
CR - BOARD Committee Reports
Friday, March 16, 2012 – 08:00 to 08:45
ICANN - San Jose, Costa Rica.

STEVE CROCKER: ICANN is always called upon to expand its mission, to take on all of the world's ills, worry about hunger and poverty and world peace, ecology, and we've added a new mission of physical stamina and fitness.

And I see that we have a long ways to go.

[Laughter]

RAY PLZAK: This is the important crowd.

STEVE CROCKER: Well, half of life is just showing up, right? Maybe more than half.

Thank you all for coming. This is the first of three formal sessions this morning. This is the ICANN board committee reports, followed by the reports from the supporting organizations and advisory committees, and followed by a formal open board meeting.

We'll just start right in, and we have the reports organized in alphabetical order.

Oops.

There we go.

Note: The following is the output resulting from transcribing an audio file into a word/text document. Although the transcription is largely accurate, in some cases may be incomplete or inaccurate due to inaudible passages and grammatical corrections. It is posted as an aid to the original audio file, but should not be treated as an authoritative record.

So here are our committees, and in addition to the ones that are listed here, I'll ask George Sadowsky, who is chairing our CEO search committee, which is of temporary nature -- which is very nice to know -- to also come in.

And George, I'll just call on you at the end.

GEORGE SADOWSKY: Sure.

STEVE CROCKER: Okay. So Erika, it's your turn.

ERIKA MANN: Thank you so much, Steve, and hello to everyone. Good morning.

We had our -- this week on Thursday, our audit committee meeting, and the members which are part of it is Bill Graham, Gonzalo Navarro, Judith Vasquez, and myself as the chair.

We are supported by staffers from Akram Atallah, Xavier Calvez and Amy Stathos, and I want to thank in particular Xavier because it's such a huge amount of work he's carrying at the moment, so in particular, thank you to him.

The first thing which was on our agenda was, again, just briefly to reflect on the interviewed executive members and discussed how we can carry forward best practices with them.

So just to give you a short overview, in March 2011 we interviewed Akram Atallah; in June 2011, John Jeffrey; and in October 2011, Xavier Calvez. And we are still hopeful that we can manage this week our discussion with Kurt Pritz.

It's a busy week, so sometimes the planned agendas are not always working out the way one wants it.

The second topic on the agenda is the review and approved recommendation to appoint independent auditors for the FY '12.

Now, we had an intensive discussion this time because it -- we had the auditors, the independent auditors, we are working with since 2012, so we had an intensive discussion how to continue our working cooperation.

We have a relationship, a working relationship, with Moss Adams, and we feel confident to recommend again that they do the audit review for the fiscal year ending in June 2012.

What we looked into is that we like to have stability. This independent firm knows the ICANN operation very well, sees -- saw it evolving over many years, is very familiar with our environment, so because of the changes which occurred in the finance organization and the historic knowledge by the auditors of ICANN, we feel very confident to -- actually to give them the audit for the year 2012.

We did this in particular in the light of the new gTLD program. Actually, the definition of specific accounting guidance is extremely important in this case, and again, Moss Adams has the greatest knowledge of our environment and operation and of this specific program. Though it is

still in the very early phase, nonetheless, our confidence is there to give this work to Moss Adams again.

We continued our discussion with our work plan, which we do each time.

Now, the work plan, it's a very interesting work plan because it covers -- let me see, two, four, five -- five topics, so the annual audit, which has different categories, the business review, our organizational tasks, internal controls, and other topics.

Now, this work program evolved over the -- over the years since the audit committee started its work, so we had, particularly in the light that we have two newly collected members of the committee, an intensive discussion and looked really into the details. I don't want to give you all the specific points, it would just simply be too long, but anybody who wants to have a deeper understanding how we did it, please feel free to come either to myself or to the committee members and we'll be happy to explain in more detail the topic to you.

Now, the last point on our agenda was to look ahead and into the near future, and I explained to my committee chair that I would love to have a more intensive discussion with appropriate staff members to review the audit committee charter, as well as the work plan, as much as it reflects to our work in relation to the charter.

We will do this -- our idea is to conclude this by summer, but since we have such an intensive workload, all of us, it may take a little bit longer.

But this is -- nonetheless, it's our goal.

So our idea is to review it, to understand if we have to carry on new work which comes from the new gTLD environment, and as soon as we have clarification about this we will bring this back to the committee and then to the full board and we'll be happy afterwards to report to you all.

Thank you so much for listening.

STEVE CROCKER:

Thank you very much, Erika. I noticed that the slide package that's queued up was missing some of your slides, and I apologize to everyone for that. And I also neglected to -- in my opening remarks to mention the important point that these reports are all posted on-line. There's a URL <http://costarica43.icann.org/node/29741>. I'm sure you all caught that quickly. 29741. These reports should be easily navigable on our brand-new Web site, no problem at all.

Marilyn.

MARILYN CADE:

I'd like to -- I'd like to open my comments with a broad recognition statement and thank the board and the staff for making these reports available in a public setting.

I would urge you not to consider not to have these meetings.

In short, you must have these meetings.

And you should not think that because the room is not filled, that this is not an important communication.

Sometimes it looks challenging if you're on that side of the table and you look out at an empty room or a somewhat empty room and you're asking yourself if anyone cares.

We do.

You're fulfilling part of the Affirmation of Commitments by doing this.

But I think you're also giving us an opportunity that we didn't used to have in these exchanges, and I really want to thank you for that.

Now for my specifics.

I want to thank the audit committee in particular right now because of the amount of work that you're carrying, and I also want to personally thank Xavier, because the commercial stakeholder group that has three constituencies has organized itself, following the role model of the ccNSO, to have a budget committee that follows, now, the strategic plan and the budget of ICANN and will, of course, follow the work of this committee, and we have added to Xavier's calendar by having frequent interactions with him.

So I want to thank him publicly, which we have not had an opportunity to do, for the work he's doing with us.

At this time, given where we are in the broader environment of risk and opportunities externally, I think that the work we're doing on this -- in this committee and some of the others is particularly important and shows the commitment that ICANN has to best practices. So thank you.

STEVE CROCKER:

Thank you very much, Marilyn.

So two things I'd like to offer. In the time that I've been on the board, I've come to appreciate the audit committee in particular for the -- it sounds quite dry, and when one gets into it, yes, there are some aspects that are dry, but there are some very sensitive and very, very important probing and -- insights that are gained, and the impact has been quite important.

And from a recruiting point of view, finding people of the talent and experience level of Erika and, before her, Rita is really very, very important to us.

On your point about the need for these presentations, there is a -- it's not just a question of how many people are in the room at the moment, but in looking at the enormous pressure that we have on our overall schedule and the double and triple booking that we're all subject to, the extended hours, there's a quite serious problem of how to refactor, if you will -- to use a term from software engineering -- and make more efficient and more effective use of our time.

