APNIC EC Meeting Minutes

Grand Hotel, Taipei, Taiwan
Tuesday 28 August 2001

Meeting Start: *14:15*

Minutes

Present:

> Geoff Huston
> BK Kim
> Che-Hoo Cheng (Chair)
> Akinori Maemura
> Kuo Wei Wu
> Qian Hualin
> Xing Li
> Paul Wilson
> Anne Lord
> Connie Chan
> Irene Chan
> Gerard Ross (minutes)

Apologies Received:

> Kuo Wei Wu
> Qian Hualin

Agenda:

1. Agenda bashing
2. Approval of past minutes
3. Review of Secretariat reports
    1. Financial reports for July 2001
    2. Semi-annual financial report and budget update for member meeting
    3. DG report for member meeting
    4. ccTLD and xxnic.net domains
    5. Member survey
4. Review of other matters for Member Meeting
    1. Member structure proposal
    2. Membership agreement
    3. Document review policy (carried over from last meeting)
5. Review of all APNIC policy proposals
6. AOB
    1. APRICOT
    2. NIRs
    3. AC Election
    4. Founding member logos

1. Agenda bashing

The following issues were raised: ccTLD xxnic.net status; membership survey status report; EC report; NIR issues; ACelection.

2. Approval of past minutes

Minutes from previous meeting approved. It was noted that the issue of the organisation which is seeking to form a new NIR is likely to be raised at this Open Policy Meeting.

3. Review of Secretariat reports

1. Financial report for July 2001

- It was noted that sections 1, 2, and 3 are similar to previous reports. Section 4 is a budget update for the Taipei meeting.

- It was noted that membership fees have now been separated from per-allocation fees.

- It was noted that expenditure for the Taipei meeting is on track with the EC-approved budget and expenditure limits.

- There was a general discussion about the projected levels of new members. It was noted that there were high numbers of new members in June, but that the new-member figures are erratic from month to month. Some concern was expressed about the likelihood of gaining the required additional projected members by the end of the year.

- It was noted that although there is a slowdown in membership growth, membership projections for 2001 were conservative and have been closely matched by actual figures. Due to changing industry circumstances, future projections for 2002 may need to be more conservative.

- There was a discussion on whether the required cash reserve needs to be adjusted. It was suggested that there is no need to revise the expenditure levels.

- It was noted that the bad debt level is rising. It was suggested that APNIC should consider writing off some of the bad debts rather than carrying the debts further. It was suggested that APNIC staff should analyse the age of bad debts and the history of bad debts being paid after follow-up by APNIC.

2. Semi-annual financial report and budget update for member meeting

- It was noted that this report represents more forward planning in the financial position analysis.

- It was noted that several term deposits have been made to secure certain services, including credit cards and office leases.

- It was noted that APNIC has invested in an annuity at a favourable fixed interest rate, held in AU dollars to offset predicted drops in the US dollar.

3. DG report for member meeting

- It was explained that the member meeting will be shorter than previously due to the presence of the AC election. Secretariat reporting is being shortened in response to feedback from previous meetings.

- It was suggested that it is preferable to focus more on SIG and policy rather than the Secretariat activities.

- It was noted that there is still no progress on the ICANN contracts and that APNIC's accrued liability is now US$130,000.

- It was reported that the RIRs have been working on updating the IPv6 policy and that changes in IETF recommendations are leading toward a different allocation framework, that is more CIDR-based in nature, and more like the existing IPv6 allocation framework.

- It was noted that there has also been a proposal for RIRs to share a single global pool of allocated IPv6 address space, and to take sparse allocations from that common pool. It was argued that in this case, the address pool to be used for allocations should be considered an "allocation" to the RIRs rather than a reservation by ICANN or IANA which requires their involvement in an ongoing

way. It was also noted that this proposal makes no changes to policy and that, therefore, ASO involvement would not necessarily be required.

- It was noted that the proposal to abandon the TLA/subTLA structure has been accepted by RIPE NCC and ARIN.
- It was noted that the RIRs have been highly responsive to community feedback in revising the IPv6 policy approach, and there has also been a great deal of discussion with the IETF.

4. ccTLD and xxnic.net domains

Work on this item is underway as per the EC's previous decision. The letter has not yet been sent to the ccTLD administrators.

