

AfriNIC

ANNUAL REPORT 2008





**Spearheading Internet Technology
and Policy Development
in the African Region**

Contents

Glossary	2
Messages	3
- From the Chairman	3
- From the Chief Executive Officer	4
AfriNIC at a glance	5
- Role, vision, mission and core values	
- Board Composition	
- NRO Activities	
2008 Highlights	9
- Policy Proposals	
- News	
IP Resource Management	13
- Quick Highlights	
- Membership	
- Number Resources	
Technical Operations Area	17
- Activities	
- Routing Registry	
- Resource Certification	
- Internet Engineering Task Force	
- Debogonising the 197/8	
Communications Area	21
- AfriNIC & the Community	
- Training	
- Collaboration with Academic & Research Sector	
- Fellowship	
- Outreach	
Finance & Administration Area	27
- Administration Update	
- Finance Update	
- Statement of Assets & Liabilities	
- Surplus & Loss Statement	
- Auditors Report	
Message of Thanks	33

Glossary

AAU	Association of African Universities
AfNOG	African Network Operators Group
AfriNIC	African Network Information Centre
AFTLD	Africa Top Level Domains Organisation
ARTP	Agence de Regulations des Télécommunications et des Postes
ASN	Autonomous System Number
ASO	Address Supporting Organisation
CCG	Communication Coordination Group
DNS	Domain Name Server
EAIGF	East Africa Internet Governance Forum
ECG	Engineering Coordination Group
IANA	Internet Assigned Numbers Authority
ICANN	Internet Corporation for Assigned Names and Numbers
IETF	Internet Engineering Task Force
IGF	Internet Governance Forum
IP	Internet Protocol
IPv4	Internet Protocol version 4
IPv6	Internet Protocol version 6
ISOC	Internet Society
ISP	Internet Service Provider
ITU	International Telecommunication Union
IXP	Internet Exchange Point
LIR	Local Internet Registry
NRO	Number Resource Organisation
NSRC	Network Startup Resource Center
OIF	Organisation Internationale de la francophonie
ONCF	Office National des Chemins de fer
PDP	Policy Development Process
PKI	Public Key Infrastructure
RIR	Regional Internet Registry
RPKI	Resource Public Key Infrastructure
RR	Routing Registry

FROM THE CHAIRMAN



Viv Padayatchy, Chairman AfriNIC

Dear Colleagues,

It is a special privilege for me to address you as Chairman of AfriNIC in this 2008 Annual Report. It has been another fruitful and memorable year for our young organisation in several aspects, namely financial, operational, and organisational.

Financially, it is comforting to see that, despite increasing costs, marginal increase in membership revenues and dwindling sponsorship, AfriNIC has managed to achieve a small surplus in 2008. It has been a constant priority for the board and management alike to ensure that costs are controlled without sacrificing growth and service levels. However, we are still a long way towards achieving the target reserves of two years that we have set ourselves. This will remain one of our key financial targets for the near future.

Operationally, AfriNIC has been reinforcing its Outreach Program by taking part in various events internationally such as the ICANN meeting in Egypt, the IGF seminar in Senegal and ITU Africa 2008. On the training side, AfriNIC continues to conduct LIR and IPv6 training for African operators. Additionally, in the field of IPv6 uptake, AfriNIC was especially active organising and collocating events which were IPv6 related and continues to be a strong advocate for IPv6 deployment in Africa. It is a pleasure to highlight that AfriNIC also launched the first IPv6 Virtual Lab in Africa that is intended to provide an e-learning tool to increase hands-on experience with IPv6. Furthermore, 2008 was also a positive year on our membership base with a healthy increase of new members.

On the organisational side, AfriNIC embarked on a capacity building program in line with the 5-year strategic plan established in 2007. Thus, the core-team of area managers has been identified and recruitment procedures were initiated although a more complete organisational structure will be in place by September 2009. It has been the board's priority to establish a strong management team to support the CEO and ensure business continuity within the organisation.

I wish AfriNIC and our community well despite the looming financial difficulties facing the world economy. I would like to express my thanks to my fellow board members for their contributions throughout the year, the CEO of AfriNIC, and his staff for their hard work and diligence in the fulfilment of AfriNIC's mission. Finally, I have to thank our community in general and our members in particular for their faithful support throughout the year.

Thank you,

Dr. Viv Padayatchy
Chairman

FROM THE CHIEF EXECUTIVE OFFICER



Adiel Akplogan, CEO AfriNIC

Dear Colleagues,

It is my pleasure to share with you our achievements in this fourth (4th) operational report of AfriNIC. We have ended the year 2008 once again with successful results in many aspects. Allow me to use this opportunity to reiterate our sincere gratitude to our members and other volunteers around the continent who have trusted us for the past few years and are still doing so by supporting the Registry. The challenges in our region are huge but results achieved so far show that vision, hard work and mutual support always produce positive outcomes. I would also like to welcome the 88 new organisations that joined AfriNIC in 2008.

In 2008 we have achieved more than thirteen percent (13%) growth in terms of IPv6 allocation in our service region. We had in total, 250 attendees at our two policy meetings and more than 400 participants at our 13 training sessions held across the continent in the past twelve months. This gives the opportunity to also thank organisations in these 13 countries that hosted the sessions by facilitating local logistics. Training and awareness will continue to be one of our key activities for the next few years to come and in that regard we plan to increase resources allocated to these activities in 2009. We have also started a more formal awareness program toward governments and policy makers in relation to Internet Governance and Internet Number Resource Management in particular. We had a very successful Regional Internet Governance workshop in the last quarter of the year with the support of l'Agence de Régulation des Télécommunications et des Postes (ARTP), Regulator of Senegal; the experience will be continued in 2009 with the possibility of having similar events in other regions.

As announced in 2008, AfriNIC as an organisation is going through an in-depth restructuring and reorientation in terms of matching our vision and challenges with the resources needed. This process started in 2008, will continue into 2009. We are expecting to almost double the number of staff in 2009, and also complete our office relocation plan. This kind of change always comes with some shaking and disagreements but it is not possible to think about improvement as a sustainable and successful organisation without tackling these social challenges and we are positive that the effects will not take long to come.

A revision of the strategic plan (2009-2012) is also on the way and will be published during the second quarter of the year.

AfriNIC continues to strengthen its cooperation with regional and international organisations that share the same interests and vision. After handling the Secretariat of the NRO in 2008, we are prepared to take the chairmanship of the organisation in 2009.

Financially, we are continuing our strategy to build a long-term stable and self funded organisation. We will pay very particular attention to the forces of the global crisis on our operations this year, and be prepared to react quickly to any potential negative impact. With the instability of our main income currency, we are going to investigate further the possibility of diversifying the currencies of our reserve and cash reserves.

AfriNIC and the Internet in our service region will continue to grow without any doubt. We have pledged to spearhead Internet technology development in the region and will conscientiously continue to work in that direction with the strong belief that cooperation, collaboration and commitment can lead us to these objectives.

I wish us a very happy and successful 2009!

Adiel A. Akplogan

AfriNIC AT A GLANCE

Role, Mission, Vision

AfriNIC is a non-government, not-for-profit, membership based organisation, headquartered in Mauritius. As the African Regional Internet Registry (RIR), AfriNIC's role is to promote the fair distribution and responsible management of Internet Protocol (IP) addresses and Autonomous System Numbers (ASN). These resources are required for the operation of the global Internet. We do this according to policies developed by our community, in an open, transparent, and bottom-up policy development process. The allocation and registration of Internet Number resources are AfriNIC's core activities. We provide training and education services, develop and promote basic technical and business practice standards related to Internet service provision for members, and collaborate with other regional and international organisations.

Vision

Spearheading Internet Technology and Policy Development in the African Region

Mission

To serve the African community by providing professional and efficient management of Internet Number Resources, supporting Internet technology usage and development, and promoting Internet self governance.

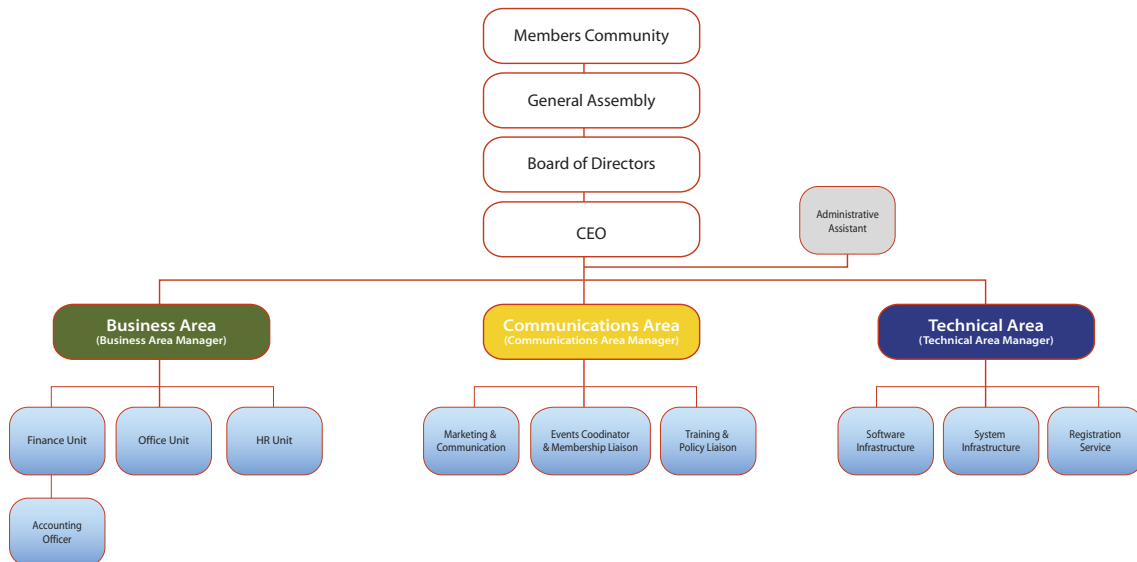
AfriNIC's Core Values are:

- We operate with transparency, professionalism and efficiency.
- We are committed to integrity in all that we do, always and everywhere.
- We recognize and value individual contribution and teamwork.
- We recognize cultural and language diversity in our region.
- We are a technology driven organisation that encourages continuous learning and innovation.
- We value collaboration and cooperation with related organisations.