So the -- without any interest in backing away from publicly making these reports available, making the people available, providing interaction, it is very much on the table how to make better use of our time.

And so just speaking from my own point of view, I've got my eye trained on how to recover not just this hour, but the entire day. The economic impact on everybody is quite important, and the -- in terms of best use of time.

So that does not necessarily mean completely eliminating, but it may mean that this -- we won't show up this way this next time.

MARILYN CADE: May I make a response, Mr. Chair?

STEVE CROCKER: Absolutely.

MARILYN CADE: That is a decision that I hope you will not make. And I'll explain why.

Our work is expanding and we need to embrace that, not complain that we are now fitting -- really, we have to realize that from the days when we had four staff and we had less than 300 people who came to our meetings and were involved in our work to today, we are taking on more work, just by nature of the fact that we're more critically involved, that we have additional things to do.

And I know five days -- five-day meetings sound like a lot.

For a long time, the business constituency complained to me about three meetings a year and five-day meetings.

They do not complain to me about that anymore because they want to be here and they want to be involved.

So before you make that decision, I would ask that we take a broader look at the work we need to do together and think further before we cut a day or give up on the public interactions.

STEVE CROCKER: Thank you very much.

All right. Anything further?

JUDITH VAZQUEZ: Judith Vasquez. Marilyn plus one.

[Laughter]

STEVE CROCKER: Thank you. Plus one.

JUDITH VAZQUEZ: Plus one.

STEVE CROCKER: That's -- we'll tell you about that.

[Laughter]

ERIKA MANN: Isn't he cute?

[Laughter]

STEVE CROCKER: Don't -- don't take pictures, George. My face is red. I'm sure it will come right on through.

[Laughter]

STEVE CROCKER: All right. Board Governance Committee.
Bruce Tonkin, see if you can top any of this.

[Laughter]

BRUCE TONKIN: Thank you, Steve.
If we can just proceed to the next slide.

Okay. This is the membership of the Board Governance Committee. It's one of the larger committees -- oops. We jumped.

Okay.

That's the membership of the committee. It's one of the larger committees of the board and one of the committees that has had many of the recommendations relating to the Affirmation of Commitments Accountability and Transparency Review Team assigned to it, so we're working through those and I'll mostly comment on sort of updates and progress on some of those.

Next slide.

This is just, I guess, a summary, so we're looking at 14 of the recommendations currently. Some of them are now getting completed. The Recommendation 5 with respect to implementing a compensation scheme for voting board directors, that has now completed, and, you

know, we will be commencing to compensate those directors that wish to receive that compensation.

Next slide.

Now, Recommendations 23 and 25, they -- we believe those are very important areas for getting right. These are the recommendations that relate to our dispute review processes, if you like, at the board level, and we really have three.

So if a member of the community is disputing an action, potentially by staff, or an action by the board, there are several mechanisms available to them, one of which is the ombudsman, and we have been reviewing that and we've had feedback from the current ombudsman reviewing those procedures and the initial findings are that those procedures are consistent with sort of international standards in that area.

The second area is reconsideration requests.

So if you think a decision made by staff or a decision made by the board is -- you disagree with it for some reason, then we have a reconsideration process.

So part of the review there is what is the scope of such a reconsideration? Is it -- is it another group of people looking at the same information, so it's -- you know, it's like a second opinion or a second look?

Or is the same group of people looking at additional information that may not have been available at the time of the initial decision?

So these are all just things to consider as to what is the scope of that process.

And then another aspect of it is, you know, in what way can it be -- you know, what's the level of independence or fresh look that occurs during that exercise?

The third mechanism is where it's a completely outside independent review, and we've had one such case, which was in the case of dot xxx, and it was a long expensive process.

So, yes, we -- you know, an outside -- one of the things to consider is, is the scope of that process correct? But perhaps one of the biggest areas of focus there is, how can we streamline the process itself?

The previous process was -- seemed to be as long or longer than you would expect through a court process, and we're trying to conduct review mechanisms that can be used prior to a party feeling that they need to take the matter to a legal court.

So that's things like, you know, limiting the number of pages of submission. It's things like having preliminary meetings to establish the facts, et cetera.

So one of the key things in that area will be looking at the process that's used in the independent review.

So in all of those matters, very similar to the conflicts of interest policies, the board really wants to get completely outside advice on those mechanisms, and the Board Governance Committee has proceeded to -- and it was posted this week -- a request for such

experts, so we have a current call for participate- -- or call for experts to assist with us this review of our mechanisms.

Next slide.

STEVE CROCKER: I'm sorry if I am out of sequence. Where do you want --

BRUCE TONKIN: Can you go back one slide?

I want to get the one that's recommendation 6 on that. Maybe back one.

STEVE CROCKER: Back one more.

BRUCE TONKIN: Back one.

Okay. Recommendation 6. This is one of the things that's come out of the policy development process around the new gTLD program. So the GNSO recommended a policy to the board, and that was approved in, I believe, June of 2008. So we're now March 2012.

So a lot of the concern has been at what stage is some of the actions that have happened. Since then, been very much policy topics that potentially should have gone through the GNSO policy development process or what aspects are merely staff implementation where they simply seek some community feedback and move forward.

So this is another quite complex area, and it's an area that we really need community discussion and buy-in as to where those distinctions might lie and they are probably never really a bright line. It's really ultimately some guidance, and it's obviously going to vary by topic.

So some topics that rely on a contracting party to ICANN taking some action and where ICANN is expected to monitor compliance of that action, they often need to be very detailed policies that need doing through a consensus process, through mechanisms such as the GNSO's policy development process. And then there are other policies that relate to, perhaps, activities of the Board or activities of the staff that the implementation is really entirely in our control. We are not relying on third parties and we can adjust that implementation at any time based on community feedback.

So the Board Governance Committee is starting to look at the, I suppose, a framework for considering this issue, and we'll go out to public comment once a framework has been developed for discussion.

The next one here, recommendation 20. This is perhaps a little simpler, and this is just having mechanisms for certifying that when policy development has been done, that it has properly taken into account the inputs from the community.

And one observation I would make is that what we're seeing now is many of the policies are considered to have impacts from stakeholders beyond any one Supporting Organization, and we're seeing many more sort of cross-organization working groups. We're starting to see earlier advice being provided, we are seeing closer interactions between the GAC and the GNSO, between ALAC and the GNSO, between ALAC and

GAC. So I think it is very promising that we are taking as many inputs into account as possible in our policy development processes, but certainly this can have further clarity.

