

APNIC EC Meeting Minutes

Face-to-Face Meeting, Hotel Sofitel, Warsaw, Poland

Monday, 12 May 2014 2:00pm – 5:50pm,
Tuesday, 13 May 2014, 9:15am – 1:20pm

Meeting Start: 2:00pm (UTC +2:00)

Present

Akinori Maemura
Che-Hoo Cheng
Kenny Huang
James Spenceley
Gaurab Raj Upadhaya
Ma Yan
Wendy Zhao
Paul Wilson

Geoff Huston
Craig Ng
Richard Brown
Connie Chan

Agenda

1. Appointment of Meeting Chair
2. Agenda Bashing
3. Previous EC Meeting
4. Financial Reports
5. Fee Structure
6. DG Report
7. Accountability Review
8. APNIC Survey 2014
9. IANA transition process
10. Risk Register Update
11. APNIC 40 and 42 location
12. Briefing for ICANN 50 London
13. AOB

Minutes

1. Appointment of Meeting Chair

Gaurab Raj Upadhaya was appointed as Chair of the Meeting.

2. Agenda Bashing

There were no changes to the agenda.

3. Previous EC Meeting

The EC unanimously resolved to adopt the minutes of the EC meeting of the 24th February 2014.

The following vote was conducted electronically prior to this meeting, and is recorded in these minutes according to the EC's electronic voting procedures.

On the 23rd April 2014, the EC unanimously resolved to endorse APNIC Policy Proposal 109.

Electronic Vote proposed by Akinori Maemura

4. Financial Reports

The EC considered the Monthly Financial Report for April 2014 (*attached*). The EC noted that the February 2014 meeting costs were lower than originally budgeted. The EC also considered the Investment Fund Management Report (*attached*). The EC noted that APNIC is solvent and able to meet all current debts.

The EC noted the progress being made to achieve the reserve accumulation as specified in the EC resolution of December 2012, and considered options relating to the accounting of reserves and operational expenses. The EC requested additional analysis in order to consider this further at the next EC meeting.

The EC considered measures relating to increasing the level of transparency as to how the budget relates to various APNIC activities, and requested that the 2015 budget be prepared with an increased level of alignment of proposed expenditure to activities and programs.

As at the end of April 2014, APNIC had a total of 4,247 Members serving 54 economies, representing a net gain of 196 new members for the year to date.

5. Fee Structure

The EC considered a presentation that canvassed options for alterations to the APNIC Fee Structure. The EC noted the enrolment structure of the first year as an Associate level member prior to levying the holding-based fee in the second and subsequent years, and considered alternative member enrolment options.

The EC expressed a desire to see options relating to the rate of reserve accumulation in the 2015 budget, while still remaining on track to reach the 2017 reserve goal.

6. DG Report

The DG spoke to the report to the EC (*attached*).

7. Accountability Review

The EC considered a progress report on the activity of generating an accountability provisions document relating to the accountability of an individual RIR and the set of RIRs in common (*attached*).

The EC considered a proposed message to the APNIC community related to accountability matters, and suggested a number of amendments prior to transmission of the message by the Director General.

The EC unanimously resolved to propose to the community that the Public Policy Advisory Committee (PPAC) evolves to a formal SIG. The EC proposes that this evolution would take the form of a Cooperation SIG, modeled on the RIPE Cooperation WG.

Motion to propose a Cooperation SIG proposed by Akinori Maemura,
seconded by Kenny Huang.

8. APNIC Survey 2014

The EC was briefed on the progress with the APNIC survey. It is proposed to launch the survey in the week starting 9 June, and remain open for 5 weeks.

9. IANA Transition Process

Paul spoke to NRO response to an ICANN call for inputs on the IANA transition (attached). The EC considered what form of consultation process APNIC should use to gather inputs and comments from our community on this subject. The EC agreed that it would be appropriate to have community consultation sessions at the forthcoming APNIC meetings in September 2014 and February 2015.

10. Risk Register Update

The EC was briefed on the current status of the APNIC Risk Registry. A question was noted as to how some of the risk mitigation actions would be categorized into a constrained set of APNIC activities, highlighting some of the challenges in forming an activity taxonomy to appropriately reflect the breath and scope of APNIC's activities.

11. APNIC 40 and 42 Location

The EC unanimously resolved to accept the recommendations of the APNIC secretariat for the locations for APNIC 40 and 42, and directs the secretariat to proceed with preparatory work for those meetings

Motion on APNIC meeting locations proposed by Gaurab Raj Upadhaya
seconded by Kenny Huang,

12. Briefing for ICANN 50 London

The EC discussed the objectives for APNIC participation, including aspects of securing the continuity of IANA

13. AOB

The EC is planning to meet with the AFRINIC Board at AFRINIC21 at Mauritius.

The EC requested a review of the APNIC electronic voting process relating to the protection of privacy and integrity in the electronic process.

Meeting closed at 1.20pm.

Next EC Meeting

The next meeting will be held at APNIC 38, Brisbane, September 2014

Meeting Adjourned: 1:20pm Tuesday, 13th May 2014

Attachments:

A. April Finance Report

Monthly Financial Report

(in AUD)

April 2014

APNIC



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1 Statement of Financial Position

	30/04/14	Year-End 2013	% Change from 31/12/2013
CURRENT ASSETS			
Cash/ Term deposits	5,566,367	6,002,531	-7%
Receivables	910,988	935,741	-3%
Others	694,668	538,735	29%
TOTAL CURRENT ASSETS	7,172,023	7,477,007	-4%
NON-CURRENT ASSETS			
Other financial assets	14,012,008	13,736,690	2%
Property, plant and equipment	7,835,002	8,000,431	-2%
Deferred tax assets/ liabilities	127,006	127,006	0%
TOTAL NON-CURRENT ASSETS	21,974,016	21,864,127	1%
TOTAL ASSETS	29,146,039	29,341,134	-1%
CURRENT LIABILITIES			
Payables	1,534,523	2,296,356	-33%
Provisions	1,003,086	1,060,908	-5%
Unearned revenue	7,148,958	7,810,665	-8%
TOTAL CURRENT LIABILITES	9,686,567	11,167,929	-13%
NON - CURRENT LIABILITIES			
Deferred Tax Liabilities	81,187	81,187	0%
Provisions	303,568	265,723	14%
TOTAL NON-CURRENT LIABILITIES	384,755	346,910	11%
TOTAL LIABILITIES	10,071,323	11,514,839	-13%
NET ASSETS	19,074,716	17,826,296	7%
EQUITY			
Share capital	1	1	0%
Reserves other financial assets investment	226,755	141,571	60%
Retained earnings	17,684,724	14,701,221	20%
Net Income	1,163,236	2,983,503	-61%
TOTAL EQUITY	19,074,716	17,826,296	7%

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 7% compared to the end of last year. Worth noting is:

- The value of the investment portfolio has increased by \$275k since the beginning of 2014, of this \$203k is related to investment earnings, and \$72k to capital growth in the portfolio.

2 Statement of Income

2.1 Expenses

This report incorporates the approved 2014 budget and the April year-to-date expenses are compared to the figures for the same period last year.

EXPENSES (AUD)	YTD Actual Apr 2014	YTD Actual Apr 2013	Variance %	YTD Budget Apr 2014	YTD Budget Variance \$	YTD Budget Variance %
Bank charges	43,126	43,338	-0%	48,648	-5,522	-11%
Communication expenses	154,145	159,898	-4%	167,576	-13,431	-8%
Computer expenses	191,056	170,353	12%	194,852	-3,796	-2%
Depreciation expense	263,005	251,028	5%	256,596	6,409	2%
Doubtful debt expenses	-6,855	0	0%	6,664	-13,519	-203%
ICANN contract fee	88,400	103,333	-14%	75,000	13,400	18%
Income tax expense	0	0	0%	0	0	0%
Insurance expense	45,021	42,652	6%	44,780	241	1%
Meeting and training expenses	89,340	107,707	-17%	148,892	-59,552	-40%
Membership fees	18,442	11,291	63%	21,484	-3,042	-14%
Office operating expenses	97,717	97,373	0%	102,040	-4,323	-4%
Postage & delivery	19,345	13,813	40%	17,160	2,185	13%
Printing & photocopy	17,057	12,428	37%	14,728	2,329	16%
Professional fees	355,070	338,653	5%	407,244	-52,174	-13%
Recruitment expense	63,980	19,184	234%	30,000	33,980	113%
Salaries and personnel expenses	2,713,416	2,546,394	7%	2,714,002	-586	-0%
Sponsorship and Publicity expenses	22,162	37,263	-41%	92,220	-70,058	-76%
Staff training/conference expenses	38,128	56,349	-32%	57,400	-19,272	-34%
Translation expenses	0	1,362	-100%	7,664	-7,664	-100%
Travel expenses	719,458	588,085	22%	725,741	-6,283	-1%
TOTAL EXPENSES	4,932,013	4,600,506	7%	5,132,691	-200,678	-4%

Table 2 Expenses

Notes to Expenses:

Similar to previous month report, it is forecast that expenses will be less than the original budget approved for 2014, the major variances are explained below:

- **Communication Expenses** are below budget as a result of the timing of the implementation of VOIP enhancements planned for Q3.
- **ICANN contract fee** – APNIC's share of this expense between the RIR's will be greater than estimated in the budget submission.
- **Meeting and Training** expenses are well below budget so far with the costs for the APRICOT meeting being less than anticipated. The detailed costs for the APNIC meeting in Brisbane are currently being developed.