Established in 2004, AfriNIC headquarters is in Mauritius but its activities and region of coverage span across the whole African region. It is administered by a Board of Directors and managed by an appointed Chief Executive Officer.

The AfriNIC organisational structure is set to encourage a bottom-up self governance management model, where policies and other organisational functions are determined by the community in general and by members who elect representatives that sit on the Board of Directors. The discussions are conducted via both public meetings and email discussion lists. There are no requirements or prerequisites for any person or entity to participate. AfriNIC has a General assembly which meets once a year whereas Public Policy Meetings are organised twice a year (one back-to-back with the General Assembly).

AfriNIC Organisational Structure



Board Composition

We would like to thank all board members of AfriNIC for their contribution and commitment in the well running of the organisation; special thanks go to our outgoing members. During 2008, the Board of Directors was composed of:

PRIMARY		
Name	Region	Terms
Rachida Jouhari	Northern Africa	07/2007 to 06/2010
Pierre Dandjinou	Western Africa	07/2007 to 06/2010
Didier R. Kasole	Central Africa	07/2008 to 06/2011
Badru Ntege	East Africa	07/2006 to 06/2009
Alan Barrett	Southern Africa	07/2006 to 06/2009
Viv Padayatchy	Indian Ocean (chair)	07/2008 to 06/2011
Adiel Akplogan	CEO	Appointed

ALTERNATE		
Name	Region	Terms
Jean Philemon Kissangou	Central Africa	07/2008 to 06/2011
Lala Andriamampianina	Indian Ocean	07/2008 to 06/2011
Mokthar Hamidi	Northern Africa	07/2007 to 06/2010
Sunday Folyan	Western Africa	07/2007 to 06/2010
Brian Longwe	Eastern Africa	07/2006 to 06/2009
Silvio C. Almada	Southern Africa	07/2006 to 06/2009

Elections

During the AfriNIC-10 meeting, there was a Board Elections. The follow individuals were elected to the AfriNIC Board of Directors:

Primary

- a) Seat 5: The Central African sub-region,
Didier R. Kasole, (DRC), Mandate 2008 – 2011

- b) Seat 6: The Indian Ocean sub-region,
Viv Padayatchy (Mauritius), Mandate: 2008 to 2011

Alternate

- a) Seat 5: The Central African sub-region (Primary),
Jean Philemon Kissangou (Gabon) Mandate
2008 – 2011
- b) Seat 6: The Indian Ocean sub-region (Primary),
Lala Andriamampianina (Madagascar), Mandate:
2008 to 2011

NRO Activities

During 2008, AfrinIC was responsible for the Secretariat Function of the NRO, which included taking the lead in providing support to the NRO EC and through the Communication Coordination Group (CCG) and the Engineering Coordination Group (ECG). These duties also involved providing secretariat support to the ICANN Address Supporting Organisation (ASO) and the Address Council (AC).

Communication Coordination Group

As the NRO CCG Secretariat for 2008, AfrinIC was responsible for meeting logistics, administrative support, organising booths at industry related events that are mentioned throughout the report, travel logistics, submitting project plans to the NRO Chair, managing NRO mailing lists, acting as liaison to the EC to coordinate communication efforts and releases, and managing the content and design changes to the NRO and ASO websites.

The key events organized in 2008 on behalf of the NRO includes were:

A. Joint NRO/AfrinIC Booth at ITU Africa 2008

AfrinIC shared a booth with the NRO at ITU TELECOM AFRICA 2008 from 12 - 15 May 2008 at the Cairo International Convention and Exhibition Centre (CICC) in Egypt. ITU TELECOM AFRICA is a major networking platform for Africa's top ICT players to come together and focus on core issues relating to ICT expansion across the region. The theme for 2008 was **ICTs in Africa: A Continent on the Move**. AfrinIC had a booth to represent the African Internet community with an emphasis on IPv6. The event was an opportunity to increase awareness of AfrinIC and the NRO, and to network for outreach

purposes while promoting the message about the depletion of IPv4 and adoption of IPv6. One of the results of this participation, additional training requests were received from attendees of the conference.

B. Provided support at the APNIC booth for ITU Asia, September 2008, Bangkok, Thailand

ITU Asia, the major ICT event in the Asia-Pacific region was held from 2-5 September 2008 in Bangkok, Thailand. AfrinIC provided support to the APNIC booth.

C. Internet Governance - IGF Booth in India, December 2008

The third meeting of the Internet Governance Forum (IGF) was held in Hyderabad, India, on 3-6 December 2008 and focused on the overall theme of 'Internet for All'. There were an estimated 1280 participants from 94 countries in India for this event. AfrinIC organised the NRO booth for this event.

The NRO Engineering Coordination Group (ECG) Activities

In this role we were charged with coordinating inter-RIRs projects and leading the work of the ECG and the liaison with the NRO Executive Council.

The main focus for the ECG for 2008 was to coordinate the resources certification project at the NRO level. We participated in the various discussions, meetings and workshops toward creating the joint NRO certification architecture. Trust anchor model for the Resource Public Key Infrastructure (RPKI) was an important issue.



2008 HIGHLIGHTS

Policy Proposals

Policies

IP addresses and AS numbers are shared resources, available for use by anyone who needs them, and policies ensure that these resources are distributed fairly and consistently across the AfriNIC service region. The policies that AfriNIC uses to manage the allocation and assignment of Internet number resources are developed by our members and the broader Internet community at large through a bottom-up process of consultation and

consensus. This process is available on the policy page of the AfriNIC website, www.afrinic.net/docs/policies/afpol-pdp200707.htm

2008 Policy Update

There was one (1) proposal that reached consensus at AfriNIC-9 and two (2) proposals withdrawn.

In 2008, the following policies reached consensus:

Date Proposed	Proposed By:	Proposal
2008-02-16	R. Gagliano , F. Obispo, H. El Nakhal, D. A. Kla, JPNIC IPv4 countdown policy team	Global Policy for the Allocation of the Remaining IPv4 Address Space.

Policies Withdrawn in 2008

Date Proposed	Proposed By:	Proposal
2006-07-04	Jordi Palet Martinez	IPv6 Address Allocation and Assignment Policy
2007-04-01	Jordi Palet Martinez	Policy for IPv6 ULA

Policies under discussion

Date	Proposed by:	Proposal
2009-01-05	Douglas Onyango	IPv4 Soft Landing Policy
2009-01-13	Graham Beneke	IPv6 Allocations to Non-Profit Networks



News

1. Establishment Africa-Asia Collaboration Forum on Network Research and Engineering

The AfriNIC-9 Open policy meeting saw the launch of international collaboration and IT training initiatives to benefit the African community. Presenting research at the meeting, Japanese and South Korean professors announced a joint online collaboration and exchange program on Internet research between African and Asian technology experts. Some of the topics covered under this joint collaboration were IPv6 (Motivation, Operation of IPv6 Networks for R&D), Internet Measurement Tutorials, Cyber Crim & Network Security Risks as well as Botnet threats.

2. Fund to support Research and Development of IP (Internet Protocol) Projects in Africa

Separately, AfriNIC-9 participants endorsed the establishment of a fund to support research and development of IP (Internet Protocol) projects in Africa.

3. AfriNIC Root Server Anycast Program

AfriNIC launched the Root Server Anycast Copy Program in Cairo, October 2008 at the Anycast Root Server Copy deployment workshop. The programme will help existing IXPs in Africa localise part of the DNS infrastructure that is critical to the stability and scalability of the Internet. In addition to improving stability and scalability, an anycast local copy protects a region which loses its international connectivity from being totally cut off from internet services that rely on the fully qualified domain name to IP address resolution services provided by DNS.

4. AfriNIC engages Mobile Phone Companies

After witnessing rapid growth in mobile phone usage in Africa, AfriNIC decided to work with GSM companies on issues of Internet development.

The evolution of mobile equipment and business has played an important role in Internet development in Africa. According to Global System for Mobile Communications (GSM) Africa, the African arm of the international GSM Association, mobile-phone subscriber base is expected to jump by 20 percent to 316 million by the end of 2008. With the projected growth, AfriNIC plans to involve mobile companies in making provisions for IPv6 infrastructure that will easily support data over mobile networks. AfriNIC was able to target these companies at the booth during the ITU-Africa event held in May 2008, Cairo, Egypt.