The next topic is the Nominating Committee, and this is another one that has had a bit of discussion this week, both in the presentations on Monday and obviously it's an ongoing area that obviously the community wants to make sure that it has the very best board of directors and wants to know that the processes used in the Nominating Committee are the best possible.

One of the topics is what's the skill set of the board, and then one of the issues is we've got to be careful the board is not being overly proscriptive and saying, you know, we want a person that speaks a particular language and is an expert on a particular topic and is a certain height and a certain gender, et cetera.

So we're trying to provide that advice in a way that is helpful to the Nominating Committee but also doesn't constrain them and ensures that they have the opportunity to provide the best directors possible.

Next slide.

So conflicts of interest and ethics. This is probably the topic that the Board Governance Committee, again, has spent the most time on this week. And, again, it's something we are taking very seriously. I probably don't need to say any more.

The only comment I will make is when we are looking at this issue, and as part of our sort of evolving the practices of the board in some cases we may identify a potential conflict and we review that, and in many

cases we can identify mitigating factors. And certainly people that are familiar with the legal world and law firms, as examples, or accounting firms, these firms often have different projects and different clients and there are very strict processes put in place, often referred to as sort of ethics rules or guidelines or commitments, sometimes referred to as Chinese walls between different parts of an organization.

So one of the things the Board Ethics and Conflicts Committee has been doing is give guidance to directors to say this is something which has been perceived to be a conflict unless you take some steps to be firewall or isolate your activity in a big organization from another activity in a big organization that may relate to ICANN.

So you may see some directors move from, in some -- at a moment in time they may recuse themselves from a particular issue, and then sometime in future, they may talk on the same issue. And that is because they may have put in a mechanism or a process or steps to deal with that issue.

So I just want to make sure it's a continuing process, and you should expect directors to, perhaps, on some issues that may be the same topic, at an instant of time, they may be considered to have a conflict, and at another instant of time, they may not.

Next slide.

Another thing that the board routinely does is do an assessment of its own skills and assessment of its own performance. We have done that in past years under the leadership of Peter Dengate Thrush. I think we have conducted at least two of these reviews.

One of the things that was identified is many -- we have been using sort of professional company of directors bodies to do these reviews for us, and in many cases they use very corporate terminology when they are seeking questionnaires of board directors. And because our board is very diverse and many have not come from a corporate background, those questions are not always understood. And so one of the things we're doing before we send out the questionnaire again this year is just look at language and see can we make this language more understandable to the current board before sending out that questionnaire.

And then the next slide.

Yeah, one of the activities of the Board Governance Committee is managing the selection processes for chair and vice chair and board committees, et cetera.

The next time we really look at that will be after the supporting organizations have updated their board directors. We have two board director positions being considered. One is from the ccNSO, and that seat is held by Mike Silber and he has been returned, and the other seat is held by Ray Plzak from the Address Supporting Organization. That is still in the -- the decision in that area is still under work in the Supporting Organization.

If there is a change, then we would consider what committee changes we would need to make prior to the annual general meeting.

Next slide.

And at this meeting we also recommended, I guess, the composition and the charter for the DNS Risk Management Framework Working Group, and we have recommended an action for the board meeting later today.

And that's all. So plenty of things happening, Steve.

STEVE CROCKER:

Thank you. You have got your plate very, very full, because in addition to chairing the Board Governance Committee, you are also vice chair and enormously helpful to the job that I struggle to try to keep up with.

So thank you.

Any questions?

MARILYN CADE:

I was waiting for the line to shorten.

My name is Marilyn Cade. I have several questions, and I -- Let me see if I can do the overarching one first and go to the specific.

First of all, I want to ask the board members to refer to John Berard's comments yesterday from the B.C., and I am going to briefly describe them. They referenced the business constituency's broad discussion about conflicts. Those -- He noted, and the impact of that on the board -- on the selection of board members from the Nominating Committee.

It is our view that board members probably will have conflicts because we need a board that also understands -- we need a mix, I think was his point, of members from the community that have deep understanding

as well as board members who come into the process from outside of ICANN. And we wanted to be clear that we do not want the pendulum to swing too far in the other direction and cost the community the knowledge and expertise and expertise that the members of the community bring.

From my personal point of view, I think it's possible that we are being so proscriptive in how we describe the Code of Conduct that we are confusing people. And I will give you an example.

You know, I am from business, and I meet with government representatives, and very often I meet with those government representatives when there is an issue on a policy that the government representative is considering such as in privacy or transfer of data that has an impact on my clients.

Well, I understand the rules, and I understand that I don't buy them a meal or buy them coffee or talk about the things that I should not be talking about. And if they meet with me, they publish a little short notice describing what we talked about. And that is published publicly, and I know that and I expect it.

And I would like us to understand as a community that the Code of Conduct is about us, not just a reflection on staff and Board, but that we need to be embracing a Code of Conduct.

So I think in the report you've made, one concern that I'm seeing is we seem to be going very, very proscriptive in the conflicts-of-interest discussion on how people can interact and when they can interact. And

I don't think we are impressing upon the -- helping the community to gain a deep awareness of what their part in this is.

So it was hard for me to find any of that referenced in the materials, Bruce, but that's my feedback to the committee.

BRUCE TONKIN: Just to be specific, Marilyn, you mean the materials that were posted on Monday.

MARILYN CADE: Yes. I would like to now go to more particular -- two particular topics.

I really appreciate the recognition you gave to, I would say, the much improved and enhanced interactions that are developing between the different parts of ICANN. However, I would ask you, if you don't mind, to use the term GNSO Council when you are referencing interactions with the GNSO with another part of the community and to use the term GNSO when you are referencing actually the full GNSO. That would be very helpful to me.

BRUCE TONKIN: And I think both of those types of interactions are happening.

MARILYN CADE: Yes.

BRUCE TONKIN: So I understand the distinction but I don't think it's limited to either one.

MARILYN CADE:

That's the point I wanted to make. I think both are happening and both are very important.

And I made that point so I can talk about recommendation 20.

If we can't -- We can talk a little bit about recommendation 20. The purpose of recommendation 20, as I understood it, is so that it is clear that at the policy development level we are doing all that we could and should to not only put forward policy proposals but to fully consider them. And to fully consider their implications and to do the kinds of outreach we need to do. So GNSO policy council, working groups come from the community to support the policy council's recommendations, interactions with the rest of the community, a public comment process.

I think one thing that seems to me to be missing, perhaps, before we do give the recommendation to the Board, I'm not sure we are doing an implementation assessment before we hand the approved policy to the Board. The Board approves it, and then it goes to staff. And I'm seeing that the councillors are sometimes confused about whether something is an implementation action and, therefore, it does not need to come back to the Council.

I think there may be a better understanding that could be developed in that particular phase before the approved policy goes to the Board for final acceptance.

