

Summary:

1. Initiated Equipment transfers to Sao Paulo and Tijuana
 2. Negotiated Contract with Bestel for Tijuana Cross connect
 3. Funded GX contract
 4. Entered into contract with LAN
 5. Began Engineering Forum
 6. No progress on extricating SP equipment
 7. LILA Kick off meeting held kick off meeting April 30th
 8. Outreach and Participation
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1. FIU and CENIC received funding through a separate awards / sources for optical and Ethernet switches to locate in Tijuana and Sao Paulo.
 - a. There was a problem receiving the equipment for the Tijuana side and it was returned. The importer then refilled papers and the majority of the shipment was accepted. The shipment was split to remove the "made-in-china" parts, which caused issues with the import-clearing house. We had two reports of potential 1000% duty on those two items because of their country of origin. After a delay the parts were returned to California. CUDI representatives who addressed the importation issue then picked up the parts. This was an unforeseen delay.
 - b. The customs shipper was unable to secure clearance papers for a duty free status for the shipment to Brazil. After a month of delay, not being able to secure the transit paperwork, it was recommended to ship the box and then allow FAPESP to address the customs waiver issue. The shipment was delivered and paper work filed by FAPESP to liberate the shipment. This did not happen during this quarter.
 2. A cross connect is needed between CUDI/CLARA and the equipment that CENIC provided on the Tijuana side of the cross connect. The location of the open exchange is at a pop owned by Bestel. The CLARA space is rented by DANTE. In order to request a price, DANTE worked off of a master contract. The price was quoted at \$6,400 a month. CLARA and CUDI stated that they had no funding for this, and expected that WHREN/LILA would pay for this. Traditionally, networks each pay for their respective side's cross connects. CENIC paid for the cross connect in San Diego out of non-WHREN/LILA funds. There was a great deal of effort to negotiate the cross connect fee down. In order to keep momentum, the WHREN/LILA awardees agreed to

pay for the cross connect on a month-to-month basis until a better price could be established.

3. Fund transfers were effectively made to execute the Global Contract purchase order and secure the fiber.
4. The contract negotiations with LAN resulted in a successfully executed Master Service Agreement, and the capacity schedule.
5. The engineering group began to meet bi-weekly to address configuration and peering issues. Of particular concern was the tunneling of CUDI/CLARA traffic across CALREN to the PacificWave node in Los Angeles. The preferred solution was to extend PacificWave, but funding was not readily identifiable to do that at this time.
6. Customs in Sao Paulo has held the Cisco ONS box. The paper work that transferred to the box to FAPESP was completed prior to shipment, and the expectation was that due to its use for research, no duties would be necessarily paid.
However, there was an objection to this classification by a third party, the third party is a Brazilian manufacturer of routers, who believes that only its products should be used by the State of Sao Paulo.
To document that the box was associated with a specific research project, a new proposal was written and approved by FAPESP to link the box to research.
The private company has challenged this classification. The customs/importation process that the Cisco ONS box in has the possibility for three challenges. This constituted the first of those three. The customs council met and sided with FAPESP's interpretation. However, the ONS box will not be release as the private company has objected again, and is eligible to object a third time.
It is anticipated that after all three reviews the box will be released without taxes due. However the committee meets infrequently. It is possible that the ONS would be released in less than thirty days or more than four months. At this point pursuing other options, such as paying the 50% duties would in the opinion of the experts at FAPESP delay the process even further.
7. The LILA project held a kickoff meeting in conjunction with a CLARA and CUDI meeting in Veracruz, Mexico. Attending were representatives from ANSP, CENIC, CLARA, CUDI, FAPESP, and FIU. A methodology for operations was discussed including:
 - a. Coordinated Engineering
 - b. NOC services
 - c. Outreach and Publication

This face-to-face meeting was an important opportunity to develop international cooperation. The outcome beyond the technical concepts addressed, was a sense of momentum to the project.

8. WHREN/LILA awardees participated in the following meetings with NSF support:
 - a. Participation in LILA kick off meeting
 - b. Meeting with IMPSAT
 - c. Meeting with LANautilus
 - d. ICFA Workshop
 - e. Internet2 Meeting
 - f. Global Grid Forum