

APNIC EC Meeting Minutes

Friday 19 November 2004

Meeting Start: 10:40 am

Minutes

Present:

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

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

Apologies:

N/A

Agenda:

1. Agenda bashing
2. Minutes from last meeting (8 October 2004)
3. Financial report for October 2004
4. Election of APNIC's AC member
5. EC endorsement of APNIC 18 policy decisions
6. ICANN/NRO Status
7. AOB
8. Next meeting

1. Agenda bashing

The following topics are also to be discussed:

- NIR issues

2. Minutes from last meeting (8 October 2004)

- The minutes from the meeting on 8 October 2004 were discussed and approved, subject to some minor amendments.
- **Action ec-04-026:** Secretariat to publish amended minutes from 8 October 2004.

3. Financial report for October 2004

- This report is in AU dollars. The statement of activities compares year-to-date expenses with the budget. This shows an increase of approximately two percent on both revenues and expenses.

- The recent falls in US dollars have had an effect and will need to be reflected in the 2005 budget. Most cash reserves are still held in AU dollars, which will assure APNIC's stability.
- It was noted that predictions for the AU dollar vary between .75 and .8. It was noted that falls in the value of the US dollar have meant that the real value of membership fees has fallen by approximately 20 percent. It may be necessary to reconsider the level of fees to reflect this reality and to allow APNIC to continue providing services at current levels.
- It was noted that this highlights the need to resolve the issue of the NIR fee structure, as well as the general membership structure.
- It was noted that there is no short term problem, but that there is a need to consider long term effects.
- It was suggested that APNIC cannot continue to allow revenue to drop while continuing to provide more services. It was suggested that incremental increases in membership fees may be necessary.
- It was noted that RIPE NCC does vary its fees from year to year to meet budget needs. It was also suggested to consider whether APNIC fees should continue to be based on a US dollar standard.
- There was a broad discussion of the trends in the value of the US dollar.
- There was a discussion of the trade weighted index of regional currencies compared to the US dollar. It was suggested that consideration of this could provide more stable and consistent fees for members and for APNIC as a whole.
- There was a suggestion that this could be discussed in the next face to face meeting, but that in the meantime, all EC members could observe the applicable currency trends.
- There was a review of the membership closures in the October report. It was noted that most membership closures are because of organisations going out of business, but there are also many closures due to member mergers and acquisitions.
- It was noted that several years ago there were some concerns about the potential effect of member mergers on APNIC's financial stability. However, to date, the impact of the mergers has been offset by the strong growth in new members.
- The October report also includes analysis of meeting expenses, the cash reserve, and confederation member resource analysis.
- There was a discussion of the cost analysis of APNIC 18. It was noted that the meeting cost is now considerably higher than the previous EC guideline of US\$50,000 per meeting. This is due to the extension of services, such as captioning and multicast and new travel policies for EC members and others.
- There was a request for the EC to review the meeting cost guideline and consider the direction of meeting developments.
- There was a request to receive a more detailed breakdown of the meeting expenses.
- It was noted that the expenses in Fiji were high in some respects, but in others, such as staff travel, were much cheaper than in previous meetings.
- It was noted that in proportion to the total APNIC budget, the cost of meetings remains relatively low. There was a discussion of the objectives of APNIC meetings, such as outreach, maximising participation, and cost minimisation. How those three objectives are balanced is a policy issue.
- There was a request for an analysis of several past meetings. However, it was noted that the coming period is a busy time for the finance team and it would be preferable to provide this analysis some time in the new year.
- There was a discussion of the confederation member resource analysis. It was noted that the presentation of the address holdings is confusing and might be easier to understand if converted into a single decimal prefix equivalent.

- It was noted that the six non-NIR confederations are holding a very large amount of address space. This will need to be considered in the confederation fee structure review.

4. Election of APNIC's AC member

- A document has been circulated describing the four options for electing the APNIC AC member.
- Concern was expressed about the option of appointing an APNIC EC member. It was noted that with 12 EC meetings per year, an EC member appointed to the AC would have a very heavy annual meeting load.
- There was a discussion of the reasons why the new ASO was set up such as to allow the RIRs to appoint a person to the AC. This was done to ensure that the ASO performs productive and relevant work. It was intended that the AC should be more accountable to their regions. It was argued that direct involvement from the EC in the AC would help ensure that the ASO works effectively.
- However, it was also argued that APNIC has put in place mechanisms to ensure regular contact and reporting from the ASO AC to the APNIC EC. It was again noted that appointing EC members places a significant burden on those members. Due to the global nature of the AC meetings and the extent of the workload, there is more chance that the representative may not attend all meetings, which would diminish the point of having direct representation.
- It was noted that the other two AP region AC members would be directly elected.
- There was also a suggestion that the third position could be open for the public to nominate, and that the EC could make an appointment from among those nominees.

