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CR - ccNSO Members Meeting Day 1  
Tuesday, March 13, 2012 – 09:00 to 18:00  
ICANN - San Jose, Costa Rica

Lesley Cowley: ...please.

Okay. Good morning, everybody. Lovely to see so many old faces, young faces and new faces – welcome, everybody. And look, we have a room with a view for once. We normally have no windows. [laughter]

Okay, good morning everyone and welcome. So let me just run through a few pieces of information for you. As always we have a packed and busy program for our meeting over the next two days so I'd encourage everyone as best as you can to come back promptly where appropriate please. We have an attendance list that we'll be circulating shortly. It's very important that we keep track of how many people come to the ccNSO, whether you're a ccNSO member or not. And as you may know if you've been here for a while the numbers have been steadily growing which is absolutely great.

We also have some plastic cards that we're going to try for an experiment, and I need you to let me know whether they work or not. So we are going to circulate some cards to each, one per registry I'm afraid; and when we have a session where we're looking for some feedback from you or maybe a presenter is asking a question you green for yes, red for no and a funny shade of orange if you're not sure, okay? [laughter]

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So that's the idea – we're going to try that experiment because particularly sometimes when everyone in the room is quiet and nobody wants to say anything it's quite difficult for us to know the mood of the room, whether an item is of interest or how you feel about an issue. We're going to try that experiment. Bear with me and I hope that it will help our work.

So this morning we're going to start with the latest from the finance working group and I'd invite Byron to join me up. Then after that we'll have a bit of a trek for our engagement with the meeting with the ICANN Board, so I'll give you some directions on that nearer the time. After the meeting with the ICANN Board we go to a coffee break; and then quick succession after that the IANA update, the IGF update, the SSR update, etc., up until lunch. So I hope that you'll enjoy a varied and packed program that we have for you today and Byron, if you'd like to start.

Byron Holland:

Good morning, everyone. So the primary purpose today is to discuss the results of the Finance Working Group's survey that we conducted over approximately 60 days beginning in the middle of December. We had quite a good turnout or quite a good response rate. We had over 55 TLDs fill out the complete survey and for those of you who did you'll know that it was a fairly robust survey. It took some time and it typically took a bit of research. It wasn't something that was often just answered off the top of your head. So first off I'd like to say thank you for all of those who took the time to participate because the data is quite rich as a result and quite fulsome.

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I just want to start off with a couple of comments. Like any good piece of research I want to have the provisos and the assumptions and the exclusions and all of those things upfront. As most of us know, there are 255 ccTLDs in the IANA database, and we have Kim here so he'll probably call me out if I'm lost. That's the total number. There are 126 cc's participating in the ccNSO and 55 filled out the survey. So the response rate was quite fulsome and certainly gives us good guidance on what's happening in our community on a financial participation perspective.

That said, and this is important, there is some bias in the survey – and I don't use that in a negative term. I mean there is some bias because it is a self-selected group; in other words, people voluntarily participated as opposed to it being a randomized piece of research much like we would think about in typical political polling. So you have to appreciate what that says because it certainly is statistically significant for those who participated and it gives us good guidance on what's happening in the community, but you would want to be careful in extrapolating it to all cc's. But given there's 126 of us here, if they're all ccNSO members that would be 43% so it was a pretty high ratio of those who participated.

I want to go through the survey results. We just received them, and as the Finance Working Group has only had one relatively brief meeting to discuss them we're sharing the results with you though we've had little soak time as a working group. But I thought it was important to get the results out there. So I don't attend to do a page flip and deep dive on every single slide here but to do a walkthrough and give people a sense of the data and the information we culled, and as a result the observations.

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So the objective was fairly clear: to gather some insights on the nature of contributions, both hard financial as well as other that the cc community is making into the ICANN system. Also of course the Finance Working Group's objective is to look at the contribution models and the expenses that ICANN believes are incurred on our behalf, and to try to bring those three discrete elements together in some meaningful way to update the contribution methodology and probably actual dollars vis a vis what we do today.

We've talked a little bit about how many cc's are in the root zone already. I would like to take a second just to acknowledge the staff who reached out and found every single ccTLD operator's individual emails and made sure that this got to all those individual people, which was no small task actually – so thank you very much for that.

I think it's important to note what ICANN perceives they're delivering to us and interestingly what started to get teased out of the survey, what we believe we're receiving. And right there there's an interesting potential divergence that warrants some further examination. So ICANN services that are attributed to the ccTLDs are on the screen but certainly IANA of course is first and foremost; local presence in regions, engagement with ccTLDs, supporting regional organizations. And I think that's another important point to note – many of us contribute in a very meaningful way to our regional organizations. That actually isn't captured in this survey. The survey was really about what do cc's contribute into ICANN specifically. But as many of you know, you contribute mightily into the regional organizations which are still part of the ICANN ecosystem.

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Also ICANN speaks to the notion of policy work, Secretariat support, the IDN ccTLD Fast Track; and the biggest number of all is the allocation of overhead costs. The cc community, at least in terms of what we saw in the survey, see something somewhat different. Ccs really believe that they run their own shop. Fundamentally we don't use the ICANN policy machine, per se, because we develop our own policies for our local market. We manage our own compliance environment, [sat] our own compliance environment; manage our own registrar channels typically, and in general run our own WHOIS and the policy environment around WHOIS. So there's an interesting divergence of what ICANN perceives it's delivering versus what we as a community believe that we want or are getting.

This I think is one of the most important slides, this and the following one, in the sense of what are we actually using? And you can see it falls off pretty dramatically. And again, we're not going to go through it line-by-line here but what we really see is there are two or three core services that the vast majority of cc's believe that they're using in a meaningful way, IANA of course being the number one far and away but then also information updates, policy newsletters, that type of thing – we are consumers of those as a group; and delegation and re-delegation. After you get past those three it falls off pretty steeply as the graph indicates.

This is the same graph but fleshed out a little differently in that it gives you a sense of those same expense items or activity items but broken down by registry size – under 100,000 domains under management, 100,000 to 1 million, and 1 million plus. So not surprisingly it's relatively

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consistent with that but there are certainly some discrepancies here and there.

One of the general findings is that the cc's that use the least amount of ICANN services make the largest financial contributions. This breaks it down in a little further detail. I'm sure most or all of us are familiar with the contribution table that ICANN posts publicly which lists all of the ccTLDs and their individual contributions. This simply takes data like that and repackages it to look at the mean and the medium, and also by registry size. This particular one also looks at is there a formal agreement in place or is it strictly a voluntary contribution?

One of the things that I want to make note of here, as I preface this whole discussion with we're really just starting to dig into the data, and given that the survey was voluntary and people contributed their own information there was some discussion about what is a formal contribution because many of us have framework agreements, MOUs, exchange of letters; some have formal contracts. So we need to fine tune exactly the language here but I think it does start to highlight another interesting trend.

This gives some perspective on age; number of years of contributions versus size of registry. And probably not surprisingly, the longer the registry's been around in this environment typically the larger they are. But this does start to break it down a little bit in terms of providing financial support to ICANN.

We also tried to get a better sense of yes, there is the hard financial contribution that many of us make where we just simply write a check to ICANN on a voluntary basis, but then this community contributes to

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the ICANN ecosystem in many different ways and many ways that cost us significant sums of money. And if we're going to look at how we contribute to ICANN it was important I think to have a fairly fulsome look at what that meant, and here's where we started to dig into some of the other elements of contribution.

And this is frequency of travel, which has its own hard costs but also is indicative of the level of participation and contribution into all things ICANN; and you can see that there's a significant number of us who are very regular participants – we're here for all three meetings, and certainly the majority of us are here for at least two or more, two or three. And as we all know it's a week of our time. We fly all over the world. It's a non-trivial endeavor in terms of time and money to participate here.

Again, this is all self-reported data but this speaks to how many hours does one individual in your organization, and again that's an important qualifier because many of us bring a number of people to these events or have a number of people covering it. But the average person is spending 143 hours covering ICANN activities, so depending on how much you work that might be three or four weeks a year, maybe two weeks a year; but let's say three weeks a year dedicated to covering ICANN-related activities.

We also looked at how much effort are we spending contributing into the ICANN process, and certainly the majority of us are active in making contributions and participating in terms of public comment and activities like that. This is where we look at sponsoring meals and events at ICANN meetings. So again, this gets at the nature of what is

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contribution to ICANN. We write a check for our voluntary contribution but we also contribute financially in a number of other ways, and this simply looked at how many of us are actually sponsoring meals or other events in the ICANN fold – something that would certainly not be captured in the ICANN reporting of contributions. And you can see that again, the majority of us are doing it in some way, shape or form at one meeting or another.

I think another important element here that is not really captured anywhere but that is a significant contribution into the ICANN ecosystem and one that does not get reported is the incidence of each of us as cc's hosting an ICANN meeting. And you can see that within the respondent group there was a very high incidence of having sponsored a meeting somewhere along the 43-meeting path. In terms of average expenditure, it's certainly as you can see from the numbers on the screen, a non-trivial endeavor.

Those with agreements of various stripes on average – and this is important to note – on average are spending \$274,000 in terms of their commitment to a meeting; and again, this is hard cash costs, not other resources – soft or human resources. And those without agreements are spending on average \$119,000. And I can tell you as somebody who's in the thick of planning and spending money on hosting a meeting, the Toronto meeting, it is a non-trivial endeavor and certainly we can all see here was Costa Rica has done, what .cr has done. And it's a very significant expense that happens three times a year that typically the cc's are covering in a meaningful way. Again, something not captured in the ICANN reporting.

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This just fleshes out the detail a little more but you can see there are certainly cc's who are spending up over \$300,000 per meeting as well, well over \$300,000.

So as we looked at the data, finding #2 – and again, I do want to preface it with the Finance Working Group has only just received the data so we really haven't had soak time with it and the opportunity to really unpack all of the threads within the data. But based on that proviso, the financial contribution of ccTLDs is independent of a formal arrangement between ICANN and the ccTLD. I think that is an important factor here, or in statistical terms we don't see a correlation between the financial contribution of the ccTLD and any formal arrangement. In other words, the voluntary method still works quite well. Whether or not you have some formal document in place with ICANN we're still contributing in a very meaningful way, regardless of the instrument used or no instrument. And I think that's a very important finding more as we discuss the models as opposed to the hard financial side of it.

Again, this just looks at the type or the method used to financially support ICANN; whether we're doing it on a voluntary basis or have something much more formal in place. Those of us who again self-reported said it was a voluntary contribution. This again just starts to break down the financial data. So the average contribution for those who do it voluntarily is \$25,000. The average who have some form of agreement is \$22,000, and I really don't think we can... I mean I think this is interesting; I'm not sure we can take anything meaningful from it other than to say "A range of instruments work well for us all and not one particular type of instrument is of an advantage to ICANN vis a vis the other at least from a financial contributions standpoint."

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Given that many of us really set our own environments in our local constituencies, and as part of many of our mandates we contribute to the internet ecosystem in our own environments, all as part of the multi-stakeholder model. Again, that's not something that's really captured by the ICANN contribution list but I think it's important to note because while certainly not the majority of us, there is a meaningful contribution financially on that front which we'll get to in a minute. But this is really just a marker to also remind that we do play very active roles in the multi-stakeholder ecosystem in our own domestic environments.

And finding #3 that we started to tease out in terms of threads that we pulled from the data is that the ccTLD financial contributions disclosed by ICANN are materially less than the actual contributions both financial and non-financial made by the ccTLD community. And as we have this discussion I think that this will certainly be one of the important elements in this discussion.

Again, this is the method of contribution – voluntary or not, and this gives the mean but this is by method and breakdown. This is the average cost just to participate in a meeting, so again in terms of our contributions I think this is significant in that many of us are spending considerable dollars to support and be part of this ecosystem with the average being approximately \$18,000 per meeting. Now again, that depends to a very great degree on how far away it is for you and how many people you're bringing and committing to the ICANN process.

This is the number of hours, again skewed a slightly different way; and also highlighting that the majority of us actually do participate in a

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meaningful way into the various ICANN processes. And I think that's an important point to note. I mean as we all know there are passive participants in the ICANN arena and then there are active participants, and while we need them both and we hope to take passive ones and turn them into active ones – it's the active ones who are submitting responses and comments, and providing active feedback and input to ICANAN. And clearly this community is very active on that front. This just breaks it down a little bit more in terms of numbers of comments but on average at least 1.2 particular issues that we're commenting on in any given year, and certainly there are some of us who contribute or participate much more on that front.

Again, looking at capacity building activities in our domestic ecosystems with the average spend on that being \$17,000. And again, back to sponsoring the meetings and just taking a look at that in terms of sponsoring meals and events while at an ICANN meeting. And these were the general conclusions that we reached summarized again, but really that those making the largest dollar contributions are actually taking the least number of services; and that the financial contributions made are independent of the type of arrangements. There's no relationship between the type of vehicle and the type of contribution; and also that the contributions disclosed by ICANN are materially less than the actual financial and non-financial contributions made by the ccTLD community into the ICANN process.

So I think it's pretty clear that not only do we make the direct contributions, the one that ICANN publishes the list of, but we contribute in many different ways, both financial and non-financial. And I think that's probably the key element that we want to leave this

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community with and help inform the discussion. That said, we do as a community make a hard financial contribution to ICANN of \$1.4 million and if we look at total revenues for ICANN that is a relatively small proportion. So while I would posit that all of the contributions we're making are not really effectively being captured and are not really part of the dialog and the discussion, which they should be; I think it also highlights the fact that we probably need to really take a look at is that number – the hard contribution number, the \$1.4 million one – appropriate or not? Are we paying our freight or not? And I would argue probably personally at this point that we need to revisit that number.

I think what we also see here and what was talked about in the Finance Working Group – and again, not, we don't want to extrapolate the discussions in the Finance Working Group but one of the things we talked about is the general methodology that "Are we okay with those who are making the biggest contributions receiving the fewest services?" And the general discussion, at least in the Finance Working Group which included some of those actors was that "That's fine, we're okay with that because as an ecosystem that's part of what we need to do. We need to develop those who are maybe utilizing more of the services, and at this particular juncture in time don't believe that they have the capacity to make larger direct financial contributions into ICANN." But as an community we were generally speaking okay with that model, and I think that's another important thread to tease out.

So my goal was not to bury you in slides and facts and details, especially given that the Finance Working Group hasn't had a lot of soak time with it yet; but really to have a conversation and get input and feedback on

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what you've seen thus far; and if there's any questions or comments that can help further guide the Finance Working Group as we chew through this data and really try to make sense of it. That said, also remember that there are really three pieces to the work that we're doing. One is looking at the prospective models of contribution, and we have one today which is a voluntary contribution model. But there are other models and we've looked at that and presented information about that in previous ICANN meetings.

The second big piece of work was looking at how are we actually contributing which is what we're doing right now, and then the third important element here is getting a better understanding of ICANN's expenses or ICANN's claimed expenses associated with the cc community. Those are the three big buckets of information if you will, and our timeline was to come to some recommendation by the Toronto meeting assuming those three buckets of information were full and we could look at this issue in the fulsome manner that those three elements would provide. We still await the ICANN financial information. I know we have a new ICANN CFO who I know has many issues on his plate, this being only one and needless to say of course I'm sure the new gTLD issue is keeping him busy as well as restructuring a team and a financial application. That said, we still await that piece of information and we can't have the fulsome discussion on this issue until all three buckets of information are full.

So that's where we are today. This is the information from the survey that hopefully has provided some good guidance for all of us and certainly has given us much to think about, and the Finance Working Group will continue to wrestle with it over the intervening time

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between here and the next meeting as well. So are there any comments or questions? Too much financial talk too early in the morning?

Lesley Cowley: I was wondering that.

Byron Holland: Yeah, it's Tuesday morning, 9:00 AM.

Lesley Cowley: An awful lot of information to take in there, Byron.

Byron Holland: Do we have a mic for folks?

Lesley Cowley: I do see fortunately we have Xavier in the room so maybe if I can give you pre-warning it would be helpful to have an update on progress on the last bucket as Byron so eloquently puts it. But in the first instance, any questions or comments on Byron's material please? Okay, I have Roelof, then Rennie, and I didn't see who it was in the back. Hello? Kieran, on average three questions per session. Okay, but Roelof.

Roelof Meijer: Thank you. Well, first of all I want to compliment the Working Group. I think it's an excellent piece of work and definitely had some surprises in

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it. A little louder? I have to do it again? You just want to be complimented twice, right. [laughter]

Byron Holland: I probably won't be able to hear you; you might have to say it a few times.

Roelof Meijer: Yeah, okay. I would like to compliment the Financial Working Group for this piece of work – I think it's excellent. And there'll definitely be some surprises in there. Just a few remarks: the ccTLD financial contributions disclosed by ICANN are materially less than the actual financial and non-financial, and I think you should leave out the "and non-financial" because of course the financial contributions that ICANN states are less than the sum of the financial and the non-financial ones. Do you get my point? So you need to rephrase it because it looks a bit strange to me now.

And you have your overall conclusion and I'm wondering if that pays tribute to the vast number of very interesting conclusions you have, because it's very generic and it doesn't seem to contain any new information while your real conclusions do. So I would be a bit scared that only this final conclusion gets across and everybody says "Yeah, okay, we know that. We know that you pay more or you contribute more than just your financial contributions." I think they should focus more on these ones and the ones you [mentioned] before.

And then I have one, and what's more it's a mixture between a question and a remark, and that's within the Working Group you discussed the

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fact that those parties that use the least of ICANN services make the highest contributions; that those organizations are happy with that model.

Byron Holland: I didn't say "happy." I said they're accepting of that model.

Roelof Meijer: Well they're accepting that model. From the side of this again I would like to make one remark, and that is yes, we accept that model if it is really based on the capacity to contribute. We all know that there are also cc's that are very able to contribute and they don't, and I don't think that is a situation that we would like to have continued. Those are just my remarks, but for the rest I think it's an excellent piece of work – very useful.

Byron Holland: Thank you for those remarks. And I agree, and I probably should have touched on it because it was on one of the slides. There are about 20% who pay nothing so there is certainly a free rider syndrome that permeates the ccTLD community. Now, what we don't get to is the why on that 20% but we know there is a free rider element here.

Roelof Meijer: Yeah, because that's the other side. We saw in your graphs that some of the services are used by every cc registry.

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Byron Holland: And that's a good point to make.

Lesley Cowley: Okay, thank you. Rennie I think was next.

Rennie Fritchie: Thank you; Rennie Fritchie, Nominet .uk. I was interested to know what was the biggest surprise for the group when they got the information, and also Byron, you said you had a very short time to digest this – what did you talk about the most in that meeting? What was the things that generated warmth and energy? Because when we see it as a list it's all very neat but it's where the energy was I would be interested to hear.

Byron Holland: I think probably what generated the most surprise, even though we generally knew, it was how many hard dollars were the contributions we're making outside of the purely financial contribution and the level of materiality; at least the level of materiality vis a vis the financial contribution that's being made which is captured nowhere in this discussion. And when you actually put it down on paper it's a surprisingly large number, so that's probably the first. What was surprising? That was probably the first one.

What captured the energy in the room? I'd also welcome my other Finance Working Group colleagues to comment on that. What captured the energy in the room? That's a good question. Lesley, do you have any thoughts on that?

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Lesley Cowley: You're assuming we had some energy in the room then because there's rather a lot of material to digest.

Byron Holland: And it was Sunday at 5:00.

Lesley Cowley: It was Sunday at 5:00 your time. I think some of the energy in the room was about trying to understand what this actually meant a bit more, and particularly in terms of the reported sum versus the actual sum. And I think Roelof has a good point on the non-financial elements. But there are some hard [pan] signs or dollar signs in real financial elements and I think getting a better understanding of those, and particularly then having that informed by some ICANN information as well captures some of the energy.

Byron Holland: I would also say just trying to get a sense of the nuance of the discussion here because there's the hard facts and data that are here but what is it really telling us? And to be nuanced about it, because there are some elements of it that are hard truths and they may make us uncomfortable and we had a lot of very reasonable dialog about that. Those who can pay are fundamentally – a couple of free riders aside, those who can are. And those who at this moment in time require the services the data would show are not currently in the position to make larger financial contributions.

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That can be a delicate discussion and we had some really I would say constructive and positive discussion around that space, and that's where the end statement that I just made was generally speaking we were accepting of that model. And there was a lot of good dialog, constructive dialog about what could be a sensitive issue on that one.

Lesley Cowley: Okay, I had Kieran next and then Sabine.

Kieran McCarthy: Hi, Kieran McCarthy, [.nx]. I don't know whether I'm allowed to ask a question but I'll throw it in and you can ignore me if you like.

Byron Holland: That's never happened before, has it?

Lesley Cowley: You don't have to be a ccNSO member or even a ccTLD manager to be in this room, and you're all welcome to ask questions.

Kieran McCarthy: Oh, thank you very much. So I thought it was very interesting. I especially like the fact that there's actual figures attached to something coming out of the ICANN process which doesn't normally happen. Rennie stole effectively my much more interesting question which was what surprised you out of this. My much more boring question is how did you come up with how much it cost the cc's to come to an ICANN meeting? How did you actually get to that figure?

Byron Holland: So this'll get into the survey methodology, and I think you came in just slightly after I talked about that a little bit. But this was a voluntary survey so it's self-reported and voluntary, and as such there is a voluntary bias nature to it. There were 55 respondents, so 55 ccTLDs responded to this I would say very robust survey. To get to your specific question, it was a self-reported number. It was the cc's saying "I spend X attending a meeting." It didn't get into, for example, "How many people do you spend?" but that's captured in that figure somehow. So that's how we got to those numbers – it's a self-reported number.

I will say just on balance as we looked at ourselves around the Working Group and just did a finger in the wind of "Does this make any sense at all, knowing what we spend and others?" there was a gut check to those numbers as well – it just also made sense.

Lesley Cowley: Okay, thank you. I have Sabine and then Young-eum.

Sabine Dolderer: Yes, Sabine Dolderer from DENIC. I have a little bit of a question: when you're talking about the report and you're talking about 20% not paying, the 20% refers to 20% of those who answered – am I correct?

Byron Holland: Can you speak a little louder? I'm just having trouble hearing you up here.

Sabine Dolderer: The question was when you talk about 20% not paying, you talk about 20% of those who answered the survey – am I right? So you're talking about, of 55 you're talking about roughly 11 or so.

Byron Holland: Right.

Sabine Dolderer: Supposing let's say you have roughly 200 ccTLDs not participating in the survey and let's say using an (inaudible) cycle do you know how much of those who really pay into ICANN are participating in the survey? So doesn't that expand the amount of those potentially not paying even more?

Byron Holland: To be honest I can't answer your specific question right here, right now. I believe that that data is in the survey and that's something that we will be getting to. We, at this point we've looked at it from a geographical region standpoint. I can tell you that we do over index in Europe and North America – I mean there's only a few of us in that region. We're very well-represented in Asia and average index in South America and under indexed in Africa. So that just gives you a sense of those 55, where they're breaking out. It doesn't answer your question but I think given the data that we have we can get to some of that; but I don't have it here for you today.

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Lesley Cowley: Byron, what's over index? There's a Canadian translation needed.  
[laughter]

Byron Holland: Definition of "over index?" In the survey, of the population of the survey who from what geographic region participated? And for a given number of possible participants in Europe and North America it was very high, whereas in Africa for the given number of potential participants we had a much lower turnout than was average. So if you look at the average it's just above or below.

Lesley Cowley: Thank you. So while the mic is going to Young-eum can I also ask a follow on then: is the survey going to remain open for hopefully additional people to inform that data?

Byron Holland: My belief is that we are going to have a v.1 of the survey so that the results... We want to be able to show these results consistently but we also want to attract as many cc's to participate in this as possible. So we'll probably have a line in the sand where we have this initial survey but we will then keep it open and it will be a separate dataset so we can continue to enrich it and allow people to participate.