5. Member survey

- It was noted that according to KPMG, a lot of information has been collected by the survey team to date.
- It was noted that the Beijing meeting went quite well, and that there seems to be a widespread lack of knowledge of APNIC.
- It was also noted that some of the feedback from China has been that the IP allocation process needs to be made faster. It was noted that the current experience in China is pushing up against the limit of APNIC policies. It was strongly argued that there could be no special relaxation of policies for particular countries. It was noted that currently IP address management is regulated by way of administrative procedures rather than by financial cost.
- It was suggested that China's needs are likely to be better served by additional training. It was also suggested that reservation of a larger block for China may help.
- It was suggested that using economic means to regulate IP addressing would be acceptable only if all legacy address space was also charged in the same way.
- It was noted that one interpretation arising from the member survey so far is that APNIC is seen as a best practice RIR and may come under additional pressure to lead the way to improved addressing policies.
- It was argued that the most important value in the RIR system is consistency of policy across the regions.
- There was discussion that the AP region is the one most likely to allocate the remaining IPv4 space at the fastest rate and that this will put increased pressure on APNIC to be responsive to the needs of a changing policy environment.
- There was a suggestion that there could be development of special policies for extremely large networks, on a non-country-specific basis.
- It was argued that communication and information-sharing amongst the RIRs will help to safeguard the position of APNIC as AP region address consumption begins to outstrip others.

Break 15:35 - 16:00

4. Review of other matters for Member Meeting

1. Membership structure proposal

The EC approved the presentation of the Proposed Revised Membership Structure for vote at the AMM.

2. Membership agreement

- The history of the development of this draft was briefly outlined, including the consensus of the previous AMM that this document be voted on during the TW meeting.

- It was explained that recent legal advice had suggested the addition of an insolvency clause and the clarification of licence to use delegated resources.
- The EC asked that the AMM be asked by show of hands which draft should be put to the vote.
- There was also a discussion of the case of a member which had stated that as a government-owned body, it was not able to re-sign a membership agreement that included a clause granting contractual jurisdiction to a foreign court. The EC noted that although this was a genuine concern, it was important that APNIC maintain consistent contractual relations with all members. The EC suggested that this position should be communicated to the party involved and that they should be encouraged to find an acceptable solution that would allow them to re-sign the agreement.

3. Document review policies and procedures

The history of the development of this draft was briefly outlined, including the consensus of the previous AMM that this document be finalised and presented to the EC for approval. The EC approved this document.

5. Review of APNIC policy proposals

- The proposal relating to initial allocation criteria was discussed.
- It was explained that following the discussion of this proposals at the KL meeting there was an agreement in principle to develop the proposal and present it at the TW meeting.
- The EC approved that the proposal be presented at the Address Policy SIG and, subject to the consensus of the SIG, be put for a show of hands at the AMM.
- The multihoming assignments policy was also outlined in similar terms. It was explained that this proposal is intended to cater for organisations are not otherwise able to obtain the address space which they need in order to multihome. The EC approved that the proposal be presented at the Address Policy SIG and, subject to the consensus of the SIG, be put for a show of hands at the AMM.
- There was discussion of increasing APNIC's allocation of resources with relation to policy development. There was discussion of the desirability of APNIC facilitating Task Force activities and promoting more regular meetings to develop policy issues between Member Meetings.

6. AOB

0. APRICOT

It was noted that there are no further changes to the date and location of the next APRICOT.

1. NIRs

- It was noted that there has been no further progress from the NIRs on the development of definitions and criteria for NIRs. This issue will be discussed at greater length in the NIR meeting.
- It was also noted that the member structure issues would be discussed at the NIR meeting.
- It was noted that a particular organisation is continuing to argue for the ability to establish a new NIR in a country which is already represented by an existing NIR.

2. AC Election

- It was noted that there has been a discussion on the EC mailing list regarding the election process for the AC members.
- It was argued that there is a potential problem with the process of an Open Election in that the host nation would always get an advantage.

- To clarify, it was noted that the process had been discussed and agreed by the EC previously.
- There was a suggestion that there should be no change to the procedure for the coming election, but that the procedure would need to be reviewed in future. It was suggested that it may be appropriate to allow proxy voting.
- Concern was expressed that maintaining the appropriate relationship between the AC and the RIR is important.
- It was suggested that the EC could form a nominating committee with a non-exclusive ability to suggest candidates.
- It was suggested that the EC could make a proposal to the AC meeting regarding the potential problems with the current voting system and suggesting some ideas for a better system for future elections.
- It was decided that no action can be taken before the upcoming election, but that the EC should consider developing a better procedure before the next election.

3. Founding member awards

It was explained that Founding Members would be honoured during this meeting and that special certificates and logos would be made available to them.

Meeting closed: 17:45