STEVE CROCKER: Let me intercede here. You're making what I think is a quite important point in two respects. One is we've heard the dialogue about whether or not some things that are genuinely policy are slipped into the implementation cycle, and then the other aspect which is just, in a sense, a pragmatic business process issue of when somebody makes a recommendation, do we know what the consequence is, do we know what the cost will be, do we know where it's going to go and so forth.

And I am quite sensitized to that and trying to work through broadly, not just in this context.

So let me suggest, we will take that on board but this is probably not the best forum for working out the next level of details.

MARILYN CADE: Thank you. I just wanted to provide that feedback on recommendation 20. Thank you. Is that okay?

STEVE CROCKER: I didn't mean to preempt you there, Bruce. Yeah.

Filiz.

FILIZ YILMAZ: Filiz Yilmaz, ICANN staff, reading a comment from George Kirikos, Leap of Faith Financial Services.

Why not open a public comment period for ombudsman review? Such a comment period should solicit feedback from all prior users of the

ombudsman: complainants, respondents. E-mail them as well as the general public.

Thank you.

STEVE CROCKER:

Thank you. Anything further?

Okay. Thank you very much.

There will be no reports from the Compensation Committee or the Executive Committee. The work of the Compensation Committee is personnel sensitive, and the Executive Committee did not actually have anything interesting to report on. We try very hard not to have the Executive Committee be very active because it tends to be a substitute for the full processes of the board, and away do that sparingly.

So for the Finance Committee, Cherine Chalaby.

CHERINE CHALABY:

Good morning, everybody. I will give you the report of the Finance Committee activities throughout the year.

First I'd like to note the membership of the committee, which are Sebastien Bachollet, Chris Disspain, George Sadowsky, and myself.

We are also supported by Akram and Xavier Calvez.

Can you move to the next slide.

We've had so far quite a few meetings beginning back in September and October 2011, and then in January and March 2011.

We looked at the following things and provided guidance to the ICANN on the following finance matters. First, the budget. We reviewed the budget framework prior to being posted and prior to public comments.

We also looked at the processes for the SOs and ACs to request additional budget.

Excuse me.

Another activity is we looked at our disbursement policy, and we suggested some amendments to those.

We then reviewed, and we do this on a very regular basis, reviewing our reserve fund to make sure that we look at the performance for one aspect, and from another aspect to make sure it is consistent, that the investment is consistent with our policy.

Another activity was looking at the 990 schedule. This is the return that we have to do as a corporation by the 30th of June, and we want to make sure that the deadline is met.

So we're looking at this in and watching this very closely.

Can you move on to the next slide, please.

Then the big item that is concerning us with regard to the budget and other things is the FSR implementation, which I must say has been a source of frustration for everyone in the community, and in the Finance Committee as well as management.

To be candid, I would say the implementation plans are very optimistic. I think the time scales were underestimated, the complexity was

underestimated and the resources required to achieve the job were underestimated.

The question is what do you do in those circumstances from a Finance Committee point of view. And we looked at this. We did suggest evaluation on the implementation itself from a data input point of view, an analysis point of view, and a reporting point of view.

At the moment, it is very complex. It needs to be simplified, and reports needs to be out to the community.

We also looked at the team and the resources required, and we looked at the mix between consultants and permanent staff and recommended improvements to the finance team, and we also looked at the timeline to complete such improvements.

This is, in my view, probably the most difficult one. We're almost doing catch-up. Remember, we went through a very long period without a CFO. Now we have a CFO, and I think I'll ask all of you to help and give him the time needed to get this job right. He is working very fast. He is recruiting people. He is on the right track. There's nothing more we can do at this stage other than give help, advice, support and understanding.

This is difficult to do, but I would really request that from everyone.

This completes my quick report, everyone. I will take any questions at this stage.

STEVE CROCKER:

Thank you.

In the interest of time, let me ask you to be brief and we need to move along. We are falling behind.

MARILYN CADE: I will. On behalf of the B.C., I just need to understand the -- do I understand from your report that the -- when you say the SSR implementation --

CHERINE CHALABY: FSR.

MARILYN CADE: Thank you. We can skip that.

I want to make a comment to the Board on behalf of the CSG leadership about the special budget requests that were submitted from the constituencies and stakeholder groups.

It's important for the Board to understand and for the new CFO to have the history of why this is so important.

The two previous submissions of funding somehow fell through the cracks after commitments were made. It's very important they do not fall through the cracks this time.

Last year, in last year's budget, you spent \$571,000 on what you called SO/AC funding. That is actually AC funding. There was no SO funding in the terms of services directly to the SGs and constituencies.

The budget for the policy work is not in that pot of money. So, yes, you spent a lot of money, appropriately, on the GNSO policy council's work and the community's policy work, but none of the \$571,000 went to building the stakeholders.

So the pot of money today is 500 million. Last year you spent 571. Hmm. You have budget request from us of over -- about 730,000, and that does not include the GAC request.

So big challenges. And Xavier is doing a fantastic job. But the message I am sending to you is building the constituencies and the stakeholder groups is vitally important. We're doing our part, and we are self-funding, but those requests for funding are legitimate requests.

There is a huge -- there is a significant amount in that 700-plus that, of course, comes through the -- from the RALOs and the ALAC. I am focusing on the support requested from the constituencies and the SGs, and just noting it as having implication since the two previous requests with what we thought were commitments. And if you are interested, you can watch the video of the exchange during the Brussels meeting.

STEVE CROCKER:

Thank you.

Anything else.

Thank you very much, Cherine.

Global relationships, Gonzalo Navarro.

GONZALO NAVARRO:

Thank you, Steve. Good morning, everyone.

This is the presentation of the global relations committee. This is one of the largest committees on the board. It's composed of Bertrand De La Chapelle, Chris Disspain, Erika Mann, George Sadowsky, Kuo-Wei Wu, and we have as an observer Bill Graham and Mike Silber.

For this meeting we were supported by Jamie Hedlund, Rodrigo de la Parra, and Nigel Hickson. The next slide is going to introduce you to the work we have done during the last couple of months.

In scope, the Global Relationships Committee is meant to assist the Board in the international arena. So, therefore, we deal with a lot of international meetings, and we try to provide our expert advice in order to deal with these meetings and to assist the board to achieve the goals that we are thinking for it, each one of them.

I would like to thank here my colleagues in the BRC and the staff because maybe the first three points are presenting some meetings that you can see or that -- where we are going, but they represent an enormous load of work, and the preparation of each one is comprised really heavy work. So thanks to my colleagues and to staff.

And that -- thank you. Please, can you come back to the last slide, please.

Thank you.