- **Professional Fees** are tracking below budget at the end of April due to the timing of planned activities in 2014.
- **Recruitment Expenses** are above budget because of the timing of recruitment and relocation costs.
- **Sponsorship and publicity Expenses** are tracking below budget because of the timing of APNIC sponsorship events and membership development activities planned for the coming months.
- **Salary and personnel expenses** are tracking below the budget; salary reviews were processed in March and April, and a number of vacant roles are still to be finalised.
- **Staff Training** – The timing of training expenses shows that this expense is well below budget, it is anticipated that the training expenses will align with the budget by the end of the year.

2.2 Revenue

REVENUE (AUD)	YTD Actual Apr 2014	YTD Actual Apr 2013	Variance %	YTD Budget Apr 2014	YTD Budget Variance \$	YTD Budget Variance %
IP Resource application fees	452,375	537,250	-16%	413,872	38,503	9%
Investment income	272,963	211,017	29%	206,664	66,299	32%
Membership fees	5,177,694	4,962,591	4%	5,138,318	39,376	1%
Non-members fees	84,713	78,965	7%	81,664	3,049	4%
Reactivation fees	21,600	11,400	89%	10,800	10,800	100%
Transfer fees	29,605	25,053	18%	25,000	4,605	18%
Sundry income	67,143	59,207	13%	84,164	-17,021	-20%
Foreign exchange gain/(loss)	-10,844	812	-58%	0	-10,844	0%
TOTAL REVENUE	6,095,249	5,886,294	4%	5,960,482	134,767	2%

Table 3 Revenue

Notes to Revenue:

- **Investment Income** – Income from the investment portfolio and interest income is higher than anticipated in the budget.
- **Membership Income** – Membership growth is slightly more than the anticipated budget, but transfers from APNIC to the India NIR are much lower than provided for in the budget.
- **Sundry Income** – Income from cost recovery training and training workshops is tracking below budget and is the major cause of this variance.

Operating Surplus/ Deficit

REVENUE and EXPENSES (AUD)	YTD Actual Apr 2014	YTD Actual Apr 2013	Variance %	YTD Budget Apr 2014	YTD Budget Variance \$	YTD Budget Variance %
Total Revenue	6,095,249	5,886,294	4%	5,960,482	134,767	2%
Total Expenses	4,932,013	4,600,506	7%	5,132,691	-200,678	-4%
OPERATING SURPLUS/(DEFICIT)	1,163,236	1,285,788	-10%	827,791	335,445	41%

Table 4 Operating Surplus/ Deficits**Notes to Revenue and Expenses:**

- **Operating Surplus** – Favourable variances for expenses and revenue achieve a surplus of \$335k more than budget so far in 2014, this is not indicative of the expected end of year result, which will be considered in more detail in the half year forecast.

3 APNIC Reserve

3.1 Cash Flow Statement

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

Accounts	YTD Apr 2014
Operating Activities	
Net Income	1,163,236
Adjustments to Profit/(Loss)	
Accounts Receivable	-85,224
Other Current Asset	-45,957
Accounts Payable	-155,529
Sales Tax Payable	17,556
Other Current Liabilities	-1,343,389
Total Adjustments to Profit/(Loss)	-1,612,542
Total Operating Activities	-449,305
Investing Activities	
Fixed Asset	165,429
Other Asset	-275,318
Total Investing Activities	-109,889
Financing Activities	
Long Term Liabilities	37,846
Other Equity	85,185
Total Financing Activities	123,030
Net Change in Cash for Period	-436,164
Cash at Beginning of Period	6,002,531
Cash at End of Period	5,566,367

Table 5 Cash Flow Statement

3.2 APNIC Capital Reserve

The APNIC Reserve is diversified between Cash Investments, Investment Portfolio, and Property (APNIC Office). At the end of April, APNIC maintained \$5.6M in cash reserves, \$14M has been invested in the investment portfolio, and \$6.7M invested in the APNIC Property. Figure 3.1 below tracks the value and the allocation of these reserves over time and also tracks the operating expenses for each year for comparison:

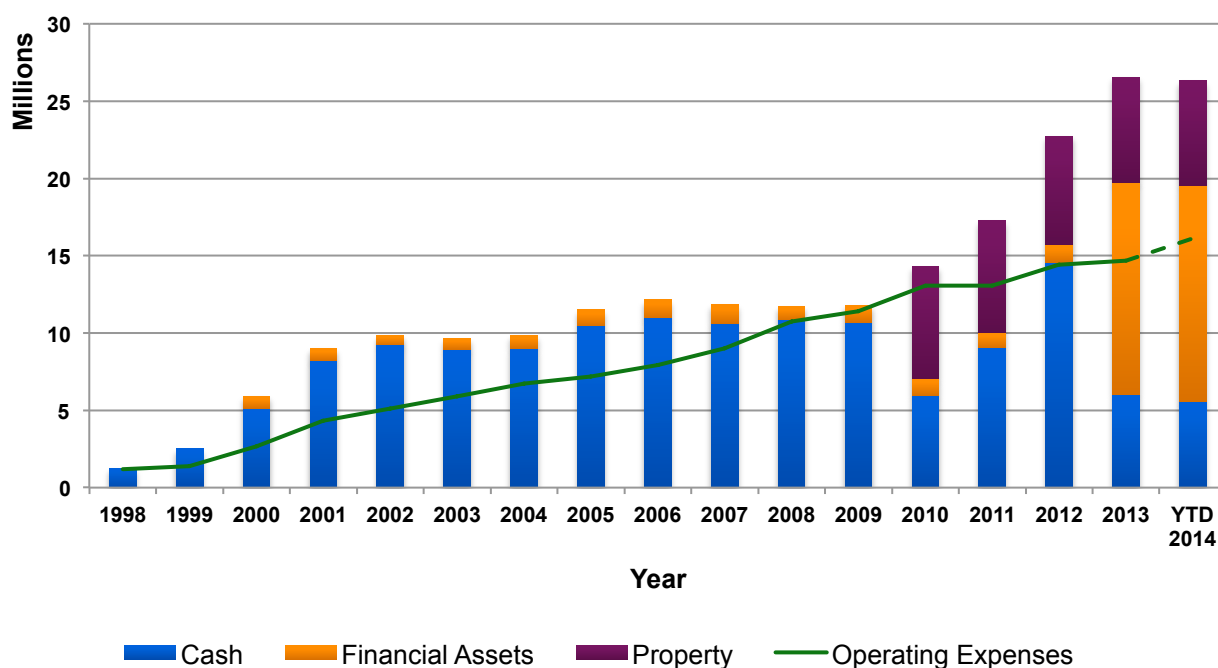


Figure 3.1 Reserve

3.3 APNIC Investment policy

The amount of \$14M is invested in the Credit Suisse investment management account at the end of April. Please refer to the attached investment report outlining the portfolio.

3.4 Basic Defence Interval Ratio

The Defence Interval Ratio is a high level indicator used to measure the number of days that APNIC could operate without requiring access to Non-Current Assets.

Total Current and Financial Assets	\$21,184,031
Forecast Daily Operating Expenses	\$44,182
Basic Defence Interval Ratio	15.76 Months

4 Membership

4.1 Membership Statistics

As at the end of April 2014, APNIC had a total of 4,247 Members serving 54 economies.

4.2 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.