Lesley Cowley: Excellent, thank you. Young-eum?

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Young-eum Lee: Yes, Young-eum Lee, .kr. Byron, I just wanted to ask you. You mentioned that the ICANN budget does not reflect our contribution to the regional organizations and our operating expenses and the expenses that we spend to maintain our own registry. I'm just wondering if you have any rough idea of maybe the percentage of our contribution to this part compared to our actual financial contributions to ICANN.

Byron Holland: The short answer is no, we don't. This survey was meant to be sort of fundamentalist I guess in nature; that it was strictly about ICANN. I recognize, and I think it's a very important point for ICANN to recognize that many cc's contribute mightily to their regional organizations which are a key part of the ICANN ecosystem. This survey does not capture what happens out in the regional organizations but I know a lot of time and money is spent there by this community in support of the ICANN process, and hopefully ICANN recognizes that.

Lesley Cowley: Okay, thank you. Any further questions or comments please? Patricio.

Whilst the mic is travelling to you can I bring in Xavier? If you're able to, Xavier, on the last issue it would be helpful; and also I'm then going to try an experiment with our bits of cards to ask you whether this area of work is of interest to your ccTLD, and if it is whether you are able to support this going forward. Patricio?

Patricio Poblete:

Thank you. I have two comments. One is what about the 20% that seem to not contribute? ICANN publishes the contributions of individual ccTLDs and for the last year that I could find, it was 2010, it lists some 70 ccTLDs contributing so that would mean about two-thirds of ccTLDs do not contribute to ICANN. And my other comment has nothing to do with the substance of the survey but more about the form. I personally hate online surveys where you have to sit in front of your computer without knowing how many questions there are, what they are about, and what kind of research you would have needed to have done to be able to answer those questions.

So in this case I asked for a copy of all of the questions beforehand and the (inaudible) was kind enough to provide me with all the document which really was very helpful, because then I was able to gather all I needed before sitting down to answer the survey. I would suggest that in the future you make available the whole of the questions in addition to the online mechanism for actually answering, and perhaps you could get more people to reply that way.

Byron Holland:

That's a very fair and valid point. We did hear that early on. Because the survey was actually quite robust, even those of us who run cc's, when you sat down to do it – myself included – you got the question and it was like “I don't know the answer to that.” But what we did do is make it an open survey so that you could go away and come back to it. If you didn't know an answer you didn't have to complete it all in one shot; that you could reopen it and continue to fill it out. And that was our attempt at allowing people to go away and do the research.

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Lesley Cowley: Okay, thank you. Xavier, are you able to give us an update on the progress for the ICANN side of information for this, please?

Xavier Calvez: Can you hear me okay? I am Xavier Calvez, the CFO of ICANN. So you mentioned the third item... Byron, can you repeat for everyone, including me, the third item in terms of description of how you want to receive it – the question and the answer?

Byron Holland: The third bucket or the third thread of information was getting a clear understanding of ICANN's position on the expenses that ICANN incurs associated with the ccTLD community. And since Dakar and even before that actually we've been asking for some more detailed information because in order to know where we need to head we need to know what the final destination is fundamentally.

Xavier Calvez: So I'll make two general comments on that specific subject. I think that the notion of details of costs is an answer to a question that we need to also make sure we're all understanding in the same manner. I think that the question is effectively who should contribute how to ICANN and we know that today the very large majority of the ICANN funding comes from... It depends on which organization you are. Registries and registrars and others call it, [the users] and so on but I won't get into that debate now.

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What I would like to continue developing with the ccNSO executive team is the understanding of what model of analysis do we think is adequate to answer the question which I think ultimately is how much should the ccTLDs contribute to ICANN's finances. So I think at the level of that question, I think the answer that has been in the past formulated to the ccNSO for that question is "We need to understand the costs of ICANN." I think that we need to be able to formulate at the next level of detail what types of costs do we want? Do we want the costs of activities carried out? Do we want the costs at an extremely granular level, but how do we relate that to the activities that are carried out by ICANN?

I think that to the point that you were making during the presentation, there is an extremely interesting slide in your presentation about what is the perceived functions of ICANN that are of value and/or used by the ccTLDs, and that's in my view an extremely important element to take into account in order to come up with the answer. So that's a general statement about the actual nature and shape of the costs and financial information that we want to provide.

The reason I'm mentioning that is because once we have said that – and I'll try to be short – once we have said that and defined together how we want to formulate that, then we can have a path on coming up with the information. The issue that I'm having now is two different things: it's making sure that we have a framework, a definition of what we want to come up with and then a path to get there. And while I'm of course working separately on the ICANN Finance organization's systems to get them to a level of performance that allows us to provide not only of course the ccNSO but to provide the entire community with financial

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information that's adequate, I think the definition of what we want to provide and how we want to look at the costs of ICANN for the purpose of defining the contributions of the ccTLDs is very important. So this is something I'm looking forward to working with the group on.

Byron Holland:

Good, well thank you very much for that, Xavier. We certainly have some ideas on it and I look forward to discussing it in further detail. I think one of the things, an easy place to start is on that very first chart that I flashed up that talked about what do we perceive we're actually getting – the one that falls off very steeply starting with the IANA function. And that gives you a sense of what do we think we're getting; and by extension to some degree what are we willing to pay for – just as a starting point.

Anyway, thank you very much. I know we-

Lesley Cowley:

We're really running out of time because we need to have a big navigation exercise to join the ICANN Board. I'm sorry, do you have a very quick question?

Dmitry Kohmanyuk:

Of course – Dmitry Kohmanyuk [.ukraine]. I just want to clarify the point three about the financial and non-financial contributions. It can have a double meaning, either that there's some non-financial contributions that are not accounted for or even the financial

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contributions that are accounted for are less than the actual. So can you please clarify that because it seems like unclear.

Byron Holland:

I'm not sure that's a short answer but I'll take a stab at it. Financial contributions... Well I guess in the end you can argue that they all come down to money, because if I spend my time, my time is worth something. But the way it was described in the survey is "Do you make a hard financial contribution, do you write a check for something like the voluntary contribution?" But then we also talk about things like hosting this meeting where .cr is paying real hard dollars in a very meaningful way to support this ICANN meeting; and then non-financial contributions which is probably time and effort and bandwidth like making public comments, all of those types of things which in the end are people and their time is worth something so there is an underlying dollar value associated with that.

And I think actually it's probably a good bookend that Roelof in a sense started with a comment of that nature and that's good feedback; and maybe this is not appropriately placed and we'll fine tune it. That's where we were going with the distinction between the two.

Lesley Cowley:

Okay, I'm panicking because we've got a long trek. Quick, to test the temperature with the cards, are people interested in this area? Is it an area of interest to people? Is it worth continuing the work? I suspect I know what the answer is; I just wanted you to practice with the cards. Excellent, there's lots of greens.

[background conversation]

Lesley Cowley: Okay, I can only see two oranges and they appear to be from people who don't do money. Okay. Thank you, everyone. Now listen, we need to go to our meeting with the ICANN Board. Unfortunately, in spite of assurances that it's not far away it is. It's actually in La Paz C which is through the exhibition area and out the other side. We're due there at 10:00 and back here after coffee at 11:00 for the IANA update. Thank you.

[break]

Lesley Cowley: ...the Board. We're going to restart again in two minutes.

Okay, welcome back everybody. We're going to redirect the agenda slightly in order to accommodate people who have other items on their dance card. And thank you, Kim, for giving up your slot to accommodate Chris who's back to rejoin his friends in the ccNSO community to give us an update on the Internet Governance Forum.

Chris Disspain: Thank you. Thank you. Good morning, everyone – it's absolutely joyful to be here. And I'm looking forward to dinner tonight very much.

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Now, I thought I'd just very briefly talk about the IGF and actually the WCIT which is kind of the same thing really, only different. So on the IGF front the MAG met in Geneva a couple of weeks ago. Now, I know that the MAG is going to be rotated and the intention was that actually there'd be a fairly big rotation – I think something like about 60%. But I also know that a number of communities have re-nominated the same people so whether we'll actually end up with a whole new group of people on the MAG or not I don't know. But I believe that some cc people or regional organizations have made nominations. I tried to find out yesterday from Changetai who's running the Secretariat whether we knew when it was going to be announced who the new MAG is but we don't.

Anyway, we had a very interesting discussion in Geneva and the main outcome of it was the inclusion of human rights as a subject in the Internet Governance Forum. You would not think it could be as hard as it was to get human rights on the agenda but it was actually extremely hard. There are certain governments who didn't particularly want human rights to be on the agenda, although interestingly China was not one of them. China was actually quite happy to have human rights on the agenda.

We're going to be meeting in Baku, Azerbaijan, referred to by a friend of mine the other day as "the new Dubai." It is apparently, they're apparently building hotels and spending lots of their oil money on building the city up so it's going to be quite interesting. And hopefully we'll have a good presence at the IGF, but I would like to address one particular issue with the cc community which is money.

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auDA has been a contributor to the IGF, not a particularly large contributor – I think we give about \$10,000 or \$15,000 US a year. And the problem that the IGF has right now is that effectively they don't have a lot of money. Now, this is a sort of a chicken-and-egg situation – they're claiming that they can't get a proper working Secretariat for the IGF because they don't have enough money, and those of us who have previously put in money and are kind of putting in a significant amount of money are saying "Well, until we know for sure that you're going to build the IGF the way we want you to we're not going to give you any money, because there's no point in us giving you money for you to then take the IGF into government hands and not be run by a multi-stakeholder organization."

I have been persuaded by the arguments of the people I've been talking to that actually we probably do need to make our contribution and auDA will be making a contribution. So if any of the cc's feel comfortable doing that it really is a case of if you can just leave us with just \$5000 or something that would be really great. The IGF runs on a very tight budget. The money isn't wasted and contributions would be very welcome.

Now, WCIT. Yes, the World... What is it?

Lesley Cowley:

It's a stage show in London but I'm sure it's not that one.

Chris Disspain:

Oh, actually it is, too, yes! So the WCIT is a conference run by the ITU and it's going to be in December and it's going to be in Dubai. And it's

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about redoing the IT regulations that were last done in 1988 I believe in Melbourne of all places. And these IT regulations are all to do, well have been up until now basically all to do with telephone numbers and all of that nonsense; and infrastructure.

And there is a stated intention on the part of a not insignificant number of governments to have the regulations extended to be in respect to the internet. Now, the challenge here is as follows: because it's the ITU and because it's a formal treaty session – this is a treaty, these internet telecommunications regulations is a treaty so all those regulations come under the treaty. So it's governments only, and I think that sector members, ITU sector members are allowed to attend some of the pre sessions but I'm not even sure if some of the sector members are going to be allowed in the room when the governments are discussing this stuff.

I won't even bore you with any of the details. There are a number of seriously weird and whacky proposals out there at the moment from various different governments to do with the internet, so what's happening from the ICANN point of view is that Nigel who some of you know – Nigel Hickson who's just joined ICANN as of yesterday – is going to be working on the ICANN response or ICANN involvement in the WCIT. ISOC, led by Marcus and by Bill Graham, have already done a significant amount of work on this and they're going to liaise with them. So Nigel will also liaise with ISOC to make sure that we have a clear strategy.

Now why does all this matter for you? Well, a couple of reasons. First of all we're trying to produce a briefing paper for the community

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generally, but specifically for the cc's about what's going to happen or what's likely to happen. But what you should all be doing if you possibly can, and certainly what we are doing in Australia, is go talk to your government. They will be the ones at the table. Go talk to them, get clear with them that you do not want the ITU interfering in this pond. They can do what they like with respect to the telecommunications stuff but not with respect to the internet.

Now, the challenge for many of us, and I know it's probably the same for you, Lesley, and it certainly is for me, that the people in our government who go to the ITU are certainly not the people in our government who come here. So it's about building relationships with the right people. If you can use the people who do come here on behalf of your governments to bridge you into the people that you need to talk to that would be great. But it's really, really important that if you do have even a slight relationship with your government that you go talk to them and you actually say "There is grave danger here that we could end up with the ITU controlling the infrastructure that runs the internet."

You will probably need some briefing documents and some ammunition to do that, so I will take it on as a personal goal or perhaps vendetta – because when you read this stuff you might not like me very much for sending it to you – to get something to the ccNSO as quickly as possible. I'm happy to take any questions, Lesley, but other than that...

Lesley Cowley:

Okay, thank you, Chris. Obviously this is quite a moving space. Let's take some questions. Sorry, the light is such that I can't see you... Keith,

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sorry. I'm also going to use our new card technique in a minute to see if there's any interest for another update or discussion on this in Prague. So pre-warning of cards needed. Keith?

Keith Davidson:

Thank you, Chris, and just three things: firstly, the last review of the [ITS] was completed in 1988 so these can't get visited very often, and it's being reported quite widely that this is the last chance for the ITU to actually have some look at the concept of incorporating ccTLDs into the [ITS]. And so it is very important that we take an active interest. This is not casual and this is not a peripheral thing – it is very core to ccTLDs unless you'd welcome the ITU administering your IANA database.

Chris, you're right about ISOC's participation so far. They've done some fantastic work, and your offer – I could actually share today with the members list the latest document from their research which I think will just alert individuals to just what is happening... Excellent, so I'll undertake to do that in just a couple of minutes. And I think the third part is not only for ccTLDs to start conversing with their governments if they have a good relationship but actually getting ccTLDs to attach themselves as expert advisors to their delegations and actually going to Dubai and the rounds of meetings to actually get [that government jargon] so you can actually speak reasonably in the room. Thank you.

Chris Disspain:

Yes, absolutely I agree. It's what we're trying to do, and I know, Keith, you've done that before in various ITU guises. So that would be great.

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Keith Davidson: Yes, but for example at the ITU plenary [potentiary] meeting last year in Guadalajara, [Paul Cain] was attached to the UK delegation as an expert advisor; [Vinny McCofsky to Liberia's] and so on. So it's not a foreign concept for this to happen.

Lesley Cowley: Thank you, Keith. Okay, I had Young-eum and then Nigel.

Young-eum Lee: Thank you. Thank you, Lesley; thank you, Chris. I just wanted to ask you if any, what relationship if any or what influence if any the recent [version] of the RFP by the US government would have or could have on this.

Chris Disspain: So thank you for that question. Well, look – it's not a great look is it, really? But having said that, my guess is that it'll all be sorted out relatively quickly but we have, we really are quite challenged by what we can say about this. And you all know me pretty well so you know that if I'm not actually able to say something it means I'm actually not able to say something. In fact there was some pushback already on Steve's comments this morning in the joint meeting because he actually started to speculate about what may have happened, and we really mustn't do that. But my (inaudible), Young-eum, is that it'll all be sorted out way before then.

Lesley Cowley: Okay, thank you – we'll leave speculation to the journalists. Nigel.

Nigel Roberts:

Is this working? It is, okay. I just wanted to underline – can they hear me? Yeah. I just wanted to underline something that Keith said. A long, long time ago in a galaxy far, far away I was a board member of a completely different organization but very, very similar – the Radio Society of Great Britain – and the frequencies that all radio users operate on are defined by the ITU in something called radio regulations which are revisited once every twenty years or so. It's an incredibly important event and it is historically incredibly common and incredibly normal for the people who can't normally be in the room, such as the Radio Society people or industry and so on, to be attached to your national delegation as expert advisors effectively. You sit behind the delegate.

I would very much underline what Keith said and every ccTLD manager should do their best to try and get that kind of access because this really is very important, this kind of... Again, I'm underlining what Keith was saying.

Chris Disspain:

Thanks, Nigel.

Lesley Cowley:

Okay, thank you everybody. Can I just do a temperature check then, not on the room but on this issue. On this issue, is there firstly interest in the shared materials that I think are on offer? Yeah, excellent – we don't want to spam the list, you see. And secondly, is there interest in having a panel discussion or an update at least in Prague on this one?

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In which case you can never leave, Chris – you can come back again in Prague.

Chris Disspain:

Well, can I suggest that... I think this is an excellent idea and can I suggest that what we should do is get Bill Graham and a few others? Now time is short so don't wait until the discussion in Prague before doing anything. Read what Keith sends out; I'll try and get some other stuff together, and as soon as ICANN has actually managed to get its strategy sorted out we shouldn't be too much longer we'll share that with you as well. Paul's hand is up over there. This is a quite bizarre experience – I'm now about to be asked a question by somebody that works for me and I don't allow that in my office. [laughter]

Paul Szyndler:

Paul Szyndler from auDA. It wasn't so much a question but just to add to what Chris said, the way the process works is that the [ITRs] will essentially be revised and finalized – the majority, sorry I don't know if you mentioned it earlier but the majority will be finalized and sent to member states in June. So that goes to what Chris said, that the process is largely finished by June. Of course things will then happen at the meeting in December but there'll be this period of stasis where there isn't a lot of discussion about them. So the action needs to be sort of between now and June.

Chris Disspain:

Which is correct. So we'll know when we get to Prague effectively what's on the table, and then we'll have to try and figure out how we

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stop what's on the table that's a problem from getting any further.  
Thanks.

Lesley Cowley: Absolutely, that's the next installment as it were in this moving [feast].  
Stephen, you had a comment, and then Roelof.

Stephen Deerhake: Stephen Deerhake, AS Domain Registry. I just wanted to make the community aware that at a recently-concluded AP TLD meeting in New Delhi was a quite interesting presentation by Raja Singh of Asia ISOC on this very issue. And he provided us, which are up on APTLD.org's website, a nice set of slides as an introduction to this issue.

Lesley Cowley: Okay, perhaps we can ask the Secretariat to also share those on the list, yeah? Okay, Roelof?

[background conversation]

Lesley Cowley: Okay, excellent. It must be the quickest action that's been done.  
Roelof?

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Roelof Meijer: Thank you, Lesley. Chris, this whole thing runs on for a week I think. Do we have any idea really at what part of the whole program this particular issue is going to be addressed?

Chris Disspain: That's not how it works – it's the whole week. No, you can't [forecast] it – it juts runs for the whole week. Almost two weeks, right?

[background conversation]

Keith Davidson: It's two official weeks.

Chris Disspain: Of course, the "official week" concept. But Keith, you (inaudible) disgust. I mean they're all over the place – is that right?

Keith Davidson: Well, I didn't attend the 1988 review so... [laughter] So I'm not sure. But the usual ITU methodology is to exhaust the first 90% of time available by reiteratively saying "No we can't accept this, and no, we can't accept this," and then at the 11<sup>th</sup> hour on the last day resolving everything. But if you haven't been in the room and suffered the pain for 90% of the time you can't get in the room to argue the last little bit.

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Chris Disspain: So it's two weeks, yeah. But the advantage, Roelof, is it's just before Christmas and there's great shopping in Dubai, so... [laughter]

Lesley Cowley: Okay, before this meeting descends into farce any more questions or comments?

Chris Disspain: Thank you very much.

Lesley Cowley: Well, I can go into shopping for a very long time. [laughter] Okay, thank you very much Chris, it's nice to see you.

Chris Disspain: Okay, thanks guys. See you tonight.

[Applause]

Lesley Cowley: Right, moving on we have the displaced Kim now back in the agenda for the IANA update.

Kim Davies: Hi. I was given the friendly warning before I started that everything I say has consequences, so it's a good thing I wasn't going to talk about anything controversial. [laughter] What I will talk about is just a quick

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update on the automation system we rolled out last year; some updates on the continuous improvement we've been doing within the IANA Department; some of the other services we've been working on as well and a few statistics to finish off.

So for those that are not aware, ICANN has been working on a multi-year project to implement a workflow automation system. Effectively what that means is rather than a manual process of accepting changes to the root zone being processed by our staff any changes to the root zone now are lodged through an online system. This online system is responsible for managing the entire workflow of a request from submission through evaluation and finally through to implementation. While certain steps in that workflow are still manually processed due to policy requirements as much as possible the workflow of a request is automated. In particular we work with both NTIA and Verisign in implementing root changes, and that communication with those organizations now happens over EPP as well.

So we conducted a long testing and parallel operations phase – that phase concluded at the middle of last year. The final aspect of deploying the system to its final state was inducting ccTLD registries and gTLD registries to have access to the web interface. That happened throughout August and September last year. I guess the news is that it all went relatively smoothly, even more smoothly than even I expected so I was pleasantly surprised. Really, we've only had minor issues with the system and nothing we haven't been able to correct immediately. There's been, I think the best way I can categorize the general class of things we've discovered after implementation is that when we had a

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manual process we had a lot of flexibility to reorder events based on circumstances.

So for example, when we're doing a delegation or a re-delegation of a ccTLD it's accepted that some of the technical systems at the registry won't necessarily be operational until quite towards the end of the process. However, the formally stated process for root zone change is the first thing we do is those technical checks. So the fact that the system is more rigorous in doing things in a certain set way as resulted in us in particular with re-delegation requests sort of overriding the system or reordering events manually, which the system can cater for. It was explicitly designed to allow us and staff to go in and manually do things if necessary, but it's one of those things where we're considering and thinking about how to refine in future iterations of the system.

Other refinements we're thinking about is making the interface more intuitive, making the email messages and notifications that come out of it more intuitive as well. We're quite happy that the foundational business logic is sound but certainly the interfaces and documentation can be improved. Also we need to cater for new gTLDs – how the new gTLD process will feed into the IANA process is something under active development. Ultimately we want to make the process of an approved and agreed new gTLD string being as frictionless as possible getting into the root zone obviously in compliance with all of the relevant policies.

I've talked to this group in the past about other new features that we considered about [IZM] for example. One thing pretty high on the list to my mind is two-factor authentication; the notion that as TLD managers, you get some other piece of identifying information – for example it

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could be a one-time password generator, it could be a PGP key – something that allows you to increase the security of your access to making root zone changes. The notion of two-factor authentication would be an opt-in system, but we started developing this in the first version of [IZM] but we made the decision that we would hold off until the second iteration of the software to deploy something like two-factor authentication. So we'll I think start a dialog with the community about exactly how two-factor authentication could work.

It is tricky because once you have increased security for TLD managers to make changes, the question of course then becomes what happens if a TLD manager loses their credentials? It's not good having extra security if you fall back to the same old method if they say "I've misplaced my key," so what would be an appropriate mechanism for TLD managers to recover lost credentials and how could we establish trust with the ccTLD managers in a way that allows us to accurately deliver those credentials to the right people?

So that's a brief summary of automation. Some of the other efforts within the IANA Department: we've now, after the third time in a row, performed an annual EFQM self-assessment. This is part of our Business Excellence Program that we've been conducting within IANA. It started off as a pilot project within the department to sort of spur quality management and then hopefully pervade the entire ICANN organization. We had the self-assessment in January and we had extremely good results in year-on-year improvement. According to the measurement model, I think it was something like a 50% improvement over the previous year which is relatively high, but you know, there's a

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lot more work to go. So the results of that internal assessment will feed back into continual development of IANA's processes and procedures.

The next step, and I think this aligns with the [re-delegating] of the IANA contract which has its own particular requirements and provisions, is what are the KPIs moving forward that we can measure against. And I think in developing KPIs we want KPIs also that are useful to the community, so I think discussion about what those KPIs are will be important moving forward.

Just one aspect of the work that we've been doing is we've been very rigorously documenting all of our internal processes. Right now we've converted over half of our core internal processes into a rigorous, formally documented workflow which involves flowcharts and formal description of how exactly processes are conducted. This allows sort of the institutional memory of the organization to be written down and formally processed and judged and assessed against. One other aspect of this is we intend shortly to conduct the customer survey, so I anticipate that will include reaching out to TLD managers to ask their opinion about the IANA services we provide to you and elements of improvement of that.

Another aspect of our continuous improvement: we're looking at all of our interfaces to the community so obviously the root zone management-

[mobile phone rings, laughter]

Kim Davies:

I'll let that pass without comment. [laughter] You know, root zone management is obviously a pillar of what we do but we interact with protocol developers in implementing the IETF registries and working out how to improve those workflows, too, is pretty important in optimizing our entire spectrum of services.