Basically, the most important task that we have faced during the past couple of months or even more is to develop a tool for the community in order to prepare the discussions for what we -- I have to say it's one

of the most important topics for our community, which is internationalization.

Since I came to the board, I have to say that this is one of the topics that I was -- I have been talking with the community more fiercely, and finally we can present a survey which is meant to -- it's going -- it's going to give us enough information to assist the board and staff in order to prepare this organization for the next step, which is and enhance it. Because I feel like the term internationalization, because it doesn't mean exactly -- that's not representing exactly what this organization is, because we are (indiscernible) in the international arena.

However, what we are doing or what we need to do is enhance that participation or the role of ICANN or to better understand the role of ICANN in the international community.

So, therefore, we prepared this document. I would like to encourage our community to take more than ten minutes to answer that survey, but it's going to be really, really, really useful for us. And at the end, it's going to be really, really useful for this community, because it's meant to help us to understand in a better way our role and to prepare our participation.

So thank you.

One more thing. The survey is going to be launched during the next week.

STEVE CROCKER:

Thank you. Marilyn.

MARILYN CADE:

My name is Marilyn Cade. Yesterday at an ad hoc breakfast of chairs of the various groups that are elected leadership, we discussed ways to strengthen and improve the flow of understanding from the community to the board and the idea that perhaps we should have an interaction between those chairs. There aren't that many of us. I think it is about 12, including the ASO, the ccNSO, the GAC, the five elected chairs from the constituencies in the noncommercial stakeholder group and the two chairs of the stakeholder group and the ALAC.

I reviewed the survey that was done on satisfaction. I'm very familiar with its results, and the board should be as well. That was not an appropriate approach to ask the community complex questions. Statistical polls are not the way to communicate with our community. There are other mechanisms.

And I will raise a question about using a poll, which is what this is, I guess. I wouldn't know. Although I am an elected chair, I haven't seen it. I don't know how I will vitalize response broadly from global business to it. And I would like to contribute to making it a success.

But, you know, if you ask questions and you don't provide enough information first about the purpose of the question, in my years of running business and starting and running ad hoc organizations and associations, I've learned that there are a variety of tools. And one of them is qualitative analysis first. So I would be cautious myself.

One final quick anecdote it might be helpful to know in the first round of responses to the green paper the Department of Commerce received -- I will get the numbers wrong but not the facts generally -- over 400 responses. 121 of them came from one person.

STEVE CROCKER: Thank you. Jean-Jacques?

JEAN-JACQUES SUBRENAT: Thank you, chair. Thank you for the presentation about the work of the global partnerships. I have a remark and question about that.

I think the importance of whatever you call it, internationalization or globalization or anything else -- by the way, I'm Jean-Jacques Subrenat, member of the ALAC. I think what is at stake is the organization sufficiently geared to the challenges of that particular area of global partnerships?

The setting up of the committee on global partnerships was of great importance in that it allowed for board oversight on an area in which traditionally the CEO and the staff had been almost alone operating. So that was a very useful component.

But I think maybe it's time to look a bit further than that and to have somehow greater involvement of the board in also not conducting perhaps -- because that's the role of the CEO, but at least in being more proscriptive and perhaps more involved than just oversight of what is done and, therefore, of what is already done.

Three years ago a member of the board then had made a suggestion that perhaps there could be a reinforcement of this role by designating the vice chair of the board as the de facto chair of the Global Partnerships Committee, when that would be established. That's one point.

Another point which perhaps would be worth looking into is that this committee would involve itself as necessary into the action of global partnerships because what I see after several years of experience is that the remit of the CEO is so wide that especially in international relations, sometimes there's some difficulty in following up.

So that was a proposal, to have a look at what was proposed three years ago. Thanks.

STEVE CROCKER: Thank you.

Gonzalo.

GONZALO NAVARRO: Thank you, Jean-Jacques. Your experience is appreciated and missed on this board.

You're right. We need to get more involvement. I really appreciate the fact that maybe this committee is composed -- maybe I have gotten (indiscernible). But it is kind of a dream team, composed of really experienced people in the international field, and I think that we will make productive work for this community.

And the survey and the involvement with the staff in order to produce the survey because I was not mentioning that a lot of the components of this survey are coming from recommendations from the staff.

So I think that we will have a really, really good product with interaction of the community, which is the important part of this exercise. We are going to be fine and, therefore, I appreciate your suggestion.

STEVE CROCKER:

Thank you.

Any other comments?

Thank you very much, Gonzalo. As you mentioned, you have what we think is the largest committee, and there is quite a bit of work that is involved.

We move onto the IANA Committee, Kuo-Wei Wu.

KUO-WEI WU:

Chair, can I report this in Chinese or Taiwanese?

STEVE CROCKER:

I don't know.

KUO-WEI WU:

Well, sorry about it. Whatever.

Good morning, everyone. Let me speak at least a little bit in Chinese for all of you.

(Speaking in Chinese.)

Okay, now that's my report. Let's go to the next page, please. Next page.

The committee members, basically I'm the chair and then Bertrand, Bill and Thomas Narten and also Suzanne Woolf. And we are also very happy for the meeting in San Jose. We also have certain observers from the other board members, Gonzalo Navarro and also Thomas Roessler. And they are joined into our meeting.

Next page, please. This is the first meeting after Senegal. And basically the reason is because after Dakar, we decided to (indiscernible) IANA office to prepare the proposal for NTIA contracts. So this is the first meeting we have after Dakar. And I think all the committee members were present for this meeting. Next.

And the whole board basically was involved in the overseeing of the development of the ICANN bid for the IANA contract, of course. And this is not only in the IANA Committee, at the same time, it is in the BGRC committee and also in the whole board.

We are reviewing the introduce of the IPv6 material of the ICANN Web site to show the ICANN supporting of the IPv6 progress. I think that is a very important part. As you know, the ICANN functionality is not only the domain name industry, also regarding for the number. So we like to show strong support of the IPv6 progress.

The next one actually is reviewing the current dot INT policy. You might note ICANN is actually operating the INT registry operations. So we would like to see how they work and also we try to think about if there is any help for the NGO we are talking about.

Next page.

And also review are the next six month trends of the IANA functionality of the activities. In the past, usually we only have one shot of the IANA report at every meeting. And we thought about we come out with six months of activities so we can see the trend and also we can look around the IANA offices and that would give us more information about how this IANA office is in operation.

The next one actually we also try to explain talking about ICANN's relationship with ISO-3166-1. I think this is good that all the committee understands. ICANN was also involved in ISO-3166 (indiscernible) made.

The next one is also a discussion about the delegation and redelegation of the approval process. And as you know, we knew this is a very sensitive one so we are looking for the ccNSO, also the GAC advice, so we can meet the process -- the authority basically goes to the ccNSO or the GAC.

Next one, please.