Membership	Total Mar-14	New Apr-14	Reactivate Apr-14	(Closed) Apr-14	Size Change Apr-14	Total YTD Apr-14	% Total
Extra Large	20	0	0	0	1	21	0%
Very Large	43	0	0	0	-2	41	1%
Large	145	0	0	0	1	146	3%
Medium	391	0	0	-4	4	391	9%
Small	1207	0	2	-7	36	1238	29%
Very Small	1389	0	1	-7	83	1466	35%
Associate	999	70	0	-2	-123	944	22%
TOTAL	4194	70	3	-20	0	4247	100%

Table 6 Membership by Category

4.3 Membership by Economy

Figure 4.1 illustrates the APNIC membership distribution by economy.

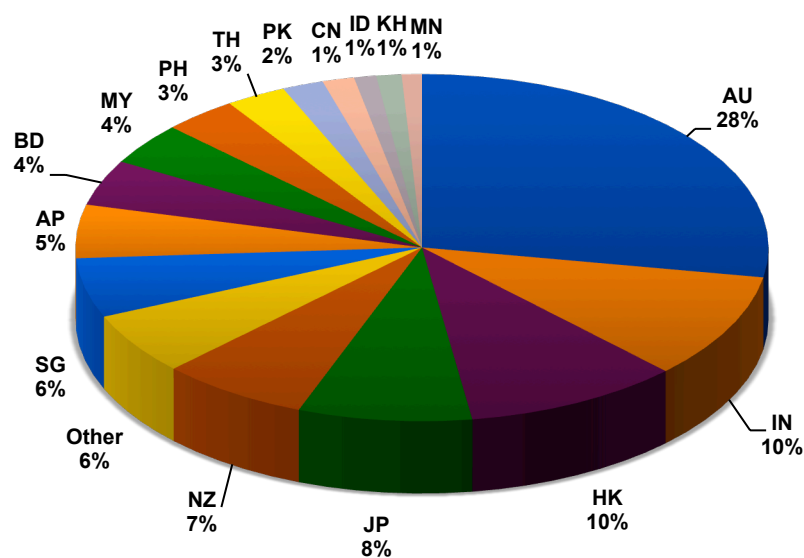


Figure 4.1 Membership by Economy

4.4 Membership Growth

APNIC membership monthly movements are illustrated at Figure 4.2 below. Membership growth budgeted for 2014 has been incorporated in this graph to track monthly growth against monthly budget growth.

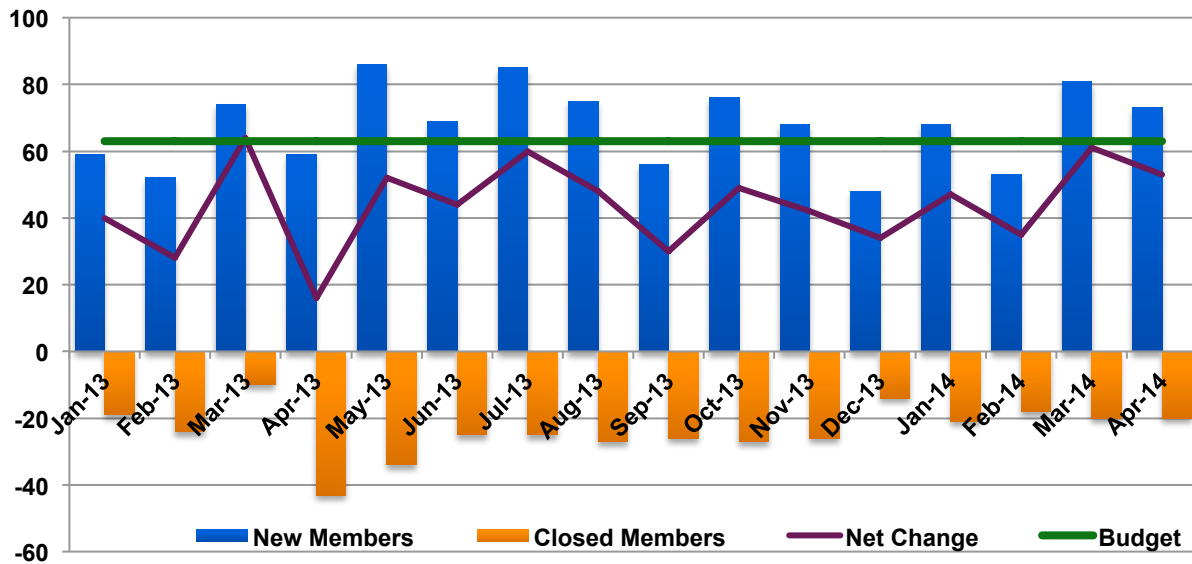


Figure 4.2 Monthly Growth Analysis

Figure 4.3 below illustrates APNIC membership growth by membership tier:

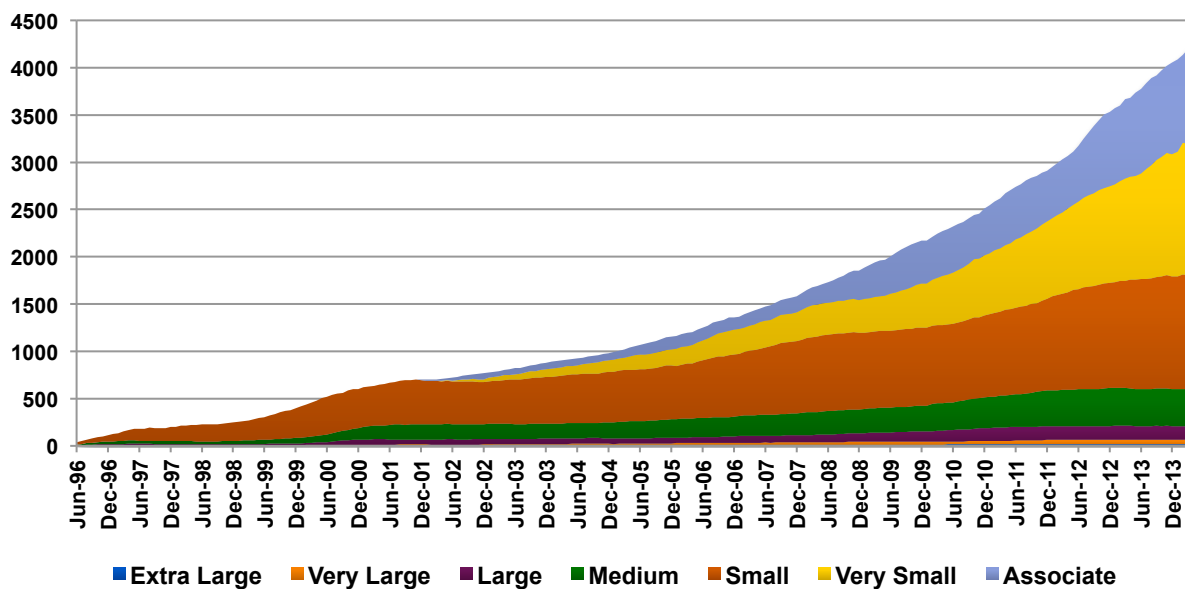


Figure 4.3 Total membership

4.5 Year-to-Date Membership Movement by Economy

Figure 4.4 below shows new and closed membership movement by economy as at end of April 2014.

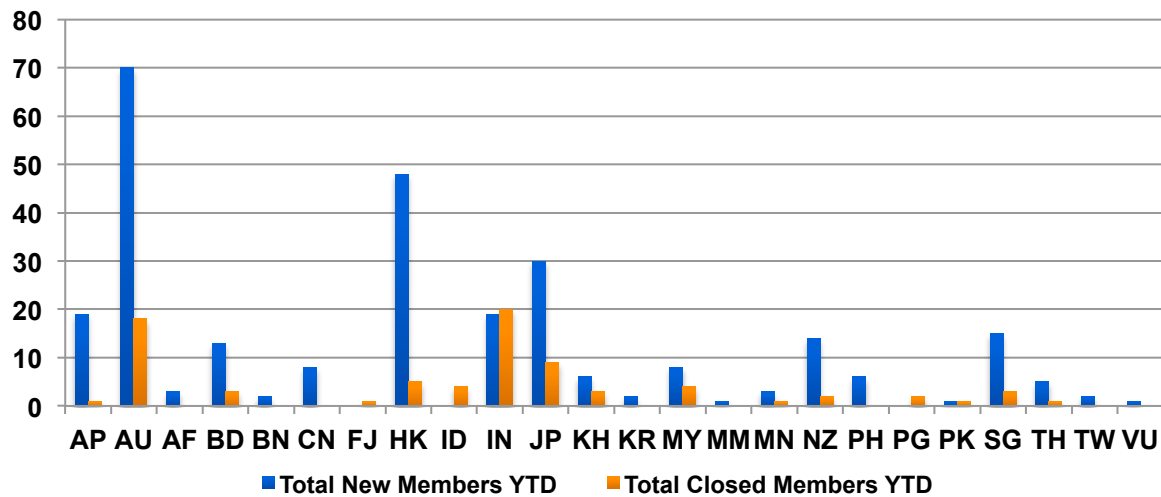


Figure 4.4 New and Closed Members Analysis

Figure 4.5 below provides an analysis of the Membership closures as at the end of April. 15% of the closures (12 out of 78 total) are due to account transfers to NIRs, and 60% 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.