With respect to security and continuity, the Fourth Annual Security Plan was revised in November, 2011, and we're planning our second continuity exercise for the IANA Department sometime this year. We held our first one in 2010.

And with respect to DNSSEC, every time I give an update on DNSSEC all I really have to say is it's just working. We've had no significant events. The root zone is signed; it's been unproblematic. Every three months we continue to have a key signing ceremony involving trusted community representatives that fly in from all over the world. They witness a procedure where we sign another three months' worth of root zone keys in advance and then it just keeps working. So you know, I really couldn't be more pleased with how that's going and full transcripts and logs of all those ceremonies are published on the IANA website.

And one of the aspects of the DNSSEC effort that we've done is we've got this formal [sys trust] certification in which auditors have reviewed the entire process and given it effectively a tick; and we're pleased that we recently renewed for the second year that certification. Other IANA activities, well I should say it says "ICANN activities" and it should be clear that these are performed within the IANA Department but are not formal IANA functions related to the IANA contract.

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So one of them I think I mentioned at the last meeting is a time zone database. We, the time zone database for those who aren't aware – your smartphone, your laptop, pretty much any device that has time zone support, probably that data comes from this time zone database. Now, historically it's been maintained by a couple of volunteers who have done it for several decades in their spare time. We were first approached about taking on the role of managing the time zone database probably about 18 months ago I'm guessing because the main operator of the time zone database was looking into retirement. However, come October the then-current maintainers found themselves on the pointy end of a lawsuit and immediately needed to find a new home for the time zone database.

So recognizing that we were about to take it over anyway ICANN jumped in and took it over immediately and set it up. I'm pleased to say that that lawsuit threat has now evaporated. Those volunteers that were temporarily unable to participate are now participating again, and ICANN is now the home for the time zone database which is now being actively maintained. So something that was pretty important to critical internet functioning – keeping time zones accurate and up to date – ICANN I think was able to do the right thing there and implement what needed to be done.

I won't actually touch on this slide really because I know there's a session on this later, but one aspect we've been working on is the Variant IDN Project as well. And then just finally to wrap it up some statistics: in recognition of Costa Rica signing their zone I thought we could just put up a map of which ccTLDs have signed. This is ASCII ccTLDs but penetration is growing – I think we have something like 70 or

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80 TLDs that are now signed in the root zone. A couple of them are orange; that means that the zone itself is signed but there's no DS record in the root zone, so there's no continuous chain of trust down to that TLD which typically indicates that they're almost ready to be listed in the root zone and for whatever holdup there is, they're rolling out their systems.

Another interesting thing, well, interesting for me – I don't know how universally interesting it is: in the context of thinking about "Well, what happens if there is some kind of impact on the ability of the root zone to update?" what is the impact of having an old root zone – if the root zone is a day old a week old, a month old? So this came up in a technical discussion but I thought it might be interesting to share this data with you. If you analyze if you had the root zone today versus if you had the root zone yesterday, versus if you had a root zone a while ago, how many TLDs would continue to function based on that old data?

So you can actually look through the history and work out a few things. You can work out will the name servers still be correct? If they're not correct they're not going to serve data for that TLD. If all of them are not correct it's a state that we know is lame, which means the TLD won't function anymore because there are no longer any name servers that are responsible for that TLD that are still listed in that old root zone. And we can also look at the DNSSEC information as well to work out would the keys still validate based on the old data? Would the zone still be signed based on the old data and so forth?

So I think we get an interesting picture and despite that it might not look that way but it demonstrates that the root zone can actually get quite old and sustain a lot of the TLD information correctly. A lot of the drop-off that we see is actually due to new TLDs being added but generally speaking, because TLDs typically don't change their entire set of [NS] records all at once and there's probably at least one or two name servers that they use today that were in service a year ago, that the vast majority of TLDs will actually be resilient to some aging effects on the root zone; which is not to say it's at all desirable to have the root zone age at all. But if we're in the event that someone was relying on old root zone data there shouldn't be much impact.

Yes?

Male: What do you have on the horizontal axis? The 900 – what is it, 900 days?

Kim Davies: Yes sorry, the bottom axis is days. It got chopped off, sorry. So 100 days, you see 250 TLDs are perfect more or less; the data would be completely accurate. But of the remaining 50 plus TLDs that have some defect, the orange line is actually not too bad because all that means is that at least one name server is inaccurate but they still have accurate name servers. The red line is really what you're mostly concerned about.

And then just finally as of last week there's 313 TLDs; the most recent TLD – I forgot to finish my slide - .kaz, Kazakhstan from the IDN ccTLD

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Project. So all together there's 249 Latin ccTLDs and 31 non-Latin ccTLDs in the root right now. That's it, thank you very much.

Lesley Cowley: Okay, thank you Kim. Questions or comments please? Fernando, isn't it? Sorry, a complete mind blank.

Fernando Espana: Hi, Kim. Thank you for the update on the automated process for IANA. You say that some ccTLDs and some gTLDs have been using it. Do you have any statistics on that and what the numbers are?

Kim Davies: I do; I don't have them on my slide but just kind of off the top of my head. So there's two aspects to it: one is that there's a new web interface that TLD managers can use to launch requests. In terms of adoption I think it's about a bit over half use the web interface now so the majority of requests are now launched via the web interface. But we still made sure we preserved all the previous mechanisms of doing root management, so TLD managers can still submit an email template if they wish and so we still accept that – it's now the minority but that's still accepted. And then in terms of processing through the system, 100% of requests go through the system. So even if you don't lodge through the web interface we as ICANN staff will enter it in so 100% of root zone changes go through the automated system.

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Lesley Cowley: Okay, anyone else? No? In which case thank you very much, Kim, and we look forward to seeing you next time for the latest installment. Thank you.

[Applause]

Lesley Cowley: Okay, so next up we are having a update on the Security and Stability Review for which I'd like to invite Alejandro and Simon to the front who I know have been working extremely hard this week trying to get a report out. I think Simon's spent rather more time outside than I have because they seem to be doing that by the pool. [laughter] And your (inaudible) as well for the next item?

(inaudible) at all today, please.

Simon McCalla: Good afternoon, everybody; thanks for having us over. Good to be sitting back in front of you again. We thought we'd just give you a very quick update on where we are and take you through some of the highlights of what we're finding in our report. Firstly just a bit of history to remind you. The SSR Team was formed in the Autumn of 2010, the Fall of 2010, and we're now in our fifth face-to-face ICANN meeting. So it's about a year and a half since we started.

The last time we met with you and updated you we told you three things: number one, we were working on our draft recommendations and that was going pretty well. We were struggling with participation;

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the whole group as a whole was down to a very small core of people working quite closely. And then we promised that we'd have a first draft out by Costa Rica. That's what we said to you; here's where we are.

We've got supporting analysis and conclusions now for around about 35 draft recommendations. There's been some really good analysis work that's been done and some really good time together on some of the recommendations and text and it's starting to feel like a really strong body of work. We have a draft report that is very close to completion. We are, it's looking pretty good, it's pretty sizable and it's pretty comprehensive; and as Lesley kindly said we are midway through a pretty tough week this week of final drafting so we are hiding ourselves away in dark corners of the meeting rooms trying to get the draft report out the door by the end of this week.

So here's some highlights of what we found; firstly, let's start with the good things that we're finding. We're finding that ICANN is doing some really good SSR work and that's a really important part. The SSR plan itself is a real improvement. Those of you who read the FY'12 plan, it's a real improvement on the FY'11. It's easy to read; it's got some really good summaries of SSR activities, and a really strong understanding of what ICANN can and can't control when it comes to security and stability. That's clear throughout all the documentation, and then, therefore, how that affects their goals and strategy definitely adhering to their remit – their technical remit and their SSR remit – which is really good. And that's clear as well.

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We're seeing some really strong operational practices within the ICANN security operation particularly when it comes to their own operational DNS roles and some great thought leadership on areas like DNSSEC and the rollout of DNSSEC into the root; and also in terms of further participation in DNSSEC across the community. So some really good work going on there and it's important that we recognize that.

So where do we find some room for improvement in what ICANN is doing? Well, there's plenty. Firstly, really trying to bring clarity to the SSR remit is important. Even the FY'12 plan is very good. Actually, it's very hard, if you wanted a plan on a page of what ICANN's SSR remit is you'd struggle to find that, so we're asking for that. We'd still like to see more structure around how ICANN looks at its SSR strategies and plans. We'd like to see consistency around the language that's used – the language is often quite confusing, different terminology. It's quite hard to track when you go across all the various documents. We'd like to see structured SSR initiatives – SSR initiatives that fall from the very high-level summary.

There's lots of good stuff going on but it's quite hard to tie it back to the foundations. Some proper measurable goals and objectives: we'd like to see ICANN working like a proper corporate body and managing its SSR initiatives, tracking them, objectivizing people and incentivizing people to deliver on those objectives. We'd like to see some clarity in the budget – I'll get to that in a minute but it won't surprise you as you've seen now issues with budget before, and I assure you that SSR is in the same situation. And we'd like to see better structured relationships with the supporting organizations. We see a very different

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relationship between SSAC and the RSSAC for example, and that has a direct bearing on how ICANN can go about its SSR business.

So what's missing? I'll speak to the more juicy ones here. Certainly we don't see a lot of coordinated and targeted outreach beyond the ICANN boundaries. So we take a look at DNSSEC deployment for example – we see fantastic outreach to the TLDs; what we don't see is outreach to the ISPs and to the registrars who are really, really crucial in implementing some of the DNSSEC standards. We found, and this will be no surprise, \$4.9 million US of the SSR budget – it was very difficult to track. So the overall budget for SSR is \$7.8 million this year, of which we could only find \$2.5 million or so of that readily attributed to the [CSO], so clearly that money is being spent somewhere but tracking it and saying “Was that well spent?” is actually quite a challenge. So we'd like to see more clarity around that.

We notice that there's not a strong forward-looking risk management framework around ICANN. There's a lot of good work going on in risk management but it's not formalized, it's not tracked, it's not managed to a framework so we're calling for that. We'd like to see stronger ties with external bodies for threat and risk identification. There's a fantastic community to call on here but there's also some fantastic resources in both academia and commercially that we think ICANN could tie to when it comes to identifying and understanding risks and threats. And finally we would like to see a formal incident/threat notification process. Okay, this one is a close call because we're not calling for DNSCERT – we're not calling for ICANN to run that. But we would like to see ICANN helping to publish out and manage and coordinate some of this threat analysis.

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So finally what have we got coming up next? Well, as I said we're working really hard this week to have a draft report out the door. We're on target for that but it depends on many people putting their input into the report this week and sometimes as you know that can be like [hunting cats]. So we're doing the best we can to get that out the door, surely followed by a proper formal comment period between now and Prague for everybody to read the report and to debate our findings. There's a couple of areas we'd like to continue to dig on between the draft report and the final report which we are hoping to have out by Prague or certainly by the summer. So that's the current timeline, and that's it.

Lesley Cowley:

Thank you, Simon. Alejandro, did you wish to add any closing comments to that?

Alejandro Pisanty:

Very briefly. There's very little to add to Simon's presentation. I would only like to mention that the schedule we find in the SSR management of ICANN is pretty decent to date, what we have found. The task of crafting and publishing a comprehensive risk management framework for the DNS is a very challenging task; it depends on your definition of DNS or the limitation of the boundaries of responsibilities of ICANN for the DNS to begin with. It has been around; it has been built in pieces. It has been a task for the SSAC as you know and it was transferred to a new Board working group which is being chartered. We're keeping abreast of developments with the Chair of that group who's Bill Graham, and other people within ICANN. So we're trying to not second

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guess but actually move at the same pace of this moving target. That's one comment.

The other one is about the budget tracking. In many organizations we know, tracking budgets for cross-functional activities like security is very hard. This is not unusual. In ICANN at this point at least we have no implications of mismanagement – nothing like that should be construed from the fact that only half the budget is tracked at this moment. It's no implication in that sense but we would like to see that properly accounted for as much as possible. That will be stressed.

The other thing is that most of our recommendations are emerging to be for ICANN to assume responsibilities at a staff level which is where it has direct control, but to work closely with the community. Most of the things that we're asking ICANN to build, except if they are really pure staff tasks, it seems that the report will converge in recommending that these things like the risk management framework are built collaboratively with the community, as well as with an eye for effectiveness in the short term.

Lesley Cowley:

Thank you, Alejandro. If I could ask a first question perhaps. By summer, is this a European summer or which hemisphere? And then what happens after that?

Alejandro Pisanty:

I apologize for not having called my boreal colleague to stress that it's the upcoming boreal summer.

Lesley Cowley: And then what happens? How do cc's comment, etc.? Is there a comment period on the report?

Alejandro Pisanty: What we're trying to do is start the comment period before the boreal summer; that's why we're pressing either to get publication by the day after tomorrow or very shortly after this meeting ends so that there's a chance for you and everybody else in the ICANN community to read through the report in detail and comment formally on it so that we will have results from that. I mean our aim, what we would hope to achieve – you know there's always something with the cycles. But our aim is to have the formal comment process done by the Prague meeting.

Lesley Cowley: Okay, thank you. Can I open it up to any questions or comments then please? So we're all thinking about summer now. [laughter] No? Okay, you've got off lightly then, chaps – thank you very much for that update and we look forward to seeing the report and considering your recommendations. Thank you.

[Applause]

Lesley Cowley: Okay, so thank you for that. We're moving on now to the DSSA Working Group update for which we're joined by Jörg Schweiger and Mikey

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O'Connor who are Vice-Chairs. I know we have some new faces in the room today, so let me just explain the latest acronym for you. This is the Joint Domain Names System Security & Stability Analysis Working Group, which demonstrates why we use acronyms. An update please, Jörg.

Jörg Schweiger:

Okay, so once again hello, good day everybody. My name is Jörg Schweiger. As Lesley already said I'm the ccNSO Co-Chair to the DSSA and to the right of me is Mikey O'Connor who is Co-Chair for the GNSO.

[background conversation]

Jörg Schweiger:

Okay, so we've got to fool around with an Apple computer. [laughter] So it's my pleasure to give you an update on our progress to raise awareness for the topic and for sure it's to solicit your input. I do have to admit that I'm not only about to present to you results but I'm going into detail about the process we have been experiencing and the problems we encountered as well.

So once again, as Lesley already pointed out there's an acronym standing for what we've been tasked to do, and our task once again is to determine the actual level, frequency and severity of threats to the DNS; and for sure to look into current efforts and activities to mitigate these and to report on any gaps if there would be any in response to DNS issues.

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So what have we been achieving since Singapore? The Working Group came up with a protocol for handling confidential information. We did select a methodology to structure our remaining work and for sure we did the first part of risk assessment. So let's go a little bit more into detail concerning the method. Primarily, what we wanted to do is we wanted to use something that is standard. We didn't want to invent anything by ourselves, so what we did do is we looked into the given variety of risk assessment methods. For example we took a look at ISO-27-000 but finally we came out with a selection of [NIST 830], and this is just due to the fact that it's supported actively, it's maintained, it's well-known; and cost-free, so wow. And (inaudible) this may even be used and reused in other working groups within ICANN.

So to give you a little bit more of an impression of what the methodology is looking like. You see on this very slide the process flow of the method. For sure I do not want to go into detail and explain the complex method; I just want to highlight and point out to you once again why we chose it. And we did choose it because it gives us a defined process of how to move on; it delivers us with a consistent terminology; and yeah, it gives us sample deliverables as well.

So where are we? Actually after launching the Working Group, identifying threats and vulnerabilities, now we're just in the phase that we analyze those threats and vulnerabilities. The next slide is designed to show you how we work, and I'm aware of the fact that you can't really read it from far behind – probably not even from the very first rows – but it's supposed to give you just a short impression on how we've been working with Adobe Connect. So you see the participants that are in a conference call – we cannot only speak with others, we can

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do live chat. But basically what I do want to show with this slide is given the [center] window there's a description of risks and we've been [pooling] those risks within the Working Group just to assess how the impact of a certain risk and the likelihood of a certain risk so that we do come up with a qualification of a certain risk.

So this might look kind of neat, and I said we did encounter a little bit of a problem with our process. And this very slide you see in front of you, it's just given the way, the [key] of why we ran into a problem. So basically what the method does say is that you do analyze threat events first; that you then in turn analyze threat forces; and then you analyze to each and every of those [effect sources] its vulnerabilities. So this is really exploding. You really get such a vast and exploding refractory that you just can't handle it anymore. So we would have been [pooling] risks and qualifying risks for, well, ages.

So what is the solution to the problem? And this is just the very first stage of what we can think as a possible solution to tailor the method. So we kind of gave categories to threat events. Basically we can think of three major threat events. One would be that a zone doesn't resolve; two would be that a zone is incorrect and three, that the zone security has been compromised in any way.

Another thing that we've been discussing very, very intensively is the impact of a certain threat, and the point here was, for example, if a zone of a small country would not resolve as an example – is that really posing a threat to the DNS itself? Or does it not? So what definitely for sure is if a zone is not resolving then it's a disaster for those users, for

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those registrants within a zone but it may not do any harm to the DNS itself or in general.

So resuming a little bit what we've done: we've been running for 43 weeks and that represents 43 hours for the whole and complete Working Group and an additional 43 hours for the Co-Chairs. I think we did until this very point in time come up with a substantial amount of data, methodology, know-how which already stands for itself. So if you really want to work yourself into DNS stability and security issues just plow through the material that we've been providing because it refers to sources where you can just dig into a real perfect description of security issues.

But given the resources we currently have we can't, just simply can't analyze in detail, with accuracy and do this fast. So the question that is arising over here is what are we up to next? Will we go on identifying each and every threat source and event or will we start out analyzing high-risk scenarios first? So would it be a running of the working group six weeks or six months or 36 months for example?

Well, to be honest we're not so sure about it right now and it is something I would like to solicit your input. Should we look into high-risk scenarios first? This is what we suggest to do, and if you would ask me how do we proceed getting to those high-risk scenarios then this would just have to be made up because as I've been describing to you we are just currently in a major wrap of tailoring the method, of tailoring [NIST] to our needs. But to my sense it could be done something like this, that you do analyze the vulnerabilities first in a simplified way. This would yield to the associated threat forces and

threat events, and it's just then when you can take a look at the threats, analyze their impact, analyze their likelihood and well, this is how you could come up with qualified risks. But this has still got to be determined as we are just in a wrapping phase of the whole process.

Anything to add, Mikey?

Mikey O'Connor:

My name's Mikey O'Connor. I'm Jörg's Co-Chair from the GNSO, and every time Jörg hands me a microphone I can't resist. So let me just offer a couple of observations. I was also listening to Alejandro and Simon just before, and some of the things that they're talking about in their review is stuff that we've been doing. So Alejandro and us have been sort of playing leapfrog with each other.

So one of the things that they say in their report is "You don't have consistent terminology throughout ICANN," and we steal that idea and we're working on some consistent terminology that maybe by Prague we can have a big problem and then hold up at least the first draft of a solution. Another thing that Alejandro and Simon have been talking about is the need for a methodology, and so we went ahead and picked one for ourselves; and so maybe in Prague we can hold it up and say "This is a tailored version of a fairly standard methodology that might be very useful for other people."

But Jörg's question to you is the one that I'm also really interested in, which is that we're sort of at a fork in the road. We can either go really deep and get into a whole lot of detail because our charter is pretty detail-focused. Our charter says "Go analyze all the threats to the DNS.

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Go analyze all the vulnerabilities. Figure out where the gaps and the controls are and report back.” You can go very deep into that question or not, and right now as Co-Chairs we’re leaning in the direction of going fast just to get one pass through this so that we can hit a lot of the highlights and then leave probably a lot of roadmap behind that says “Here’s some interesting areas that people may want to go into more detail on.” But if there’s a sense in this room that you’d rather have us go deep the first time through we’d really like to hear about that, because right now we’re leaning on fast and not so deep. So I just want to amplify Jörg’s question to you with that, and now I’ll reluctantly but I guess give back the microphone to Jörg.

Jörg Schweiger:

So taking any questions now if any.

Lesley Cowley:

So we have a cunning technique for judging the feelings of the room – we have some cards. I don’t know if that will help answer your deep or narrow whatever question. If you want to use that that will be fine.

[background conversation]

Lesley Cowley:

It’s a bit like “Come dancing.” So we don’t have scores on the cards but if you’d like to pose a question on the deep or narrow or whatever, then we can get an indication. Sabine?

Sabine Dolderer: Yes, Sabine from .de. I'm talking to (inaudible).

Simon McCalla: You should have asked me before or give me a warning at least.

Sabine Dolderer: I'm going to look past it because you made one example about what might be a potential threat, and obviously I would say of course we know to take it less serious, take it on a high level. But just pushing past the question "High level or deep?" not knowing what's in there it's very difficult to answer. So in general if you put me through all the headlines I think I can maybe give you an answer; but as long as we don't have the headlines it's very difficult to generate the headlines so [maybe talk about the headlines]. If that means high-level that's great to come up with some headlines, but...

Mikey O'Connor: That's an excellent question. One of the problems that we face of course with these slide decks is what to put in and what not to put in. At the last meeting in...Dakar, thank you – senior moment – we had a one-pager that had the threats and the vulnerabilities and that was the very, very high-level version of what is in fact that giant threat tree that Jörg had in the deck.

And I think this is more a matter of... So I posed this to Chris Disspain, who is now extremely difficult to talk to because the only time you can talk to him is when he's smoking and walking, so it was a pretty

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unstructured conversation as we're churning along and Chris is smoking. And I posed this question to him and his first reaction was "Go deep." And then as we talked further I said "You know, if we go deep we may burn out the group that's working on this. We may burn out our audience. We may make the audience impatient."

So what we were thinking we would do is deliver some very high-level results quickly and leave a framework behind where if people find those results unsatisfying we could then – either we or someone – could then step back into it and go deeper. The question came out of the problem we ran into that Jörg described, which is that we were beginning to go deep and realized that if we went deep we could spend not three years but twenty years going through at the level of detail as that threat tree exploded.

And so what we're really asking for is validation that this approach of go quickly but all the way through, leaving indications behind of the soft spots is a good strategy; or whether we should really go all the way through the analysis first. I know that I'm tiptoeing around the headline because I don't want to get that detailed.

Jörg Schweiger:

I'm inclined to give a personal comment, and the personal comment would be if we would have time to run for three years then the answer to the question if the internet or if the DNS is in danger would be self-evident, right? So it really is not a question for me. It's we have to concentrate on high-risk scenarios because if we wouldn't do that and if we have plenty of time to analyze, well, then obviously there is no danger to my point of view.

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Lesley Cowley: So the choice really isn't a choice, hmm? There isn't really a choice in view of the time.

Jörg Schweiger: Not for me personally but there might be other opinions within the audience.

Lesley Cowley: So let me pose the question a different way then. Would members and non-members be content with the current direction of travel, which I'm aware is in question, as it currently stands; which I think you're saying you're going to do something very high level in terms of time and obviously if something surfaces from that then you can go deeper over time, yeah? Yeah, sure.

Roelof Meijer: What would be the downside of what you're proposing? What is the risk if you stay on the relatively high level and don't go deep? Because I understand there is an advantage of going deep but what is the disadvantage of not going deep? What is the risk?

Jörg Schweiger: We might just miss something that turns out to be crucial if you do not identify each and every thing and if you do not do it with accuracy you might just overlook something and that's it.

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Roelof Meijer: Well, to give a proper answer to your question then you would at least have to give the room an indication of how big the risk is. Otherwise it's an unfair question. We have to make a choice and we don't know what the risk is of the choices; and we might tend to take the option of little work, quick results and think that's more effective and efficient, while in the meantime we run the risk of missing something crucial and ending up with a problem we didn't foresee. So if you want us to make a choice you need to give us more information.

Lesley Cowley: We need some help in order to answer the question I think. I had Sabine and then Nigel.