5. AfriNIC launched its Virtual Lab on November, 2008

AfriNIC has launched the first IPv6 Virtual Lab in Africa on 21 November 2008. The lab is intended to provide a 'hands on' training tool to the community to support in the deployment of IPv6.

Supported by Cisco Systems, the lab is open to research institutions, universities and companies. The virtual lab will complement efforts by the 6DEPLOY Consortium, which is supported by the European Union to promote IPv6 deployment in developing countries.



6. Annual Team Building Session

AfriNIC had its 2008 Team Building Session at Hilton Hotel, Mauritius from 18-20 December 2008. It was an excellent opportunity for AfriNIC staff to learn more about each other and to improve their team building skills. One tool that was used to facilitate this team building process,

was a personality analysis based on a color theory. Each team members participated in the analysis and the output was an Insights Discovery Profile. The profiles gave insight about one's characteristics, strengths, weaknesses, ways to communicate and interact more effectively with the person, and suggested way for the person to develop better interpersonal communication with others



2001:42d0:0000:0000:0000:0200:000
2:0001 2001:42d0::200:2:1 192.0.2.
0 192.0.2.21 IP RESOURCE 2001:
42d0:0000:00 MANAGEMENT 0:000
0:0200:0002:0001 2001:42d0:0000:0
000:0000:0200:0002:0001 2001:42d
0::200:2:1 192.0.2.0 192.0.2.21 200
1:42d0:0000:0000:0000:0200:0002:0
001 2001:42d0::200:2:1 192.0.2.0 1
92.0.2.21 2001:42d0:0000:0000:000
0:0200:0002:0001 2001:42d0::200:2:
1 192.0.2.0 192.0.2.21 2001:42d0:0
000:0000:0000:0200:0002:0001 200
1:42d0::200:2:1 192.0.2.0 192.0.2.2
1 2001:42d0:0000:0000:0000:0200:0
002:0001 2001:42d0::200:2:1 192.0.
2.0 192.0.2.21 2001:42d0:0000:000
0:0000:0200:0002:0001 2001:42d0::
200:2:1 192.0.2.0 192.0.2.21 2001:
42d0:0000:0000:0000:0200:0002:000

Quick Highlights

The IP Resource Services team handles the day-to-day IP number resource management activities at AfriNIC, mainly the evaluation allocation or assignment of number resources to members. An overview of the 2008 numbers below shows a slight decline in the number of

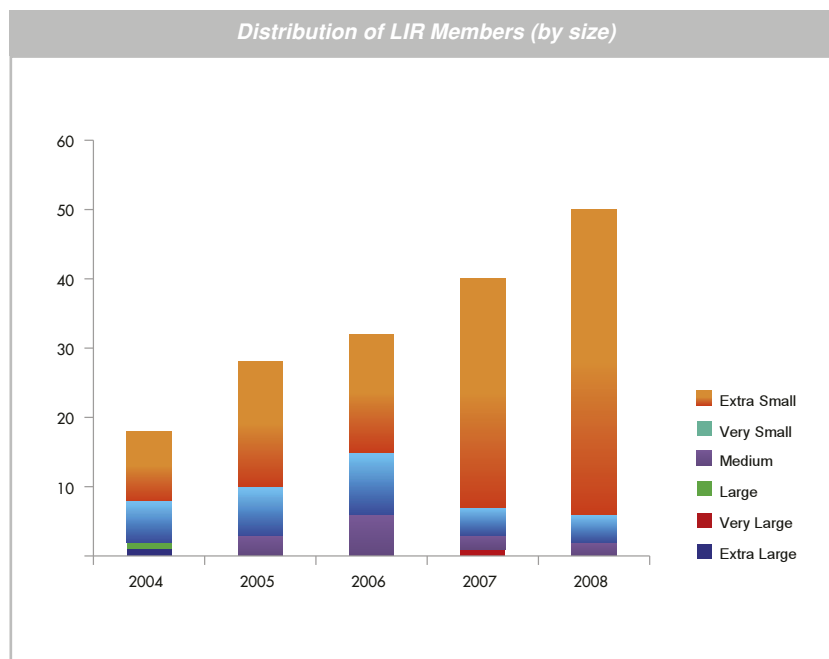
approved IPv4 address requests, and consequently, the total IPv4 address space issued in contrast to 2007. Additionally, there were some very large allocations issued in 2007 that account for the big difference in the total space issued.

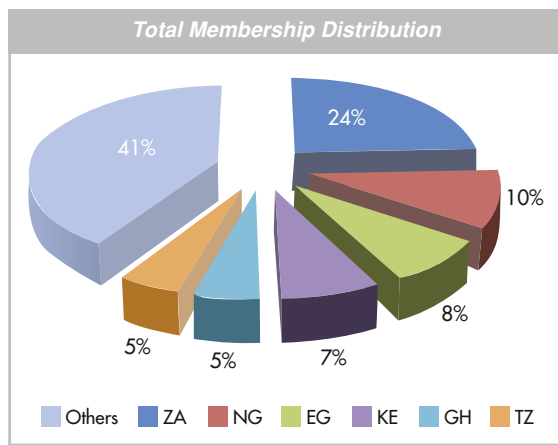
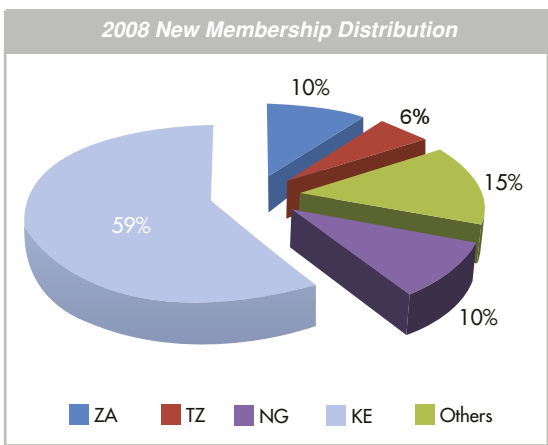
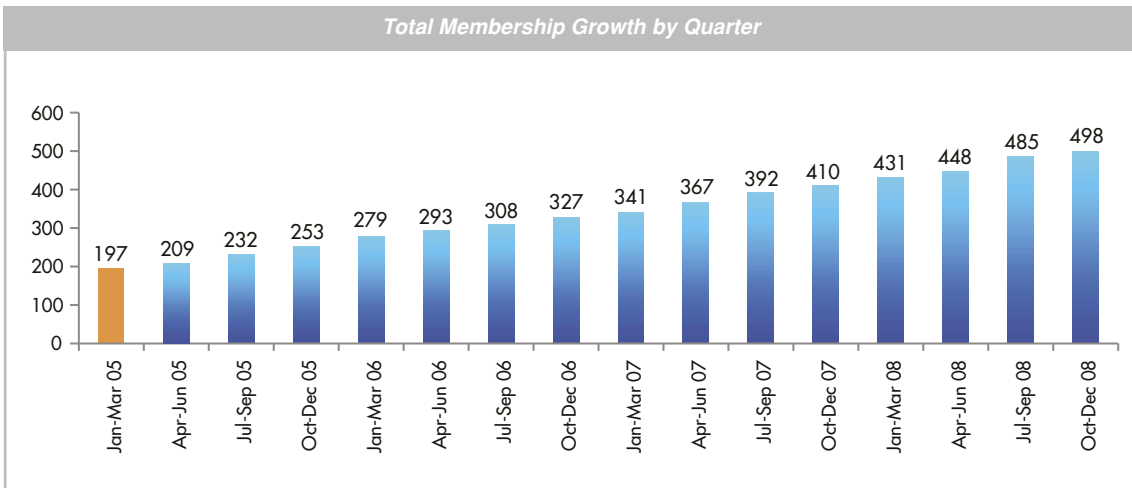
	2006	2007	2008
IPv4 addresses issued (/32):	2,694,912	5,684,408	1,591,040
IPv4 allocations & assignments approved	119	159	140
IPv6 allocations & assignments (?)	20	16	18
AS Numbers assigned.	52	69	84
IANA Allocations:			
IPv4 (x /8)	-	-	1
IPv6 (x /12)	-	-	1
ASN (x 1024)	-	-	-
New Members.	73	82	88
Closed Members.	-	13	8
Tracked e-mail tickets handled	1,080	1,472	1,543

Membership

We approved 88 new membership requests in 2008, bringing us to a total of 498 members at year end. Of the registered new members, 64 were in the LIR and 24 were in the End-User category. There were 64

LIRs and 24 End-Users. There were more than 150 requests for AfriNIC membership, most of which were not fully processed due to non-satisfaction of the appropriate resource policy requirements. A breakdown of the LIR members by category for 2008 follows, along with a comparison of similar numbers from 2004



