

APNIC EC Meeting Minutes

Thursday 8 April 2004

Meeting Start: 11:00 am

Minutes

Present:

Akinori Maemura
Che-Hoo Cheng (Acting Chair)
Ma Yan
Vinh Ngo

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

Apologies:

Qian Hualin
Yong Wan Ju

Agenda:

1. Agenda bashing
2. Minutes from last meeting (12 March 2004)
3. Financial report for March 2004
4. Stakeholders survey proposal
5. ICANN status
6. AOB

1. Agenda bashing

Maemura-san asked for someone else to chair the meeting as he was unwell. Che-Hoo Cheng volunteered to chair the meeting.

The following topics are also to be discussed:

- Payment of dues to ICANN will be discussed under ICANN status.

2. Minutes from last meeting (12 March 2004)

- The minutes from the meeting on 12 March 2004 were discussed and approved subject to an amendment of action item ec-04-007.
- **Action ec-04-009:** Secretariat to publish minutes from 12 March 2004 (subject to amendment as described).

3. Financial report for March 2004

- This report is presented in the usual way. The report shows that expenses are currently below budget but that revenues are slightly above budget.

- It was explained that because it is very early in the year, it is difficult to have a meaningful comparison of actual expenses to the budget.
- The reported loss on disposal of assets relates to the change in the investment portfolio, which resulted in a loss on one investment. However, this loss is more than offset by a gain resulting from revaluation of the total portfolio.
- By the end of March, there are now more than 900 members.
- There was a discussion about reporting in Australian dollars in future. It was noted that changes in exchange rates can cause confusing fluctuations in the current reports. This comes about because the accounts are prepared for audit in AU dollars, but are reported in US dollars. The changes in exchange rates from month to month make it difficult to compare monthly financial reports to the annual budget.
- It was suggested that because income is not directly controllable, the main intention of the monthly reviews is to compare expenses to the budget. It is easier to do this job in a consistent currency, namely the currency in which the organisation spends the money.
- It was suggested that future monthly reports be prepared in AUD, and that US dollar reports only be prepared for the published Annual and Semi-Annual Reports.
- It was explained that the actual cash reserves are held in multiple funds; some of them are in AU and others are in US dollar accounts.
- It was noted that at present the budget variation column in the monthly report is confusing, as there are three different exchange rates in use.
- It was also noted that expenses are not even throughout the year. If high expenses coincide with an unfavourable exchange rate, then it can distort the actual effect on the budget comparison.
- The EC agreed to prepare future monthly financial reports in AU dollars.

4. Stakeholders survey proposal

- After the meeting in Kuala Lumpur, John Earls was asked to reconsider the proposal. He also had to consider the project in terms of the KPMG risk assessment procedures. KPMG will not commence a project unless they are sure that the client is fully committed to the project. In this case, John Earls felt that it was not possible for the original project, which included survey of government positions, to go ahead as proposed.
- The Secretariat previously asked John Earls to prepare a new proposal for a simpler survey aimed primarily at members and some other interested stakeholders. This proposal is for a focussed, written-response survey. The proposed cost for the survey is AUD \$15,000 plus expenses, considerably less than the previous member and stakeholder survey.
- It was suggested that it is important to be seen to be following on from the feedback gained in the previous survey and to keep communication channels open.
- It was explained that the intention of the survey is to obtain feedback from members and interested stakeholders in the activities and directions of APNIC. Previous surveys were quite broad and open-ended and sought feedback on any concerns relating to APNIC's operations. In this proposed survey, it is important to get structured feedback on certain specific services and activities. It was noted that the survey is also a useful tool for helping to maintain awareness of APNIC among its members.
- There was general support expressed for conducting the new survey as proposed.
- There was a comment that KPMG should consider enabling the survey to be completed via a web form.
- There was a question about whether to set a quota of responses with which to judge the success of the survey. It was noted that there has been significant response to previous surveys and that since then there have been improvements in maintaining good channels of contact.

5. ICANN status

- At the recent LACNIC meeting, the RIRs signed a letter of intent to enter into the ASO MoU, subject to comment periods in each of the regions. All of the RIR comment periods close by the end of May.
- The next step after signing the MoU would be to finalise the ICANN-RIR contracts, which have been under development for a considerable time. Currently ARIN's lawyers are involved in evaluating the previous draft contract. They will prepare a new draft for the forthcoming negotiations.
- It was suggested that APNIC should now consider paying the remainder of the first 50 percent of accrued dues owing to ICANN. The previous intention had been that the remainder of accrued fees would be paid on signing a service contract.
- It is still to be determined whether the service contract should be between the NRO and ICANN or between the individual RIRs and ICANN. This will have implications for how the RIRs pay the fees.
- It was agreed that paying up the 50 percent of the accrued fees at this point would be an appropriate sign of good faith. However, in relation to the second 50 percent, APNIC should consider paying the money to the NRO for subsequent disbursement to ICANN.
- To date there has been only one comment received on the NRO comments list. It was a request for clarification regarding the policy process.
- The EC agreed to release the remainder of the first 50 percent of the accrued ICANN fees.
- The EC also agreed to release the second 50 percent of accrued fees to the NRO for subsequent distribution to ICANN, subject to the agreement of the other RIRs.
- It was noted that the new ASO MoU draft is between the NRO and ICANN. Therefore, once it is signed, there is no agreement between ICANN and the individual RIRs. It would be consistent with this framework that the services agreement should also be executed between the NRO and ICANN. There was general agreement with this understanding.

6. AOB

- none.

7. Next meeting

- To be determined.

Meeting closed: 12:00 pm

Open action items

- **Action ec-04-009:** Secretariat to publish minutes from 12 March 2004 (subject to amendment as described).