Sabine Dolderer: Maybe I have a suggestion then. Maybe I have a little bit of a helper or can give you a little bit of a helper or a suggestion. When you came up with the example of what happened if a country actually is no longer resolving and is that a threat to the DNS, maybe not for the DNS but it's maybe a threat or a problem for the country or the people in the country. And maybe it's possible to cluster all the things of the potential threat, not if the potential threat so much with regard to the DNS but how much victims, potential victims, how long are they victims and what is the potential impact? And then you have maybe sort of a clustering of potential problems, how huge is the impact and how long does it usually take them or how much cost is maybe associated. And then maybe you can come up, if you see the cluster, where it is worst and to work on it, and how likely is it happening; and then you can

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maybe come up with what is the best way to work on it and the priorities.

Mikey O'Connor:

This is Mikey again for the transcript. That's precisely what we would do, and our thought is that we will build that structure – the framework in which to do that analysis – very quickly, hopefully by Prague. We'll give it sort of a beta test run to see what falls out of that structure of an analysis and learn from that. And then one of the sort of interesting and complex puzzles is who should do this analysis: should we, the ICANN community, do that analysis; or should some of that analysis – especially in the cc context – be presented to you all as a possible way to analyze your own environment rather than have it be done by an ICANN cross-community working group?

And I think that it'll be easier to answer that question once we can see what this structure looks like, and so our thought is let's build the whole thing first because the choice is we either build the whole thing in sort of a rough cut, almost a prototype so that we can see how the whole analysis works together; or we can do it very deep each layer of the way. And the worry that some of us have is that we will get very deep and take quite a long time, and discover fairly late in the process that we've made an error because we are building this methodology, really. We're taking a standardized methodology but that standardized methodology is really aimed at a singular organization and we are applying it in a different way.

And so our thought was let's go through that analysis once fairly quickly to flush out some of the flaws that we may have found or built rather

than spend a really long time and discover the flaws two or three years from now. And then that really presented a problem for the community because it took us that long to find our error. So I really agree with the idea that it's difficult for you all to make the choice. I think the way I would pose the question is sort of the way that Lesley did: is there a strenuous objection to this approach we've got? Because we think it's a lower-risk approach, and if it's acceptable we'd like to spend a fairly short period of time sort of concept testing or beta testing this before we commit a lot of time and resource to going really deep through the process. Does that help?

Sabine Dolderer: Okay.

Mikey O'Connor: Okay, great. Thanks.

Lesley Cowley: Okay, thanks. We need to finish this one in just a minute. Nigel, though.

Nigel Roberts: Briefly, just a follow-up to Roelof's question, you asked what the risk of doing it this way was. The risk of doing it the other way is equally that you might spend a lot of time on the first few things in very deep detail, and the one really important thing that comes along and smacks you in the face is the one that's lower on the list to get to in two years' time. So I'm for the proposed method.

Lesley Cowley:

Okay, thank you. I mean I know also that there's a number of cc's who've done a lot on risk analysis and so on, and I know you've got a very big working group. But if any of the cc's in the room have a particular interest in that area I'm sure they'd be happy to have a conversation with you about whether that maybe will inform this analysis work. Any final questions or comments on this one? Okay, thank you very much.

Okay, so we're going to move on now to the next item on our agenda, which is an update from the Program Working Group in effect, which is Ondrej supported by Gabby.

Ondrej Filip:

So good afternoon, everyone. I really apologize but my body really didn't react optimally to the air conditioning here so my voice will be a little bit broken. To compensate for this I wore this trendy leather jacket so I hope you'll enjoy my presentation anyway.

As Lesley mentioned my name is Ondrej Filip and I'm here in the role of the Working Group Chair. The Working Group has 11 members which 7 of them are the ccNSO members and four of them are present for the other regional organizations. We used to be 12 but unfortunately [Catherine Reynolds] is now on the other riverbank, so she's GAC and she is no longer with us. But she helped a lot with this agenda and with this preparation so I would like to thank her even if she's not here.

I have two topics to share with you, and one is a sort of question. I don't know if all of you know but we usually provide presentation

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abstracts – short summaries of the presentations – on the webpages of the meeting program. And we have had some small issues with that. Either the presenters don't like to provide it, they really don't think about the presentation two weeks ahead – they usually do the presentation at the last moment. We can't change it because that's how the people do it, and therefore it's a lot of work for the Secretariat to chase the presenters and ask them for this abstract.

And we don't know if it's really useful to you, if you are really reading it, so the first thing we wanted to ask you – and you can raise your color sheets – but do you really use those abstracts? Is it really useful to you to use them, to have them in the agenda? So please raise your color sheets – green means you like it, red means you don't want it, and the orange means “I have no idea what you're talking about.”

[background conversation]

Ondrej Filip: They are published in the agenda.

Gabrielle Schittek: If you go to “Presentations” and it's under the presentations, and we also remind you several times per email actually where they are prior to the meetings.

Ondrej Filip: So maybe we can change the position of those abstracts.

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Gabrielle Schittek: Well, if you go to the presentations... No, no, because it's a summary of the presentations under "Presentations."

Ondrej Filip: Okay, so...

Lesley Cowley: If we need to tell you where they are then maybe you haven't found them yet. Anyway, I mean what goes into those: I think the original intention was to enable people to decide whether it would be worth coming to this meeting if there was a topic of particular interest, etc. but I know firsthand that it can take some time to prepare a presentation and then also to do an abstract. And clearly if people are not using those then I'm sure the time could be spent on other things.

So can I have an indication? If the answer is "What abstracts?" then that's probably red. Yeah, I can't see the red. Well, I can't see many greens so I say let's evolve how we work. We're all for cutting off some tasks that aren't adding value. Thank you.

Ondrej Filip: Okay, thank you, thank you very much for that. And there's another thing I would like to share with you and it's about the surveys. You know, we're now asking you to do the provided surveys every meeting and those surveys are taken really, really seriously. We evaluate every comment in the survey. We make some interesting graphs. We are evaluating the sexism of the meeting – this is for example the overall

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sexism of the meetings during the time. And those surveys are the main indication for our job so we take it very seriously and we react according to those survey results.

We did some fine tuning because we ask you how do you like the facilities. Although we can't influence it we are asking because that may influence the results of the discussions and things like that. But although we ask every meeting for a filled in survey we just usually get a range of about 20 people who fill out those surveys, which is statistically quite low. So I would like to ask you to fill out those surveys because they are very important for us. We have a really special Working Group; we don't provide reports to you but you provide reports to us so please help us in our job and we can improve the meeting for you. So that's basically all from my side and thank you very much.

Lesley Cowley:

Okay, so further encouragement to complete the surveys. I know firsthand I sit down and read each of those and react to each comment where it says something about the Chair, so I assure you they are read and taken onboard particularly in terms of organizing our program for the meetings that follow as well. And I know that several of you have mentioned about the meeting with the GAC which seems to get quite low ratings, and the desirability for that to be more interactive. And we are struggling on that one but we are doing our best to do that. So again, can I encourage you to complete the surveys because that informs the programs for the following meetings?

Gabrielle Schitteck:

And I can just add that I'm sending out a link after every meeting today to the ccNSO members list and to the ccTLD community list. So you will see a link tonight so please fill it in. I'm going to talk about a little different subject. I'm going to talk about some changes to our website, not any big changes but we were told by many community members as well as ICANN Board members and ICANN staff that they actually have no clue of what's going on in the local communities, what local activities there are – they really don't know how much you're doing for your internet community.

So there was a suggestion that we will make a kind of calendar on our website on the front page somewhere where we will list local initiatives that you do. It can be local IGF meetings or local technical meetings, or whatever that you think would be relevant to put up here. We will put it up but I need your help because I don't know what's going on either, so in a few weeks' time I'll send out an email about this to you to remind you. I really hope that you can help me with this to make this successful because we really want to show how much you are doing not only amongst yourselves but also to the world.

So I wanted to flag this and hopefully this calendar will be very visible somewhere on the front page of our website. And while I have the microphone I also want to add another thing: I want to remind you that we have a page called "Resources," and on this page we have a lot of various resources stretching from technical resources. We have a lot about DNSSEC there for instance, cybercrime and security, policy and legal resources and so on. Thank you very much to all of you who have already contributed to this "Resources" page but we're still looking for

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more resources, and we're looking for non-commercial resources so whatever you have to offer, it has to be for free.

But we'd also like to encourage you to go into these pages and use the resources that we have. And by the way, this page is going to get a little bit of a different design in a few weeks as well. It's going to look a bit more appealing so hopefully you will find it nicer to use it. But I just wanted to highlight this, thank you.

Lesley Cowley:

Okay, thank you Gabby. Any questions or comments from the Program Working Group, please? To the back – sorry, I don't know your name. Sorry? Oh, certainly.

Bill Semich:

Bill Semich, .nu. Just to add to the comment about the calendar and information. APTLD does this in their newsletter and I imagine the other regional groups do as well. For a start it would be helpful if APTLD and others sent you all of these things that we send to our regional groups rather than us duplicating the mailing, and at least it would be in a central site that the ICANN Board could look at if they wanted to and they could see what's happening in the Asian region or the European – I'm sure CENTR has similar news.

Lesley Cowley:

Thank you, Bill. Sabine?

Sabine Dolderer:

I think it's truly helpful to have all those resources and all of that information but sometimes I really don't know if there's really anything... First of all, I have (inaudible) and I can log information as Bill says from a Google wire coming from the APTLD meeting sites, going to the central sites and getting all the information. Sometimes I'm really puzzled that the ccNSO spends time and efforts towards collecting information from [other material] ccTLDs. I'm not sure that's really completely well within the scope of ICANN or within the scope of the group.

And I really want a group which is (inaudible) and I'm really questioning sometimes is it worthwhile and how much people who are going to the website really demanding that information? I know it's a huge amount of effort to take all that information and [grab] to assure that they are always correct, that they are not outdated. And I'm not really sure that we are here to make sort of a collection of databases to each (inaudible). So that's a little bit that has me concerned which if you ask me of course we (inaudible) [the funding of items in ICANN can do a lot of things], a lot of useful things but also a lot of things where we say "Yes, maybe they can be doing better work somewhere else."

Lesley Cowley:

Okay, so as far as I can remember this actively came about at the request of ccTLDs, particularly under the general best practice sharing and also the cooperative spirit of this community in terms of let's not reinvent something that somebody else has done before us – maybe we can learn by how somebody else did it. I think that was some of the original spirit. If that's not helpful than by all means we can consider...

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Can we do a card check? Does anyone use these things? Have you found materials that have been helpful to you or is this a “What materials?” Anyone? Orange? Green, orange, green... We have mixed views. [laughing] Okay. Sabine and then Peter.

Sabine Dolderer: Maybe we can get a sort of [lot of] analysis on how these materials are really requested – how much (inaudible) or so to analyze that.

Lesley Cowley: Anyone else? Okay, thank you very much both of you for that update, and I look forward to seeing the latest survey results. Thank you. Oh, Kristina? Sorry. I’m so sorry. I have a very efficient list but it didn’t have you on it. Kristina, I do apologize.

Kristina Nordstrom: No problem.

Lesley Cowley: We now have a presentations on planets and star systems – how pretty!

[background conversation]

Kristina Nordstrom: Okay. It’s a bit weird – I had to drag it out from the corner of my computer to show it to you and I can’t work with it. So anyway just a quick Wiki commercial. We started out the ccTLD Wiki community

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workspace and we have a few members now, quite a few; but it seems that it's not very crowded in the Wiki so I just wanted to show you what it looks like and tell you just a little bit about what you can do just very quickly.

In the left nav you can see all the pages that belong to the Wiki, and you as a community are free to add pages as you see fit so I'm not the one in charge of this Wiki – you are. And our latest feature is the ccTLD address book. I think you guys have seen my emails, and we have received quite a few contacts already and they are up so I will just drag this back and show you what that looks like.

[background conversation]

Kristina Nordstrom:

Okay. So this is the ccTLD address book, and you can go here to find specific contact details for specific individuals within a registry, so it's not just one contact per registry. And if you haven't sent me the details please do and if you haven't applied for login credentials for the Wiki please do so as well. And I would like to encourage you to use the Wiki and to post anything that you think is useful for your peers. You can post comments, you can discuss things and it's up to you if you want to keep this. So thank you.

Lesley Cowley:

Thank you. Thank you, Kristina. Okay, so by an amazing accident of timing we were due to have the Nominations Committee appear. They

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have not appeared on time so that gives us the opportunity to break slightly early for lunch. I'd like to thank CIRA sincerely for their sponsorship of lunch – I'm going to tell you where it is in just a moment – hang on – which is sadly back in the direction of La Paz. After La Paz you come to a thing called the South Lobby and that is where lunch will be. It's a ticket-only affair and much like domain names, tickets are on a first come, first served basis. We will be giving out tickets on the exit to this room and if I could ask you to come back for 2:00 where we're moving on to the session on the regulatory and legislative developments.

We are anticipating being joined by a number of people for that discussion so if you want to grab a seat I'd encourage you to come back promptly. Thank you.

[break]

Lesley Cowley:

Okay, we're going to restart. Welcome back, everybody, to the ccNSO. Can I just have a quick run through of our program for this afternoon? We're just about to start the session on regulatory and legislative developments and their impact on the global DNS and internet which wins the prize for the longest session title so far. And then we will then go, before coffee, to an update from SSAC.

Following coffee, which apparently is back over in the main thing if you really want coffee, we move back into the SOP Working Group which I assure you is worthy of staying for; the Framework of Interpretation

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Working Group update which is equally cool; the WHOIS roadmap and finishing on some IDN sessions.

This evening as you'll know we have the ccNSO Dinner. A couple of you have asked where that is – that is at the El Rodeo Steakhouse at Hotel El Rodeo. I'm sure I'm not doing a very good accent. [laughter] That will be at 7:30 this evening and busses will be departing from the front of the [Venue] Hotel for anyone who's going to join us. I think all of the tickets have been allocated but I do know of some people who have asked for tickets and have not yet collected them from Gabby. If you are guilty of that, if you could find Gabby during the coffee break or at the end of the day and we'll make sure that you and your ticket are together for the dinner this evening.

So Becky, you're given such timing that I know you're on first. So we move to our first session of this afternoon which is looking at quite a controversial area for cc's and the global internet – the issue of regulatory and legislative developments. We're hoping that not only can we have a set of excellent speakers but we can also have some good Q&A, and I can see already we're joined by some people from other parts of the community who also have a strong interest in this area.

So without further ado let's make a start. We have Becky Burr who is a ccNSO Council member who is going to begin by giving us an update on SOPA and ACTA. I think we've had a bit of a problem with Becky's slides but I'm sure Becky can verbally update us as well.

Becky Burr:

Hi. I'm going to give a brief overview of a couple of very complicated issues. There's a bit of a hurry up and slow down because when Gabby first asked me if I'd do this these issues were very hot and seemed to be moving forward very quickly; now the world has slowed down considerably and there's a great deal of uncertainty about it. I am giving a very high-level overview and I am really focusing on the ways in which these might interact with the DNS and folks in the DNS space. They are much more complicated than I'm going to provide. There is a document that we'll look at a little later that has sort of a more granular description of the provisions of the Stop Online Piracy Act and an alternative to that, the Protect Intellectual Property Act. And Gabby I think will post it on the cc website.

So the ACTA is the Anti-Counterfeit Trade Agreement. This was an effort that was undertaken by a number of countries as well as the EU, and they're listed: Australia, Canada, EU, each of its member countries; Japan, Korea, Mexico, Morocco, New Zealand, Singapore, Switzerland and the US. It's an effort that has been underway for quite a few years and the goal was to essentially enact a trade agreement that would obligate all of the signatories to have procedures in their national laws that permit effective action against violation of intellectual property rights including both prevention – steps that were designed to prevent infringement and steps that were designed to deter future infringements.

The process was quite controversial and people complained about a lack of transparency with respect to this. The text was not available for some period of time and I think that there was a great deal of concern that was really specifically related to the way in which the process was

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undertaken. But legally verified text was published in April of 2011 and in late 2011 and early 2012 a number of countries signed the agreement including the countries that are listed: so Australia, Canada, Japan, Korea, Morocco, New Zealand, Singapore, the US, the Commission and 22 of the EU member states but not the remaining 5 EU member states.

Since that time it has gotten a lot of attention. In many countries and including with respect to many countries in the Commission further action is required so in order for this actually to go into effect the European Parliament has to adopt it. Based on the response the European Commission has asked the European Court of Justice to look at the agreement and make a determination whether it is consistent with the European Convention on Human Rights and a number of other areas. It does also require ratification in a number of countries. In the United States the Administration has determined that it does not require Senate confirmation but there is some controversy about that and some members of the Congress have questioned whether it is a [user patent] of Congressional authority to enact legislation related to intellectual property.

So the bottom line on this is a kind of stay tuned on when it comes into effect. The Commission I believe has recently stated that they do expect all of the member states to sign the agreement but again the Parliament has to act on it.

So we talked about what it was designed to do which is essentially to obligate the parties to the agreement to enact laws that provided a certain level of IP rights enforcement and deterrence. There were specific requirements including that the country would have to have a

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civil procedure by which rights holders could go and enforce their own rights, and included an obligation to give courts authority to issue a cease and desist order, to order the infringer or in certain circumstances a third party to prevent entry of the infringing goods into commerce – so there are some border control issues regarding stopping shipments that allegedly contain infringing goods to an ordered destruction of merchandise – and subject to data protection limitations. And there is a very specific subject to data protection limitations to compel disclosure about information about the source of the goods and services to the rights holder who has gone to court and sought process to do it.

There also is a requirement that the countries provide for criminal enforcement for woeful infringement on a commercial scale, and that includes what we would say as secondary liability, not direct infringement but somebody who is aiding and abetting direct infringement. And there the penalties were required to include imprisonment and money funds.

There was very, very controversial language related to the digital environment, protecting rights in the digital environment; and this is probably where the agreement has met the most resistance. It required a country to have the authority to get information, to require online services when served with appropriate legal authority to disclose information about registrants to a rights holder in order for the rights holder to protect their rights. There is language on prohibiting circumvention of digital rights management technology – that's a provision that many countries have but that was required here.

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The most controversial language which included liability to intermediaries – that is, people who are participating who are not directly infringing, but service providers who are in the business of facilitating communications. There was some provisions for intermediary liability including with a safe harbor provision, and there was language that basically said “If somebody’s engaged in this infringing behavior three times, you the intermediary have to knock them off your service.” All of that language was eliminated from the final draft of the agreement and I think you will find that virtually all of the commenters have said that the stuff that was the source of the greatest concern and controversy really has been eliminated.

That said, there is a provision which encourages countries to get service providers together to arrange for voluntary agreements, and a lot of observers and civil liberties folks have expressed concern about the potential for using this sort of encouragement of voluntary arrangements as a way of communicating information in sort of less-than-transparent ways.

I think that this is still quite controversial. I have to say it’s a very amazing thing what the internet can do, and I was looking at the news stories about the discussion among members in the European Commission about the decision to ask the European Parliament for a judgment about whether it’s consistent with the European Convention on Civil Rights. And there’s a lot of talk about the power of social networks to sort of generate response and pushback and activism with respect to legislative activities like this. And I think a lot of people have said there’s been a lot of hype about it – I think it will be very interesting to see what the European Parliament says about the provision.

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There is in addition a possible challenge in the United States with respect to the constitutionality and the question of whether in fact this is legislation about intellectual property that is reserved to Congress. So we're still in a waiting. There's no timeline for the European Court of Justice's action and there's certainly no timeline yet for any challenges in the United States.

The other great source of activism in this area was in response to a piece of legislation considered in the Congress earlier in the Fall called the Stop Online Piracy Act. I want to say that throughout this process there are actually two pieces of legislation, not just SOPA or the Stop Online Privacy Act. There's a piece of legislation introduced by Senator Leahy called the Protect IP Act, which is significantly less radical, I think, than SOPA was viewed as being. It too has been taken off the calendar for the moment but the comparison – I'm going to talk about SOPA because that's what people know about and heard about, but the information about comparing the two acts is going to be available on the cc site.

So SOPA was basically a piece of legislation proposal that would apply to an internet site that was a US-directed site that was engaged in online pirating behavior defined as committing or facilitating the commission of criminal violations of copyright and trademark law. And if it was a US site it would be subject to seizure under US IP rights. So the significance of that is that there is an assertion of jurisdiction with respect to sites that are operated from outside the United States but there's not a different standard with respect to the substantive law and what would be a violation. So it would be directed at the United States [websites] engaged in this infringing behavior.

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What made SOPA controversial is the assertion of jurisdiction. I know many of you are lawyers here but for those who are not, in order for a court to have the authority to make a ruling there has to be a finding that the behavior that it is attempting to regulate is within the jurisdiction of the court; which is to say that it's either physically in the jurisdiction of the court or the conduct involves significant interaction with the jurisdiction so that it would be fair to haul somebody into court and impose the laws of that jurisdiction on that.

Now, there are many, many, many exercises of jurisdiction over an entity that is outside of a jurisdiction but is behaving in a way so that there is a significant regular ongoing impact on people in the jurisdiction. One example would be for example the new proposed EU regulation with respect to data protection changes the arrangement which basically said "If you're processing data in an EU member country you're subject to it." Now it says "If you are processing data about an EU resident in the following situations and in more than just an incidental way." So the concept that is pretty globally shared is that there's a certain amount of conduct with the jurisdiction that needs to be demonstrated in order for it to be fair to drag you in and subject you to the laws of a place where you are not physically.

So this provision in SOPA was "Here's how we determine what a US-directed site is, and we are going to establish that there's sufficient contacts that it would be fair based on the following analysis: 1, you're providing goods and services to people who are in the United States; that there's evidence that you are intending to offer those services or access or delivery to people in the United States. So for example, if you had a big sign that said "This site is not available to residents of the US"

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and you blocked transmissions to US IP addresses, that would be evidence that you weren't intending to do it.

The internet site doesn't contain reasonable measures – for example, blocking US IP addresses – or the prices that are charged are indicated or billed in the currency of the US. So this is the kind of... Usually what would happen is a court would take a fundamental due fairness analysis and say “Is it fair to subject this website operator to the laws of the United States?” Here the legislation would have said “...and here are the considerations that would make it fair.” Once there was an assertion of jurisdiction that was successful and a finding that the site was engaged in violation of the intellectual property rights laws then the court could enjoin the infringing activity.

And the other thing that makes this a little different is in addition, this is maybe too arcane for non-lawyers but in addition to having the sort of jurisdiction, if you can't physically drag a person into court you can't impose a court order on them unless you go through a process of enforcing a foreign judgment. Here the legislation would say “Well, you can bring the case against the domain name or the site itself.” So in other words, I'm not bringing the case against the registrant of a domain name or the operator of a website; I'm bringing it against the website itself.

And so I get a judgment against the website itself and then I can go to a registry in the United States or a registrar in the United States and enforce that judgment without going through a process for getting my US court order enforced in a foreign jurisdiction. Now this is not all that unusual. The Anti-Cybersquatting Consumer Protection Act does the

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same thing but that is something. So service providers would include operators of non-authoritative domain names systems servers and the service provider would have obligations to block, to take down, to do those kinds of things.

Again, as I said, this was the subject of enormous popular response and where it goes from here is to be determined. There are very fundamental questions about how to proceed on this so stay tuned.

Lesley Cowley:

Thank you, Becky. I'm aware that this is quite a controversial subject so people are going to have comments and questions. Can I ask you to hold those until the very end? What we're going to try to do is do a quick tour around the world so we're going next to Mexico; and then at the end I'm trying to encourage people to be both informative but also brief so that we can have some time for discussion because I know this is a subject that's very close to a lot of our hearts. So with that warning can I turn it over to Alejandro please?

Alejandro Pisanty:

Thank you very much. I would...