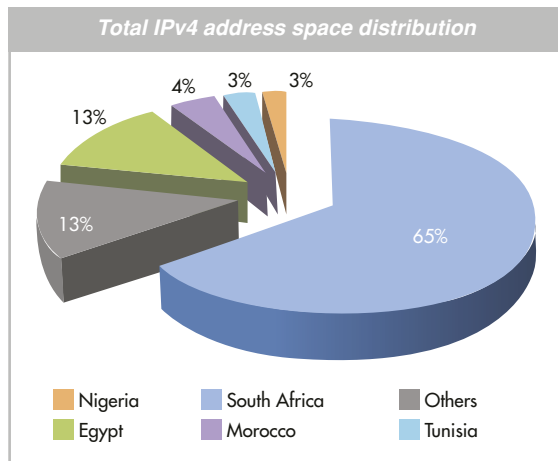
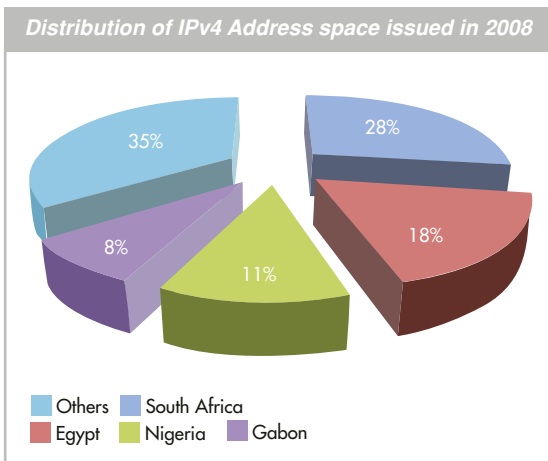


Number Resources

IPv4

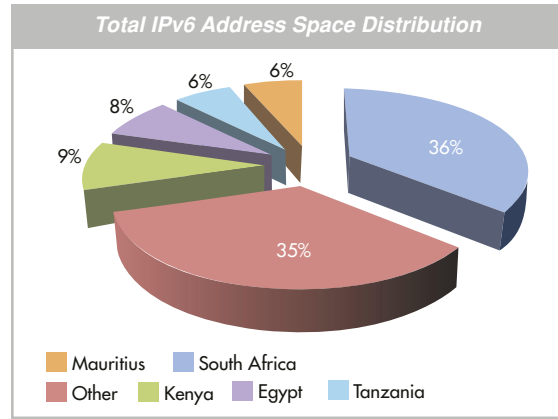
Approximately 1.6 million unique IPv4 addresses were issued in 2008, much less than the 5.6 million issued in 2007, and a total of 1.3 /8s allocated (by AfriNIC) in our service region. Although more members were actually signed up and an approximate same number of IPv4 requests approved, most allocations and

assignments in 2008 were towards small and extra small members. The smaller number is also attributed to the implemented policy requiring us to allocate enough address space to last a member's 12 month-needs, as opposed to the previous 24-month planning window. We applied for and received one extra /8 from IANA in October 2008. The IANA free legacy address space redistribution exercise also allocated us the 154/8 that we shall start allocating from in due course. In total, there are approximately 2.2 free IPv4 /8s under our custodianship.



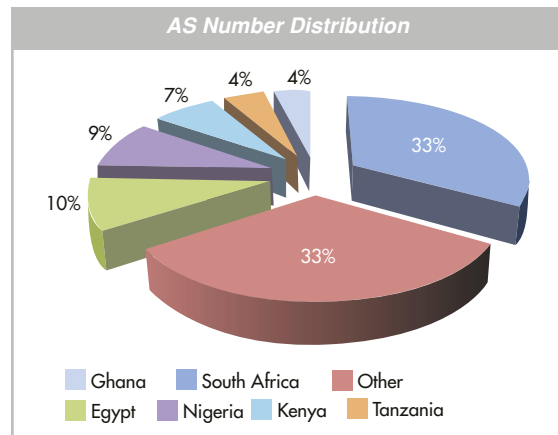
IPv6

We approved 18 new IPv6 requests in 2008, out of a total of 23 that were received. All IPv6 requests were from existing members, Kenya and South Africa taking the highest and equal share. All space was issued out of the 2001:4200:: /23 block that was received in 2004 – which is currently 86% utilized. There were three assignments to critical infrastructure (mainly IXPs). We hope to start allocating from the block 2C00:0000::/12 in 2009. There are a total of 54 IPv6 /32 allocations in our region.



AS Numbers

84 AS numbers were issued in 2008, of which, only one was 32-bit. According to the 4-byte ASN policy, 32-bit AS numbers have to be assigned by default starting January 2009, unless the requestor explicitly requests a 16-bit AS Number. We have been working with the software team to ensure that all systems are ready for this phase. With RFC5396 now in place, it will be easier for equipment vendors to implement software for current and future routers which in turn will make implementation easier, and correspondingly increase community usage as the 16-bit AS number pool approaches exhaustion.



2001:42d0:0000:0000:0000:0200:000
2:0001 2001:42d0::200:2:1 192.0.2.
0 192.0.2.21 TECHNICAL 2001:42d
0:0000:0000: OPERATIONS 00:020
0:0002:0001 AREA2001:42d0::200:
2:1 192.0.2.0 192.0.2.21 2001:42d0
:0000:0000:0000:0200:0002:0001 20
01:42d0::200:2:1 192.0.2.0 192.0.2.
21 2001:42d0:0000:0000:0000:0200:
0002:0001 2001:42d0::200:2:1 192.
0.2.0 192.0.2.21 2001:42d0:0000:00
00:0000:0200:0002:0001 2001:42d0:
:200:2:1 192.0.2.0 192.0.2.21 2001:
42d0:0000:0000:0000:0200:0002:000
1 2001:42d0::200:2:1 192.0.2.0 192
.0.2.21 2001:42d0:0000:0000:0000:0
200:0002:0001 2001:42d0::200:2:1
192.0.2.0 192.0.2.21 2001:42d0:000
0:0000:0000:0200:0002:0001 2001:4
2d0::200:2:1 192 0 2 0 192 0 2 21 2

Activities

The Technical Operations Area is an important part of the AfriNIC structure. It covers three major functions: Internet Resource Management, Database and Software, System and Infrastructure.

In 2008, based on the adopted activity plan for the area, we have been involved in several activities and projects. Particular effort has been made to increase membership, resource allocations, also to improve the quality of contact between our members and the organisation.

We have covered the Registration Service Report and statistics in a separate section due to the fact that registration is key function of AfriNIC. The Technical Operation Area administers the overall technical infrastructure that supports services to the community, such as, the Whois, e-mail, the AfriNIC web site, the MyAfrinic tools and portal, Reverse DNS zones, DNS secondary, membership ticketing support, meeting tools, mailing lists, and more. We also provide support to local staff through the internal information system.

We conducted and helped with various projects which included developing products, tools, implementing solutions to enhance existing services and providing new

services. As member of the NRO, AfriNIC also participates in various Inter-RIR activities and projects, and technical community meetings and activities (NOGs, IETF).

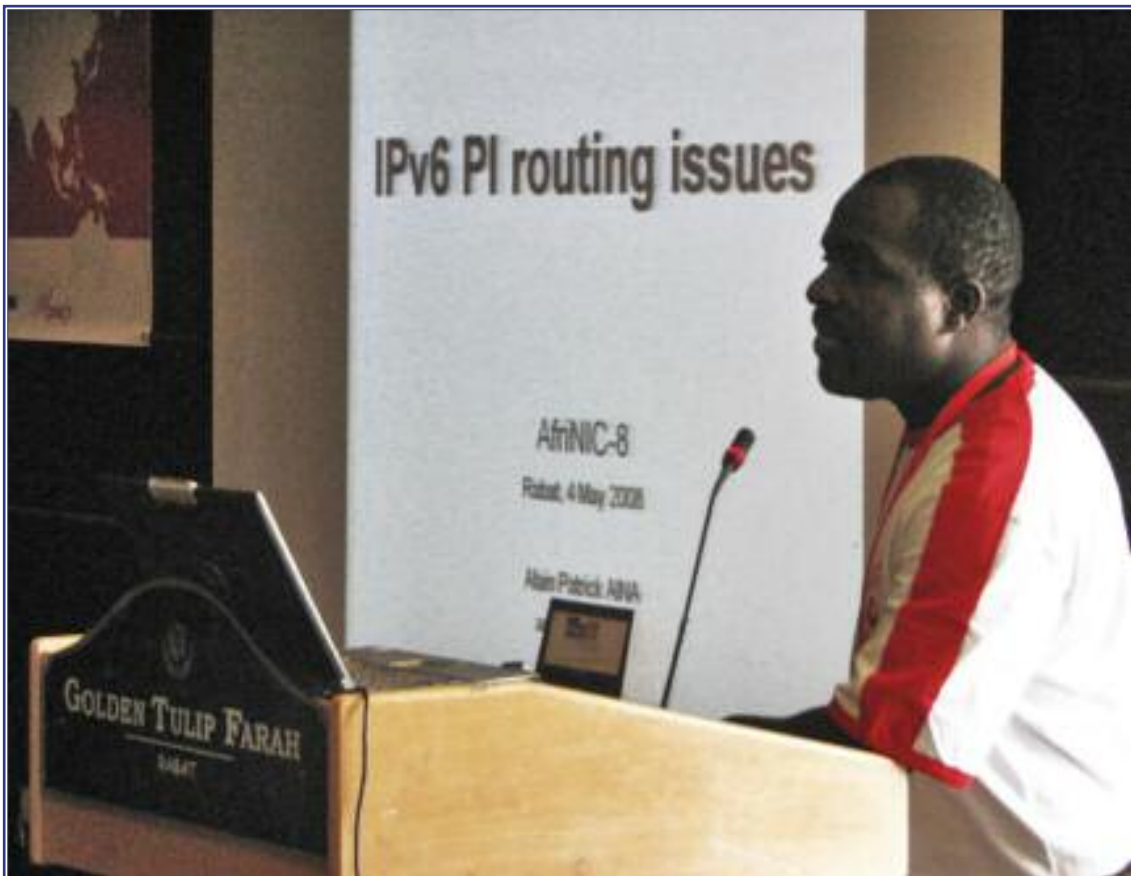
AfriNIC infrastructure

We have consolidated the infrastructure by adding more resources, more tools and better security levels as needed to support the increasing demands and meet our operational requirements.