[KWW left the meeting at this point]

- It was noted that the current AC member whose term was to expire in August 2003 was asked to continue serving until the ASO MoU issues were resolved.
- There was a comment in favour of the option allowing the EC to select an individual who may or may not be a member of the EC.
- The EC decided to adopt this option (EC to nominate an individual who may or may not be a member of the EC), subject to the use of very clear guidelines relating to the role of the individual in relation to the EC.
- It was suggested that the EC should also give consideration to the term of the AC member.
- The EC will aim to make a selection by the start of January 2005.
- **Action ec-04-027:** GH to draft guidelines relating to the role of the appointed AC member in relation to the EC.

5. EC endorsement of APNIC 18 policy decisions

- The EC reviewed the policy proposals that received consensus at APNIC 18.

[prop-005-v004] Internet Assigned Numbers Authority (IANA) policy for allocation of IPv6 blocks to Regional Internet Registries

- This is a proposal for policies governing the allocation of IPv6 address space from the IANA to the Regional Internet Registries (RIRs). As it is a global policy it requires co-ordination with the other RIR communities.
- This proposal has been approved at RIPE. At LACNIC there has been no consensus reached yet and at ARIN the consensus was limited to the need for IANA to make larger allocations than they currently make.
- The EC endorsed this proposal.

[prop-021-v001] Expansion of the initial allocation space for existing IPv6 address space holders

- This is a proposal to allow existing IPv6 address holders to expand their initial allocation, using their existing IPv4 infrastructure and the HD ratio
- The Secretariat would like to start processing requests under this policy immediately.
- The EC endorsed this proposal.

[prop-022-v001] Proposal to abolish redundant charges in IPv6 allocations

- This is a proposal to revise the method of calculating IPv6 per-address fee so that multiple fees charged for the same address range will be abolished.
- The EC endorsed this proposal.

[prop-025-v001] Proposal for IPv6 IRR service at APNIC

- This is a proposal to define a framework for an IPv6 IRR, which would then be launched by APNIC.
- It was noted that there is currently no defined process for progressing on this issue. It was noted that the RIPE database software will soon support IPv6 IRR, meaning that the technical support for this proposal will not be difficult. However, there will be a need for the service to be promoted throughout the region to ensure community support. It is not necessarily APNIC's responsibility to do this. There will need to be a discussion with the proponents regarding the promotion of the service.
- It was noted that APNIC does already provide an IPv4 IRR. The current training materials will be updated to support the new IPv6 IRR.
- The EC endorsed this proposal.

6. ICANN/NRO Status

- It was noted that the new ASO can now be considered to be active.
 - There has been no further progress towards incorporation of the NRO.
 - The NRO has a time slot in a closed meeting of the GAC at the upcoming ICANN meeting. It is likely that the policy development cycle time will be raised in this meeting.
 - PW will also present in the open GAC "regional forum" meeting at the ICANN meeting, and will be on a panel in the WSIS session.
 - The NRO EC members will meet in Cape Town.
 - There was a discussion of the NRO response to the ITU draft memorandum regarding IPv6 addressing recommendations.
 - The author of the original memorandum has provided a response, which will soon be posted on the NRO web site.
 - There was a discussion of whether APNIC should enter into a separate dialogue on this issue. It was suggested that APNIC could make a submission to the ITU as an ITU sector member and to also post that to the RIR Boards with a clear explanation of the APNIC position.
 - It was noted that APNIC's structure incorporates national (or economy) based institutions. Our approach is to view NIRs as a positive feature of the APNIC environment. We stress coordination, rather than competition between national and private interests.
 - It was stressed that all consideration of this issue must remember that there is one network, which is subject to very real routing limitations. No matter how addresses are distributed, the same routing limitations will apply. Therefore, there is a need for a single forum to coordinate outcomes. Currently for the Asia Pacific, that forum is APNIC.
- **Action ec-04-028:** GH to revise the draft response to the ITU draft memorandum and circulate to the EC to be considered as an APNIC EC input to the ITU.

7. AOB

NIR issues

- The NIR fee structure working group is now underway. The mailing list has been launched and discussions have started.
- It was noted that the mailing list is currently closed, but it would be appropriate for all EC members to join. It was decided that the list administrator should subscribe all EC members to the working group mailing list.

8. Next meeting

- 10 December 11:00 UTC+10.

Meeting closed: 12:50 pm

Open action items

- **Action ec-04-026:** Secretariat to publish amended minutes from 8 October 2004.
- **Action ec-04-027:** GH to draft guidelines relating to the role of the appointed AC member in relation to the EC.
- **Action ec-04-028:** GH to revise the draft response to the ITU draft memorandum and circulate to the EC to be considered as an APNIC EC input to the ITU.