That's about it. Thank you very much.

STEVE CROCKER:

Thank you. Any comments? Oh, boy.

Public Participation Committee, Sebastien Bachollet.

SEBASTIEN BACHOLLET:

Thank you. I will give my presentation in French.

Thank you. The participation committee. Following slides. Mr. Chair, can you show me the following slide, please. The committee members are Kuo-Wei, Mike Silber, Gonzalo Navarro, Thomas Narten, Chris Disspain and myself, Sebastien Bachollet.

Here are the pictures very quickly. Next slide, please.

The main issues that the committee deals with are the public participation processes, future ICANN meetings and their organizations, online participation tools and issues related to awareness and engagement of the following participants.

Next slide, please. Some of our recent activities, the committee has supervised public comments related to the ATRT, the Accountability and Transparency Review Team. These include Recommendations 15, 16, 17, 21 which were implemented, but we continue to work on these issues and I would like to receive your feedback. Recommendation 18 is in progress. It is a recommendation that is related to language services, translation, interpretation, et cetera. We are also working with the community using all of these services.

We have put a subgroup into practice to work on future ICANN meetings. I hope to see the positive results in Prague, which would be the next ICANN meeting.

Next slide, please.

The following items in our agenda, the new formula for the Web site. This week we heard a little bit about the new Web site, the new design that this Web site has. And we would really like to have your point of

view on this. We have also worked on receiving the newcomers, which have been a lot.

And the last point is technical improvements for public forum interface.

To sum up my presentation, I would like to thank the staff that helps us in these public participation processes. They help us in all of these processes, and I would especially like to thank Filiz Yilmaz, getting involved using the tools that are at our disposal. And if this is not enough, asking for help. There is always someone in the community willing to help us.

The third item is we at ICANN love problems. Well, not all that much, but having important involvement in our meetings is an interesting problem. For those of you who come from far away, thank you very much. For those who are in the region and came here, thank you also.

For those of you who are here for the first time, thank you very much and do come back. You will always be welcomed. Thank you.

STEVE CROCKER:

Thank you very much, Sebastien.

Jean-Jacques.

JEAN-JACQUES SUBRENAT:

Thank you, chair. This is Jean-Jacques Subrenat, member of the ALAC. Sebastien, I would like to offer a remark and put a question.

The remark is this time, again, I have seen the progress accomplished of public participation and outreach, things such as translation, remote

participation have, indeed, greatly improved. And this is very encouraging.

My question is about the ICANN meetings. You just announced, Sebastien, that there would be some presentation about the way forward in Prague. But could you give a sense to the community right now as to what the board is thinking of to maintain the rhythm of three major meetings a year as we know them now, or would it be one or two ICANN meetings year plus a combination of regional meetings? Could you give us a sense of what the board is looking at now?

SEBASTIEN BACHOLLET:

Thank you for the question, Jean-Jacques. It's obvious a very important point you are raising. We are still working on all those issues. For the moment, what we want to try is to have -- I would say, a better organized and predictable meeting. And that's what we concentrate our efforts for the next meeting.

However, we are looking at the broad picture. We are working at the broad picture so many times that we decide to concentrate on some issues that are important, for example, how is the Monday organized, how is the Thursday gets organized to allow better participation and, I would say, less clash in the agenda and the possibility to provide you with, I would say, early warning on what will happen during this day and how it will be organized.

And the other subject, as you -- the one you raise is on the topic, but we have not yet really any proposal about that yet. Thank you.

SIVASUBRAMANIAN MUTHUSAMY: My name is Sivasubramanian. I am from the APRALO. Yesterday at the public forum, I saw several valuable points raised by Jean-Jacques, Marilyn, many participants of ICANN. I have a problem seeing them on this side of the table.

In the public forum, all of them, they have roles in ICANN and they have every privilege to ask for a seat on the other side of the table. The public forum could have been a forum for newcomers or general participants who don't have a role.

Is there a possibility that ICANN could think of a cross-constituency forum where participants with roles could exchange views and leave the public forum for the general public? That's just a thought. Thank you.

SEBASTIEN BACHOLLET: May I? Just very briefly. We always struggle about are they out of the room. Personally, I don't like to be seated here like in a theater. I am not doing a representation.

But, in the same time, I think really meetings are organized to have a lot of interaction, don't focus on just one single. Maybe this one, it is organized to have an interaction between the broad community and the board. I am not talking about the layout of the room, but this goal.

And the other interaction I have done during the other part of the meetings, but we take that into account. Thank you.

MARILYN CADE:

My name is Marilyn Cade. I'm going to comment on a conversation that was an exchange between at the chairs ad hoc breakfast yesterday, that actually has relevance to the question that was just asked.

Our discussion included what may come to -- I'm just mentioning this to you -- come to your committee, Sebastien, as a request for additional small rooms and adjustments where what I would call ad hoc exchanges can develop because one of the things we've learned is that from time to time a group like the Nominating Committee, or someone else, finds out while they are at ICANN in the ICANN scheduled meeting, that they need to continue a bilateral or they need to meet so they can enhance their understanding.

But -- so that may come to you all as a question about could that be accommodated in future ICANN meetings? It is accommodated at the IGF, by the way. It is also accommodated at the ITU's WSIS Action Line Forum by just setting aside rooms that you can schedule. That's a comment related to this.

As ICANN's historian and having attended all meetings but one, we used to have something -- and you will recall this -- called a general assembly that happened at the beginning of the meeting. And actually within just the GNSO chairs, I have proposed that we consider having a two-hour meeting of the nature you're referring to on the weekend so that people could have that cross-discussion. So it is merely a comment for what it's worth. Thank you.

STEVE CROCKER:

Thank you. Chris?

CHRIS DISSPAIN: Good morning. I'm sorry to take the microphone and take up more time. We are now running half an hour late. This is not a public forum. This is committee reports. Statements at this microphone should be related specifically to questions to the committees about their reports. Thank you.

STEVE CROCKER: Thank you for that reminder, Chris.

All right. I think we're done with that.

Risk Committee report from Mike Silber, please.

MIKE SILBER: Thank you, chair. We can move to the next slide.

I think I contest with Gonzalo in having the largest committee. I also have the honor of two former Risk Committee chairs still serving on the Risk Committee as well as the board's chair and vice chair. So one might suggest I have the dubious honor of herding the biggest cats in the room.

[Laughter]

Obviously, this is an important committee. If we can move to the next slide.

So the actions since Dakar, we met at the end of February, looking specifically at new gTLD program updates, litigation readiness, and security issues including information security and incident response planning and discussions relating to various threats against root servers. Next slide.

Met again on 11 March looking at DDOS threat update, DNS risk management activities and assessment and the work plan for upcoming meetings.