We have started the second phase of fully rolling out IPv6 on our infrastructure that was initially launched in 2007. This included, extending IPv6 support on the network to support service such as, web, dns, mail, and monitoring.

My AfriNIC Portal

We have continued to improve and support the membership portal and associated tools launched in 2007 and which are used by more and more members. We have added new internal features and fixed known bugs as they were identified internally and from member feedback. More information on the My Afrinic portal is available at <http://my.afrinic.net>



Alain Aina, Acting Technical Area Manager, AfriNIC

The Routing Registry (RR)

Based on strong support from the community to provide a local Internet Routing Registry, a team was put in place to work on activating the service on our current Whois system. AfriNIC updated the Whois code and ran intensive internal tests. Work is still being done to comply with the test results before moving to open testing and the feedback phase (with the community) and to move to full production mode in 2009.

The final goal is to offer RR services to our members and the community allowing consolidation of route objects and routing policies with allocations and assignments in our database and to add our RR to the global Internet Routing Registry (IRR).

Resource Certification

Resource Certification is a robust security framework for verifying the association between resource holders and their Internet resources.

It is aimed at adding a verifiable form of a holder's current "right-of-use" over Internet resources in the resources management system and to improve the Inter-Domain Routing Security. An important component of the resource certification framework is the Resource Public Key Infrastructure (RPKI) based on the Internet resources management hierarchy under which X.509 certificates with RFC 3779 extensions and other signed objects are published and bound together in a verifiable way. AfriNIC, in conjunction with the other four RIRs is working on implementing a PKI platform for the Resource certification but also for Business Certification of our member. The project will have substantial content as well as data and information for our members and the community from 2009. It will add a new service where AfriNIC will be able to issue certificates to resource holders (LIRs, ISPs, end-users) who can also issue certificates and various signed objects in the RPKI.

IETF

The Technical Operations Area team followed and contributed to the IETF work through some working

groups like the SIDR, V6OPS, 6MAN, BEHAVE, SOFTWIRES, DNSOP, DNSEXT, RRG, among others. We also attended IETF face-to-face meetings during which we held few of the NRO Engineering Coordination Group meetings. Our participation to IETF meetings also gave us the opportunity to meet the technical community and discuss various projects and activities underway in the region, exchange information and seek input from others. IPv6, IPv4 exhaustion, the coexistence of IPv4 and IPv6, Secure inter-Domain Routing, routing and addressing, DNS and DNSSEC works within the IETF were our main focus.

Support to special projects

During 2008, the Technical Operation Area supported the IPv6 Virtual lab (www.afriNIC.net/projects/cvl.htm), the Root Server Anycast Project (www.afriNIC.net/projects/project_anycast.htm) and continued to provide statistics and routing Information through the AIRRS platform (www.afriNIC.net/airrs/index.htm) projects.

We also worked with RIPE NCC to deploy a TTM (Test traffic measurements) node on our infrastructure. More information on the TTM project can be found at www.ripe.net/projects/ttm/about.html

Training

Our team supported the Communications Area in delivering AfriNIC Training Program by developing training materials, and by conducting training workshops both in English and French on LIR, IPv6, DNS/DNSSEC.

Debogonising the 197/8

As per the IANA Policy for Allocation of IPv4 Blocks to Regional Internet Registries, AfriNIC's request for a new /8 allocation was approved and the 197/8 was allocated in October 2008. While it is clear that RIRs only distribute the address space and do not guarantee route-ability because this is purely in the domain of ISPs and other network operators, some problems have been seen with prefixes from new blocks: ISPs and their customers get frustrated about reachability problems. RIRs get some of the blame and in the long run there is reluctance to accept addresses from new blocks. To



help reduce the impact of these problems, it is advisable that RIRs announce "test" prefixes from new blocks and analyse their reachability far in advance before the usage of new blocks. Two prefixes have been allocated for the de-bogonising of the 197/8:

- 197.255.252.0/22 announced through RIPE NCC De-bogonising tool; and,
- 197.255.248.0/22 announced directly by AfriNIC. The visibility over time of the 197.255.252.0/22 on a total of 166 ASes.

More information can be found on www.ris.ripe.net/debogon

AfriNIC Root Server - Anycast copy deployment workshop - Nov 2008, Egypt

AfriNIC organized the Anycast Root Server Copy deployment workshop. It took place back-to-back with the November 2008 ICANN meeting in Cairo. The purpose of the workshop was to explain the principles of anycast technology, how different root server operators use it for duplicating instances of their servers, how the Root Server copy can benefit Internet Development and add value to IXPs, and finally how AfriNIC can assist IXPs with the deployment of the Root Server copy.

This workshop was attended by 25 participants, including IXPs and a few Regulators. This was also a kick-off for the Anycast Root Server Copy Program initiated by AfriNIC. The workshop was also supported by ISOC, OIF, and NSRC.

COMMUNICATIONS AREA

AfriNIC and the Community

AfriNIC Public Policy Meetings

AfriNIC has two Open Policy face-to-face meetings every year. Participation is open to all interested parties. Such meetings provide an opportunity for the community-at-large to participate in knowledge sharing, networking and policy discussions.

AfriNIC - 8

AfriNIC 8th Open Policy Meeting was held in conjunction with AfNOG from 24th May to 06th June 2008 in Rabat, Morocco. The meeting included the AfNOG Workshop on Network Technology (offering advanced training in a week-long hands-on workshop), several full-day Advanced Tutorials, two days dedicated to IPv6 training, LIR training, a one-day AfNOG Meeting, and a two-day AfriNIC Meeting. These joint meetings are also held back-to-back with AfREN and INET meetings. Other discussions included, Internet Interconnection in Africa and Internet Exchange Points. The meeting focused on the IPv6 protocol and its deployment and the issue of the exhaustion of the IPv4 pool of address space. The challenges which our region will be facing with the exhaustion were also discussed, IGF activities, RIR updates. The participants also had an opportunity during the open mic discussion to voice their concerns and give recommendations. Some of the issues raised were regarding a common policy for LIRs on the allocation of IP addresses and incentives for IPv6 requests.

Policy Discussions

There were two policies discussed at this event:

Policy proposal 1

Global Policy for the Allocation of the Remaining IPv4 Address Space, authored by Haitham El Nakhal (NTRA), and which reached consensus by the end of the discussions.

Policy Proposal 2

Cooperative distribution of the end of the IPv4 Free Pool, authored by Tony Hain, and which was rejected by the end of the discussion.

AfriNIC-8 was hosted by l'Ecole Mohammadia d'Ingénieurs (EMI), Centre Nationale pour la Recherche Scientifique et Technique (CNRST) and was sponsored by Maroc Telecom, ISOC, TANDBERG, Meditel, ONCF, Cisco System. More information about the meeting can be found at www.afriNIC.net/meeting/afriNIC-8

AFRINIC-9

AfriNIC's 9th Public Policy Meeting was held at Le Meridien Hotel, Mauritius from 22-28 November 2008. This meeting provide an excellent opportunity to take part in Internet policy discussions. The highlight of the event was the launching of the first Virtual Lab in Africa, the AfriNIC IPv6 Virtual Lab. Additional information about the lab can be found under the TOA projects section of this report on page 19. The meeting started with a two-day IPv6 and a oneday LIR workshop, followed by a regional IPv6 conference where network operators shared their experiences on IPv6 deployment. The meeting also hosted a Policy Maker and Internet Governance in Africa conference, followed by updates and experience sharing from members of the community.

In addition there were presentations from industry leaders on issues that affect the overall success of the Internet throughout Africa, best practices discussions, and ICANN consultation session, discussions on Internet Exchange Points and elections.

Policy Discussions

At the time of the meeting, there were no policies under discussion in the African region. However, a report was given on policies being discussed in other RIRs.



Also, during the meeting, members agreed on the need to develop a policy for managing IPv4 addresses after the exhaustion of the IANA pool (soft landing policy) and agreed that a few amendments were required in the Policy Development process regarding this policy. It was expected that this issue will continue to be discussed on the mailing list then presented at AfriNIC-10 for further deliberations.

Elections

During the meeting, there were two elections, the Policy Development Process Moderator Group (PDP-MG is responsible for moderating and coordinating the policy development process and discussions) and the ASO/AC. The results of the elections are as follow:

PDP-MG

Vincent Ngundi (Kenya) for a three (3) year term; Dr. Paulos Nyirenda (Malawi) for a two (2) year term; and Hytham El Nakhal (Egypt) for a one (1) year term.

