

APNIC EC Meeting Minutes

Teleconference
Friday 13 January 2006

Meeting Start: 11:00 am (UTC+10)

Minutes

Present:

Akinori Maemura (Chair)
Che-Hoo Cheng
Kuo-Wei Wu
Ma Yan

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

Apologies:

Billy Cheon
Vinh Ngo

Agenda:

1. Agenda bashing
2. Minutes from last meeting (19 December 2005)
3. Financial report for December 2005
4. ICANN/NRO status
5. WSIS update
6. AOB

1. Agenda bashing

The following topics are also to be discussed:

- Fee structure proposal

2. Minutes from last meeting (19 December 2005)

- The minutes from the meeting on 19 December were discussed and approved.
- **Action ec-06-001:** Secretariat to publish minutes from 19 December 2005.

3. Financial report for December 2005

- The financial report for the month ending December has been circulated.
- It was noted that the final figures in this report may be changed by the audit, which will commence in the coming week.
- It was noted that receivables are higher than in 2004, due to a greater number of members and a change to the billing procedures.
- It is expected that expenses will be about three percent above budget.

- Revenue is expected to be very close to budget.
- It is expected that there will be an operating surplus of about AU\$400,000 for 2005, although most of this is from unrealised exchange rate gains.
- In 2005, there was very good membership growth, with an average monthly net gain of 15 members.
- APNIC is now serving 49 economies and 1,157 members.
- There was an explanation of the membership closure statistics.
- Once the figures are audited, a final report will be circulated.
- There was a general discussion about the pattern of membership upgrades.
- The EC approved this report.

4. ICANN/NRO status

- There is no progress to report on this month.

5. WSIS update

- There is little progress to report on this month.
- There is no significant new information to report regarding the formation of the IGF, nor of its precise agenda.
- The NRO may release a statement about the IGF before the first preparatory meeting in Geneva. If this happens, a draft will first be circulated to the EC.
- There was a discussion of the short notice for the first preparatory meeting, being held in Geneva in February.
- There was a general discussion of the possible participation level of APNIC in the IGF.

6. AOB

Location for APNIC 22

- There is only one proposal for APNIC 22. It is a well prepared proposal from TWNIC to hold the meeting in Taiwan.
- TWNIC have asked whether they should send anyone to Perth to present the proposal to the EC.
- One issue for the EC to consider is that APNIC has already held two meetings in Taiwan and should consider encouraging other locations.
- It was argued that any proposals received should always be considered carefully before any alternatives were discussed.
- The only apparent concern about the current proposal will be in relation to travel options to the venue.
- It was explained that the proposed venue is very good value for money and is a nice city with quality accommodation. It was suggested that TWNIC should ensure they focus on the travel options when discussing their proposal. It was noted that the proposed venue does have good flight connections to many Asian cities.
- The EC will consider a summary of the proposal and discuss the issue on line with a view to making a decision by early February.
- **Action ec-06-002:** Secretariat to circulate a short summary of the TWNIC meeting proposal for the EC.

Fee structure proposal

- The Secretariat has prepared a proposal for a new fee structure. Under the new proposal, the membership categories will be based on a 2-bit step rather than a 3-bit step.

- It was explained that the proposal has been designed to meet concerns about the fairness to all members and reflect more closely the size of the organisations.
- It was noted that a small number of members would pay higher fees. There was a question of how to introduce such a change, including options such as a staggered transition or a long notice period before implementation.
- The Secretariat seeks comments or questions from the EC about this proposed structure before it is circulated to the NIR fee working group and the wider membership.
- It was suggested that the principles behind this proposal should be explained clearly, namely, that smaller members will pay less, the general APNIC income will be preserved, and that larger holdings will be re-valued.
- It was suggested that the proposed structure may encourage the establishment of NIRs and may also encourage larger members to join NIRs. If so, the financial implications could be significant.
- However, it was noted that LIRs would still need to pay membership fees to NIRs, so the effect of the proposed schedule may depend on the NIR fee level in each economy.
- There were statements in support of this proposal in principle.
- It was suggested that any financial predictions must take into account the possibility of several more NIRs being formed.
- There was a general discussion about how to deal with voting allocations. One question is whether the number of votes should be directly proportional to the fees paid. There is also a question of whether members of NIRs should be entitled to voting rights.
- The EC was asked for opinions on the timing of this proposal. There was a suggestion of presenting the proposal for general discussion at the Perth meeting, with a view to seeking a decision at APNIC 22.

There was a suggestion that the issue should not be delayed too long, especially as the proposed structure will require a long implementation period to allow members to plan their way into it.

- It was suggested that this should be presented as a proposal from the Secretariat based on the stated principles.
- It was noted that this proposal will need to be communicated carefully and clearly, with considerable time allowed for input and consideration. It was suggested that with online voting, the final decision could be taken at any time, but that APNIC 22 should be the latest date for the decision on this proposal.
- The EC was encouraged to make any suggestions for amendments to the proposal before it is presented to the membership.
- It was noted that because there are currently fee discussions being led by the NIRs, there should not be any undue delays in tabling this proposal. On the other hand, it is very important to protect the ongoing financial position of APNIC.
- It was suggested to have the proposal tabled at the Perth meeting to start seeking membership input, with a view to making a final decision by APNIC 22.
- An alternative suggestion made was to leave the existing fee schedules as they are for normal members, but to create new NIR fees to replace the per-address fee mechanism, but not reduce the overall APNIC income.
- There was also a suggestion of using the meeting in Perth to discuss and compare this proposal with the other proposed approaches to the fee structure.
- It was suggested that EC support will be important for proceeding with a single final proposal.

7. Next meeting

- TBA

Meeting closed: 5:30 pm (UTC+10)

Open action items

- **Action ec-06-001:** Secretariat to publish minutes from 19 December 2005.
- **Action ec-06-002:** Secretariat to circulate a short summary of the TWNIC meeting proposal for the EC.