

APNIC EC Meeting Minutes

Grand Hi-Lai Hotel, Kaohsiung, Taiwan
Tuesday 5 September 2006

Meeting Start: 9:20 am (UTC+8)

Minutes

Present:

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

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

Apologies:

n/a

Agenda:

1. Agenda bashing
2. Minutes from last meeting (11 August 2006)
3. Financial report for August 2006
4. ICANN/NRO status
5. IGF update
6. Member survey
7. APNIC 22 SIG proposals
8. Proposal to host APNIC 24
9. APNIC staff structure
10. AOB
11. Next meeting

1. Agenda bashing

The following topic was added to the agenda:

- Status of resource certification project

2. Minutes from last meeting (11 August 2006)

- The minutes from the meeting on 11 August were approved.
- **Action ec-06-018:** Secretariat to publish minutes from 11 August 2006.

3. Financial report for August 2006

- The financial report for August has been circulated.
- There is currently a high balance in receivables.

- Expenses are below the budget by about 13 percent, though many expenses are still to be incurred, including those from this meeting.
- APNIC is below revenue budget by six percent. The total financial position is currently in surplus.
- It was noted that the membership income is slightly below what was expected. This will be revised in the next budget.
- APNIC now has more than 1300 members and has just had the highest ever monthly membership gain.
- There was a general discussion about the process of reactivation.
- There was also a discussion about the discrepancy between the actual membership growth and the actual membership revenue. It appears that this discrepancy is related to the uneven distribution of renewals and new memberships and the fact that membership revenue does not all come in at the time that new members join.
- Fifty-two percent of APNIC's cash reserve is in AU dollars and the rest in US dollars.
- The semi-annual financial report has been circulated.
- There was a general discussion of the format and content of the report.
- There will be an amendment to the reporting of the membership figures before the report is presented at the AMM.
- The EC approved the financial report.
- **Action ec-06-019:** Secretariat to provide a more detailed analysis of the apparent discrepancy between membership growth and membership revenue.

4. ICANN/NRO status

- There are no developments on the proposed contract, although there has been some suggestion that ICANN are intending to respond to the NRO proposal soon.
- There are no other significant issues to report.

5. IGF update

- There are no significant issues to report.
- The RIRs intend to observe IGF discussions rather than lead them at this point.
- ISOC will run a workshop along the theme of Internet development.

6. Member survey

- John Earls from KPMG has provided a brief report about APNIC's response to the previous survey.
- It is proposed to announce the next survey at this meeting and have it completed in time for a full report at APNIC 23. The next survey will be run on a much lower budget than the previous survey, as it will not involve the extensive travel that was part of the previous one.
- It was noted that there are some items from the previous survey that have not been implemented. It was explained that some have been taken over by events, some are rather vague, and some may require more input in the next survey.
- It was suggested that it would be useful to find out what would be considered a statistically useful response.
- **Action ec-06-020:** Secretariat to draft an introduction to the survey report, which could be passed to the EC then published on the APNIC web site to fully inform members of progress.

7. APNIC 22 SIG proposals

- The following policy proposals will be discussed at APNIC 22:
 - prop-033: End site allocation policy for IPv6
 - prop-034: IPv6 portable assignment for end user organisations
 - prop-035: IPv6 portable assignment for multihoming
 - prop-036: Proposal to allow end sites to receive IPv6 allocations
 - prop-037: Deprecation of email updates for APNIC Registry and whois data
 - prop-038: Modified lame DNS policy proposal
 - prop-039: A proposal to improve reachability of new IANA blocks
 - prop-040: Proposal for APNIC non-member annual service fee
 - prop-041: IPv6 assignment size to critical infrastructure
- The EC briefly reviewed the issues to be proposed.
 - **prop-033: End site allocation policy for IPv6**
 - It was noted that there has been some input from the Japanese community about the conservation implications of this proposal. However, it was noted that the HD ratio application would remain to provide a standard way of determining what "used" means.
 - **prop-034: IPv6 portable assignment for end user organisations**
prop-035: IPv6 portable assignment for multihoming
prop-036: Proposal to allow end sites to receive IPv6 allocations
 - There was a very general discussion about these proposals.
 - **prop-037: Deprecation of email updates for APNIC Registry and whois data**
 - It was explained that this proposal is from the Secretariat in response to concerns that the process for making email updates to the whois database is out of date and presents problems for the evolving registry model and the proposed resource certification services.
 - **prop-038: Modified lame DNS policy proposal**
 - This proposal is simply intended to modify APNIC's existing practice for checking lame DNS delegations and bring it in line with best current practice elsewhere.
 - **prop-039: A proposal to improve reachability of new IANA blocks**
 - It was noted that this proposal relates to the globally coordinated debogoning project.
 - **prop-040: Proposal for APNIC non-member annual service fee**
 - There has been one strong objection to this proposal received online in relation to the recovery of historical addresses where maintenance fees are not paid.
 - **prop-041: IPv6 assignment size to critical infrastructure**
 - This proposal seeks to clarify an ambiguous element of the current IPv6 policy.
 - **APNIC membership fee structure discussion paper**
 - This discussion paper is not yet being presented as a formal proposal. It was reviewed in more detail than the other proposals.
 - It was noted that there had been some early objections to the original suggestions relating to fees at the top end of the scale.

- There was a general discussion about the approach for calculating the fee increments.
- There was a discussion about how to distinguish between NIRs historical and direct allocations.
- It was noted that discussions in KRNIC community have considered proposing a simpler structure. There was a discussion about the need to balance flexibility and simplicity.