[background conversation]

Lesley Cowley:

We'll now have a brief technical interlude – I apologize.

Alejandro Pisanty:

Thank you very much, Lesley, for the introduction and to you and others in the ccNSO who were kind enough to invite me to speak on this panel. I am also picking up a part of the participation that was planned for Oscar Robles, the administrator of the ccTLD in Mexico, because he had to leave hastily back home for meetings.

I'm going to start speaking about the fertile ground in which the ACTA and SOPA seeds were planted in Mexico and then about ACTA and SOPA themselves a little bit in line with this; and I have also an eye open for the impact to ccTLD managers in particular which is very specific.

So online and offline the internet environment in Mexico has evolved significantly. The market is marked by a very, very strong dominant player whose owner is actually #1 on the *Forbes* list of richest people in the world. So competition appears in very small lettering on the slide for a good reason. There have been a number of studies about this market – I'm not going to dwell into details. There have been studies by the OECD and several others; the US Trade representative also keeps an eye on the competition conditions there. This has been reported subject to controversy.

So just know that we have a huge incumbent who has 35% of the population approximately considered with access to the internet; the regulatory environment in Mexico is again, as in many other countries, subject to some controversy. We are trying to make the regulator stronger, more independent and with some set of teeth – if possible, sharp. It is a hard environment with large companies moving around. Also television companies are entering into the telecommunications and

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the internet market where we will be facing some other interesting issues like network [nervality] in the coming months.

Government has essentially put its action about the internet in promoting access and developing some programs which have promoted access to the internet. Business thrives on the internet though we would like to see of course a lot more, but there's a lot of innovation, a lot of small enterprises started by young people – creative software going around – and this is now riding a wave on top of the shoulders of a young generation of people who grew with the internet around them.

I can say with some confidence that this of course is sort of an elite phenomenon and it's beginning, but right now internet access is so pervasive among youth that you really have a generation with millions of digital natives who first use the internet, and then when they are like 18 to 25 begin to ask themselves what it actually is – very much like with roads that you've used for years until you begin to notice that some are asphalt and some are concrete, and there may be a difference. They just assumed it's there, but now they become conscious that the internet is an absolutely vital component of their environment for life, for business, for study, for everything they do.

The legislature has stayed mainly, mostly away from the internet – it's more involved with telecommunications, radio and television broadcasts until recently at least; and in academia and civil society there is very light use of the internet, including in the case of civil society for all kinds of stuff. I mean as I look at my Twitter string here we have everything from personal relationships to very, very serious activism

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related to human rights or to trying to fight the violence that's overpowering in some regions of my country.

Online there have been campaigns for human rights. A whole new generation of human rights activists has emerged which is totally integrated and which has totally absorbed the internet into their functioning. There's political parties, there's political dialog on the use of the internet this year in electoral campaigns. It's amazing because you see every possible tool used and something that's peculiar to our system at least is that there's extremely heavy regulation for the use of television and radio, of broadcast media in elections and electoral propaganda; whereas the use of the internet is basically unfettered. So you have parties and politicians and their opponents can use all kinds of discourse and tactics on the internet that are even forbidden in the media.

With this background, in 2009 the federal government proposed an internet tax. They proposed to introduce a 4% tax on all bills related to telecommunications. This was categorized in the "special" category for taxes that affect, a permanent effect – things like smoking and alcohol, luxury goods and activities that are considered like optional and taxable. And the argument for taxing this was "Well, we haven't taxed telecommunications for a long time and they're very nice to tax because there are a few companies just sitting nice in one single place which is a huge bill. Instead of having to go collect taxes from a million small stores, you have eight companies or 30 companies where you can collect this tax."

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Industry had a very strong reaction with conventional lobbying and they were able in the lower chamber of the legislature to lower this tax to 3%. At that point it was passed to the Senate and we picked it up in civil society and academia as somewhat offensive, that it was thought to be just a matter of a bargain: you know, the (inaudible) will take a 25% discount and pay taxes for the internet and telecommunications.

The reaction was huge. I won't go into details; I was part of this with a blog and then with a Twitter stream. The campaign against the tax, it starts as an information and domain-and-chain kind of action. It became a campaign involving maybe hundreds of thousands of people. It became a global trending topic on Twitter overnight. This was caught by the media and now the media attention attracted the legislators' attention. In brief, in a two-week campaign that was very focused, very broad with a fantastic very merry participation of the internet community – cross generational, cross party, nationwide – this tax was negotiated down in such a way that the law now says that you still have a 3% tax on conventional telecommunications but internet access, if it's billed separately, is exempt.

So that's where we are, where we were at the end of 2009 when we began to hear about ACTA through leaks and stuff which were necessary despite the huge level of transparency Becky Burr has described. But as you correctly described, the first [text] that was officially known about ACTA appeared to the public in 2011 a good 18 months after the first [text] was signed off by governments which means maybe two, two and a half years after it was conceived. This of course allowed the internet community in Mexico in particular to perceive ACTA as a threat from the start, and I'm very glad that Becky Burr has now ratified at least in

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words from very close to the origin what the intention was. We'll leave the US government's psychoanalysts to discuss whether the intention remains but it has been clearly stated.

We started intense interactions with intellectual property authorities, with intellectual property lobbies and with the legislature – the Commission for Science and Technology in the Senate is very well illustrated. It's headed by the former President of a university with a PhD in Economics so he's pretty good to catch up on these things, and the result of a very, very intensive campaign by this wonderful internet community in Mexico with brilliant minds: people decided to act very good at balancing tensions between what you have to do in a campaign and still not offending or hurting, or attracting hurt to yourself.

So in brief, last year, about a year and a half after the campaign started the Senate agreed – since this happened in the intermediary process period – the whole Congress agreed to tell the Executive two things. One of them is they recommended that it not sign ACTA; and the second one is it warned the Executive that if they do go out and sign ACTA in its present form the Senate will not ratify it.

So we have had a number of other campaigns. The internet community approach has evolved mostly in a reactive manner. The internet community is not out there looking for something to stop; the internet community doesn't love and doesn't live to stop things. The internet community lives and loves building, doing, selling, providing service, doing things for free. We have to stop things when we come our way but we're ready to go further out, discuss with intellectual property and with the commercial interests how to change the framework; and how

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to stop the need also for this industry to use our governments to go to the governments to do all these nasty things cross-border, getting them rejected.

And I did have just one last point here: the civil society and the academic contribution to ACTA was huge. I think, Becky, that your negotiators should be very thankful for us because by posing specific – you know, the most hurtful points – we helped you make the final form of ACTA much more spherical with no handles so it's much harder to oppose. But still, the constitutional problems with the Mexican Constitution at least has well [warranted] that it has been as I said recommended this way.

So the lessons we learned from this is positive campaigns beat the negative ones. They have to be focused; timing, (inaudible), viral. We have to keep [dial-up] open. The back channel has been used more intensively the hotter the campaigns become because we want to keep the issues in focus and not begin to (inaudible) people. And well, there's one huge lesson that has been learned by the ACTA and SOPA and several other proponents of local laws with intellectual property and commercial interests – you don't mess with the internet.

Lesley Cowley:

Thank you, Alejandro – a very strong message to end on. Okay, so continuing our world tour we're moving on to China and again, I have Hong Xue who's a member of the ccNSO Council to talk about Chinese law enforcement and DNS filtering, and your experiences of the same.

Hong Xue:

Okay, good afternoon, everyone. [The same] – there is a clear trend around the world that the domain name system is being used for law enforcement purposes. Law enforcement could be for different purposes, such as intellectual property enforcement and for anti-pornography or obscenity. And here I want to narrow down my topic to use DNS, especially the domain name structure, to enforce certain legal obligations if it pleases the ccTLD community. So I'll be focusing on the ccTLD's obligation to the government in a law enforcement purpose, the law enforcement process.

I'm going to present you a case study that is .cn – this is the ccTLD for China, and how CNNIC, the manager of .cn, was to comply with the law enforcement requirement from the government. This is the Chinese domain name system where arguably (inaudible) DNS – DNS is an official meaning for that. But in China we do have a law to regulate the whole domain name structure, and basically who documents it is called the China Internet Domain Name Regulation enacted in 2004 by the Ministry of Industry and Information Technology, so MIIT. And MIIT is the highest authority in China as far as supervising the whole domain name structure, and they made a proclamation of the whole domain name structure in China. It means you cannot set up your own top-level domains in the territory of the People's Republic of China without approval of this authority.

Currently you can see what is being listed as you see on the screen, with the ccTLD of course is .cn; and then there are two non-ASCII ccTLDs of .china in Simplified characters and the Traditional characters. These are actually variants even though they are now delegated as two non-ASCII ccTLDs. What is interesting is the character in red – this has been

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officially written into Chinese domain name structure even though there is a new gTLD that's now being applied for through the process. It's not been approved by ICANN but it's being proclaimed by the Chinese government - .company, .network, .governmentalaffairs and .publicinterest. Well, sorry, I translated them into English – they're actually in Chinese scripts.

Okay, that's part of an interesting issue but I'm not here to talk about the structure. This is a system, you can see that it's a kind of a regulatory system. At the very top is the government, MIIT as a service of the highest authority of this domain name structure; and the registries. So far the only registry in China, the CNNIC, is the .cn manager. There will be other registries such as [CONAC] as has been written into the proclamation to run .governmentalaffairs and .publicinterest. So there'll be more registries. What's interesting is there are other new gTLD applicants from this community but it's not written into the Chinese proclamation – what will happen to them is very interesting. I don't have the answer to that at all.

To look at the general observation, of course on one hand because it's a new gTLD it'll open up the top-level domain. The domain name market will be more competitive, transparent and open, hopefully; on the other hand we do see the government is strengthening its regulation in the domain name structure, and especially [they imply] to impose heavy obligations on registries and on registrars to regulate the contents. This is a really heavy burden to this domain name industry, and especially we can see that the enforcement measure that could potentially compromise the security and stability of the internet information flow.

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To take a quick look at the Chinese ecosystem as is relevant to the domain name law enforcement, apart from the criminal law and civil law there's these primary components of the Chinese legal system. They are a very large body of the administrative documents regulating the domain name system. The most important one is the one issued by the State Council in 2000. It is Regulation of the Administration of Internet Information Services.

“Internet Information Services” as a specific term to define all kinds of information services on the internet covering access, storage, hosting, [conducting] – any kind of information services. I didn't mention specifically domain name hosting and resolution services but arguably domain name services could be included into this regulation – this is very, very important. And in this regulation specifically defined here, [lawless] information cannot be communicated on the internet. If the prohibited information is communicated on the internet it should be removed, deleted, blocked immediately by all the service providers.

The single most important legal documents as issued by MIIT is this Regulation of Administration of Internet Domain Names in 2004. This is a basic legal document on the Chinese domain name system and is just proclaiming the structure I've shown you. The third one is very important but it quite interesting. It's not really a legal document – it's called an Action Plan on clearing up pornography and obscenity on the mobile network. This was issued at the end of 2009 by MIIT. This document sounds like a policy statement but it imposes very strong obligations on CNNIC, on all its registrars. Let's take a look at what CNNIC has to do under the Action Plan.

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As you can see, under this Action Plan from August 2009, more than 9000 websites – this is not very updated information. To my recent study more than 11,000 websites have been shut down because of communicating pornography and obscenity information; and from 2010 the government launched a new campaign against vulgarity and pornography. Well, I noticed many countries have an anti-pornography and –obscenity law but anti-vulgarity is quite challenging, how to define that [at least if you have a bad case then], and then you can fight against.

Okay, at the end of the Action Plan CNNIC and its registrars were strongly condemned by the government – this is a very serious situation. The central government issued an official condemnation stating that CNNIC and its registrars are offering lapsed management thus enabling communication of obscene and pornographic information while domain [testing is in fast flux] via overseas registration and other illegal means. Okay, well I know you’re loving probably this “overseas registrations.” It means that some illegal content was registered through overseas registrars. .cn is an open domain; it’s not limited to Chinese citizens and it’s actually open to any foreign registrants.

What actions CNNIC will have to take under the Action Plan: it’s an interesting look at the list. It’s been officially defined. The first one is to blacklist and shut down that site. There is a very long list of websites that have been shut down by the government, and CNNIC should make a list for that to make sure these websites won’t go live again – this is the first measure. The second one is well, somebody called this “WHOIS accuracy” but I don’t really agree with that. This is not really a WHOIS issue. WHOIS is a publicly-accessible information database, but here to

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keep the accuracy of the information is not for public availability. It is for the government and civilians.

So the second measure is to ensure every piece of registration information is accurate, complete, precise, updated. So if you register on .cn probably you got a call from the government and CNNIC over the last two years to verify your identity. The third measure is a stop resolution of end-registered websites – of course this will include the fast flux, and the fast flux websites normally haven't registered with the government because they disappeared so quickly. In China, the website registration is an independent system, independent of the domain name registration. You register a domain name and you want to offer information services through your website you have to register with the government independently. And CNNIC now has an obligation to verify whether this website is registered.

The fourth one is stop resolutions of domain names identified by the Authority, and so this is pretty clear. If any website has been identified it should stop resolution, so stop resolving this other long list.

So what has happened? This is the latest information updated on March 12, 2012, before my coming here. So far more than 2000 domain names have stopped resolving to their original IP addresses; and blacklists more than 3000 domain names. I should say that under the regulation I just mentioned, the Administration of Chinese Domain Names, there is no definition on kind of stop resolution. The domain name could be either canceled or transferred, so what is the meaning of "stop resolution?" To my understanding and through investigation with colleagues I [feel] that it means your registration information will be

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canceled from the database. It's not a kind of ICE approach like the US. The colleagues for the United States may [know the domain name is seized through a merger]. In that case it's been redirected to another address, to a webpage saying that the site is illegal. But in China I guess the websites completely disappear and won't go live again.

So what if CNNIC does not do this according to the governmental requirement? What will happen? Of course one immediate consequence is that they are going to lose the license from the government. They'll tell you "This is the licensing system; if you want to be a legitimate registry in China you've got to be approved by the government. If you don't do as required you'll lose your license." In addition to that there's a criminal liability that's been written into criminal law and there's very severe consequences. You have to comply with the law requirements, and there's also a dilemma for a ccTLD. You are operating in the territory and have to comply with the law in that territory.

This is the issue I identified. This kind of law enforcement through the domain name system, what will happen? The first one I can see in the case of CNNIC is that this kind of administration measure without judicial supervision, if we compare this measure with the measure in France – the [Hau Dupé law], the famous three-strike measure: [Hau Dupé] failed at the Congress because it's not judicially reviewed. It's pure administrative, the government can make a decision and you don't have to go through the court proceedings. That one failed and it went to [Hau Dupé II] and the second act is subject to judicial review. I guess it will provide additional safety for the citizen in the free flow of

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information, but in China this is the [exact part] – the judicial part is missing. So government made the order and CNNIC must comply.

The second observation is the privacy concern. That's going to a kind of absolute of WHOIS accuracy. Actually, WHOIS in China is very much thin. If you go to CNNIC's website to check WHOIS, what you can see primarily is the date of registration and the name of the registrant; there's no other information. But when you apply for domain registration you have to submit all your personal information, your contact information; and this information will be verified before registration is completed. And because of this new campaign all the registered domain names that have not been verified [were verified] in the past two years. So this is a very much large body of information acquired by CNNIC but what is really concerning is there's no personal data collection law in China. So you can see this is not really an informed consent of collection of information, and [we don't know] if the information could be transferred to some other body.

And of course the other regulation I just mentioned in 2000 from the State Council, that CNNIC has a legal obligation to submit all the legal information as is required by the government or a competent authority. The third observation is very clear, that the [role] of CNNIC as a ccTLD has evolved in this kind of anti-vulgarity and –obscenity campaign where they have to verify the content of websites. Normally a domain name registry should take care of the string of domain names that are registered, and under that string if you deem its contents. But now you have to take a look at the content of websites; that's really challenging.

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The last observation is whether the extra-territorial effects. With the ICE domain names [seizure] measure, many countries worry that they may have very serious extra-territorial effects and even though this is a measure by a US authority it could impact many domain names registered in other countries. And in this Action Plan it seems [aware] that it will impact the foreign registrant or domain name hosted in foreign service, or a domain name registered through foreign registrars. And these domain names could be blacklisted or subject to stop resolution. So that's what I can see; thanks very much.

[Applause]

Lesley Cowley:

Thank you, Hong – an excellent example as to how policy is a local in-country issue. Let's move on to our last presenter and whilst we're doing that can you save your questions and comments because I have a feeling that there probably will be quite a few. Our next speaker is Young-eum from South Korea and then we'll move to questions and comments straight afterwards.

Young-eum Lee:

Thank you, Lesley – I thought we had [it bad] but actually listening to .cn I have different thoughts now. [laughter] I would just like to focus on something... Wait, this is just... Okay.

I would just like to focus on a very general picture of the internet governance in Korea. Of course we have legislations that are more

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restricting than others and I will try to mention some of those briefly, but let me just give you an overall picture of how the internet governance system in Korea has changed over the years.

I don't have to explain to you what internet governance is, but I would just like to focus on some aspects of the internet governance that needs to be focused on – that is how it is governed and what is governed. So this is the definition of internet governance from the [WYSIS]: “Internet governance is the development and application by government, the private sector and civil society in their respective roles. [In short those roles are to making procedures] and programs that shape the evolution and use of the internet.”

And of course many other institutions have offered their own version of what internet governance is and what it is composed of, but I think this is one of the most cited definitions, and it is a very broad definition. So if you look at it, one of the key concepts of governance is that it is a shared mechanism. And (inaudible) bodies are [normed] in the definition when civil society enters, the private sector, and the third is government. But the [WYSIS] definition is very broad in that it speaks of Unicode (inaudible) or domain sectors. (Inaudible) for example, [boxes] the topics into [formless areas] like (inaudible) and content and so on, but this is a UNDP sanction that separates the content layer, the logical layer and the infrastructure layer.

I'm not going to go through all the different ones but I'd just like to focus on the fact that the content layer is different from the logical layer, and when we talk about internet governance in ICANN we are mostly talking about the logical layer, the standards of the domain

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name system and so on. One of the reasons why the [net] layer is so [important] or the logical layer is one of the most important or essential concepts when we're talking about internet governance. Is that, if you think about it, content, interconnections? I mean the internet itself was developed in a very distributed environment, and basically it is a very distributed environment. But if you look at it through the domain name system and the way it is managed, it [really is a] very centralized system and it is one of the most easy mechanisms to control.

It is very easy to control the domain name system from a central point, which is the root server, and so I think that is why it is the domain name system that has the most authority or the most power in terms of control. And I think that's why many people think of the domain name system when they're talking about internet governance. But anyway let's just focus on the logical layer, governing the logical layer of the internet.

I'm going to divide the time periods of development into five different ones. The first one, until '94, was when it was liked by the academic community. There as a lot of civil society cooperation and then there was a relatively independent organization. And then just (inaudible) I realized that China had established laws on the internet in 2004, not that Korea all of a sudden came up with this legislation. And it in great part is described as almost a sudden government takeover.

And then since 2009 there was much more of a cooperative system that is implemented as well as the internet governance institution being expanded, and its duties including things, a lot of things besides trying to [read the size] of each sector. So according to that I perceive each

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sector, the importance that each sector has – I mean this is purely my personal view so don't attach this with the current internet governance [literature]. But anyway, until 1994 the internet was led by the academic society just as most of the rest of the world. In '94 the internet was commercialized and so [KEIST], the academic institution [KEIST] – Professor [Ki Lum Jai at KEIST] operated .kr. And in order to develop policies, a committee called the Academic Network Committee was formed and it was through this committee that discussions about how to implement certain standards or certain procedures were discussed.

And then in 1993 KRNIC was established largely before the operation of the domain name system. It was a new international computer agency so the governmental organization operates the technical aspect but the [KRNIC] becomes the Korean community and most of the policies relating to the registration of domains was proposed, not ordered but it was proposed by the civil sector and most of them were accepted by the [NC] and there were no major disputes.

And so in 1998 the RFP KR documentation begins and we start to gradually make the registration of domain names very systematic. And then in 1999 a relatively independent institution, a corporation called KRNIC was established and it operated .kr. Of course the government sector, the Ministry of Information and Communications always overlooked KRNIC but it did not give any KRNIC any (inaudible), any explicit instruction as to how to manage it. It was mostly, the policies were mostly discussed within a mostly civil society committee called the Numbers and Names Committee and the Name Committee, and of course government officials... It was a multi-stakeholder model:

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academics, people from civil society and within the industry were leaders. And they discussed policy and they proposed a policy and KRNIC accepted the proposals by these committees.

So it was a relatively independent organization with of course government oversight, but it was comparatively... I mean this was moving towards a more and more multi-stakeholder model. And then suddenly in 2004 the government comes up with legislation: the Internet Address Resources Law which says that the government has the responsibility to implement or to oversee the operation of the domain name system and the IP system. And our IP addresses were to be allocated through the MIC.

And so KRNIC, the institution of KRNIC is renamed NIDA – National Internet Development Agency – and it was the government sector that mostly gave the orders, basically, on how to manage the domain name system. And of course we had governmental committees, and actually I was a member of the committee. The discussions within the governmental committees were almost none and the... Right, I'm almost done. Okay, and so the civil society members that had participated until then were basically, most of them were left out.

But since 2009 many or not many, one or two influential members of the civil society had successfully persuaded the government to let them establish a forum called the Internet Governance Forum, and discussions within the IGF and in .kr were very similar to the discussions of the former NNC and NameCom. And many of the former members also participated. And in 2009, NIDA merges with KISA, but actually KISA, if you look at the acronym for KISA it's the Korean Internet

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Security Agency and still it is Korean Internet Security Agency. However, the Korean name for KISA retains the former NIDA name.

So they made a compromise – the security agency merged with NIDA and the community retained the domain name part. The English name retained the security part. Yeah, so it actually doesn't match. And KISA reports directly to KCC but, let me just, because I have to finish quickly, let me just cite a very specific example of how the internet governance in Korea currently works. For example, when we were implementing the IDN ccTLD there were discussions within the KISA Advisory Committee, formally there were but basically the understanding about the system within the KISA Advisory Committee was minimal. But discussions within the Internet Governance Forum were very active, and this was a time when the government actually recognized the need for a multi-stakeholder model. And for about a year the IGF Forum led discussions within the country regarding things such as the relationship between existing ASCII TLDs and the IDN TLDs, reservation policies for the IDN TLDs, WHOIS policies, reserved names, so on and so forth.

So the important and major discussions on domain name policies were conducted within the IGF, not within the KISA Advisory Committee or within the governmental part of the system. And so eventually the IGF had a very significant influence on the implementation of [.hongu] which is the IDN ccTLD.

And so in conclusion, when the government first sort of took over in 2004 with the legislation, for the first couple years it was very much government-led and there was a major loss of community voice. And the multi-stakeholder model was only formed not in reality or not

significantly. But the government sort of wizened up and now my thinking is that if the government, if there is adequate recognition by the government of the multi-stakeholder model and the recognition by the government that the internet actually is only able to be sustained with a multi-stakeholder model then I think eventually... For example, the ccTLDs are trying to cooperate more closely with the GAC in terms of trying to make our voices heard with regard to ccTLDs, especially the IDN ccTLDs. And so I think there is something positive.

I'm not saying that everything is rosy. There are still some significant legislation, like having to have real names registered for people, registering in sites that have more than I think 300,000 users because of the significant influence they might have. But overall, I think participation by governments can have a positive aspect and that is what I wanted to say. Thank you.

Lesley Cowley:

Thank you, Young-eum. Okay, I know I had Sabine's hand up earlier; if you'd like to ask the first question or make the first comment, Sabine, and then I will queue Patricio afterwards... Oh? Patricio then, and then... I see you over there, the sun's in my eyes – Erick, I think? Yeah.