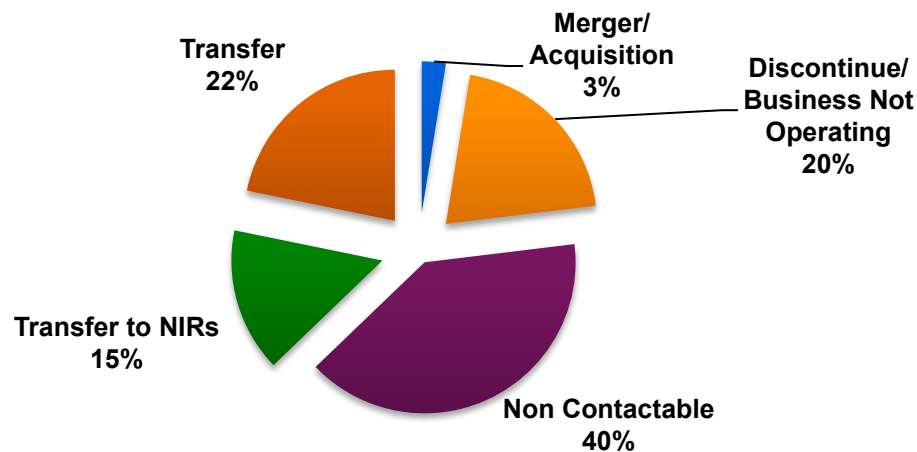


Figure 4.5 Closure Analysis

4.6 India Membership NIR Transfer Analysis

By the end of April 2014, the APNIC membership had 20 account closures from the Indian economy, 11 of these are due to transfers to IRINN. Others were closed due to non-payment and discontinued APNIC membership. There were 405 Indian members as at the end of last year, and the 2014 budget assumes that around 50% of these members will transfer to IRINN during 2014.

Transfers to IRINN are well below that anticipated in the budget for 2014.

The table below provides analysis of India Memberships transferred to the NIR.

India Membership	YTD Apr-14	YTD Budget 2014	YTD Variance	Budget 2014
Extra Large	0	0	0	1
Very Large	0	2	-2	5
Large	0	3	-3	8
Medium	3	4	-1	13
Small	5	17	-12	51
Very Small	3	40	-37	120
Associate	0	2	-2	7
TOTAL	11	68	-57	205

Table 7 India Membership NIR Transfer Analysis

B. April Investment Report

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

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Private Banking

Investment Report 1.4.2014 – 30.4.2014

APNIC PTY LTD

Portfolio Group: 3000039

COPY

Investment Report 1.4.2014 – 30.4.2014

Portfolio Group **3000039**

In the Name of APNIC PTY LTD

Produced on 1.5.2014

Reporting Currency AUD

Relationship Manager Nigel Renton

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Scope of Analysis
 as of 30.4.2014

Components	Portfolio	Asset Value in AUD	Discretionary Mandate	Opened	Closed
Portfolio Group: 3000039					
AUD Portfolio	3000039-10	5		16.08.2013	
AUD Portfolio	3000039-70	14,012,008	Yes	16.08.2013	
Total Investments		14,012,013			

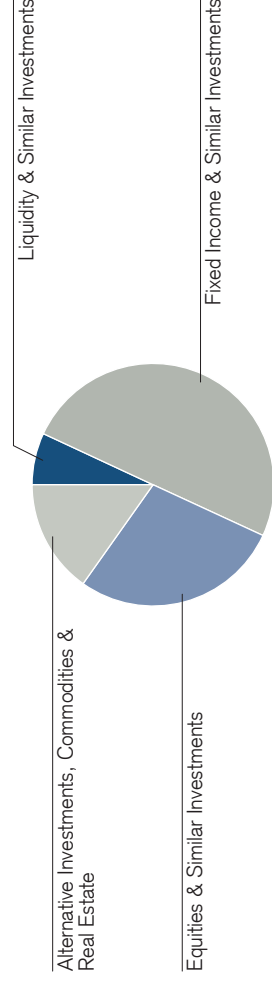
1. Overview

1.1. Asset Allocation

Asset Allocation by Asset Category

Period 1.4.2014 - 30.4.2014

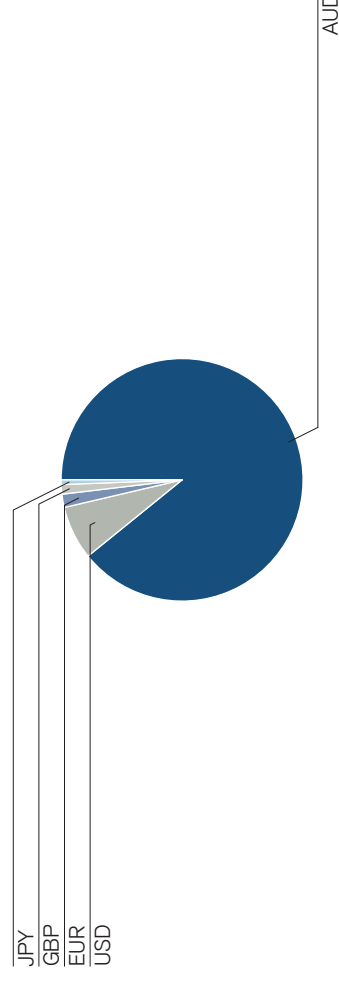
	Beginning of Period in AUD	Change	End of Period in AUD	End of Period Proportion
■ Liquidity & Similar Investments	885,185	85,108	970,293	6.92%
■ Fixed Income & Similar Investments	7,007,937	-9,147	6,998,790	49.95%
■ Equities & Similar Investments	3,854,490	61,885	3,916,374	27.95%
■ Alternative Investments, Commodities & Real Estate	2,126,632	-76	2,126,556	15.18%
Total Investments	13,874,243		14,012,013	100.00%



Asset Allocation by Currency

Period 1.4.2014 - 30.4.2014

	Beginning of Period in AUD	Change	End of Period in AUD	End of Period Proportion
■ AUD - Australian Dollar	12,362,054	134,266	12,496,320	89.18%
■ USD - US Dollar	1,004,752	-1,271	1,003,481	7.16%
■ EUR - Euro	245,546	1,838	247,384	1.77%
■ GBP - Pound Sterling	170,765	6,194	176,959	1.26%
■ JPY - Japanese Yen	91,127	-3,258	87,869	0.63%
Total Investments	13,874,243		14,012,013	100.00%