Next slide. And I'm more than happy to take any questions.

STEVE CROCKER: Thank you very much.

MIKE SILBER: It seems Mr. Disspain --

STEVE CROCKER: You do a good job of herding us large cats.

Structural Improvements Committee, Ray Plzak.

RAY PLZAK: Thank you, Steve. There was a comment made much earlier in the morning by Marilyn as far as the utility of these reports and having people present. And Marilyn noted at the beginning of the hour there is not very many people here. However, Marilyn I would tend to agree with you, it is quality, not quantity that counts a lot of times. Also, it's

sort of like when you go to the church and if there are a lot of people there, the sermon is very long. If there is not so much people there, the sermon is quite a bit shorter but in the end it is effective, more so with a shorter sermon because you get to the point faster I would say the metaphor standing here is when there is few people in the room, they are all paying attention. The more people you get in the room, the more e-mail that gets sent.

[Laughter]

In any event, here's who we are. I will not read names. You know names. However not listed on there are important people. First of all, Olof Nordling who provides support and Olof has pulled 15 different ways from Sunday so I do not get him full-time. Recently been having a lot of support from David Olive and Rob Hoggarth. Yesterday Heidi found out she is get more job security. So we are moving along. The other thing about these things I don't know if I will get first or last. It is either alphabetical order or reverse alphabetical. Today we have a new feature, the chair demonstrating his ability to change slides.

[Laughter]

At least you know he is awake.

[Laughter]

So, anyway, this is the current status of the reviews. As you can see, things are moving along. If you could push the button one more time, please, Steve. One more time. Okay.

In the reviews, the ASO review is well underway. In fact, the independent review portion has completed. I single out the ASO review because the ASO review under the provisions of the ASO MOU says it will be conducted by the NRO. I suspect there may be some report on that when the ASO report is given this morning so I won't go into the details on it other than to say it has progressed very well and there are some things that have been done in this review that will help set the model for the next round of reviews.

The other thing is that with regards to the ALAC there was -- we had a short meeting to discuss the finalization of the implementation activities. And I'm not going to go into those. Olivier assured me this morning he has a half-hour to tell you about those. So I will leave that to him.

The TLG report is still in progress and the RSSAC is not quite into implementation yet. With regard to the far left of the screen, you see the initial work for the next round. We have begun that.

At our meeting in Dakar, I did report that we were actually beginning to do work then and we were starting to work on criteria and so forth.

In regards to the TLG review, one of the things that came out of it was the overall arching question about how does the board get the advice it needs when it needs it. And so as a result of that, the committee is also looking into the whole mechanism by which the board receives advice. So we're going to continue to do work on that.

One more time, please, Steve.

And so, as I said, we are planning for future reviews.

Slide, please.

Okay. Hopefully by the time we get here in about two or three months, everything will be into the implementation phase and will be into the assessment of effects. Okay. One of the other important things we are doing -- I brought this up last time, and actually it is a follow on with work we did about a year and half ago with regards to developing criteria for the recognition of new constituencies. There's been a significant amount of work that's been done to work on other criteria. Right now we are looking at the stakeholder groups. I know I promised last time that we would be able to get together to talk about it. However, circumstances precluded that from happening. So please feel assured that you are going to be consulted and you will be consulted when I feel that we have something meaningful that we can sit down at the table and talk.

But I want to give you an example of what we talking about here in terms of criteria because this plays into how the reviews should be done. One of the problems with the current review structure is that the terms of reference and the criteria were more or less developed by the consultant that was hired to do the job, so there wasn't any input from the community as far as what you should look at. There was no direction given. And so we're taking the opposite approach, which is the board staff and community will develop the criteria and they will be handed to them and it will say "here, do this."

As you know, these reviews are vertical reviews. So people think, well, this is a stove pipe because the horizontal reviews are the AoC reviews. Yes, this is a stove pipe review to a certain extent because we have to

look at the way that the organization that's being reviewed functions. However, part of the way that organization functions is how effective it is. So we'll be developing criteria that we can do some measures of organizational function -- effectiveness.

We are also developing criteria that look towards how the organization interacts with other constituent organizations than ICANN and what kind of liaisons they may have, what kind of relationships they may have established, joint meetings, how their activities interact and so forth.

This is particularly important when you look ALAC which is not a policy-making body but has a strong input into the policy making in all of the SOs, how does that happen? How does the ASO, for example, reach into the ALAC to broaden their policy-making base. How does the ALAC effectively put members -- people into those policy bodies to make the policy base broader?

So those are -- those are the kinds of interaction-type things we need to look at.

At the same time, we are going to be developing very, very precise criteria that are objective in nature so that some of the things that you have to look at you can actually have little yes-no-type questions. I will give you a couple quick examples. For example, in the area of election and voting, such a criteria could be for each election was a notice sent to membership at least 30 days before voting or another one would be for each election with membership was notified of opportunity to submit candidacy nominations? Those kinds of questions. Those are very precise questions that could be answered in a yes or a no. But they

go towards an overall evaluation about how the election was conducted.

So by doing some of these things in a scorecard sheet type of manner, it facilitates a gathering of data and allows analysis to be done.

Now, the other thing we are looking forward to with this criteria as it gets developed is that the individual supporting organizations and advisory committees can then take these criteria and use them for their own self-evaluation.

Now, the timeline you see here was developed in thought process that this was a three-year cycle. Well, it's actually a five-year cycle, as we know, and that was changed in the middle of the review period.

So we're looking at changing that to the extent that we would make sure there's at least a two-year period of time after the implementation has taken place where the organization operates, and actually bakes it in, if you will, and then learns from how it works.

And then at the end of this two years, there will be a period of assessment that would be done internally. It may be something that the -- We haven't figured this out exactly yet whether the organization would do it itself or would the Board cause something to happen. We haven't figured this out yet but the idea is we would take a look at ourselves and say how have we been doing. And then as a result of that, we take the criteria, which some of these things may actually have to change because the organization has evolved and changed, but then what we do is we construct after that it's the structure the terms of reference for the next review. So at the end of the fifth year, we are

ready, set to go to start over again, which is go find a contractor and then conduct a review.

One other change is that we are not going to have the Board form a working group to write a report on the report. It seems rather redundant. Instead, one of the lessons we are learning out of the ASO review is to provide the opportunity for the reviewed organization and the reviewers to sit down together and have a discussion and make sure that things are clarified and to make sure that there's no misunderstandings, and so that when the public comment period begins, that one of the first comments out of the door would be from the reviewed organization: Here's what we did, type thing.

And so that's also something that happened during the SSAC review. The SSAC conducted its own internal review using the same criteria as the reviewer at the same time the reviewer was reviewing the SSAC. So they sat down side by side and compared notes and so found where we have agreement, where we have disagreement, and those were noted in the final report.