Patricio Poblete:

Yeah, after hearing the presentation about China now I know where Western legislators are getting their ideas from. [laughter] Two questions, one about SOPA: for instance, would it give the power to seize the domains? But on the [dials] one hears all the time about domains being seized right now in large numbers, so why is such

legislation necessary if the power seems to be available today without it?

And the second question is in Chile we've been so far isolated from these various things, well more or less but we were not party to ACTA for instance. But we are party to the discussions of another piece of legislation which is the Trans-Pacific Partnership Agreement with [PB] or [PBBA]. I was kind of expecting that some of the speakers would say something about that and I would kind of like to know if there is something, if somebody knows something about TPPA that they could share because the negotiations are being conducted in secrecy so far and one only knows something about this because of [leaks].

Lesley Cowley:

No controversial questions then, Patricio? Becky, do you want to [play] to the PIPA point?

Becky Burr:

So in one of my slides I said that the requirement under SOPA was that the foreign site, in order to be covered by it, it had to be subject to seizure as if it was a US site. So what you're seeing is the seizure of these sites where there is jurisdiction, and this would provide the same kind of authority for foreign sites engaged in that kind of conduct. And TPPA, I don't know what the current status is – I certainly know the same, that the bloggers' headlines often say "Don't Relax Now – SOPA may be on hold but TPP is still out there."

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Lesley Cowley: Alejandro, I think you had some comments to add to that? And I know I have a queue forming; I've got the people who've put their hands up already.

Alejandro Pisanty: I think that in your answer you were replying to Patricio, I think that there's a possibility of sharing more information of sharing TPPA. Actually Mexico is not a party to TPP at present so I cannot make detailed comments, but what we say in ACTA we see also happening where there is little knowledge about TPP, about the Trans-Pacific Partnership. And some of these seem to be necessary steps that governments are taking to deal with trade, with international commerce and so forth. It is for specialists really to know whether the customs measures, whether you can seize a whole trailer of goods at the border or a whole container of goods in a port because that's really for specialists.

But you don't need to be a specialist in international trade to realize that the digital (inaudible) is pasted upon these things and it's really green to say the least. There are bad and good intentions; maybe some good intentions are there. I mean I would never think evil of Becky Burr so there must be something good there. But the-

Becky Burr: I'm not on the TPP negotiating team. I just want to be very clear.

Alejandro Pisanty:

But the thing... In ACTA you could see how the digital part was just slapped upon it, and as I said the opposition from civil society and a number of private companies actually shaped the agreement into a better form. But they are still very ill-defined. I think that they just don't understand the digital internet part of things in the way that the work and the... As soon as you take that second stem and say "How would you implement this?" and so forth, you can see it impinging on civil rights or just not scaling and so forth.

Becky Burr:

So I don't know exactly what Alejandro thinks he knows about my responsibility for any of these pieces of legislation so I'm dying to hear, but I think that all of them get to a very difficult and complicated issue on the digital environment, which is to say that jurisdiction, questions about jurisdiction which we have traditionally dealt with by reference to physical borders don't make any sense. And the question about who should have jurisdiction over what kind of behavior is frankly extraordinarily difficult and extraordinarily complicated, and I have always lived by a very sort of simple analytic model which is the "What if everyone did" model; which is to say "With respect to jurisdictional issues governments should show restraint."

You'll never get a consumer protection authority anywhere in the world saying "I am not going to exercise jurisdiction to protect consumers in my country" – it's just not going to happen. And so in a world where the physical things that make it easy to drag you into court evaporate there's just an element of restraint that needs to be exercised lest we turn the world into sort of deeply siloed notwithstanding the electronic

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world. So I don't think Alejandro disagrees with me on that but I just don't think there's a good solution.

Lesley Coley:

We could get into a debate straight away on that and I'm weary; I have a number of people wanting to ask questions. So in the queue I have Erick then Jean-Jacques, then Wolfgang, Sabine and Fernando. If I could encourage everyone to the extent that it's possible to be precise in both questions and responses that would help me get through that queue promptly, please.

Erick Iriarte:

So just a specific comment: first, SOPA, PIPA, ACTA, TPPA is the last of around twelve years of legislation. And especially in Latin America, twelve years ago we created a free trade agreement for the Americas that included the first articles about domain names and dispute resolutions. After that, the free trade agreement between the United States and Latin America includes in all the agreements in the [chapter of telco property] articles about dispute resolution and use of the [UDRP] in internal regulations.

But in the final of that process, and especially in the last year with ACTA and SOPA regulations, they mix the infrastructure of the DNS problems like domain names, UDRP and similar; with the contents – that is the problems about intellectual property. If that is the way that our legislators are creating law we need to be asking about intellectual property rights and try to protect it from affecting the DNS system. The unique ccTLD – and I hope I am correct now, maybe I am mistaken –

that made specific and public declarations against SOPA was a few weeks ago. It is necessary that another declaration, a ccNSO to put a specific position on that.

A second question is why did the United States move and push this kind of agreement, and especially TPPA and ACTA to affect the system when another part of the United States' government said "We don't want to affect the system?"

Lesley Cowley: Comments on that one?

Becky Burr: I mean is the question "Is there something that the ccNSO should be having a position on?" I mean I don't think that this is squarely within ICANN's mandate frankly. I think it's important for us all to share ideas and be informed about these kinds of things but I'm not sure ICANN can do anything about it.

Lesley Cowley: Okay, thank you. Jean-Jacques I think was next in the queue and unfortunately, sorry – Wolfgang has had to go. And then I'm going to very quickly need to close just one more at the end. Okay. Sorry, did you have something on that one, Alejandro? No? Okay, Jean-Jacques.

Jean-Jacques Subrenat: Thank you, Chair – this is Jean-Jacques Subrenat, and it's not a question; it's a remark. I think we have to remind ourselves of the context in

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which all this is happening. If it were an isolated instance we would have less to worry about, but Erick has just reminded us of a sequence of legislation or proposed legislation which all goes in the same direction. I think that what is remarkable is that some governments or legislators have felt it necessary to window dress this in a way that associates authors' rights and trademark protection, as it is called in some countries intellectual property rights; and to merge that with other concerns such as homeland security.

So my remark is very simple: I think it is in this context that we need to be especially weary, and perhaps as ccNSO operators here to relate with your parliaments more than with your governments, actually, to take care that this spate of legislation is not an opportunity to make undue progress in what is abusively called "homeland security" sometimes. I say abusively because I am struck by the fact that in the country where a president elected a few years ago made in his inaugural speech this statement: he said "We do not agree with those who say that our security must come sometimes at the cost of enforcing our principles," and we see that a couple or three years later that is no longer the case, alas. So I am simply sounding a word of caution, thank you.

Lesley Cowley: Thank you, Jean-Jacques. Sabine is next.

Sabine Dolderer: Yeah, I have sort of a comment and a remark which is on the one hand side a little bit related to the issue and a little bit off-topic. What I see from all of the discussion that we're having is that we're living in a truly

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multilateral world and we see a lot of [sweat] coming to the internet. With the ACTA you have on the one hand side a discussion within the US; you have a huge discussion in Europe where a lot of people basically actually started to nail down to the European Parliament not to sign it, not to support it. And the question is, and then what struck me when I came to Costa Rica is I received a [remark] of papers which was published through ICANN, where ICANN actually took a position; and it was a paper about the main seizures or takedowns and ICANN Security Team basically issued a paper which they say it's a paper to offer guidance for anyone who prepares an order who seeks to seize or take down domain names. And its purpose is to help legal or regulatory agencies understand what information top-level domain holders need to act properly immediately.

So my question is where do we stand as a community? And what's our [heading]? I see some of us are really trying to go a little bit out against it, and others who remain very supportive and helpful in going towards that area; and how can we actually stream our records a little bit more in one direction because we are talking with a lot of different voices. That's what I see here.

Lesley Cowley:

Okay, thank you. Let me just suggest we collect questions from the other two people in the queue, and then if the speakers have anything to add to each of those we'll do a very quick wrap-up. I'm aware we're overrunning. If you are asking a question from the audience as well can I ask you to speak very close to the mic, because I know some of our remote participants are having trouble hearing? So we had Fernando

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and then the chap in the middle who I'm afraid I don't know your name; and as briefly and precisely as you can, please, Fernando.

Fernando Espana: Hello, thank you. Actually this is a question for Hong Xue. You mentioned in your presentation that CNNIC or the regulations that are blocking some registrations or removing them from the DNS, do you have any statistics on the percentage of domestic versus international registrations that were removed?

Hong Xue: Well thank you for the question. I mentioned in the presentation, as far as the registrants under .cn you are subject to these actions, so even though they're foreign registrants they're still subject to these actions.

Fernando Espana: I'm sorry, my question was of the 600 or 700 registrations, what percentage was domestic versus international.

Hong Xue: I don't have a very precise empirical study on this but I'd guess at least one-third of the domain names seized or ordered to stop resolution are overseas. And if you need specific data I can provide it later.

Lesley Cowley: Okay, our final question please, thank you.

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Sivasubramanian Muthusamy: I'm Sivasubramanian from APRALO. As many governments have recently withdrawn their positions on SOPA, is this total change in government thinking or a mere slowdown prompted by public reaction to the proposed legislation? And I have another question: if SOPA and PIPA are considered the first of the harmful legislations proposed, what in your opinion is the shape of things to come?

Lesley Cowley: Okay, can I have some brief responses to that and then I'm going to do some final testing of the waters to see if there's interest in a longer conversation on this. So ccNSO participants, you'll remember you have cards – red for no, green for yes, orange for "I don't care" or "It goes on too long." Any brief comments, Becky?

Becky Burr: SOPA is US domestic only but there have been some questions about ACTA. As far as I know the European Commission is still saying that it expects the member states to sign it – I think that's an open question.

Lesley Cowley: Okay, thank you. We're seriously overrunning now which I'm not very good at doing, so just quick testing the water – further interest in continuing to receive these updates or how do people feel? Thank you, I'm just testing if you're all awake, really. [laughter] Okay, there's interest in that one, let's continue this discussion but in the meantime, thank you very much to the panelists and to the people who asked questions. Thank you.

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Okay, with sincere apologies to SSAC for that overrun but you can imagine that's an interesting topic for us, we have SSAC here to provide an update in the shape of Patrik and others. Thank you.

I'm so sorry, Patrik. You can imagine...

[background conversation]

Lesley Cowley:

Whilst Patrik is setting up, yes, those slides will be publicly available via the ccNSO website; and Patrik very kindly says he's going to be much shorter than he scheduled which enables me to not be too stressed about not being on time. Thank you.

Patrik Fältström:

Thank you very much. What I will try to do during these twenty minutes that we have, or maybe nineteen so I help you to at least get one minute back, is to go through our work; and I'll go through this very quickly because some of this I presume that you've already seen because I do have SSAC members in the room apart from myself and I feel it being very important that we can specifically answer questions from you. So I will try to do this a little bit quick – it's better to go back if you have questions.

So the Stability and Security Advisory Committee has 38 members as of today; a few of them are actually added by vote resolutions this coming Friday but there will be 38. We are slowly doing changes in the membership. The members are appointed three years each and we

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review a third of the membership each year, so we have a circulation, and this is something we've had since 2010. The members of SSAC are supposed to together cover all the skillsets that SSAC needs for sort of the next several years, so when an individual is evaluated we're evaluating not only the skillset of the individual itself but also comparing the skillset with the existing skillsets in SSAC.

Anyone can apply and the application process is really easy. It goes at the moment either through Julie or to our Membership Committee that is now doing the registration process. Jim Galvin, my Vice-Chair, is Chair of the Membership Committee. We are publishing between four – and hopefully between four and six or maybe eight if we're really optimistic – reports each year. This is the only kind of output from SSAC and this year so far we have produced two: a Report on Dotless Domains and Advice on Delegation of Single-Character Internationalized Top-Level Domains, which is a response to a question from the ICANN Board. We have also in 2011 produced five reports and you can see which ones, they're here: regarding WHOIS Terminology, DNS Blocking, and a few other things.

What we are currently doing is that we have our own Membership Committee of course that I just mentioned, and we participate in the Internationalized Registration Data Working Group; we participate in the DNS Security and Stability Analyzer's Working Group. We have a Work Party on the Impact of DNS Blocking – we are drilling even deeper after SAC 50 into the blocking issue and because of that you also saw a few SSAC members at the previous session. And then we have a Work Party that is looking into how to roll the root key for DNSSEC which is a topic that is kind of interesting for the technical community.

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We have our public meetings and then we also have various outreach meetings, for example like the one we're having now; and we are happy to meet and have outreach meetings with anyone who is requesting contact with us. I also encourage all my SSAC members to participate in other groups and I encourage all of you to talk with anyone in SSAC, not only with me, because the experience of people being in SSAC is something that I think a lot of people can use and the other way around.

So we then have a list of various issues that might become work parties, but this is just an example of three; and it might be the case that we have a few others that have come up this week, but we don't have a priority list apart from the ones that we currently run. So if you go through the last couple of documents, SAC 50 was produced before the previous, just before the previous ICANN meeting and it's only a two-page document and I encourage everybody to read it. It's a document that I encourage people, before they make any kind of decision about any kind of blocking, to carefully calculate the balance between benefits and harm; and specifically if it is the case that the decision has impact on parties that are outside the administrative realm of the party that makes the decision.

Number 51, a Talk about WHOIS Taxonomy – this was something that we picked up ourselves, oh, maybe I should say that SAC 50 about blocking, that was a direct question from GAC so this is a response to a question from GAC. SAC 51 is something that we picked up ourselves and that is just because we saw the various groups talking about WHOIS and various discussions about WHOIS just used the term "WHOIS" without specifying whether they talked about the protocol, the content

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of the database, the service itself, or probably a million other things that the term “WHOIS” could mean.

We saw then from SSAC that we had already written in SAC 3, 27, and 33 that talk about this matter, and that recommends using a better taxonomy for the actual discussions and we think that is needed. So we decided to write this SAC 51. What we do is that we are suggesting to you, say, better taxonomy; but on the top of that also we suggested ICANN develop a framework for how to access the actual registration data.

This resulted in a Board decision on the 28<sup>th</sup> of October where the Board directed ICANN staff to produce a roadmap for this. The draft roadmap was presented and published for open consultation on February 18 and that is something that you can have a look at; and on top of that there will be a meeting on Thursday, I think it is, the 15<sup>th</sup> between 1:00 and 2:00 regarding WHOIS.

Number 52 is Advice on Delegation of Single-Character IDN ccTLDs. This is a question that came from the Board and the SSAC recommends that a very conservative approach to delegation of single-character IDN top-level domains. This report is also relatively short: a two-page background and two pages of summary and recommendations, so for the ones who would like to look more closely at the actual wording in the document please read it – it’s not long at all. We do say that confusability and for a few other kinds of reasons both within the script and across scripts, and the lack of the ability of the algorithm to determine whether there’s confusability or not; and the fact that a shorter TLD creates a higher risk of having a confusing domain name

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than a [longer TLD] led SSAC to come up with the recommendation to continue to be very conservative with the delegation of single-character TLDs.

We do though acknowledge that there are many cases where single-character TLDs is an absolute necessity for the intention of the registration of the top-level domain, but there is such a high risk of making mistakes regarding approval of the TLDs. So we recommend development of specific rules for the single characters compared to the two- and longer-character strings that we have. Remember that we do have a specific rule for two characters already, so for one character, we think that is needed as well – that the community look at that specifically.

Number 53 on Dotless Domains is something that we picked up ourselves, and the reason why we did that is just because we heard people talking about using just the top-level domain in for example a URL or the domain name in an email address. A few people, including myself, thought that well, we better look a little bit at how that is actually implemented in applications and operating systems and the various protocols to see how that actually works in reality.

The positive thing was that we only found the SMTP protocol requiring a period and the dot. The negative side was that we found more applications that would fail, that actually had problems with not having any dots in the domain name. So the finding was basically if a user is using a domain name without any dots in it in applications the domain name will not even reach the DNS. So yes, of course, you can issue a

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DNS query with just one token – it doesn't reach the DNS; other kinds of resolution mechanisms will be used.

There, that was a very fast walkthrough to leave the floor open for questions. I'm sorry. [laughter]

Lesley Cowley:

I'm going to bring some gold stars with me for, and they will be giving out sparingly but you should have one – thank you, Patrik. Okay, questions or comments for Patrik please and indeed for the SSAC members in the room?

You were obviously so thorough and you're doing such a great job we're speechless. Sabine?

Sabine Dolderer:

I was puzzled about the term "confusability" as a technical term. Can you give me the exact definition, the technical definition of what "confusability" in the eyes of SSAC properly is?

Patrik Fältström:

Yes, this is actually a very good question, thank you very much for that. First of all, if it was the case that we had a precise definition of "confusability" then I think the SSAC report would be "Go ahead, just use this." The conclusion in the SSAC report is that we cannot find a definition on "confusability" – that's the first thing; and then the question is "What do you really mean?" and "What is it people disagree on?"

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What we are looking for in SSAC has to do with the stability and end users' confusion of the domain name – there are two things: the confusion and risk for phishing, for example, like you have two top-level domains which are so close to each other so a user that sees a domain name does not know which one of the two one is talking about. The second kind of stability issues we're looking at is when the character itself creates problems in for example display or rendering, because there are some code points in the Unicode character set which are modifying characters to previous, or like okay, including the ones that create problems with, for example, the period.

And so we are looking at that as well so it's both of these.

Sabine Dolderer:

With regards to end users' perceptions, how much end users have you asked or taken into account and how do you get the perception an end user has or...?

Patrik Fältström:

What we are doing is when we wrote this report, we are mainly basing our work on confusability as a continuation of the discussions from the ccTLD IDN Fast Track. So we are trying to use... So, and then if you ask what end users, we have been talking to for example people in the Unicode Consortium that know about the Unicode, the character set because they're talking a little bit about confusability. We have done outreach to a few academia for example in the UK. We have nowadays also SSAC members who are linguists from Pakistan, for example Sarmad, who do have experience in character set similarities. So maybe

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it is the case that the word “visual similarity” is better than “confusion” to use.

Sabine Dolderer:

But do you also take into account the results of the [APVG] studies about the use of IDNs for phishing purposes where we see I think the last [three reports] about two or three occasions where IDNs were actually used for phishing purposes?

Patrik Fältström:

Yes, we have been looking at those reports, and we have also been looking at, for example, the JIG reports that also talk about various implications and various risks. And we did go through the risks that were described in the JIG report, for example the issue with whether homonyms do have any implications regarding confusability as well. One of the problems with SSAC reports, of course, is that specific to this one that we’re going to answer questions about what potential risks do exist in the future. It’s very difficult to study that but we were trying to look at the few cases that exist, but let me compare with another situation that has to do with blocking.

We just came from a similar meeting that we in SSAC had with GAC, and we got a question whether we had detected or whether we were thinking about writing a report about blocking of the xxx top-level domain. This is a case compared to confusability where we have been doing quite a lot of outreach to see whether anyone has studied that, and the answer is “no” which means that we cannot say whether there is any blocking or anything for the xxx. But for confusability and

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similarity, the problem is that there are too many potentially which are talking about the actual confusability.

Lesley Cowley: Can I just check if anyone else has any questions? One last one, thank you.

Sabine Dolderer: One last one. I completely agree that we can't predict the future, but with regard to confusing the similar we have plenty of ccTLDs who are confusingly similar to each other. So we have actually real cases that we can use for studies. Are they ever used for studies? Because a lot of our ccTLDs, some of them are confusingly similar to each other according to the rules which were set up, so you have plenty of them to actually make studies with, yeah?

Lesley Cowley: That was a "yes." Obviously we'd encourage you to get involved in this work, Sabine. [laughter]

Patrik Fältström: Let me phrase it this way: if anyone has pointers, even though they are pointers to things you think we already have [read], send them anyways. It's better if we filter them out than if you do it.

Lesley Cowley: Yep, absolutely. Okay, Patricio? And you're between us and coffee.

Patricio Poblete: I'm trying to understand exactly the scope of your responsibilities. So let's suppose a group were to announce that they intended to launch a large-scale [DDOS] attack against the root servers let's say at the end of (inaudible). Would that be within the scope of your committee?

Patrik Fältström: The answer is "no." Okay, the next time... I actually have a slide on another computer but I think it's better if we go to coffee, so let me try to explain instead. Inside ICANN you have two groups which are sort of related: you have SSAC and then you have the ICANN Security Team. Regarding actual operational issues that have to do with ICANN operations of various kinds – that is the security, and what we are doing in SSAC is that we write reports, we write the reports that are written by just the SSAC members. Anyone can read them; anyone can ignore them. So we have absolutely no impact on operations. Thank you.

Lesley Cowley: Thank you very much, Patrik and the team from SSAC who are doing a great job I know – sorry to cut you off Patricio, but I know that people do need coffee. We're going to break now and say thank you to SSAC and then be back again at five past, please.

[break]

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Lesley Cowley: Okay, we're going to start again in three minutes which will be a bit of a change because the speaker for that session is not yet back.

[break]

Lesley Cowley: Okay, well I apologize, everybody – we seem to have lost our Strategic and Operation Plans Working Group who isn't even answering his phone either, so I'm slightly stuck. In the meantime let me make some public service announcements: somebody lost their camera case so if you have a camera without its case Kristina is the proud new owner. In addition, we mentioned busses earlier for the ccNSO Dinner tonight and if you are staying at the Doubletree busses will go from there at 7:10, so you needn't make it all the way back here for a bus. Busses will go from the Doubletree as well – there you go, we got something right. Yay!

[background conversation]

Lesley Cowley: Do we have the FOI instead? We don't have them either. We're kind of running out of people now. Ah, and Dottie lost her cell phone, ah hah.

[background conversation]

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Lesley Cowley: Right, we'll start again. We have the SOP Working Group update. Roelof? You're obviously not as controversial as domain name legislation – we do apologize.

Roelof Meijer: Bart, are we getting [Scott J] or... Like me he was supposed to come as well, okay. Good, and [Chris] was supposed to be on time. Okay, thank you Lesley, good afternoon, everybody.

I am so happy about this prime time slot here immediately after a coffee break; everybody's fresh, full of energy and I don't have anything controversial to report. So as I say "When I snap my fingers you will all wake up," right? What I am going to do is I am just going to give you, this is just a background about the SOP Working Group. I think you are all aware of us. We've got one new member, by the way, and that's Hong Xue; the rest is unchanged.

I'll give you a brief overview of what we did since Dakar, and one of the major things we did is that we filed comments on the FY'13 operational plan so I'll go briefly into that, and I'll go briefly into what we're going to do after this meeting – and yes, there is stuff, yay! That's good, so there will be another item on the agenda and it's Xavier giving a brief reaction on our comments on the framework I hope? Yep? Okay.

So first, what happened since Dakar? We had the submission of our comments on the strategic plan, the 2012-2015 Strategic Plan – we did in mid-November so it was shortly after the Dakar meeting. What should have happened was the approval of the Strategic Plan by the ICANN Board somewhere in December; as far as I know the approval is

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still pending – maybe Xavier can say something about if there is any reason for that.

The Framework of the Operating Plan Budget was posted on the 17<sup>th</sup> of January, as planned that is. We had a preparatory call with some ICANN staff to prepare for a strategic session that we had earlier this week, and we submitted the SOP's comments on the FY'13 Framework on the 15<sup>th</sup> of February just before we circulated it to you and to the rest of the community so I reckon that you've all read it. Oh, thank you so much. And we had a strategic session with some ICANN staff and SOP members last Sunday, and immediately after that we had an SOP Working Group face-to-face session also on Sunday.

Now I would like to refer you to our comments. I will just give you the general highlights of the comments, the issues that concern us most. First of all we concluded that there is a considerable improvement in the present Framework as compared to the one of 2012 and that improvement is in two major areas: first of all, there's a much clearer relationship between the Framework and the running Strategic Plan – it's much easier to lay a link between the priorities of the Framework and the priorities of the running strategy; and the second one is that there is a whole chapter of, I think they're called "general assumptions" where ICANN provides the background for the Framework – the assumptions they've made upon which the Framework is based. And those two things, and quite a few other ones, and a good overview of the strategic projects make the plan much more understandable.