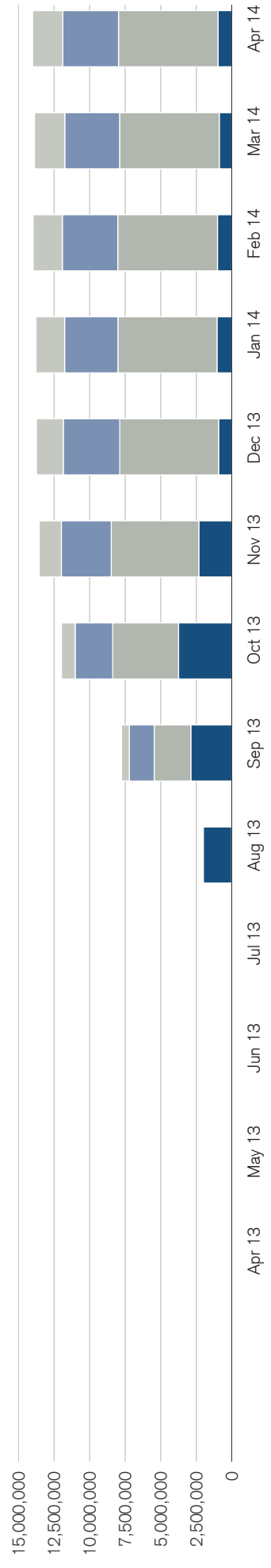


2. Analyses

2.1. Asset Allocation

Asset Allocation by Asset Category Details Period 1.4.2013 - 30.4.2014

	Apr 13	May 13	Jun 13	Jul 13	Aug 13	Sep 13	Oct 13	Nov 13	Dec 13	Jan 14	Feb 14	Mar 14	Apr 14
Liquidity & Similar Investments					2,001,803	2,884,961	3,745,295	2,322,733	933,468	1,046,036	1,009,590	885,185	970,293
Fixed Income & Similar Investments						2,577,696	4,634,084	6,155,695	6,951,098	6,964,586	7,012,744	7,007,937	6,998,790
Equities & Similar Investments						1,750,734	2,639,693	3,509,288	3,965,344	3,747,390	3,897,294	3,854,490	3,916,374
Alternative Investments, Commodities & Real Estate						537,753	961,718	1,558,145	1,886,633	2,012,274	2,052,877	2,126,632	2,126,556
Total Investments in AUD					2,001,803	7,751,144	11,980,790	13,545,860	13,736,543	13,770,286	13,972,505	13,874,243	14,012,013



Investments in AUD

3. Positions

3.1. Investment Related Positions as of 30.4.2014

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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 of which Market Value	Prop.	Profit/ Loss Unrealized in AUD of which Instrument of which Forex
Liquidity & Similar Investments							
AUD	4.88 Current Account -2300003910945 AUD Portfolio: 3000039-10		1.000		5		
AUD	416,500.98 Current Account -2300003970945 AUD Portfolio: 3000039-70		1.000		416,501	2.97%	
EUR	283.93 Current Account -2300003970056 AUD Portfolio: 3000039-70		1.000 1.5245 EUR/AUD		422		-11 -11
GBP	362.34 Current Account -2300003970089 AUD Portfolio: 3000039-70		1.000 1.8222 GBP/AUD		657		-3 -3
USD	57,752.20 Current Account -2300003970780 AUD Portfolio: 3000039-70		1.000 0.9079 AUD/USD		62,208	0.44%	-1,400 -1,400
AUD	490,000 2.66% Deposit - Fixed Term (MM1410600048) 16.04.2014 - 01.05.2014 Total interest at maturity: AUD 535.64 AUD Portfolio: 3000039-70		1.000		490,500 500 490,000	3.50%	
Total Liquidity & Similar Investments					970,293	6.92%	

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 of which Market Value	Prop.	Profit/ Loss Unrealized in AUD of which Instrument of which Forex
Fixed Income & Similar Investments							
Fixed Income & Similar Investments AUD							
AUD 1,964,284.12	UNITS BLACKROCK INDEXED AUSTRALIAN BOND FUND AUD Portfolio: 3000039-70	AU60BGL01056 2244170	1.019	1.027 NAV 28.04.2014	2,016,418	14.39%	15,633 15,633
AUD 1,619,588.92	UNITS ABERDEEN AUSTRALIAN FIXED INCOME FUND AUD Portfolio: 3000039-70	AU60CRS00041 1739745	1.139	1.150 NAV 29.04.2014	1,862,527	13.29%	18,631 18,631
AUD 1,051,979	UNITS PIMCO AUSTRALIAN BOND FUND CLASS -A- AUD Portfolio: 3000039-70	AU60ETL01152 3432899	1,107.208	1,125.651 NAV 29.04.2014	1,184,161	8.45%	19,401 19,401
AUD 567.032	UNITS PIMCO AUSTRALIAN FOCUS FUND AUD Portfolio: 3000039-70	AU60ETL01756 11202734	1,031.334	1,037.786 NAV 29.04.2014	588,458	4.20%	3,659 3,659
AUD 1,218,216.29	UNITS VANGUARD AUSTRALIAN FIXED INTEREST INDEX FUND AUD Portfolio: 3000039-70	AU60VAN00014 1653500	1.109	1.106 NAV 29.04.2014	1,347,225	9.61%	-3,775 -3,775
Total Fixed Income & Similar Investments					6,998,790	49.95%	
Equities & Similar Investments							
Equities & Similar Investments Australia							
AUD 2,830	SHS AMCOR LTD AUD Portfolio: 3000039-70	AU000000AMC4 640267 AMC.AX	9.374	10.290 CLO 29.04.2014	29,121	0.21%	2,593 2,593

Number / Nominal	Description	Identification Valoren Number ISIN Ticker	Cost Valuation Price Exchange Rate	Current Valuation Price/ Type Date	Value in AUD of which Accrued Interest of which Market Value	Prop.	Profit/ Loss Unrealized in AUD of which Instrument of which Forex
AUD 4,023	SHS AUSTRALIA & NEW ZEALAND BANKING GROUP LTD AUD Portfolio: 3000039-70	AU000000ANZ3 640139 ANZ.AX	31.622	34,470 CLO 30.04.2014	138,673	0.99%	11,456 11,456
AUD 4,694	STAPLED SECURITY APA GROUP AUD Portfolio: 3000039-70	AU000000APA1 1083439 APA.AX	5.926	6,660 CLO 30.04.2014	31,262	0.22%	3,444 3,444
AUD 2,258	SHS AURIZON HOLDINGS LTD AUD Portfolio: 3000039-70	AU000000AZJ1 20175896 AZJ.AX	5.134	5,180 CLO 30.04.2014	11,696	0.08%	103 103
AUD 4,266	SHS BHP BILLITON LTD AUD Portfolio: 3000039-70	AU000000BHP4 640390 BHP.AX	36.415	37,750 CLO 30.04.2014	161,042	1.15%	5,697 5,697
AUD 5,874	SHS BORAL LTD AUD Portfolio: 3000039-70	AU000000BLD2 1050991 BLD.AX	5.569	5,690 CLO 30.04.2014	33,423	0.24%	710 710
AUD 7,644	SHS BRAMBLES LTD AUD Portfolio: 3000039-70	AU000000BXB1 2373150 BXB.AX	8.569	9,430 CLO 30.04.2014	72,083	0.51%	6,582 6,582
AUD 1,739	SHS COMMONWEALTH BANK OF AUSTRALIA AUD Portfolio: 3000039-70	AU000000CBA7 646758 CBA.AX	74.480	78,900 CLO 30.04.2014	137,207	0.98%	7,686 7,686
AUD 931	SHS CSL LTD AUD Portfolio: 3000039-70	AU000000CSL8 241548 CSL.AX	66.033	68,430 CLO 30.04.2014	63,708	0.45%	2,231 2,231

Number / Nominal	Description	Identification Valoren Number ISIN Ticker	Cost Valuation Price Exchange Rate	Current Valuation Price/ Type Date	Value in AUD of which Accrued Interest of which Market Value	Prop.	Profit/ Loss Unrealized in AUD of which Instrument of which Forex
AUD 667	SHS FLIGHT CENTRE TRAVEL GROUP LTD AUD Portfolio: 3000039-70	AU000000FLT9 90307 FLT.AX	50.609	53.750 CLO 30.04.2014	35,851	0.26%	2,095 2,095
AUD 949	SHS JB HI-FI LIMITED AUD Portfolio: 3000039-70	AU000000JBH7 1700999 JBH.AX	19.142	19.300 CLO 30.04.2014	18,316	0.13%	150 150
AUD 102,760	STAPLED SECURITY MIRVAC GROUP AUD Portfolio: 3000039-70	AU000000MGR9 821911 MGR.AX	1.740	1.750 CLO 29.04.2014	179,830	1.28%	1,079 1,079
AUD 1,317	SHS MACQUARIE GROUP LTD AUD Portfolio: 3000039-70	AU000000MOG1 3422370 MOG.AX	53.769	57.700 CLO 30.04.2014	75,991	0.54%	5,177 5,177
AUD 3,155	SHS NATIONAL AUSTRALIA BANK LTD AUD Portfolio: 3000039-70	AU000000NAB4 641643 NAB.AX	34.600	35.300 CLO 30.04.2014	111,372	0.79%	2,207 2,207
AUD 549	SHS RAMSAY HEALTH CARE LTD RHC AUD Portfolio: 3000039-70	AU000000RHC8 646740 RHC.AX	38.608	44.810 CLO 30.04.2014	24,601	0.18%	3,405 3,405
AUD 1,232	SHS RIO TINTO LTD AUD Portfolio: 3000039-70	AU000000RIO1 603520 RIO.AX	64.091	61.700 CLO 30.04.2014	76,014	0.54%	-2,946 -2,946
AUD 3,954	CHESSE DEPOSITARY INTERESTS RESMED INC ON A RATIO OF 10 CDIS PER ORD.SH AUD Portfolio: 3000039-70	AU000000RMD6 1058638 RMD.AX	5.538	5.420 CLO 30.04.2014	21,431	0.15%	-465 -465