ASO/AC

Jean-Robert Hountomey was elected to serve in the ASO AC for another 3 year term and was unopposed

Training

Training was conducted in thirteen member countries during the year 2008, including the workshop at AfriNIC 8 meeting in Rabat, the joint workshop with 6 Deploy in Nairobi, the workshop at AfriNIC-9 in Mauritius. The Nairobi workshop proved to be successful with positive feedback from participants as confirmed by subsequent requests for training by government and university participants and representatives. Please follow

this link for media coverage of the event: www.computerworld.co.ke/articles/2008/06/17/kenya/ahosts-euafrinic-training-ipv6.

The last training workshop for 2008 which was held in Antananarivo, Madagascar, proved to be very successful with over 50 registrations; however, since the facilities could only accommodate 33 maximum, some were not able to participate. We received overwhelming support in promoting the training session from both of the local sporting organisations it was decided to therefore extend our call for support for future training sessions, to include more than one local hosts. There has been an increase in training requests from government organisations. As member of the 6Deploy consortium, we will try use resource available from other organisation members of the consortium to handle the increasing demand as much as we can.

Furthermore, such collaboration strengthens the relationships between AfriNIC, its members, and local communities. Therefore, more local participation will be encouraged in planning the 2009 training events. A few changes were made to improve the training process, such as adding a Training Request Form online to better qualify the requests and to streamline the process. Decisions were made to improve the existing training materials based on participant surveys to improve the practical components of the training sessions. We also realised an increased interest from members to host AfriNIC training workshops in their respective countries. This is an indication that IPv6 awareness is growing and our members realise the seriousness and importance of understanding the implications and how to transition and deploy. Training was conducted in the following countries for 2008: DR Congo, Botswana, Namibia, Cameroon, Malawi, Zambia, Morocco, Kenya, Mauritania, Lesotho, Uganda, Mauritius and Madagascar. The training plan can be seen at www.afrinic.net/training.



Lillian Sharpley, Communications Area Manager, AfriNIC



Collaboration with Academic and Research Sector

African Association of University (AAU)

Pursuant to the AfriNIC and AAU MoU, we have increased our efforts to collaborate more with universities, as evidenced by the participation of the universities at our Public Policy Meetings. A representative from the University of Mauritius gave a presentation on IPv6 Day about the IPv6 initiatives at the university.

The universities are also invited and encouraged to utilize the AfriNIC IPv6 Virtual Lab. Additionally, member universities of the AAU receive a discount on IP resources received from AfriNIC. Fellowships are also given to individuals in the academic community to attend and participate in AfriNIC Public Policy meetings.

6DEPLOY

To further its efforts of increasing IPv6 awareness throughout their service Region, AfriNIC is a partner of the 6Deploy consortium whose projects are funded by the European Union and supported by 13 organisations composing the consortium (including Cisco, LACNIC, RENATER, Consulintel) to support the deployment of IPv6 in Europe and developing countries.

Surveys

Surveys are provided at all training sessions and at our biannual meetings. Measurements have been taken to increase the survey response rate that proved beneficial

and at AfriNIC-9 we had a 25% rate of participation with meeting surveys and 50% of training surveys. It was also noted that translating the surveys into French may increase participation and this will therefore be implemented in subsequent meetings. Feedback from the AfriNIC-9 meeting and training surveys as well as survey received from training workshops held throughout the year.

- Meeting Survey: 98% of the respondents felt that the registration, meeting content and venue met their expectations and were very satisfied with the meeting and found the opportunity to meet and network, receive policy updates and to participate in the training workshop to be the most beneficial aspects of the meeting. Suggestions were given to improve the website, such as making the information more readily accessible, less cluttered, the use of a larger font, overall, the respondents felt that the website contained adequate and pertinent information.
- Training Survey: Overall, the respondents were very satisfied with the training instructors and rated them extremely high for having knowledge about LIR and IPv6. They were very satisfied with the logistics and content and stated that they would recommend the training to others and that their knowledge about LIR and IPv6 had increased after the workshops. However, many of the respondents indicated that they would like to see the training sessions extended and to allow for more practical sessions.

AfriNIC's Fellowship Program

AfriNIC has been offering fellowships to attend ICT related event and it's Public Policy Meeting in the past years. The fellowship is reserved for individuals representing small organisations, universities, and journalists who are involved in Internet development in the African Region or ICT Policy in their countries and the community, who can positively and actively contribute to IP address management awareness in the AfriNIC region of service. During 2008, there were six (6) fellowship recipients for the AfriNIC Public Policy



Meetings and one (1) for the IETF Conference in Ireland, Dublin. The recipients were from Guinea, Uganda, Cote d'Ivoire, and Kenya. One recipient subsequently authored a new policy proposal.

AfriNIC aims to encourage and support the use of Open Source software throughout the region. We awarded a fellowship to Nouhoun Y. Diarra, winner of Best Open Source Development in Africa. This fellowship allowed him to attend and participate in the Internet Engineering Task Force 72nd (IETF) meeting in Dublin, Ireland, July-August 2008. His open source application is called CA-OS (Centre d'Appel Open Source, in French) which means Open Source Call Center

Outreach

The Communications Area organised and participated in several events during 2008. These events were excellent platforms to create awareness about AfriNIC and its activities and to enhance our organisational networking. Some of these events were already mentioned throughout this report, such as the joint booth with the NRO at ITU Africa as well as the Public Policy Meetings. Other events held during 2008 were:

A. IGF Seminar, Dakar Senegal, October 2008

AfriNIC organised the Internet Governance and Development Seminar in collaboration with the Agency of Regulation of Telecommunications and Stations (ARTP) of Senegal, the Internet Corporation for Assigned Names and Numbers (ICANN), the Internet Society (ISOC), Kheweul, and other public and private sectors of telecommunications in Senegal. The seminar took place from 13-16 October, 2008, at Le Meridien President Hotel, Dakar, Senegal.

The objective of this seminar was to increase awareness on issues affecting the future of the Internet in Africa and in West African countries particularly; identify how regulators and policy makers can help to increase participation of Africa in Internet governance debate; address challenges that may impact the success of Internet development in West Africa; and, to create a forum to exchange ideas and concerns among

stakeholders of the African communities. This event proved to be a success as reflected in the number of participants, positive feedback received, and the requests to organize similar events in other regions of the Africa continent.

B. Sponsoring AfTLD Meeting in South Africa, April 2008

AfriNIC provided financial support and also participated in the 2nd African ccTLD event held in Johannesburg, South Africa from 7-11 April 2008. The theme for this event was "Strengthening our Internet Institutions." The event was organized by AfTLD in cooperation with South Africa's Department of Communications. AfTLD workshops main objective was to offer advanced DNS training and exchange of best practices between African Country Code Top Level Domain operators/managers. Participants from various sector of the technical community were present including Telecom, ISPs and Governments ICT Agencies. Their presence was significant as it helped to contribute to the process of developing and enhancing a national Internet infrastructure and provide assistance in building a strong local Internet services by promoting and utilising country's top level domain. This was an opportunity to provide support in initiatives that are intended to enhance development of the Internet throughout our region as well as increase awareness about AfriNIC and the services we provide.

