. ICANN status

- ICANN and the RIRs have previously signed a letter of intent to sign the ASO MoU subject to a comment period. The comment period is now over and an amended MoU has now been produced. There appear to be no barriers to the RIRs signing this at the ICANN meeting in Kuala Lumpur. However, this will be subject to a final review by the ICANN Board.
- The Director General sought formal approval from the APNIC EC to sign the MoU at the ICANN meeting in Kuala Lumpur.
- There was a summary of the changes to the MoU that emerged from the recent comment period.
- It was noted that there have been concerns expressed about the new ICANN budget. However, it was noted that this MoU does not refer to money and raises no budgetary issues. That is to be dealt with in a formal ICANN contract.
- The EC formally authorised the Director General to sign the ASO MoU.
- The EC also expressed its thanks to Paul Wilson and Geoff Huston for their work in pursuit of this issue.
- It was reported that there are still outstanding discussions in relation to the incorporation of the NRO. The EC was asked to consider whether it favoured any specific jurisdictions in the AP region and, if so, to advise the Director General as soon as possible. However, it was indicated that investigating incorporation in this region could incur significant costs.
- The EC resolved that it prefers Bermuda as a site of incorporation for the NRO and does not wish to propose any other locations.

- **Action ec-04-014:** Secretariat to announce EC's decision to defer the election. Secretariat to also approach Kenny Huang to ask him to extend his position until the matter is resolved.

6. Minimum allocation for African economies in APNIC region

- APNIC serves six economies within the proposed AfriNIC region, namely Comoros, Madagascar, Mauritius, Mayotte, Reunion, and Seychelles. There are currently three APNIC members in these economies, which will be transitioned to AfriNIC when AfriNIC becomes operational.
- It was noted that RIPE NCC and ARIN have passed special policies for the parts of their regions that will pass to AfriNIC, to reduce the minimum allocation from /20 to /22.
- This issue has not been discussed at an APNIC Open Policy Meeting because of the minimal impact it would have on the rest of the APNIC region. There is however a potential for a small number of requests to be received by African members of APNIC, and it is proposed that these should be processed according to the same principle.
- The EC was asked to consider making this decision and reporting on it at the APNIC 18 meeting.
- It was noted that this policy would only have an effect on APNIC until AfriNIC becomes operational, which is hoped to happen by the end of 2004.
- It was clarified that this special policy is only proposed in relation to IPv4 and that it will not be necessary to take similar action for IPv6.
- The EC resolved to adopt the following special policy with respect to members in Comoros, Madagascar, Mauritius, Mayotte, Reunion, and Seychelles:
 - To lower the IPv4 minimum allocation to a /22 (consistent with RIPE & ARIN)
 - To lower the criteria for obtaining an IPv4 minimum allocation to require applicants to:
 - have used a /24 from an upstream provider or demonstrate of a need for a /24 immediately; and
 - demonstrate a plan for using a /23 within a year.
- **Action ec-04-017:** Secretariat to implement the special policy for members in future AfriNIC economies.
- **Action ec-04-018:** EC to report to APNIC 18 regarding the special policy for members in future AfriNIC economies.

7. AOB

- none

8. Next meeting

- TBA

Meeting closed: 12:10

Open action items

- **Action ec-04-016:** Secretariat to publish minutes from 11 June 2004, subject to the requested amendments.
- **Action ec-04-017:** Secretariat to implement the special policy for members in future AfriNIC economies.
- **Action ec-04-018:** EC to report to APNIC 18 regarding the special policy for members in future AfriNIC economies.