Number / Nominal	Description	Identification Valoren Number ISIN Ticker	Cost Valuation Price Exchange Rate	Current Valuation Price/ Type Date	Value in AUD of which Accrued Interest of which Market Value	Prop.	Profit/ Loss Unrealized in AUD of which Instrument of which Forex
AUD 78,830	STAPLED SECURITY SHOPPING CENTRES AUSTRALASIA PROPERTY GROUP AUD Portfolio: 3000039-70	AU000000SCP9 19791333 SCP.AX	1.519	1.735 CLO 30.04.2014	136,770	0.98%	16,998 16,998
AUD 985	SHS SEEK LTD AUD Portfolio: 3000039-70	AU000000SEK6 2128330 SEK.AX	17.246	16.720 CLO 30.04.2014	16,469	0.12%	-519 -519
AUD 29,140	UNITS SPDR S&P/ASX 200 LISTED PROPERTY FUND AUD Portfolio: 3000039-70	AU000000SLF1 1377855 SLF.AX	9.427	9.790 CLO 30.04.2014	285,281	2.04%	10,592 10,592
AUD 2,334	SHS SANTOS LTD AUD Portfolio: 3000039-70	AU000000STO6 641959 STO.AX	14.973	13.750 CLO 30.04.2014	32,093	0.23%	-2,854 -2,854
AUD 3,851	UNITS SPDR S&P/ASX 200 FUND AUD Portfolio: 3000039-70	AU000000STW9 1285707 STW.AX	50.166	51.690 CLO 30.04.2014	199,058	1.42%	5,868 5,868
AUD 2,841	SHS SUNCORP GROUP LTD AUD Portfolio: 3000039-70	AU000000SUN6 588679 SUN.AX	13.199	13.020 CLO 30.04.2014	36,990	0.26%	-509 -509
AUD 17,877	SHS TELSTRA CORPORATION LTD AUD Portfolio: 3000039-70	AU000000TLS2 720464 TLS.AX	5.016	5.220 CLO 30.04.2014	93,318	0.67%	3,648 3,648
AUD 4,101	SHS WESTPAC BANKING CORP AUD Portfolio: 3000039-70	AU000000WBC1 642372 WBC.AX	32.606	35.120 CLO 30.04.2014	144,027	1.03%	10,311 10,311

Number / Nominal	Description	Identification Valoren Number ISIN Ticker	Cost Valuation Price Exchange Rate	Current Valuation Price/ Type Date	Value in AUD of which Accrued Interest of which Market Value	Prop.	Profit/ Loss Unrealized in AUD of which Instrument of which Forex
AUD 1,576	STAPLED SECURITY WESTFIELD GROUP AUD Portfolio: 3000039-70	AU000000WDC7 1872765 WDC.AX	10.923	10.950 CLO 30.04.2014	17,257	0.12%	42 42
AUD 752	SHS WESFARMERS LTD AUD Portfolio: 3000039-70	AU000000WES1 642397 WES.AX	42.619	42.710 CLO 30.04.2014	32,118	0.23%	69 69
AUD 1,107	SHS WOOLWORTHS LTD AUD Portfolio: 3000039-70	AU000000WOW2 81350 WOW.AX	34.502	37.320 CLO 30.04.2014	41,313	0.29%	3,120 3,120
AUD 540	SHS WOODSIDE PETROLEUM LTD AUD Portfolio: 3000039-70	AU000000WPL2 642429 WPL.AX	38.493	40.800 CLO 30.04.2014	22,032	0.16%	1,246 1,246
AUD 40,092	STAPLED SECURITY WESTFIELD RETAIL TRUST AUD Portfolio: 3000039-70	AU000000WRT1 11984013 WRT.AX	3.015	3.190 CLO 30.04.2014	127,893	0.91%	7,007 7,007
AUD 41,863.553	UNITS ABERDEEN EMERGING OPPORTUNITIES FUND AUD Portfolio: 3000039-70	AU60ETL00329 2220820	2.102	2.095 NAV 29.04.2014	87,713	0.63%	-287 -287
AUD 20,063.5307	UNITS IRONBARK KARARA AUSTRALIAN SMALL COMPANIES FUND CLASS -A- AUD Portfolio: 3000039-70	AU60PAT00021 2879000	2.837	2.904 BID 29.04.2014	58,254	0.42%	1,338 1,338
Total Equities & Similar Investments Australia					2,552,206	18.21%	

Number / Nominal	Description	Identification Valoren Number ISIN Ticker	Cost Valuation Price Exchange Rate	Current Valuation Price/ Type Date	Value in AUD of which Accrued Interest of which Market Value	Prop.	Profit/ Loss Unrealized in AUD of which Instrument of which Forex
Equities & Similar Investments Germany							
EUR	564 THESAURIERUNGS-ANTEILE ISHARES DAX (R) UCITS ETF (DE) AUD Portfolio: 3000039-70	DE0005933931 1174954 GDAXIEX.DE	79.942 1.4465 EUR/AUD	85.830 CLO 30.04.2014	71,988	0.51%	6,771 4,938 1,833
Total Equities & Similar Investments Germany							
					71,988	0.51%	
Equities & Similar Investments United Kingdom							
GBP	14,319 SHS ISHARES PLC - ISHARES FTSE 100 UCITS ETF (INC) EXCHANGE TRADED FUND GBP AUD Portfolio: 3000039-70	IE0005042456 1083749 ISF.L	6.576 1.7157 GBP/AUD	6.793 OFF 30.04.2014	176,302	1.26%	14,764 5,644 9,120
Total Equities & Similar Investments United Kingdom							
					176,302	1.26%	
Equities & Similar Investments Ireland							
EUR	5,524 SHS ISHARES II PLC - ISHARES MSCI EUROPE UCITS ETF (INC) GERMAN CERT. AUD Portfolio: 3000039-70	DE000A0M5X28 3570559 IOQY.DE	19.855 1.4573 EUR/AUD	21,300 CLO 30.04.2014	174,974	1.25%	15,141 11,873 3,268
Total Equities & Similar Investments Ireland							
					174,974	1.25%	
Equities & Similar Investments Jersey - Channel Islands							
AUD	6,862 SHS HENDERSON GROUP PLC CHESS DEPOSITORY INTERESTS REPR 1 SHS AUD Portfolio: 3000039-70	AU000000HGG2 4563625 HGG.AX	4.613	4.540 CLO 30.04.2014	31,153	0.22%	-502 -502
Total Equities & Similar Investments Jersey - Channel Islands							
					31,153	0.22%	

Number / Nominal	Description	Identification Valoren Number ISIN Ticker	Cost Valuation Price Exchange Rate	Current Valuation Price/ Type Date	Value in AUD of which Accrued Interest of which Market Value	Prop.	Profit/ Loss Unrealized in AUD of which Instrument of which Forex
Equities & Similar Investments Japan							
JPY	569 UNITS NIKKEI 225 EXCHANGE TRADED FUND AUD Portfolio: 3000039-70	JP3027650005 1264151 1321.T	14,868,622 92.5203 AUD/JPY	14,680,000 CLO 28.04.2014	87,869	0.63%	-3,574 -1,129 -2,445
USD	1,445 SHS DBX ETF TRUST DB-X TRACKERS MSCI JAPAN HEDGED EQUITY FUND AUD Portfolio: 3000039-70	US2330515071 13179474 DBJP.P	35.623 0.9364 AUD/USD	34,230 CLO 30.04.2014	53,279	0.38%	-1,695 -2,169 473
Total Equities & Similar Investments Japan					141,147	1.01%	
Equities & Similar Investments Luxembourg							
USD	341 SHS -I- VONTOBEL FUND SICAV - EMERGING MARKETS EQUITY CAPITALISATION AUD Portfolio: 3000039-70	LU0278093082 2870698	160.009 0.9322 AUD/USD	162,490 NAV 28.04.2014	59,684	0.43%	1,155 911 243
AUD	105 SHS -PT (AUD)- ALLIANZ GLOBAL INVESTORS FUND SICAV - ALLIANZ EUROPE EQUITY GROWTH CAPITALISATION AUD Portfolio: 3000039-70	LU0757889166 18233884	1,413.621	1,541,200 NAV 30.04.2014	161,826	1.15%	13,396 13,396
Total Equities & Similar Investments Luxembourg					221,510	1.58%	
Equities & Similar Investments United States of America							
USD	454 ACCUM.PTG.SHS ISHARES VII PLC - ISHARES NASDAQ 100 UCITS ETF EXCHANGE TRADED FUND USD AUD Portfolio: 3000039-70	IE00B53SZB19 10737617 CSNDX.S	178.310 0.9276 AUD/USD	192,810 CLO 30.04.2014	94,290	0.67%	7,017 7,091 -74