C. Sponsoring ICANN Meeting in Egypt, November 2008

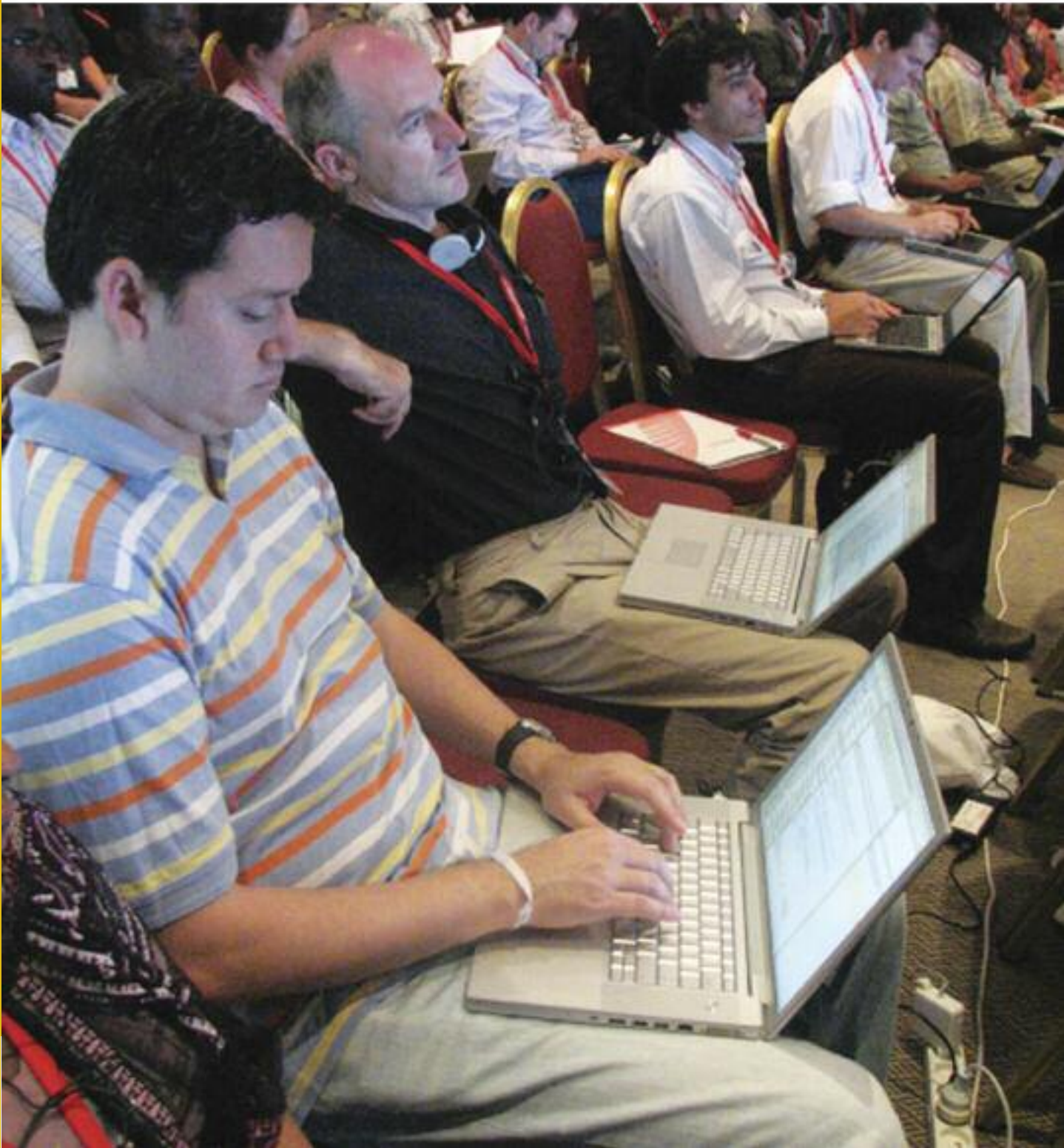
The Government of Egypt had the honor to host, in Cairo, the Internet Corporation for Assigned Names and Numbers (ICANN) meeting, from 2 to 7 November 2008, at InterContinental CityStars hotel. AfriNIC was one of the proud sponsors for the event among reputable organisations like: National Telecommunication Regulatory Authority (NTRA) – Egypt, Vodaphone Plc, VeriSign Inc. and others. We organised a booth to the ICANN meeting to increase awareness on AfriNIC and IPv6. There were over 1,000 participants from around the globe. The meetings attracted a wide range of participants including senior executives from large Internet companies, government representatives, entrepreneurs, and professionals (lawyers, engineers, academics) following global online policy issues.

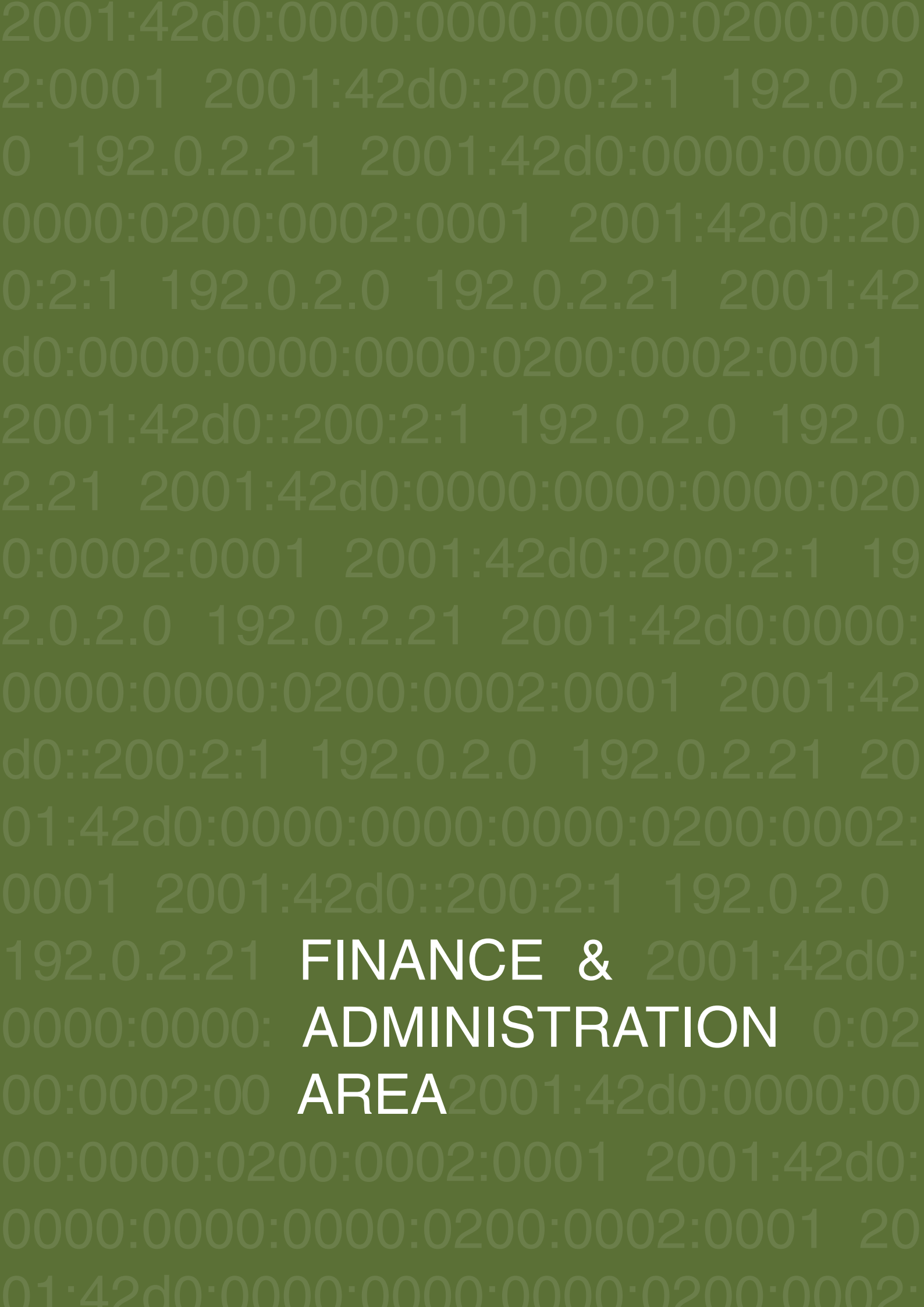


**D. Sponsoring EAIGF
in Kenya, November 2008**

The East Africa Internet Governance Forum (EAIGF) was held in Nairobi Kenya from the 10-12 November 2008 at the Kenyatta International Conference Centre (KICC). The theme of the meeting was Opening the Internet Governance Debate in East Africa "Thinking Globally; Acting Locally" The EAIGF was a follow up to the national Internet Governance Forums

that were held in Kenya, Uganda, Tanzania and Rwanda in October 2008 and was aimed at identifying, exploring and building consensus around national level Internet Governance issues. AfriNIC was among the sponsors providing support for the event which was organized by Kenya ICT Action Network (KICTANet), the Kenya ICT Board, Kenya Network Information Centre (KENIC), Communications Commission of Kenya (CCK), and the Telecommunication Service Providers of Kenya (TESPOK).





FINANCE & ADMINISTRATION AREA

Administration Update

1. Implementation of Organisational Structure

In September 2007, AfriNIC, in its quest to move to a next level and to implement the new business strategy, set as an objective to have a new organisational structure that will help to improve the overall efficiency of the organisation and address the numerous challenges. The new structure was presented to the Board by the CEO, and after being approved, it was implemented in May 2008. Priority was given to the recruitment of Area Managers and in June 2008, all Area Managers were appointed.

Brief Description of the Three Areas

The Communications Area is responsible for outreach to the membership and the Internet community, design and management of the AfriNIC website, development of training materials, election process, and event planning.

The Business Area is responsible for accounting, billing, budget management, contract administration, financial administration, legal affairs, human resource management, office management, office security, and travel administration.

The Technical Area writes and maintains the code which supports the efforts of Internet Number Resources. The Area is responsible for system development as well as equipment maintenance and upgrades required to keep AfriNIC operational. The Internet Number Resources Unit is responsible for the allocation and assignment of all IP resources within the AfriNIC region.

2. Awards

Ernest Byaruhanga, Registration Service Manager was awarded by Adiel Akplogan, CEO for his 5 year contribution to AfriNIC, with a commemorative plaque at the AfriNIC-9 Public policy meeting. Mr. Akplogan was also awarded a commemorative plaque by the AfriNIC Board for this service to the internet community.

3. Staff Activities

3.1. Management Retreat, June 2008

A Management Retreat took place June 2008. The main objective of the retreat was to revisit AfriNIC's overall action plan at management level.

3.2. Staff Gathering and Mid Year Action Plan Review, June 2008

A gathering that included all staff was organised in June 2008 in Mauritius. The gathering mainly focused on the review of the 2008 activity plan at halfway of its execution and it also provided an opportunity for each staff to work with their newly appointed Area Manager.

3.3. End of year Staff Gathering, 2008 Activity Review and 2009 Action Plan, December 2008

A second Staff Gathering was held in December 2008 with the objective to review 2008 Activities and worked on 2009 Budget and Action Plan. A general Team Development Seminar took place during the gathering.

4. Review of HR policies

In January and March 2008, AfriNIC reviewed its Staff Benefits and Travel policies respectively to respond to the evolving needs of its staff.

