



## GRAND DUCHY OF LUXEMBOURG Ministry of Foreign Affairs



Directorate for Development Cooperation



## SESSION III: Legal and Administration Framework

Constitution and Registration



## **Session Objectives**

➤ For the business model to be supported there needs to be a legal and administrative framework in place for the IXP

➤ Objective is for the stakeholders to discuss and agree on constitution and registration of the IXP

## Recap: Institutional and Operational Models for IXPs

- ➤ A variety of institutional models have been adopted to operate IXPs. They fall into four categories:
  - 1. Nonprofit industry associations of ISPs
  - 2. Operator-neutral commercial and for-profit companies
  - 3. University and government agencies
  - 4. Informal associations of networks

## Recap: Commercial vs. Non-Commercial

- Most European IXPs grew from non-commercial ventures, such as research organisations
- Most African IXPs were established by ISP Associations and Universities
- ➤ By comparison, in the US the majority of IXPs are commercial, and some commercially run IXPs have emerged in Europe
- Most of the emerging IXPs have opted for a noncommercial approach.

# Recap: Why Consider a non-Profit model

- ➤ Most emerging IXPs have a common objective of their founders to improve Internet connectivity rather than being built as a company.
- The involvement of non-commercial entities such as NRENs, ccTLDs and governmental institutions, it is easier to establish an IXP as non-profit entity
- ➤ a non-commercial entity is possibly better placed to maintain neutrality.

#### **LEGAL CONSTITUTION**

## **Legal Constitution**

➤ The objective is to highlight on some of the key areas of the proposed IXP constitution.

The stakeholders and workshop participants are invited to deliberate on these areas and reach mutual consensus where possible.

## The IXP Organization

#### Organization Name;

It is common practice that the name of the organization include "City/Country", "Internet" and "Exchange" such as Kenya Internet Exchange Point (KIXP) or Johannesburg Internet Exchange (JINX).

#### Organization Address;

 A physical address is required. Preference is a neutral location or a temporary address agreed amongst the stakeholders

#### Organization type;

 The organization type is either a commercial or noncommercial (non-profit). Preference for most IXPs in a nonprofit organization

## **Organizational Objectives**

- The objectives are an important in describing the reasons why the organization is formed
- Some examples of IXP organizational objectives are as follows;
  - To establish and operate an Internet Exchange Point in line with internationally accepted best practices
  - To share information with regional and international bodies and to forge linkages and partnerships with a view to adopting best practices
  - To carry out research to obtain current information for Internet users

#### **OPEN DISCUSSIONS**

## Discussion Task 1: The IXP Name & Address

- ➤ The stakeholders are invited to propose at least 3 5 names for the new IXP
- From the list of names provided the stakeholders have a task of settling on one primary and one alternative incase the primary is unavailable.
- The stakeholders should propose a suitable address for the IXP in view of the discussions
- The objective is for stakeholders to arrive at a name and address for the IXP through mutual consensus

# Discussion Task 2: Organization Type

- ➤ The Organization type is either commercial or non-commercial
- The stakeholders have a task to agree on the organizational type through mutual consensus
  - The discussions should include highlighting the legal challenges and benefits for either organization type
  - Some of the benefits to consider are such as taxexemptions where applicable
  - Can the IXP be recognized as critical infrastructure if so what registration category can earn it that status

# Discussion Task 3: Next Steps

- The next steps will involve drafting the constitution that captures the resolutions agreed upon by the stakeholders
- ➤ For the draft constitution to commence the stakeholders will have to nominate at least 3 7 representatives to drive the process
- > The stakeholders will also have to agree on;
  - Timeframe to draft constitution
  - Timeframe to approve the final constitution
  - When the registration of the company will take place
  - Most importantly how costs associated with the process will be met

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#### **END**