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 of which Market Value	Prop.	Profit/ Loss Unrealized in AUD of which Instrument of which Forex
USD	1,892 TRUST UNITS SPDR S&P 500 ETF TRUST SERIES -1- ETF AUD Portfolio: 30000039-70	US78462F1030 45088 SPY,P	174.148 0.9400 AUD/USD	188.430 CLO 30.04.2014	384,017	2.74%	33,501 29,107 4,395
USD	2,908 SHS FINANCIAL SELECT SECTOR SPDR FUND AUD Portfolio: 30000039-70	US81369Y6059 986018 XLFP	20.350 0.9389 AUD/USD	21.960 CLO 30.04.2014	68,787	0.49%	5,759 5,044 715
Total Equities & Similar Investments United States of America					547,093	3.90%	
Total Equities & Similar Investments					3,916,374	27.95%	
Alternative Investments, Commodities & Real Estate Hedge Funds							
AUD	305,957.934 UNITS GMO SYSTEMATIC GLOBAL MACRO TRUST CLASS -B- AUD Portfolio: 30000039-70	AU60GMO000067 3375604	1.003	1.022 NAV 28.04.2014	312,658	2.23%	5,924 5,924
AUD	294,883.65 UNITS BLACKROCK GLOBAL ALLOCATION FUND (AUST) CLASS -D- WHOLESale AUD Portfolio: 30000039-70	AU60MAL00181 3379478	1.216	1.267 NAV 28.04.2014	373,609	2.67%	15,109 15,109
AUD	272,855 RED.PTG.SHS -A1- AHL (CAYMAN) SPC AUD CLASS A EVOLUTION SEGREGATED PORTFOLIO AUD Portfolio: 30000039-70	KYG012291145 22393979	1.127	1.148 NAV 31.03.2014	313,238	2.24%	5,666 5,666
AUD	184.596 RED.PTG.SHS -JD- PERSISTENT EDGE ASIA PARTNERS LTD SERIES JANUARY 2012 NON NEW ISSUE AUD Portfolio: 30000039-70	XD0146211822 14621182	1,306.500	1,336.080 NAV 31.03.2014	246,635	1.76%	5,460 5,460

Number/ Nominal	Description	Identification <div>Valoren Number ISIN Ticker</div>	Cost Valuation <div>Price Exchange Rate</div>	Current Valuation <div>Price/ Type Date</div>	Value in AUD <div>of which Accrued Interest of which Market Value</div>	Prop.	Profit/ Loss <div>Unrealized in AUD of which Instrument of which Forex</div>
AUD 30	RED.PTG.SHS -JD- PERSISTENT EDGE ASIA PARTNERS LTD AUD SERIES JANUARY 2014 NON NEW ISSUES AUD Portfolio: 3000039-70	XD0232843918 23284391	1,000.647	994.910 NAV 31.03.2014	29,847	0.21%	-172 -172
AUD 2,317.62	SHS GAM TRADING II INC.AUD INSTITUTIONAL CLASS AUD Portfolio: 3000039-70	VGG3723K4963 13213353	107.708	109.110 NAV 21.04.2014	252,876	1.80%	3,249 3,249
Total Hedge Funds					1,528,863	10.91%	
Commodities & Precious Metals							
AUD 2,366	ETC SECURITY ETFs METAL SECURITIES AUSTRALIA LTD 2003-WITHOUT FIXED MATURITY ON GOLD COMMODITY AUD Portfolio: 3000039-70	AU00000GOLD7 1583458 GOLD.AX	137.122	133.760 CLO 30.04.2014	316,476	2.26%	-7,954 -7,954
USD 208	UBS ETC UBS AG, LONDON BRANCH 2007-OPEN END ON UBS BLOOMBER CMCI COMPOSITE TOTAL RETURN AUD Portfolio: 3000039-70	CH0031794263 3179426 TCMCI.S	1,200.034 0.9393 AUD/USD	1,255.160 NAV 30.04.2014	281,217	2.01%	15,483 12,351 3,132
Total Commodities & Precious Metals					597,693	4.27%	
Total Alternative Investments, Commodities & Real Estate					2,126,556	15.18%	
Total Investments					14,012,013	100.00%	
of which Accrued Interest					500		

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.

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.

Cost Valuation Exchange Rates

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

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.

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. The total profit/ loss represents the result after taking account of realized/ unrealized profit/ loss, income and costs.

Unrealized profit/ loss displayed in the Positions section are calculated as of the reporting date. However, unrealized profit/ loss displayed in the Analyses section, are calculated for the period shown.

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.

Transactions

If no transactions have occurred during the reporting period, this section will be suppressed.

Yield

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

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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 30.4.2014

AUD 1.0000 = JPY 95.0615
AUD 1.0000 = USD 0.9284
EUR 1.0000 = AUD 1.4871

GBP 1.0000 = AUD 1.8125

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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.

This investment report is an electronically generated report and does not require a signature.

C. Director General's Report

Director General's report to APNIC Executive Council May 2014

This report is provided to the EC for the quarterly meeting for May 2014, in Warsaw, Poland (during RIPE 68).

Business Area

Since the last meeting, APNIC monthly financial reports have been issued for February, March and April. An investment status report has been provided for review at this meeting, as of 31 March 2014.

The latest reports indicate the following:

1. A growth of 7% in the overall Equity position since the beginning of 2014, from AUD 17,826,296 to 19,074,716.
2. Expenses are currently lower than budget however due to various timing factors it is not meaningful to project any result for 2014. The relocation of APNIC38 is likely to result in savings on staff travel expenses.
3. Revenues are tracking slightly above expectation, however again this cannot be projected for the rest of the year.
4. Due to the above, the overall position shows a surplus higher than expected.
5. As of 30 April, capital reserves were equal to 15.76 months' expenses.
6. New memberships are tracking well to a budget figure of 60 members per month on average. Transfer of memberships to NIRs have been lower than expected this year, and migration to IRINN appears to have slowed. This has resulted in a positive overall result for total membership figures, and we are on track for increased growth in 2014.

The APNIC Survey process for 2014 is underway. All focus group meetings and interviews have been conducted, and a draft survey questionnaire has been prepared and shared with the EC. The process is on track to provide a final report to be presented during APNIC 38.

Services Area

Final /8 allocations continue at a rate of over 140 per month in March and April 2014. The pending exhaustion of IPv4 space in the LACNIC and ARIN regions will likely increase general awareness of IPv4 exhaustion which may result in increased allocations in the APNIC region.

Also, the pending distribution of additional reclaimed address space from the IANA will allow APNIC members to receive an additional /22 (under prop-105), which could substantially increase the current allocation rate (and Member Services workload) for a period of time.

Transfers of IPv4 space have increased to around 18 per month in recent months, with an increasing proportion of inter-regional transfers.

All NIRs have now signed the NIR Membership agreement, with additional side-letters signed in case of JPNIC and VNNIC.

APNIC has increased its presence in industry events throughout the region, with “Membership Development” activities held to increase awareness of APNIC among current and prospective members, and the wider community. During 2014 such events have been held in economies including Australia, Guam, Hong Kong, Philippines and Vanuatu.

APNIC services staff continue to hold regular tele- or video-conferences with NIR counterparts as needed, and aim to visit all NIRs at least once during 2014. So far visits have been conducted to TWNIC and CNNIC, and others are in planning. In addition, a staff exchange visit is being planned with KRNIC.