5. Staff Trainings

Several trainings were organised for staff, including project management, cross-exposure at other RIRs, HR Management and team building.

6. 2008 Appointments and Departures

Appointments

Nathacha Rennel, *Front Desk Assistant*
 Caroline Koa Wing, *Marketing and Communications Officer*
 Lillian Sharpley, *Communications Area Manager*
 Alain Aina, *Technical Operations Area Manager*
 Patrick Deesse, * *Promoted to Finance and Administration Area Manager*

Departures

Frank Nnebe, Caroline Koa Wing



Patrick Deesse
 Finance & Administration Area Manager, AfriNIC

Finance Update

Membership Fees

Membership fees for the period under review, recorded a modest growth of 1.5% as compared to last year growth of 61.7%. This was entirely influenced by the changes in membership fees structure, which were implemented as from 1st January 2008. Such re-categorization has been beneficial to members with small address blocks. Even though membership has increased by about 20% the Revenue from membership fees increased from \$ 1,346,027 to \$ 1,365,891 (1.5%).

Operating Costs

Effective costs control and the rate of the Mauritian Rupee against the US\$ had a favorable impact on the overall results that saw our surplus for the year grow marginally by 1% to \$ 292,426. Consequently, our Total Reserves grew by the same margin from \$ 1,254,802 to \$ 1,373,345.

Our Operating Costs increased by 10.26% from \$1,042,925 to \$ 1,311,707. The consolidation of our Human Resources started in 2007, was pursued in 2008 with the implementation of a more realistic organisation structure. As at the end of December 2008, the staff complement stood at 11 (2007 8). Membership related activities was also on the increase compared to last year accounting for 48% (2007 29%) of the total operating

costs. Our technical operations in South Africa, for yet another year, benefited from the South African Department of Communication (DoC) funding.

Utilisation of Membership Fees

During the year under review, \$34,230 (2007 \$31,195) was spent on infrastructure to maintain and enhance existing capacity. It is expected that more will be spent in 2009 in order to continue the technical refresh started in 2008.

The financial statements were audited by Ernst & Young and a copy of their report has been included in this section.

Prospects

After yet another fruitful year, AfriNIC is poised to repeat the successes enjoyed so far. However, the challenges ahead are just as numerous and in the wake of the current global economic crisis, the degree of success will be measured by how well we react. In addition, as we approach the exhaustion time frame, our success in the coming period will be evaluated by how our IPv6 training in the region has been received by the community, growing the IPv6 membership.

KEY FEATURES - FOUR YEAR REVIEW

	2008	2007	2006	2005
	\$	\$	\$	\$
Fee Income	1,365,891	1,346,027	832,131	457,336
Total Operating Expenses	1,311,707	1,042,925	623,425	420,292
Finance (Income) & Other Costs	(174,271)	140,757	(51,418)	(10,016)
Surplus/ (Deficit) for the year	292,426	273,861	469,374	296,963
Total Reserves as at end of year	1,373,345	1,254,802	962,025	528,289
Closing cash at bank	1,343,229	1,254,878	1,020,981	529,547
Reinvestment in infrastructure	34,230	31,195	62,537	28,104

STATEMENT OF ASSETS AND LIABILITIES YEAR ENDED 31 DECEMBER 2008, FINANCIAL SUMMARY

Annex (USD comparatives)

	Year Ended 31 December 2008		Year Ended 31 December 2007	
	<i>(Restated)</i>		<i>(Restated)</i>	
	MRU	US\$	MRU	US\$
ASSETS				
Non-current assets				
Plant and equipment	2,332,575	73,455	2,244,231	78,770
Intangible assets	73,115	2,302	110,389	3,875
	2,405,690	75,758	2,354,620	82,644
Current assets				
Trade and other receivables	6,194,863	195,083	1,907,496	66,951
Deposits	39,693,750	1,250,000	28,491,000	1,000,000
Cash and cash equivalents	2,960,492	93,229	7,261,721	254,878
	48,849,105	1,538,312	37,660,217	1,321,829
Total assets	51,254,795	1,614,070	40,014,837	1,404,473
EQUITY AND LIABILITIES				
Revenue reserves	1,519,796	47,860	4,566,754	160,288
Other reserves	39,693,750	1,250,000	28,491,000	1,000,000
Grant	2,397,035	75,485	2,692,802	94,514
Total equity	43,610,581	1,373,345	35,750,556	1,254,802
Current liabilities				
Trade and other payables	7,644,214	240,725	4,264,281	149,671
	7,644,214	240,725	4,264,281	149,671
Total equity and liabilities	51,254,795	1,614,070	40,014,837	1,404,473

SURPLUS AND LOSS STATEMENT YEAR ENDED 31 DECEMBER 2008

Annex (USD comparatives)

	Year Ended 31 December 2008		Year Ended 31 December 2007	
	MRU	US\$	MRU	US\$
Income				
Membership fees	40,976,717	1,365,891	38,349,650	1,346,027
Grants	1,919,132	63,971	3,177,201	111,516
	42,895,849	1,429,862	41,526,851	1,457,543
Administrative expenses				
Human Resources	-13,026,471	-434,216	-9,779,666	-343,255
Telephone & Communications	-1,286,904	-42,897	-1,098,041	-38,540
Computer expenses	-53,881	-1,796	-120,527	-4,230
Office expenses	-1,524,090	-50,803	-1,060,674	-37,228
Motor Vehicles expenses	-139,981	-4,666	-128,325	-4,504
Insurances	-127,875	-4,263	-65,052	-2,283
Printing, postage & stationery	-242,184	-8,073	-761,402	-26,724
Bank charges	-246,291	-8,210	-319,461	-11,213
Audit fees	-90,000	-3,000	-90,000	-3,159
Depreciation	-891,861	-29,729	-715,324	-25,107
Legal & Consulting fees	-1,011,750	-33,725	-623,083	-21,869
Sponsorship	-1,058,110	-35,270	-1,764,234	-61,922
LIR Training	-1,354,318	-45,144	-526,830	-18,491
Total Administration expenses	-21,053,718	-701,791	-17,052,620	-598,526
Distribution expenses				
Advertising expenses	-889,818	-29,661	-425,577	-14,937
Bad debts	-869,861	-28,995	-470,102	-16,500
Meeting and seminars expenses	-4,304,542	-143,485	-2,596,070	-91,119
Contribution	-864,820	-28,827	-1,715,548	-60,214
Travelling & Accommodation exps	-10,675,994	-355,866	-6,014,610	-211,106
Entertaining expenses	-375,143	-12,505	-22,345	-784
Car rental	-1,300	-43	-250,799	-8,803
Discounts Allowed	-316,000	-10,533	-1,166,300	-40,936
Total Distribution expenses	-18,297,477	-609,916	-12,661,351	-444,399
Total Operating expenses	-39,351,196	-1,311,707	-29,713,971	-1,042,925

OTHER INCOME/EXPENSES

	2008		2007	
	MRU	US\$	MRU	US\$
Interest income	1,178,110	39,270	1,915,691	67,238
Exchange (Loss)/Gain	4,050,028	135,001	-5,926,003	-207,996
Total Other Income/Expenses	5,228,138	174,271	-4,010,312	-140,757
Surplus for the period	8,772,792	292,426	7,802,568	273,861

Auditors' Report



Financial year ended December 2008

Auditors' Report to the Members of African Network Information Centre (AfriNIC)

Report on the Financial Statements

We have audited the financial statements of African Network Information Centre (AfriNIC) Ltd on pages 5 to 21 which comprise the balance sheet as at December 31, 2008 and the income statement, statement of changes in equity and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory notes.

Directors' Responsibility for the Financial Statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with international Financial reporting Standards and in compliance with the requirements of the Companies Act 2001. This responsibility includes : designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements on pages 5 to 21 give a true and fair view of the financial position of the Company as at December 31, 2008 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Companies Act 2001.

Other matter

This report, including the opinion, has been prepared for and only for the Company's members, as a body, in accordance with Section 205 of the Companies Act 2001 and for no other purposes. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Report on Other Legal and Regulatory Requirements

Companies Act 2001

We have no relationship with or interest in the Company other than in our capacity as auditors and dealings with the Company in the ordinary course of business.

We have obtained all the information and explanations we have required.

In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

Ernst & Young
Port Louis, Mauritius
Date : 13 May 2009.

Andre Lai Wan Loong, A.C.A.

Message of Thanks

AfriNIC wishes to express its sincere thanks to the sponsor-organisation for their contributions in this successful realisation of AfriNIC's meetings and training events in 2008. We want all of our sponsors and partners to know that their support has been beneficial to us and that their contribution to the Internet development in the African region is highly recognised.

We also thank all our local host for their support in organising training workshops for the year 2008. Some of our working partners are as follows: CISCO, ISOC, ICANN, ONCF, TANBERG, DCL, Mauritius Telecom, Méditel, Organisation International de la Francophonie, Centre National pour la Recherche Scientifique et Technique, Network Startup Resource Centre, Ecole Mohammadua d'Ingénieurs.



Office 03B3
3rd Floor
Ebene Cyber Tower
Cyber City
Mauritius

Telephone : +230 466 6616
Fax : +230 466 6758
Email : contact@afriNIC.net
Website : www.afriNIC.net