Then to the things that concerned us most: it's our conclusion that ICANN, and it relates also to the second point on this slide if you look at

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how the organization grows and how the budget grows, that the organization urgently needs to professionalize its cost control, its financial reporting and financial analysis, but also in staff retention, staff recruitment, sticking to deadlines, communicating to stakeholders at the appropriate time and in the appropriate way. And the Framework and plans for 2013 do not address that issue at all, and I sense that it's a common feeling among the community that something has to be done about the level of professional operation within the organization.

There's need for more focus because we had 27 strategic projects in the FY'12 plan and we now have 37 in the FY'13 plan, and quite a few of those 37 are ones from the previous year which have not even started. So although it's good to have ambitions the SOP feels the plan would merit to have a bit more focus in certain areas, and somehow I sense that Xavier wants to comment on that one.

Another concern is that with the growing list of activities and projects but also of course with the New gTLD Project ICANN urgently needs more staff. At the end of FY'12 it is projected that ICANN has about 160 fulltime equivalents; at the end of FY'13 it has to be 195. That's a big difference and we're not even at the 160 now. So we know that recruitment has been quite slow and retention hasn't been optimal, so we're really a bit worried if ICANN will have enough hands onboard to do all the work that is necessary.

And the last one I would like to mention is that the present Framework shows a budget deficit of about \$6.5 million US which is about 8% of the overall budget, which is a bad thing I think on its own but it will also mean that again this year ICANN will make no contribution to its

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strategic fund. Just to remind you, the strategic fund is something that ICANN has in its strategy. It's a fund which contains one year's operational costs, or should contain one-year's operational costs. We all know that the budget is rapidly increasing so that fund has to follow that trend and it's lagging behind, and a deficit in the budget will not really help in that sense.

My next slide will be what's next, but maybe, Xavier, before I finish off with looking forward you want to comment on our comments? Or maybe you can tell us a bit about what you've done with it so far, if there are other important comments you've got from the community? I'll leave it to you.

Xavier Calvez:

Let me just jump quickly on the comments that you've just gone over so that I don't forget to do that afterwards. You mentioned the list of projects. I think the list includes projects that are carried forward from 2012. Usually those are already being worked on but are continuing to happen in 2013, so it's not that they've not necessarily been started – they have been started but they're also not finished by the end of FY'12 and therefore they're also appearing in 2013. It doesn't mean that there's not been any work happening on them.

Roelof Meijer:

That was not what I meant. The main idea is that we go from 27 to 37 which is ten more, which might be difficult to handle.

Xavier Calvez:

And I'm not disputing the fact that this is a challenge in itself. I just wanted to qualify the fact that it's not necessarily 37 projects to start from scratch in 2013 because some of them are already in progress.

Regarding the staff and the staff growth, I think this year we see the challenge in going from what the headcount was at the end of FY'11 and to grow it to what was budgeted for at the end of 2012 – till the end of June. We will be short of that target by approximately 12 to 15 people and we are assuming in the targets of 2013 then these 12 to 15 people or positions to be more precise will be filled in the year 2013 instead of in the year 2012. But of course it's just pushing forward the same problem unless we try to tackle it. So as part of the headcount increase there's more resources in HR which is an area that needs a lot of help from our perspective, including help to be able to interview and bring people on and integrate them into the organization.

So... Go ahead.

Roelof Meijer:

Just if I get you correctly, you say you'll be about 12 to 15 short so that's somewhere between 135 and 140, and you will have to go to 194 then in one year which means adding about 50 fulltime equivalents which is about one-third of what you have now.

Xavier Calvez:

So the 159 that you indicate here is the target that we have for the end of June, which is in itself short from the budget by that 12 to 15. So we had originally planned to be 12 to 15 higher and we think we will be at the 159 which is short of the budget target. And we have therefore

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carried forward the 12 to 15 into 2013 and therefore included it in the 194. So it's not adding; it's already accounted for there which is in itself 35 people. It's enough of a headcount increase to handle, which is why I was talking about the HR resources that are in the process of being brought into the organization to help the hiring and the onboarding and everything else that goes with it. So I wanted to make those comments specifically on those particular aspects.

On the budget deficit, so the way we've worked on developing this Framework from a top-down perspective is to try to at a high level balance expenses with forecasted resources outside of the expected impacts on the operations of the delegation of new gTLDs once that's going to happen. So just to try to take an example and to try to be precise, the application window closes in a few weeks. Processing of applications will start. Towards somewhere near the end of the calendar year – November, December – we may be ready to delegate some of those new gTLDs that have passed the application process, that have been vetted across all the steps and that are now going to be delegated.

There's work associated with doing that – there's legal work, contractual work and so on to put in place a new registry basically; and there will be also of course efforts to be put into the growth of those registries that would be in in fact FY'13 if we talk about November through December. Basically the second half of the fiscal year would see efforts and therefore costs being incurred to operate new registries. So what we've tried to do is tried to identify those costs, segregate them out and try to balance the budget outside of those costs. The very simple rationale there for the minute is that these specific costs to

launch the registries that would be delegated by then do not yet generate the corresponding amount of revenues that their operation will ultimately generate. So we're trying to look at the new gTLDs' impact both from a revenue and cost standpoint as incremental and trying to balance everything outside of that.

So this is an exercise that therefore structurally creates a deficit by the amount of costs incurred for a new gTLD's operations versus revenues perceived for it, which are going to be very small at the beginning. While the registries are ramping up they'll generate very little revenues but will have more costs just from inception. For example, writing the contracts is going to generate for ICANN operations costs, legal costs that don't have an offsetting amount of revenues within the same timing of course. So that's the general approach that we have retained to build the Framework.

Now, everybody's comments are taken into account to be able to see how we can mitigate that and try to reduce as much as possible that structural deficit to make sure we can contain as much as possible costs. The other element that comes into play is the repayment of historical development costs by the New gTLD Program as well – that's embedded into the fee and of course that depends on the number of applications that will come through. So that's another of the elements that come into play for the balancing of next year's budget.

Roelof Meijer:

Okay, but that makes it separate then, because that's the whole new gTLD budget cost and income and it's on a cost recovery basis, so there

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you have to generate income to cover the costs that you've made in previous years.

Xavier Calvez: Right, I was only referring to the part of the fee that was designed to repay the historical costs.

Roelof Meijer: Yeah, okay. Xavier, apart from the main comments that I just presented here can you say anything else about how you're going to deal with the comments that you received from us or is it too early? Can you then give us a timeline, or what's going to happen from here on?

Xavier Calvez: So we have received your comments you were saying on the 15<sup>th</sup> of February and we have received a number of comments from various organizations. We have consolidated those comments. We have also shared an overview of those comments with the Board just during San Jose, just so you know. Of course they were not able to look at every single comment that we have received but we've given them an overview and discussed some that are a little bit more structural than others. So I have a combination of those comments.

We have drafted responses to those comments and are in the process of finalizing those answers. The types of comments that we have are, I would say generally speaking of three categories: one that's reasonably simple or are comments that pertain to "We would like to see more or more detail about a given subject that's mentioned in the Framework,"

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and very often our response is that more detailed information will be included in the final draft budget which is, that's the purpose of this exercise is to identify where we will need to provide more information – the Framework being in itself just a step in the process. So that's one category of comments; we have a number of those.

And I'm not speaking specifically about yours; I'm just saying yours and others have displayed this type of categorization for us. The second type of comments are more informational: "I don't understand what this means," "I'd like more explanation about what that means" – simple enough as well.

Roelof Meijer:

Is the overview that you gave to the Board, is that something you can share with us or is it confidential?

Xavier Calvez:

No, it's not confidential but we didn't put together a presentation for the comments. What we did is we provided them the entire list of comments with our draft responses, and out of that list we selected two or three to just express what the comments were because we also thought they were reflective of a number of comments. So I picked basically two or three comments that were reflective of subjects that had drawn more attention than others, so that the Board can understand what type of comments had been provided, what our process was to resolve to those and so they can weigh in more specifically on those comments. I can share with you the comments

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that I shared with them and the types of discussions that we've had assuming we have enough time to do that.

Roelof Meijer:

No, sorry – we don't have enough time to do that. I thought you had something like an overview of the main comments and maybe a trend therein that you presented to the Board; but if that's not there then we'll just wait until you combine everything.

Xavier Calvez:

So in terms of time we're finalizing the responses. I believe the current plan is because we're getting some more comments actually, which we didn't necessarily want that it should happen in San Jose because that's after the close of the comment period but nonetheless we're getting in a [certain] amount of comments as well; and we wanted to take into account the Board's comments as well. So I believe that by the end of next week or early the following we will publish the list of comments as well as the suggested answers to those.

Roelof Meijer:

Okay, thank you very much. And just before we go to a possible Q&A, and since you've already started off with that, what's next for the SOP? And no, I should say what is next in this whole project of the Framework and the next Strategic Plan? I think you will have community consultations again on the Framework again this week if I'm not mistaken, at the Public Forum probably?

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Xavier Calvez: We have a session tomorrow morning with a representation of all the communities of ICANN to explain what I just explained on the process of the comments and the framework as well as work on the SO and AC additional budget requests process that we have developed; but the session on the Framework tomorrow will be short, just informative and give people a little bit of background as to what the timing is – similar to this.

Roelof Meijer: Okay, excellent. Okay, and then we will have the draft Operating Plan and Budget posted on the 1<sup>st</sup> of May – that’s still the schedule I reckon?

Xavier Calvez: Yes.

Roelof Meijer: With a commence period of 45 days and then we will have a final consultation and adoption in Prague at the next ICANN meeting at the end of June, and before that of course the SOP will prepare its comments on that version of the Operating Plan. Yeah?

Xavier Calvez: Two quick comments: the comment period is now just 21 days, so the new form of the public comment period is 21 days of comment and then 21 days to provide responses. That’s just one precedent. Just wanted to add one thing in fairness to this group...

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Roelof Meijer: I have Lesley's breath in my neck, so... [laughter]

Xavier Calvez: Okay, that's why I went on this side of you. [laughter]

Roelof Meijer: Yeah, I won't make that mistake again.

Xavier Calvez: You can see I'm learning, I'm learning. [laughter] So just two minutes. I have had a number of discussions in Dakar with you guys and others and here in San Jose with other groups as well about thinking about a working group, and further defining what that working group could potentially be. I think the idea in itself is fine; the difficulty is in designing what its scope and purpose would be and what its scope and purpose would not be, notably making decisions on what fits into the budget or not. So I just wanted to preface this so that you have that in mind.

I will reach out to you guys further to try to come up with a draft proposal that we would ideally be able to discuss in [Prague] and see how we can move forward there. My objective of course is to be able to have whatever solution we define together in place so that we can start the next budget year with that approach, whatever it is. So I just wanted to preface this. It's been mentioned in other groups and I also wanted to be able to say it here.

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Roelof Meijer: Excellent idea. You can count on our contribution. Okay, so that's about the Operating Plan and then well also in Prague we will start the next round for the Strategic Plan which will be the 2013-'16 Strategic Plan. I'm sure there's going to be kickoff discussion sessions in Prague a bit like the one we had last Sunday, and well there's no detailed planning yet but if all goes well then that plan will be approved in December this year I think, yeah? So then we can go to the questions.

Lesley Cowley: Okay, so we had a question from Lise and just also, can I take an opportunity to say the comment period may be a bit challenging for the ccNSO SOP, quite difficult within the 21-day, two lots of 21 days but we can take that offline. Lise?

Lise Fuhr: Lise Fuhr from .dk. Is the amount or the percentage used on consultants the same on the new budget as in the last? Because what I see is that we use more and more money on budget for like the Ethics and Conflicts of Interest Group. We have a lot of external consultants doing that work and you have a lack of employees. Are we going to extend that percentage or is it going to be smaller, because I'm worried for the in-house knowledge. We put it all outside and it's more expensive and it's not what you call professional.

Xavier Calvez: I can't agree more with the statement. So I think, and I think that was the background as well – you expressed the background of the concerns we had that were already discussed I think with Lesley and Roelof and

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Byron before – that ICANN, not managing to hire fast enough, has the consequences that you expressed. So and of course we also try to carry out the projects that come at the forefront of the priority list; and if we don't have the internal resources to do it then we have to use external resources. And just even going into your thought, managing external resources in itself takes effort, and not by the way necessarily the same type of efforts that your subject matter expertise is – managing a consultant is in itself an activity that requires a certain amount of skills.

So that's the point of being able to try to bring in the resources that are on this budget in a more efficient and swift manner than we have in the past is to avoid that issue, because the way I see it is that if we would be able to hire to the budget then we would obviously be much closer to be able to deliver on the projects that are also in the budget and to the costs that are in the budget. So the risk of not being able to do that is less gets done with more external resources; on an average basis it costs more to your point even though the external resources are much more focused and specific. But nonetheless on an average basis, on a rate per hour basis it costs more.

So we want to try to avoid as much as possible going down that path, so to answer more specifically your question we're going to build the budget with the assumption that we can hire the people which is where now having more resources in HR to be able to do so is the prerequisite to being able to put this sort of increase of headcount in the budget. Because if you say "I'm going to hire 35 people" and in the past year you've only been able to hire 15 or 20 and you don't increase your hiring resources you're not going to manage to hire 35 people; you're going to stick with 15 or 20. So at least structurally we have put in

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place, and I interviewed last week HR people to hire for exactly that purpose. So I'm hoping that we will have the resources in place by then.

Lesley Cowley:

I think that was a "yes" to your question, Lise. Hong, I think you have the last question? Oh no, there's more? You're not helping me with this timing, guys. Okay, Hong and then is that... Sorry, I can't see you – the sun's in my eyes now. Okay, thank you – could you say your name and I'll remember it for next time?

Remmy Nweke:

Yeah, my name is Remmy Nweke; I'm from .ng. My question is in terms of the professionalization of the ICANN staff, and I would like to find out in the [split] of over 140 staff strength you have now, is it possible for us to get the ratio of distribution, that figure across the world? Because I'm looking at Africa for instance having a resilient [tension] when it comes to developing countries, so to say, and how do you intend to also manage that gap if there is any? Thank you.

Xavier Calvez:

I'm not sure that I understood your question correctly, but was this about budget or was it about staff diversity?

Remmy Nweke:

It is about staff diversity if you like. I'm looking at the-

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Roelof Meijer: I appreciate your question, but before we ask Xavier to answer I would first like to see if we have other questions that are on topic and then I'm not sure if he will be able to answer it but we can always ask him. Are there any other questions for Xavier on budget, operating plan? Mrs. Chair, I thought we were running out of time.

Lesley Cowley: We are running out of time but I think I would just encourage us to have an ongoing conversation on this issue. Xavier knows very well there's a high level of interest in this because we have a high level of interest in both the strategic plan and the financial effects of the strategic plan.

Xavier Calvez: Thank you very much.

Lesley Cowley: I'm inviting you back. [chuckles]

Roelof Meijer: Do we ask him to answer? Yeah? Can you answer the question from the gentleman, or... Or you could always say "I don't know" – we don't blame you for doing many things.

Xavier Calvez: I have a rough idea that's based on the total of 140 employees, and don't quote me on the precision of the numbers – within +/- five people. We have about 110 employees based in the US in three different offices and 30 employees outside, wherever that is, either in

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an office in Australia or in Brussels, sorry, in Sydney or in Brussels; or working from their home office in other countries – France, Belgium, Netherlands, UK and so on and so forth.

Roelof Meijer:

Okay, we have to finish this session. Xavier, thank you very much for coming here, spending time with us; and like Lesley said we are very much engaged in this subject and we appreciate the dialog we've been having, and we just hope we will continue in the same manner.

Xavier Calvez:

Thank you very much for the invitation and the questions. Thank you all.

Lesley Cowley:

Can you join me in thanking Xavier and Roelof? Thank you.

[Applause]

Lesley Cowley:

Okay, moving swiftly on, the Framework of Interpretation Working Group update, please.

[background conversation]

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Lesley Cowley: I asked how long they needed – they said sixteen hours. I know we're slightly behind but that would have a huge effect.

Keith Davidson: Okay, my name's Keith Davidson for anyone who doesn't know me, and I'm the Chair of the FOI Working Group; and to my left is Bernie Turcotte who's the contracted ICANN support for this Working Group. And I have a presentation today that is a little bit long and a little bit detailed, I'm sorry, so you probably won't make time up on this but it is a very vital piece of our work in terms of finalizing our first chapter of our work.

However, to get into the meat of our presentation as quickly as possible I'll just quickly run through the background of this Working Group so that our presentation today will cover the scope of the Framework of Interpretation, the process we're using, the topics that we've identified, our activities since the last ICANN meeting; the topic of consent, the first chapter of our book; the topic of significantly interested parties which is the second chapter of our book; revocation which should form the third chapter; and a report back from the meeting in Dakar.

The scope of the Working Group: we're looking at aspects of delegations and re-delegations of ccTLDs as prescribed in the policy RFC-1591 and the [Gate Principles 2005] which provide guidance for delegation and re-delegation matters. And the Framework of Interpretation should add color and depth to the existing policies and guidelines, so trying to develop a more robust framework for IANA to use when considering these matters. And just recording that out of scope definitively are any changes to applicable policies or guidelines

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and the IANA functions contract including contract implementation issues or procedures, so as long as we know and understand they're out of scope and if we come up with something that is a change of policy then that would invoke a policy development process. So this is second; we're to do the work and get a useful result without going through a PDP.

The process is the Working Group prepares a draft. We exhaustively go through a research and analyze document prepared by Bernie on any specific aspect. When we have consensus within the Working Group, and the Working Group membership comprises a group of ccTLD managers, of GAC representatives, of IANA and ICANN staff and advisors – it's a fairly large and fairly robust Working Group. So when we achieve consensus we publish that report for public consultation. It goes through the normal ICANN consultation processes. We receive feedback; we review that feedback and we prepare our final report of interpretation for that topic or chapter.

The process for the topics: our hope is that the GAC and ccNSO will support the final reports and we can then take that final report and submit it to the ICANN Board – or sorry, we can't; the ccNSO can take that final report to the ICANN Board and provide confirmation that that final report is supported by the ccNSO and the GAC and then report with the recommendations.

The topics that we've identified that require interpretation or that we're capable of interpreting, "consent" as defined or the definition of "consent" as it applies to delegation and re-delegation requests; "significantly interested parties" or "local internet community," or the

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other terms that have been used and what actually constitutes significantly interested parties in a delegation or re-delegation situation. And that's currently out for public consultation and closes at the end of March if you want to make comments.

And then the current piece of work that the Working Group's working on is revocation and what is meant in RFC-1591 by the word "revocation" which implies taking back a ccTLD but not immediately delegating it or not necessarily immediately delegating it again; and unconsented re-delegations. And then after we've tackled those topics we're seeking to produce a comprehensive glossary or terminology paper to have consistency in all of our other discussions of using the right terms at the right times and avoiding the situations that arise like calling ccTLD managers "sponsoring organizations" in the IANA database. And then our final piece of work will be to create recommendations for IANA procedures on delegations and re-delegation, and we can only really commence that work when everything else is signed and sealed.

The activities since ICANN Dakar: we've met seven times by teleconference. We've published a progress report that is on the ccNSO's website. We've published a public consultation or we're proceeding with a public consultation on significantly interested parties. We've published our final report on consent and we're working on revocation.

Just in terms of the consent document, I have a full list of the recommendations coming up; but just in terms of the public consultation, no comments were received except one spam message.

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And then the GAC commented after we'd had the opportunity to refine, for example, any public comments and they have indicated their support for the recommendations and suggested some improvements which we've taken onboard and will handle in due course. The Framework of Interpretation Working Group has transmitted the final report to the GAC and to the ccNSO for approval so the GAC, tomorrow morning we hope we receive some form of approval for that document and then the ccNSO Council on tomorrow afternoon hopefully will also support it. And at this morning's ICANN Board meeting we gave indication to the Board that if we achieve that approval by the two constituencies that the ICANN Board will receive a copy of it in the very near future; and the final report – there's a link there to it.

IANA now, the specific recommendations: we're suggesting that IANA takes the steps necessary to implement the following guidelines – that IANA should only seek consent for a re-delegation request from the incumbent manager and the proposed manager; IANA should not seek consent from the administrative or technical contact which is the current process. We're suggesting that communication from IANA – and please, while we're looking at these, if you don't fully understand or appreciate the change please interrupt and we'll talk about it, because this is our last chance to look at any of these items.

So the communication from IANA in requesting a party's consent should clearly state what the party is being asked to agree to, what steps IANA will or may take in response to the party's affirmative consent, affirmative refusal of consent or failure to respond to the communication request and consent. It should also advise the manager to take legal advice prior to granting consent. The requirement to

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secure informed consent does not obligate ICANN or IANA to ensure that the party from whom consent is sought is informed about the consequences not within ICANN's or IANA's control.

For further clarity of what a party has been asked to agree to in a re-delegation, IANA should clearly indicate that it will undertake all steps necessary to transfer the incumbent manager's role as trustee for the ccTLD – and note the use of the word "trustee" as used or as we've interpreted from RFC-1591 which is maybe a little bit different to the legal definition of "trustee" – to the proposed manager, including without limitation changing the entry in the IANA database. Okay, and just noting as I said RFC-1591 refers to the "trustee" which is a term that we've interpreted to mean or describe the manager's duty to serve the local internet community, and it's not in any way to be defined as the "trustee" definition of a legal relationship with a manager and a delegated (inaudible).

Okay, for further clarity on what steps IANA will or may take in response to a party's affirmative consent. IANA should include the following: IANA will undertake all necessary verifications to ensure that the request meets IANA's requirements. These should be clearly described. IANA should seek approval for the request from the ICANN Board if it meets these requirements, and IANA will seek approval from the US Department of Commerce. Straightforward enough?

IANA needs to establish and publish a procedure by which it will request a party's consent, the information that will be provided by IANA in connection to such a request and the manner in which it will receive and document the party's response to such a request. The process used

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by IANA should create a formal record reflecting who provided the consent or other response, the status of the person providing the consent or response; and should demonstrate that a party's consent to re-delegation is clear, informed, unambiguous, affirmatively expressed and freely given as each of those terms are defined.

Okay, IANA should adopt the following criteria when evaluating the consent of an incumbent or proposed manager for a re-delegation request, or from a proposed manager for a delegation request. The consent must be specific, informed, unambiguous, affirmatively communicated and freely given. For further clarity consent by definition must be voluntary; in practice, however, ICANN will really be in a position to determine whether or not a party's consent is actually voluntary. IANA must be perfectly neutral and should not intend to compel, threaten or persuade the party that is asking to approve the request. Consent may be deemed by IANA in its reasonable discretion to be freely given and that it is specific, informed, unambiguous, affirmatively communicated and acquired by IANA without threat or coercion.

So we're reasonably clear on these items? Alright, going right ahead: IANA reports on re-delegations, should in order to be effective in communicating relevant information be consistent and should include the following information – identification of the incumbent manager, identification of the proposed manager, clear confirmation that IANA obtained consent and documentation which supports that the consent would meet the guidelines. IANA should report to the GAC and the ccNSO at each ICANN meeting on the plan and progress to date in implementing these recommended guidelines, and should ICANN or

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IANA choose not to comply with the FOI Working Group recommended guidelines for any specific re-delegation it should provide the rationale for that to the GAC and the ccNSO.

And any changes to the FOI Working Group recommended guidelines should be the subject of a formal public consultation as per the standard ICANN consultation procedures; and if that doesn't work then obviously elevating it to the next level of policy development process. So that's the consent topic covered and I haven't seen anyone with a hand up or a question, so I'll assume that the iterative process that you've been through you've exhausted the questions and are absolutely 100% supportive of this; and we have 100% consensus – not quite, we have Roelof.

