

AFRINIC Crisis Update for Stakeholders

In April 2025, the DCA and ISPA convened a well-attended <u>briefing</u> on the AFRINIC crisis. As a reminder, AFRINIC does not have a Board or a CEO, and is currently under administration by an Official Receiver ("Receiver") appointed by the Mauritian courts. A lot has happened since April, and this communiqué is designed to catch up stakeholders who may not have been following AFRINIC news closely.

Failed elections

In June, the court-appointed Receiver held an election which combined online and in-person voting. There was a relatively complicated process for AFRINIC Resource Members to register to vote online by providing notarised statements of authority. Thanks are due to those of you who took the time to follow this process, and who participated in the election.

Unfortunately, during the in-person election on Monday, 23rd June, it became apparent that one party claimed to hold Powers of Attorney to represent nearly half of *all* AFRINIC resource holders. Alarmingly, evidence emerged that at least some of the Powers of Attorney were fraudulent, as one Mauritius-based AFRINIC member attempted to vote in person, only to find that there was someone else claiming to hold a Power of Attorney already voting on their behalf.

Faced with mounting reports of irregularities, the Chairperson of the AFRINIC Nominations Committee "suspended" the election late on Monday afternoon, reportedly in order to investigate the situation. Complaints of voting fraud were lodged with the Mauritian police by multiple parties. Two days later, on Wednesday the 25th, the Receiver announced that the counting of votes had continued but that evening, facing mounting objections to the election from numerous parties including ISPA, ICANN, and the Mauritian Government, he announced that the election had been annulled. Subsequently, he petitioned the Supreme Court for a new deadline to conduct the election, and the court agreed to 30 September 2025.

Winding-up application

AFRINIC has spent several years fighting legal battles with various parties, but primarily Cloud Innovation Ltd ("Cloud"). There are many unresolved legal matters between those two parties before the Mauritian Courts. This litigation all stems from a dispute over millions of IP addresses assigned to Cloud by AFRINIC.

On Friday, 11th July it was reported that Cloud had applied to the Bankruptcy Division of the Supreme Court of Mauritius for the compulsory winding-up of AFRINIC. While the potential dissolution of a critical African internet institution is of significance in and of itself, there are also concerns that the winding-up process could place AFRINIC's pool of unassigned addresses at risk, or tie it up in litigation and make the addresses unavailable to African operators. This would have a chilling effect on network development and would directly increase the cost of extending access to more African internet users by forcing operators to lease IPv4 space from IP address brokers.

Possible ICANN intervention

There has been considerable engagement (public and private) between the Internet Corporation for Assigned Names and Numbers ("ICANN") and the Receiver over the past few weeks. ICANN's position as the global regulator and the public portions of that correspondence are <u>well worth reviewing</u>. ICANN has indicated that it may initiate a formal review of AFRINIC and is opposing the winding-up application through the courts.

Mauritian government intervention

The most recent development in this saga was the 18th July <u>announcement</u> by the Prime Minister of Mauritius of an investigation of AFRINIC as a declared company. The focus of the investigation is on the questionable legal process that placed AFRINIC into receivership in the first place, and the subsequent winding-up application. This "declared company" status offers AFRINIC protection against being wound-up while the inspector appointed by the Registrar of Companies conducts an investigation into AFRINIC's affairs.

What happens next?

It is too soon to predict the outcome of the Mauritian government's investigation, but at the very least, the investigation can be expected to shine some light on the murky litigation that placed AFRINIC into its current situation as well as the alleged fraud that took place during the annulled elections. Reactions to the decision by the Prime Minister to intervene have been positive.

New elections, new process

Meanwhile, AFRINIC is gearing up to conduct another election. A webinar conducted by AFRINIC on the 23rd July indicates promising improvements to the election process. There will be no proxies or Powers of Attorney permitted, and all voting will be conducted online. Information on designating a voter will be sent to all AFRINIC role account email addresses, and will require the submission of a single voter designation authorization form. When this document is submitted, all of the contacts will be notified and given an opportunity to object. AFRINIC will then conduct a verification step to try to confirm that the designated voter represents that member. Finally, the full list of nominated voters will be published, so you will have an opportunity to see who is registered to vote on your behalf.

Stay informed

ISPA and the DCA will continue to provide updates on the AFRINIC situation to South African stakeholders through our partner organisations, and we will share information on participating in the new election as soon as it is available. If you would like to receive future updates on this topic directly, please contact secretariat@ispa.org.za with "Send me AFRINIC updates" in the subject line, and we will add you to a mailing list for direct updates. By sending that email, you are granting permission for ISPA/DCA to send you updates on AFRINIC. You can unsubscribe yourself at any time, and we will only use your address for the purposes of sharing information about AFRINIC.