

# APNIC EC Meeting Minutes

Teleconference  
Friday 17 February 2006

*Meeting Start: 11:05 pm (UTC+10)*

## Minutes

### Present:

Akinori Maemura (Chair)  
Che-Hoo Cheng  
Kuo-Wei Wu  
Ma Yan  
Billy Cheon  
Vinh Ngo

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

### Apologies:

Qian Hualin

### Agenda:

1. Agenda bashing
2. Minutes from last meeting (13 January 2006)
3. Financial report for January 2006
4. Draft budget for 2006
5. ICANN/NRO status
6. WSIS update
7. AOB

#### 1. Agenda bashing

The following topics are also to be discussed:

- None.

#### 2. Minutes from last meeting (13 January 2006)

- The minutes from the meeting on 13 January were discussed and approved, subject to amendment of the typographical error in the date.
- **Action ec-06-003:** Secretariat to publish minutes from 13 January 2006.

#### 3. Financial report for January 2006

- First, it was noted that the December 2005 report has been finalised now that the audit has been completed. The final surplus for 2005 was approximately AU\$410,000, mostly due to unrealised foreign exchange rate gains.
- It was noted that the US dollar is predicted to strengthen over the course of 2005, which is favourable to the APNIC budget.

- The financial report for the month ending January has been circulated. This report does not contain comparisons to the budget.
- There was a net gain of five members in January.
- 58 percent of the cash reserve is currently in AU dollars and the remainder is in US dollars.
- There was a discussion of the corporate structure of APNIC and issues of directorship accountability and the EC's duty of care.
- The EC approved this report.

#### **4. Draft budget for 2006**

- The draft budget for 2006 has been circulated.
- The budget scenario was based on the membership growth rates and other financial factors.
- The exchange rate for 2006 has been predicted at 0.745. This estimate was provided by APNIC's bank.
- As in previous years, the budget includes optimistic, pessimistic and moderate scenarios.
- It is projected that expenses will be approximately US\$6 million. This budget forecasts a small loss for the year.
- Travel expenses are expected to increase, due to ongoing commitments to IGF and other international meetings, and also a general increase in air fares.
- It is expected that revenues will be 6 percent higher than 2005 and expenses will be about 13 percent higher.
- It was noted that this is the fourth consecutive budget in which expenses have been projected to match revenues. It was suggested that it is time to consider either the level of activities or the level of membership fees.
- There was a general discussion of budgetary philosophy.
- It was noted that discussions of fee structure reforms are underway.
- There was a request for the EC to consider whether, under the new fee structure, APNIC should continue the same revenue levels or seek to produce an operational surplus.
- It was also noted that because of the low US dollar exchange rate over the last five years, there has been an effective fee reduction for most members.
- It was noted that APNIC's travel policies are restrictive in terms of class of travel and that salaries are moderate. Therefore, it was argued that to cut costs would mean cutting of activities. It was explained that IGF activities in 2006 and beyond will necessitate new expenses. APNIC has no real choice but to participate in these activities.
- Root server activities will be winding down from now, as the level of deployment in the region is sufficient. This is one area of significant cost savings.
- It was noted that recent multimedia productions, which are of great benefit to the organisation's image, have been produced in house in a very cost-efficient way.
- It was also noted that APNIC has deployed a VoIP phone infrastructure, which will save communications costs for APNIC and for members contacting the helpdesk. This will be announced as a member service during APNIC 21.
- There was a suggestion to return to this budget discussion at the Perth meeting.

#### **5. ICANN/NRO status**

- The NRO incorporation documents have been circulated. A small number of further corrections were made by the RIPE NCC recently. Some other potential inconsistencies have also been referred back to the RIR legal teams.

- It was noted that the on the issue of recognising a new RIR, it is possible that the NRO and ICANN views could drift apart in future. The incorporation documents annul the MoU, but does not say what happens to any other agreements that might already exist. However, it was noted that the ASO MoU was actually signed by the RIRs.
- There may be a new set of documents available in Perth.
- It was noted that some elements of the incorporation documents are required by Uruguayan law, such as the Control Board and General Assembly.

## 6. WSIS update

- There was a meeting organised by the Diplo foundation, held in Malta recently, related to preparations for the IGF.
- At this meeting many people appeared to believe in maintaining current structures and processes. There was general agreement about the need to make the IGF a true multistakeholder forum, based on consensus positions rather than voting.
- APNIC will participate in the Internet Governance Capacity Building Initiative, a cooperative project aimed at creating training courses, outreach activities, fellowships, and scholarships related to Internet governance.
- There are currently consultations being held in Geneva about formalising the structure for the IGF.
- It was noted that Brazil is still criticising current arrangements and suggesting that IGF should become a treaty-based forum.
- There have been some dates suggested for the first IGF in Athens. At this stage it appears to be set to start in mid or late October.
- The IGF has a mandate to operate for five years.
- At this stage it appears likely that IGF will be held annually, for 3 to 5 days.
- There are various other meetings planned for the coming months.
- Germany has proposed that the ITU-T should act as a Secretariat for the IGF.
- It was noted that Zhou's IPv6 addressing proposal has now been adopted by the Korean government and raised as a formal proposal.
- It was noted that the NRO contributed US\$50,000 for the WGIG. There has been a recent approach to the NRO for support for the IGF. It was suggested that it may be preferable to offer in-kind support, such as Internet access and webcasting for the IGF meetings.
- **Action ec-06-004:** Secretariat to prepare a draft response to the IPv6 addressing proposal.

## 7. AOB

- None.

## 8. Next meeting

- During APNIC 21 in Perth, 28 February, 9:00 (UTC+8)

*Meeting closed: 12:25 pm (UTC+10)*

## Open action items

- **Action ec-06-003:** Secretariat to publish minutes from 13 January 2006.
- **Action ec-06-004:** Secretariat to prepare a draft response to the IPv6 addressing proposal.