And I will note also that the SSAC, because of this, was able to say very clearly, very fast, "We're done," and they went in and did their implementations.

So that should be the goal for all the organizations.

Could you push the button, please, Steve.

Okay. So I just covered that topic.

Next slide. Excuse me. Button.

One more.

STEVE CROCKER: One more?

RAY PLZAK: Yeah. And I have just gone through the timelines.

Next one.

And the advice approach, basically what we're looking at there is that Board can receive advice internally or externally. Internally, you can do it from a standpoint of standing committees, like the SSAC or RSSAC. And also you can do it internally in an ad hoc nature by forming working groups like the JAS working group and so forth.

Externally, it's done by either engaging consultants for a specific task, which would be an ad hoc task. To form a longer term relationship would then require an understanding between ICANN and the particular organization that it wants to establish a relationship with. And then you have the decision process to go through about whether or not to place nonvoting representatives on the Board of Directors.

So that's some of the things we're looking at there.

And next slide.

I will now say thank you, and, Marilyn, I will entertain your question.

[Laughter]

STEVE CROCKER: Marilyn, thank you for rising to the occasion.

[Laughter]

MARILYN CADE: I have a date question, I think.

Could you just refresh our expectation of when we would expect the GNSO assessment to launch?

RAY PLZAK: The target is to do it next year; however, I'm not going to rush to do it. I want to get this work done completely. You know, having a firm plan in place is an important thing. So, you know, technically we can start on the 1st of January. That's not going to happen, probably. But we do need to get it under way.

But then the GNSO will have its five-year cycle. And as we very many the timeline, we will be coordinating it with the community, so you will be able to look at those milestones and actually do some predictions of where things will be. But it will be some time next year.

As we go forward --I would think by the time we get to the meeting in Prague we will have a pretty good grasp of when this is going to happen.

MARILYN CADE: Again, so if you can refresh my memory. The GNSO was the first organization reviewed? So will we be the first in the new cycle?

GEORGE SADOWSKY: Thank you, Steve. There are no PowerPoint slides for this presentation. You may remember that Vint Cerf, who was chair of the board for some time, had a phrase: Power corrupts, and PowerPoint corrupts absolutely. I subscribe to that.

I am the chair of the CEO search committee. It's a temporary committee. I hope we will be out of business in a couple of months.

We have eight people on the committee, which ties for the largest committee of the board. My colleagues on the committee are: Bertrand De La Chapelle, Ray Plzak, Ramaraj, Chris Disspain, Erika Mann, Cherine Chalaby, and Steve Crocker, as supported by the indefatigable Diane Schroeder from staff.

Our goal is to locate suitable candidates to find a CEO to lead ICANN effective July 1st.

We were established in October. We had a session in Dakar in which we presented the board's initial ideas regarding the CEO, the skills, the responsibility of the job.

We had public participation in that session. We opened a mailing list to obtain more comments regarding what we should be looking for and how we should be viewing our job.

We translated what we got into a more coherent set of requirements and responsibilities. We went to a tender process to engage a search firm to help us. Odgers Berndtson of Brussels was selected and has proven to be, I believe, a very good choice. Among other things in the search, we put an ad in "The Economist," we relied upon the community

to find candidates, and. Odgers Berndtson had its own search methodology to produce still more candidates.

So what happened? First we received well over a 100 responses. We put every candidate through the same process to determine whether we should be looking further at them or not.

Of the more than hundred, we got about 30 that were tagged for further investigation, promising. Quite a few of these candidates, by the way, had successful, distinguished careers, and in fact many that were rejected had also quite successful careers but in the wrong direction and simply didn't meet the profile we were looking for.

So then the job is to narrow the 30 or so to one. And it's a painful process.

We had four steps. First, the committee met for telephone interviews with a selected subset of the 30. Telephone interviews lasted an hour. They were relatively intense. We learned a fair amount of the candidates from that.

Second, we selected a subset of those candidates for face-to-face interviews. Those are largely done.

The next phase will be reference checking of the candidates, both by Odgers Berndtson and the committee. And then finally, there will be in-depth conversations with the full ICANN Board.

I would like to point out that the search committee searches, and the Board decides.

[Laughter]

Thank you. So I don't want to say a lot more except I would like to make some observations which are more informal and slightly personal. A lot more can be said, and we're late.

This process is really important for ICANN. There's a mantra in the United States saying the primary job of the CEO -- of the Board is to hire the CEO; to choose the CEO and make sure the CEO performs.

This CEO job is difficult, and for corroboration, if you don't believe it, just ask the incumbent or the previous occupants of the job.

ICANN is a very complex organization. It's multidimensional. It has aspects of a for-profit organization; it has aspect of a not-for-profit organization.

The CEO can't be an expert in everything. We know that, although we assume it at the beginning stages of the search. You look for God, somebody who can do everything, and you find that he is not available. She -- He or she is not available, or it is not available. I don't know. Whatever your preference is.

[Laughter]

So what's an interesting part of the search is that as we -- as we move from lists of characteristics and skills to individuals, specific individuals, we then look at combinations, which are -- which you can't really predict when you are setting requirements.

And looking at individuals has helped us sharpen our preferences and our notion of what's important and what's not important and what can be achieved and what may in the be able to be achieved.

Next observation is something Rob Hall brought up yesterday. There is an apparent contradiction between transparency and confidentiality, but, in fact, it's not a contradiction.

What we have aimed to do is keep the process as open as possible and as transparent as possible subject to strictly maintaining the confidentiality of the candidates. In other words, the algorithm is available; the data are not.

Elimination of candidates is difficult. In fact, it gets more difficult over time because as you have to make a choice from N candidates to N minus one candidates, you have to eliminate somebody who is well qualified. And it becomes more difficult as you go up to the final result. And it's almost an emotional component to this to having to say no to candidates who you know are good and that you wish there are more positions, you wish you could do something to capture the skills and energy and competence of all of the candidates. But that's not our job. Our job is to narrow.

We're in the process now, and we hope to recommend a slate, a final slate, to the board, let me say fairly soon.

Thank you.

STEVE CROCKER:

Thank you very much.

The -- I'm a member of the committee, and I know intimately, firsthand, how hard we have been working and how -- what an excellent job George has been doing providing guidance and providing just an

enormous amount of energy, making sure that we have all of the pieces of this under control.

Any questions? Any comments?

Thank you very much.

This brings the extended first session of the day to a close.

I think we should take a brief stretch but not a full break.

So, let's see. My watch says 9:39.

Let's give it 60 seconds, and then we will reconvene and move rapidly, almost an hour behind schedule, I'm sorry to say, into the SO and AC committee reports.

Chair reports.