[Break 10:45 - 11:10 am]

8. Proposal to host APNIC 24

- Representatives from ISPAI and SANOG joined the meeting to discuss the proposal to host APNIC 24 in New Delhi, India in 2007.
- The ISPAI representatives gave a detailed multimedia presentation of India and the meeting location.
- In discussion following the presentation, it was noted that the budget is approximately US\$125,000 spread over the five days. Currently the budget is about US\$48,000 in deficit, but more sponsorship is being sought. It was also explained that about 40 percent of the expenditure is taken up by hotel costs, as the need for adequate facilities is very high. It was also explained that in Indian culture, all invited speakers should be presented with a small gift.
- The proposed budget includes expenditure for advertising and promotion, which is required to attract appropriate levels of sponsorship.
- There was a request for more detail of the projected income from sponsorship and registration fees. A discussion of this issue followed, with reference to the figures included in the proposal that has been circulated in hard copy.
- The ISPAI representative explained that they are expecting over 400 attendees and that they have taken account of the complimentary registrations in preparing the budget.
- It was noted the projected sponsorship is much higher than what is normally achieved for APNIC meetings. It was explained that with one year left to prepare, there will be a strong focus on attracting sponsors. It was suggested that it is likely there will be some deficit, but not as large as the one documented currently.
- There are currently about 15 sponsors secured.
- There was a discussion about whether there are any other alternative hotels worth considering. It was noted that the most important issue is to ensure the necessary facilities are available, but that ISPAI will pursue other options.
- It was stressed that it will be very important to ensure that there will be visa assistance for Pakistan delegates. It was noted that there were delegates from Pakistan and Bangladesh at the most recent SANOG meeting.
- There was a discussion of the security issues in New Delhi. It was explained that ISPAI will provide advice to delegates on security issues. The meeting is also scheduled for a time when there are no significant national festivals or anniversaries that would attract attention. The meeting and related events will be held away from high density areas. It was explained that security issues and travel advisories can have a significant impact on the decision to hold a meeting so there will need to be contingency planning.
- There was a suggestion to regularly exchange information between ISPAI and APNIC about developments in India, especially in relation to security and logistics.
- The representatives from ISPAI and SANOG left the meeting to allow the EC to discuss the proposal further.
- There was a discussion about the need for the local host to secure local sponsorship. There was also discussion about the budgeted item for advertising and the proposed

management fee. It was noted that local hosts are expected to be contributors to the meeting so management fees would generally not be acceptable.

- The EC decided to accept the ISPAI proposal, subject to finalising the budget along the lines discussed (with emphasis on sponsorship, advertising, and management fees) and also subject to ongoing monitoring of the security situation.
- **Action ec-06-021:** Secretariat to draft a formal letter to ISPAI advising them of the conditional acceptance of the proposal to host APNIC 24 in new Delhi.

9. APNIC staff structure

- APNIC now has approximately 50 staff, which is beginning to pose some logistical problems for the current management structure. Over the past year, the first senior management position was created and now it is proposed to continue that model across the entire organisation.
- These structural issues have been discussed with the current management team and general staff.
- There was a brief presentation of the principles behind the design of the new structure, which will comprise a small number of Area managers, with Unit managers below that level, responsible for multiple grouped functions.
- There is no intention of recruiting many new managers now, so units will be assembled initially from existing staff.
- There is still a need to determine exactly what the units will be and to fill the management positions. As a full recruitment process could take a very long time, most positions will be filled for now in acting capacities. All staff have been asked to provide input and express interest in any of the acting positions.
- It was noted that so far the feedback from staff has been quite positive.

10. AOB

Status of resource certification project

- There was a brief presentation of the background to and status of the current project to develop resource certification services.
- The certificate format is now locked down and the processes are working in the lab tests. The trial work is expected to be completed by the end of 2006.
- The other RIRs are not yet as well advanced as APNIC to proceed with certification services.
- Before this can become a production service, there will be a need for serious policy questions to be asked. These include revocation of resources and expiry of certificates; the general power for APNIC to revoke certificates; the status of legacy holdings; service liabilities on validation services; title transfer procedures; and whether the services would be offered to non-members.
- It was noted that there will be legal pressures on ISPs to take up these services if they become available. Otherwise, ISPs may become subject to liability. There is also likely to be regulatory pressure from various government agencies to support this project.
- It was noted that in this service, it is possession of the certificates that is important, rather than the specifics of how an organisation obtained the certificate and resources. This can have implications on the current APNIC service model.
- It was argued that there will be a need to start addressing the policy concerns now and in coming EC meetings.
- It was suggested that if IPv4 addresses run out and become traded on a large scale, then this service will be needed to avoid chaotic situations.

- There is now a full tool kit operational and many other aspects of the development are ready.
- This proposed service has been discussed in various security and technical forums but not beyond that in political forums.
- It was noted that there are currently a range of positions about this service across the RIRs. There are many issues to be determined and there may be a need for Board to Board communication in the future.
- There was a discussion about the prospects for a smooth transition to this new service. It was noted that the technical aspects of the service will be ready for deployment before the policy matters are finalised.
- It was also noted that there may be industry pressures on ISPs to implement certification as it can help to cut costs.

11. Next meeting

- tba.

Meeting closed: 1:10 pm (UTC+8)

Open action items

- **Action ec-06-016:** Secretariat to circulate survey proposal and report of results from previous surveys.
- **Action ec-06-018:** Secretariat to publish minutes from 11 August 2006.
- **Action ec-06-019:** Secretariat to provide a more detailed analysis of the apparent discrepancy between membership growth and membership revenue.
- **Action ec-06-020:** Secretariat to draft an introduction to the survey report, which could be passed to the EC then published on the APNIC web site to fully inform members of progress.
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