Communications

With the appointment of Tony Smith, the Communications Area is being reestablished, and now includes all publications, media, social media and online activities, as well as events. A Communications manager is being recruited at this time.

During the last period, the last-minute relocation of APRICOT 2014 from Thailand to Malaysia represented a huge challenge for the events team; nevertheless the event was successful.

The relocation of APNIC 38 from Noumea to Australia has been managed with plenty of time and will result in a lower-cost and logistically easier event for APNIC staff.

Under the new conference management process, APNIC staff have examined options for APNIC 40 and 42 meetings, and a recommendation will be made during the coming EC meeting.

APNIC aims to hold 4 “ARM” Regional Meetings during 2014, and the first was held during April in Manila. This event attracted 138 registrations including 38 from APNIC members and 21 from Governmental organisations, and also featured a separate high-level event sponsored by PHCOLO.

The APNIC websites for training and labs (training.apnic.net and labs.apnic.net) have been revamped in the same style as meetings.apnic.net; and the new design will be applied to the main APNIC website in the near future. The main website will also feature a central “blog” for news and announcements, which will integrate more closely with social media activities on Twitter and Facebook.

An “active measurement” approach is being developed to APNIC Services, allowing all service experiences to be tracked and measured in terms of customer satisfaction. This project is now in the early stages of requirements specification.

Development Area

During 2013 Philip Smith resigned from his position as Director of Learning and Development, to focus his efforts on workshop, training and technical assistance activities. He is working half-time for APNIC, while also working for other organisations including RIPE NCC and NSRC.

Workshops held in March-May 2014 include the following:

- IPv6: Yangon, Phnom Penh, Bandar Seri Begawan, Bandung, Adelaide, Funafuti and Vientiane
- Internet fundamentals: Phnom Penh
- Advanced BGP: Manila
- IRME & IRR tutorial: Funafuti
- Network security workshop: Bangkok

APNIC has recruited a new Director of Development, who has taken responsibility for the area and will focus on development of partnerships for funding and implementation of training and related activities.

Policy implementations since APNIC 37 include:

- prop-105: Distribution of returned IPv4 address blocks
- prop-107: AS number transfer
- prop-109: Allocation of 1.0.0.0/24 and 1.1.1.0/24 for APNIC Labs

Strategic Engagement

Pablo Hinojosa has been redesignated as Director of Strategic Engagement, and is now working with staff across the organisation on External Relations activities. These activities are distributed among APNIC staff so that the specific language and cultural knowledge can be used most effectively to serve APNIC members throughout the region.

Effective processes are now in place for External Relations activities, including briefing and debriefing sessions for APNIC participation in individual events, goal setting and evaluation.

In response to member requests, public reports are being provided for APNIC's engagement in major events. During recent months, reports have been provided covering ICANN 49, WTDC 2014 and NETmundial. EC members are referred to those reports for more information.

A major topic of discussion during ICANN and NETmundial events was the NTIA announcement regarding transition of IANA oversight. APNIC played an active role on this topic in the ICANN 49 meeting, also during the I* discussions after NETmundial, and provided the NRO submission to ICANN's consultation on the transition planning process.

Coming events for this year include ICANN meetings in London and Los Angeles, and the ITU Plenipotentiary meeting in Busan.

D. Accountability Review

RIR Accountability Provisions - draft

The following is a list of accountability provisions which may be in place at some or all RIRs. This list could form the Table of Contents for a guide (eg web page) on accountability for an individual RIR, or it could be used to build a comparative matrix covering all RIRs.

Under each of these topics, there should be a link to a specific document or section describing the specific accountability provision (eg a web link to existing documentation). Some provisions may be regarded as “inapplicable” or “under development” in some cases.

While RIRs do not need to be bound to this particular list, the purpose is to allow comparison, and to facilitate a comprehensive and uniform approach to accountability by all RIRs.

Corporate Governance

1. Bylaws or equivalent
2. Board/Council’s roles and responsibilities
3. Board/Council’s election and procedures
4. Risk management framework
5. Fraud and corruption control
6. Financial audit
7. Adoption of and amendments to Corporate Documents

Relationship with Members and Non-Members

8. Standard Membership Agreement
9. Standard Non-Members Agreement
10. Registration Services Agreement
11. Fee Schedule
12. Member/stakeholder survey process
13. Dispute resolution mechanisms
14. Petition process
15. Ombudsman

Internet Number Resources

16. Terms and Conditions for the Distribution of Internet Number Resources by RIRs
17. Terms and Conditions for the Registration of Internet Number Resources Distributed Before the Creation of the RIR System
18. Due Diligence controls before and after the Distribution and Registration of Internet Number Resources

- 19. Auditing the Internet Number Resource Registration Records
- 20. Deregistration of Internet Number Resources
- 21. Use of the Database and Privacy issues
- 22. Policy Development Process

Transparency reporting

- 23. Procedures for handling requests for information by Law Enforcement Authorities/Agencies
- 24. Law Enforcement Agencies Requests Report

E. IANA TRANSITION

Response to ICANN's Call for Public input on "Draft Proposal, Based on Initial Community Feedback, of the Principles and Mechanisms and the Process to Develop a Proposal to Transition NTIA's Stewardship of the IANA Functions"

Response from the Number Resource Organization (NRO)

8 May 2014

The Number Resource Organization (NRO), representing the 5 Regional Internet address Registries (RIRs), has considered ICANN's Call for Public Input in relation to the transition of IANA stewardship, and the associated scoping document, which are located at:

- i. <http://www.icann.org/en/about/agreements/iana/transition/draft-proposal-08apr14-en.htm>
- ii. <http://www.icann.org/en/about/agreements/iana/iana-transition-scoping-08apr14-en.pdf>

We have also considered other contributions, in particular that of the IAB, which is located at:

- iii. <http://www.iab.org/wp-content/IAB-uploads/2014/04/iab-response-to-20140408-20140428a.pdf>

The NRO offers the following comments in response to these documents:

1. We acknowledge the proposed scope[ii] of the transition proposal, which excludes IANA policy development processes, the question of the IANA operator, and any issues which are not within the scope of IANA functions. We emphasize that such questions remain important and should continue to be discussed independently of any IANA stewardship transition proposal. At the same time, the transition proposal should in no way limit the future solutions or options which are available in any of these areas.
2. The NRO supports the guiding principles and mechanisms as proposed in [i]. We agree that these are consistent both with established norms for such processes within our communities, and with the large majority of inputs received so far from the ICANN community.
3. The NRO agrees that the ICANN Board should respect and adopt the outcome of the entire development process, as reported by the "Steering Group", without a vote; providing that the process has been conducted in accordance with the scope, principles and mechanisms as proposed.

4. Finally, the NRO supports the comments from the IAB[iii], and in particular we agree:

- That each of the 3 communities of interest in IANA functions be offered the primary responsibility to produce respective transition plans, in accordance both with their own established processes, and with the defined scope, principles and mechanisms. In the case of the IP addressing community, encompassing 5 regional communities, there are well-defined coordination mechanisms existing at the regional and global levels, which would be applied with complete transparency on this process.
- That the “Steering Group” act and be referred to as a coordinating group with the primary role and responsibilities as proposed by the IAB.
- That the “Steering Group” operate on the basis of rough consensus, rather than voting.

We offer this input as a constructive contribution to this process, and we look forward to ICANN’s final proposal for the process of developing the transition proposal. However regardless of that proposal, the NRO and RIRs will undertake comprehensive consultations within our own communities over the coming year, in an effort to reach broad consensus on stewardship arrangements which will best ensure the future stability, security, transparency and integrity of IANA functions, particularly in relation to IP addressing.

About the Number Resource Organization (NRO)

The Number Resource Organization (NRO) is the coordinating mechanism for the five Regional Internet address Registries (RIRs). The RIRs ensure the fair and equitable distribution of Internet number resources (IPv6 and IPv4 addresses and Autonomous System (AS) numbers) in their respective regions. The NRO exists to protect the unallocated Internet number resource pool, foster open and consensus-based policy development, and provide a single point of contact for communication with the RIRs.

The five RIRs are:

- AFRINIC, <http://www.afrinic.net> – Africa
- APNIC, <http://www.apnic.net> – Asia Pacific
- ARIN, <http://www.arin.net> – Canada, many Caribbean and North Atlantic islands, and the United States
- LACNIC, <http://www.lacnic.net> – Latin America and the Caribbean
- RIPE NCC, <http://www.ripe.net> – Europe, Middle East, and Parts of Central Asia