Lesley Cowley:

Keith, we also have a new methodology for checking the temperature with the cards if you need it.

Roelof Meijer:

I continue to be incredibly impressed by the work of this group; it makes me proud to be a member of the ccNSO. We talked this morning about financial and non-financial contributions of the cc's to ICANN, and I don't think there are any ICANN Board members in the room but I think this is an invaluable contribution and I do hope they realize that.

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Keith Davidson: Yeah, well – yes, I think if you calculated some personal hours, 143 hours a year from me is probably not quite accurate, and not one of them has been a paid hour.

Roelof Meijer: I think if ICANN had to do this themselves they would hire a bunch of consultants and they would be charged a lot.

Keith Davidson: Oh, and I think our Working Group has been fantastically lucky to pick up Bernie along the way.

[Applause]

Keith Davidson: For many of the old hands in the room, people will recall Bernie was the ccTLD Manager for .ca so he knows and understands our environment perfectly, and has a unique style of very binary analysis, research and analysis and provides the Working Group with a fantastic deal of support.

[background conversation]

Keith Davidson: Moving on, sorry –

Lesley Cowley: Before we get to a complete love-in, moving on... [laughter]

Keith Davidson: Can I just ask for a show of greenness... Oh sorry, Nigel?

Nigel Roberts: You can ask for the greenness first if you want.

Keith Davidson: Okay, so on the topic of consent can I judge the greenness of the room in terms of happiness, that this is the final document? Can I see anything that isn't green?

Lesley Cowley: That was a bit of a leading question, though, wasn't it? [laughter] It looks pretty green to me.

Keith Davidson: Okay, excellent. I would really like our first topic, which is actually one of the easiest and most straightforward, to actually be a unanimous view of the ccNSO. So thank you for that.

Moving right along, we have... Oh sorry, we have Nigel.

Nigel Roberts: That's alright – I have to declare interest as being a member of this Working Group, and I just wondered if you'd like to comment on the

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fact that we've had no responses from the general public. Is that because they've read it and it's so obvious and just so right, or they just (inaudible)?

Keith Davidson:

I can't believe that ccTLD managers don't care about this. I think that the knowledge that every recalcitrant ccTLD manager on the planet is part of the Working Group means that if you can reach consensus within the Working Group it must be okay. But anyway, I think no – I'm not surprised that there hasn't been any feedback because I think we're going through a thorough testing and the meetings enable people to voice their views along the way. Any further questions? Can we move to the status of the significantly interested parties?

The FOI completed its work with an initial set of recommendations in January and the public consultation process is open through 30 March. In the presentation that should be on the website there are the recommendations from [CERT] which I'll just click through; I don't intend to go through them one-by-one but if you're interested you can pick them up online. And if you're interested in exploring some aspects of those recommendations you can come along to Thursday's meeting and we'll see if we can find a little bit of time to cover off on that.

Male:

Or see us in the hallways.

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Keith Davidson: Yes. So our meeting here in San Jose, we're meeting on Thursday at 1:00 PM to 3:30 PM and the location is to be confirmed. And Gabby-stino, do we have any location for Thursday? In here?

[background conversation]

Keith Davidson: Oh, we still don't know so keep an eye on the schedule then. It's originally scheduled to be in the tent and I don't think the tent would be satisfactory. We need hard walls in the rooms, to lock the doors properly and that stuff. Okay, and the main focus of this meeting is the revocation and what was meant in RFC-1591 by the term "revocation"; and the sub-threads of that that we really want to explore at Thursday's meeting are what RFC-1591, what is meant by the term "misbehavior" by a ccTLD manager, and the other phrase of "IANA might step in to cure misbehavior" and what that might mean. So these are quite tricky topics.

So we've made quite good progress on that through our telephone calls but we're certainly not at any degree of consensus yet so it should be an interesting little afternoon. And as always observers are welcome and it is an open meeting but if we get a chance and we're ahead of time we encourage observers to actually have a say as well. And our Working Group papers are all online there, and my email address and Bernie's email address is there if you want to contact us and talk to us offline about anything. And that, Lesley, is our report.

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Lesley Cowley: Excellent, thank you very much. We have gained some time after all, but honestly I'm very much aware – I'm a lurker on your list so I see the huge volume of email traffic and discussion and also the [co-piece] phone calls, teleconferences you're doing. So your work is very much appreciated. I think it's a reflection of the trust that the community has in the people working in that Working Group as to why there has not been a huge amount of comment. So thank you both very much.

Okay, so I'd like to invite the speaker for the next session which is the WHOIS roadmap introduction. And we have Steve. It's freezing in here? I have a man who does temperatures as well. Go find him, won't you, Chris? Thank you. So it has been up and down, up and down all day.

[background conversation]

Lesley Cowley: Okay, so Becky's very kindly volunteered to, because the man with the controls... Becky's very kindly volunteered to help chair this one. Unfortunately, I need to go shortly because I have a conflict so if I duck out that's not a reflection of the level of interest in this topic. Thank you.

Steve Sheng: Thank you, Lesley, and thank you for giving us this opportunity to talk about the roadmap. So last October the Board passed a resolution to direct the staff to produce in consultation with the community a

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roadmap for a set of, coordination of technical and policy discussions to implement SAC-51. So SAC-51 is an advisory from the Security & Stability Committee and it has several recommendations regarding WHOIS.

So as a history SSAC has provided many advisories on WHOIS. It's been an important issue for them and in their last advisory resulted in the ICANN Board action. So the staff produced a draft roadmap which is currently out for public comment, and this is one of the reasons we're here because the Board directed us to consult the community on this roadmap.

So let me first quickly go into what does this roadmap say. The roadmap has three recommendations. The first recommendation is it recommends the ICANN community to adopt a set of terminologies relating to WHOIS. So the background for that recommendation is the word WHOIS is a loaded word in the ICANN context. When people debate about WHOIS the SSAC felt that sometimes they mix the data, the protocol and the directory service that delivers that data. So some of these areas of discussion are very controversial, and the SSAC felt that lumping all of these discussions together in WHOIS is sometimes misleading. So they want to disambiguate by separating those terms, so that's the first SSAC recommendation.

The second recommendation from SSAC is to recommend the ICANN community to evaluate and adopt a replacement protocol. So the current protocol is specified by RFC-3912. It has many deficiencies as identified in the past SSAC advisories, in particular SAC-51, so the SSAC felt to recommend to the ICANN community that it's time to adopt a

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replacement protocol. So those are the two key recommendations for SAC-51.

In terms of the taxonomy, the SSAC recommends domain name registration data or registration data to refer to the “data.” The “data access protocol” refers to the protocol – it could be the WHOIS protocol as defined by RFC-3912 or other protocols. And finally, the “directory service” refers to the service that registries or registrars include in the protocol in providing access to the data – so that’s the SSAC recommendation.

You know, SSAC made a few observations about WHOIS and these are not new observations; it has been kind of summarizing the observations from the past SSAC advisories. And I just want to point out the second one is the WHOIS protocol itself today has no standard capacity for handling the non-ASCII text so I know some of the ccTLD communities are having internationalized domain names and also internationalized registration data where you have the registration data in your local language and script. And this is an issue that the WHOIS protocol lacks extended capacity to handle that, so that’s one of the reasons why SSAC is again calling for replacement of the WHOIS protocol.

So talking about replacement of the WHOIS protocol, the protocol itself needs to be developed in the IETF, so I’m going to quickly talk about the current activities in the IETF on this. Our goal is to encourage interest in ccTLD registries, the community, to participate in this work in kind of producing an updated protocol that can have better features – for example, to handle the internationalized registration data. Currently there’s a mailing list set up in the IETF; it’s called the Worthwhile

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[Extensible] Internet Registry Data Service mailing list – the WEIRDS, an easy acronym to remember. There’s been various discussions and various internet drafts have been proposed on this mailing list, particularly the regional internet registries champion an approach called RESTful WHOIS.

So it’s a WHOIS service that delivers over HTTP, so kind of a web-based WHOIS service, but conforms to the REST standard. So that’s the draft that RIRs have been championing. So the progress for that work: there was a [birth of feathers] session in the last IETF meeting in Taipei and there was strong agreement to do the work on the RIR side as they have implemented in service and they have come together to produce internet drafts.

There was strong skepticism expressed about the work on domain names. At that time there was no registries or registrars coming forward with willingness to express support or willingness to work on that. So in the IETF culture if no one comes up and voices support to do the work the work does not get done. So this is another reason we come today to seek your support on that. So currently there’s no agreement yet on the proposed charter and there will be another [birth of feathers] session in Paris. So the IETF rules say you can only have two [live] sessions, so if there’s no working group have two [live] there will be no work from the IETF. So again, we just encourage the interested ccTLD registries to participate in this work.

Finally the roadmap, the SSAC recommendation for replacement WHOIS protocol is also resonated in some of the other ICANN documents. So for example, in the generic names side there has been service

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requirement reports calling for the deficiencies of the WHOIS. We have a joint GNSO and SSAC Working Group on the Internationalized Registration Data that also call out this issue and issued similar recommendations to replace WHOIS. And finally, the Affirmation of Commitments Review Team report also notes this lack of ability to support internationalized registration data.

So we are seeing different parts of the ICANN community coming up with similar recommendations, so to us that's a strong sign of some sort of agreement within the community on at least that work is needed. So to implement the first SSAC recommendation, which is to disambiguate the terminologies, we propose that staff prepare a one-page summary of the terminologies and share it with the various stakeholders – so for example, we're sharing with the ccNSO; and second, we recommend a phased-in transition strategy where in the beginning the old terms and the new terms are used in conjunction and gradually the old terms are retired and we will only use the new terms. So that's what we propose to implement the first SSAC recommendation.

Regarding the SSAC recommendation to replace the WHOIS protocol, first of all there's the protocol development which I just mentioned earlier, and our recommendation is one to promote participation both for ccTLD and gTLD registries and registrars in the development of this protocol. In working on this roadmap we also realized two things: that WHOIS is also an important service for the ccTLD registries – so that's the first observation; and the second observation is the WHOIS policy for each ccTLD is set by registry operator communities and sometimes by the government, and it's outside ICANN's policy remit for doing that.

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So we had on the technical side we're wanting to encourage participation in the protocol development, and on the policy side for the ccTLD in particular we want to encourage and promote adoption of the replacement protocol within the ccTLDs. So in the detailed report we propose several ways to do that. Finally, this is kind of a nice chart of the timelines that summarize the gist of our previous recommendations.

The next steps: the roadmap is out for public comment until I think this Sunday or Monday. We will have two public comment periods because this is such an important issue for the community and we want to give ample time for consultation with the community. We envision to finalize the roadmap for the Prague meeting for Board action and there will be a workshop this Thursday – is it in the same room – at 1:00. So with that, thank you – I can answer any questions. Thank you.

Lesley Cowley:

Thank you. I saw on Slide 16 ICANN promoting cc's uptake or something to that effect. How exactly do you plan to promote the uptake by cc's?

Steve Sheng:

One thing to have cc's adopt this new protocol developed by IETF is... For the gTLDs there's a policy process but for ccTLDs this is outside the policy process. So it's up for each registry. So I guess one thing for us is to spread the word. There's also at times a business need for some of the registries, for example, to support internationalized registration data and with the new protocol there will be additional capabilities

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where a ccTLD operator may wish to offer it to his customers. So that will be what we have. Thanks.

Lesley Cowley:

Thank you, Steve. I'm sorry, I had to put first my urgent question. Does anyone else have any questions or comments please? Okay, so I think the suggestion was that we would develop some sort of ccNSO comment on the latest developments which is why Becky's joined me because Becky has become our chief scribe for comment periods. Can I just test whether that is of interest to the managers in this room please? No interest – green cards, red cards? Have you all fallen asleep or frozen? I'm getting hot now which is strange, isn't it?

Okay, serious now – WHOIS stuff? I know it's been a long day. I think there is interest indeed. Okay the Council will discuss how best to take that forward later on in the week then, but in the meantime can we say thank you very to Steve? Thank you.

Steve Sheng:

Thank you, Lesley.

[Applause]

Lesley Cowley:

Okay, we're nearly there – thank you for your patience. We're moving on now to the IDN session and I do apologize; I do need to go to be somewhere else. Can somebody turn off the lights as well? We're

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going to be operating in the dark. Just before I go I'm aware that some of you will also need to go and miss this session, which Young-eum has generously agreed to Chair. Can I remind you that tomorrow morning we start off our bright and sunny day with the GAC, so we don't come to this meeting room first. In fact, we start at the GAC which you'll be relieved to know is actually near the entrance in the hotel. So we're not walking backwards and forwards first of all tomorrow.

Bart can't find the lightswitch [laughing]. In the meantime I need to go and I will see you all at dinner a little later on. Thank you.

Young-eum Lee:

Thank you, everyone, for staying for this session. We are now going to start our IDN session and I would like to invite Francisco Arias from the gTLD Registry Technical Liaison to give us an update on the IDN Variant Project. Francisco?

Francisco Arias:

Hello, everyone. Here is also Kim that you also know and the presentation will be given by the two of us, and actually he is the one that's going to start. So Kim?

Kim Davies:

This is news to me. What am I going to say? [laughter] This really is news to me. So the basis of this project is effectively a Board resolution to examine issues in relation to IDN variants in the root zone. This has been a request from a number of IDN user communities so we now have an existing outstanding unmet need certainly in Arabic language,

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in Chinese language and so on. So the resolution of the Board was effectively to examine the issues in relation to IDN variants.

Now the most recent product of the project has been the integrated issues report. Effectively what happened is we had six teams work on specific languages. They each came up with case study reports. Towards the end of last year they were integrated into a single unified report known as the Integrated Issues Report. That is now posted – has the public comment period concluded? Sorry, that report has completed public comment. So the next step in the timeline is we've posted a draft project plan for moving forward based on the outcomes of the draft integrated report; that plan is open for public comment until March 18<sup>th</sup>.

So what is a variant? The problem when dealing with variants is that there's no commonly agreed definition. This has been a challenge really throughout the whole project; it continues to remain a challenge simply because a variant means different things to different people. The reports describe some of the concepts that variants can refer to but variants can effectively refer to a number of different aspects of domains. But I guess the common element is that they refer to two or more labels that can ultimately end up on the DNS.

Now, the work going into variants so far has not come up with a formal definition of "variants" so therefore we continue to use the term "variant" but we don't nail down the definition – we refer to it in a loose sense. The way we've tried to deal with it is that when we're dealing with a specific kind of variant we have qualified the term "variant" with references to what precisely we're referring to.

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While there's obviously recognition that variant issues pervade the whole DNS really this project is focused on IDNs on the top level. The specific problem that we've been tasked to solve here is there is not a variant policy at the root level and therefore in order to envisage delegation of multiple variant top-level domains there needs to be sort of a policy. So in examining these issues, obviously these issues are applicable throughout the DNS and we're definitely cognizant of that while developing these reports, but ultimately the outcome of this work for us primarily is targeted at the root zone.

[background conversation]

Kim Davies:

Here's a classification that is in one of the reports with respect to variants. I don't know if it's valuable to go into the details of this now but there's a taxonomy that's been edified in the Integrated Issues Report that tries to tease out some of these different notions of variants and categorize them in some kind of way that seems to be useful for the analysis of the issues.

One of the key distinctions found that we've teased out in terms of examining variants in the notion of code point variants and code point variants operate on a code point-by-code point basis. Now, for those that don't know what code points are, code points refer to in English what would be letters; but it's the notion that certain individual characters within a string might have multiple representations. Whole string variants on the other hand refer to entire labels that are different

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but the meaning of the words in a particular language would have some correlation that would deem them to be variants.

Some of the issues in the report: naturally there's a compromise to be struck. The compromise involves adding additional functionality to the DNS versus the difficulties of doing that. I think the report goes to some length in examining where those tensions lie and in examining some of the issues associated with it.

So now without further ado I'll pass it to Francisco.

Francisco Arias:

Thank you, Kim. So once we have the Integrated Issues Report, there's a section where we identify the potential next steps to do regarding variants; and we developed a plan which is currently in public comment until this Sunday. If we receive at least one comment during that period then there will be a reply period for 21 days – that's according to the new rules for public comment that the staff did this year.

In this plan we identified a (inaudible) of projects and those projects are divided in three different phases. The first phase is the visibility studies which are basically to study where it's possible to do certain types of variants or certain states of variants in the root. Then the idea is to have this phase completed by the end of this year and have a decision point – a Board decision is the idea in this plan – on what are the types of variants and states that will be implemented. Then there will be another phase which will be to develop the process in the root, and that will be run during 2013. And there will be a final phase which will be

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the implementation provided there is a decision by the Board to adopt these processes that are developed in the previous phase.

This timeline up there of projects – we’re developing the plan. As I mentioned before there are eight different projects. These three here are the feasibility studies; then there is the Board decision here, and these two are the projects that are developing the variants process. You will see here that we have something called visual similarity process enhancement. One of the things that came up during the project that there would be ways to better do the Visual Similarity Team reviews and the idea is to use, for example, something like the IDN tables that are already being used in the variants process to identify the characters that are considered to be visually similar.

And then we have later the final phase which will be the implementation of all the processes that are here. I must say in the plan that we are only considering the resources needed to get on the list phase, the second phase here. The last phase at this point is still to find the [figures] to be able to determine with detail how much resources will be needed. And one part that I didn’t mention is the Project number one, the label generation rules and [tool] – that’s the IDN tables enhanced. That’s a project that is not directly related to having variants in the root but variants at any level in the DNS is the part that is already ongoing. Kim has produced a draft that has been disclosed in some mailing lists – basically it’s incorporating what we learned in the project about the way the variants are done in, for example, the Arabic script in which you have variants that depend on the position of the code point in a string. So the idea is to have one formula that is suitable for all the different type of variants that are used in the DNS.

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Now I'm going to talk for a little bit about some of the principle projects. This is the one that I was mentioning about that is not dependent on having variants in the root but it is already ongoing. And there is a link to the draft for those who are interested in previewing the draft and providing comments to Kim. Then we have the project number two which will be basically developing the process for the variants in the root – what we call in the report the label generations rules of process, so the rules to generate the labels based on the variants that are defined in these new IDN tables let's say. This project is divided into two: the first one is the developing of the process and the second one is the actual implementation. You could say the second part is the [freeing out] of the tables.

Project number three is on the face of the facilities to do this. In one of the cases to do this, the Greek study, they were mentioning the need to have Whole string variants. Whole string variants are for example related to the meaning of the word to a specific language community, so they were asking to have two strings in two different dialects that we have to mean the same. For example, this would be equivalent in English to having the word color written as English and colour written in British English to be considered variants of each other. This is something that has nothing to do with the code point itself but the meaning of the string. In the report we are raising serious concerns about the idea of having these types of variants in the root since it will be very difficult for example to define what are the dictionaries that are going to be used, who's going to select this and how is this process going to be maintained from a non-operational point of view.

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Similarly to Project number two we have Project number four which is again on the second phase, and this will be doing (inaudible) visual similarity process. The reason why visual similarity is considered here is because as Kim mentioned, the variant is too broad and we think it will be very difficult to ever get to an agreement on what it means. So basically visual similarities was considered as a type of variant by some of the participants in the issues report, so with that view we will have visual similarity variants, let's say, which will probably only be considered for [main block], not to be actually activated in the DNS.

Another facility pursued is related to mirroring. This is one of the states that people usually think of when they talk about variants. This is the idea of having two name spaces that are mirroring one another so you will access one website using either of two names that are considered to be variants. This also raises some concerns that are listed in the report, because it seems that even though it may be possible to do it in the DNS the difficulty or most of the difficulties start when you try to replicate this behavior beyond the DNS. Since it's not enough with having the DNS to return the same IP when you are [equating] for a name, but you also need to have all the applications to be able to direct you to the same server, to give you the same content, etc. So the idea here is to study the feasibility of having mirroring TLDs.

And the last feasibility study is to examine the user experience of [active] variant TLDs. [Active] variant TLDs will be either mirrored TLDs or delegated TLDs that are delegated to the same entity; so for example, having two TLDs that are considered variants are delegated to the same entity, the same registry but there is no requirement on the registry to keep any [SARP] mirroring. So it is here to see if there is an

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issue with this type of behavior of what will be the consequence on the user, the end user which is at the end the one affected by these types of setups. And with that are there any questions?

Young-um Lee:

Yes, thank you. Okay, I'm sorry – I didn't know you were also presenting. I should have introduced you also.

Hong Xue:

Thank you, a very interesting presentation and all six projects are highly important. Of course you're an expert on IDNs and you know IDN variants are extremely important to certain language communities especially all the Chinese language communities. Yesterday a large community had a dialog with the VIP Group – we got very much a pessimistic impression about the possibility of IDN variants being written into the root. Your technical experts give us very strong interpretation about the technical difficulty of doing so.

Well, I'm not a technician but I do remember that his conclusion is there was no technical solution so far to include IDN variants into DNS. And of course I assume this is his personal will and is not an official position of the group. I have two specific questions regarding the presentation: one is about whole string variants. Yesterday a VIP top leader, an ICANN advisor mentioned these whole string variants and he feels that possibly these whole string variants could be a direction that warrant further examination and could possibly be included in the root. But I have to tell you that this whole string solution is really not a solution at

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least for Chinese, and you just mentioned the code point variants and that whole string variants are different between them.

I can tell you in many languages there's no letters, there's no alphabets such as Chinese. My name "Hong" is one character – it's not a letter, it has meaning. If you use a whole string solution you exclude 80% of the variants in the Chinese language so I hope the whole string should not be the direction but possibly you have more comment on this issue.

The second one is about the visual similarity process. I do believe this is extremely important even though the Chinese [variants] do not look very similar. It's very unfortunate but I agree this [presence] should be going on. But I want to know how you relate this visual similarity process with the ongoing new gTLD application process especially the [six] review panels who are going to do the review work in the next three months. Will this process be included, be taken into account by the review panel of the new gTLD application process? Thank you.

Young-eum Lee:

Thank you, Hong – some very significant and pointed questions. Would you like to answer?

Francisco Arias:

Sure, thank you Hong. So the second question first: this is not related to the new TLDs at all. This is independent of that and we've said that from the beginning, and I will say it again – this is not related to new TLDs. If you see the timeline this is going to happen a lot farther from the new gTLD process implementation – we're talking about calendar

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year 2014 and we don't know exactly when. So this is not related to new TLDs.

The first question: I don't understand how there will be an effect on Chinese variants if there were to be whole string variants. Would you mind elaborating a little bit?

Kim Davies:

Sorry, I think there might be some confusion that it's like a choice between those two. They're actually two independent concepts that could be both done. It's not that it would be choosing one approach over the other approach – does that answer the concern?

Hong Xue:

Thank you. This really addresses my concern, and to clarify the interpretation of my question, the code point variants means for example .asia in Chinese would be two characters – [Ya, Jo] – two characters. What's interesting is only the first one, [Ya], has a variant; for the second one, [Jo], there's no variants – the simplified and the traditional character sets are the same. So if you use the whole string of course this does not qualify under that standard but there's variants on one character. Oh no.

Kim Davies:

We understand what you mean, so that's considered a code point variant. And the point was the possible deployment of whole string variants is independent of consideration of code point variants. So it's not the notion that if whole string variants were permitted in some

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fashion that there could not be code point variants. Both are being considered and they're independent.

Young-eum Lee: Any more questions? Well, Bart, I think we can let you present an update on the IDN PDP process.

Francisco Arias: Just quickly tomorrow at 9:00 AM we have the main session in La Paz A, I think – you are more than welcome to attend. Thank you.

Young-eum Lee: Thank you. Thank you, Francisco; thank you, Kim. And now we are at our final presentation of the day – Bart will give us an update on the IDN PDP process.

Bart Boswinkel: Good afternoon. I will try to be as brief as possible. This is just an update on the current status of the IDN PDP process. As you know, there are two working groups currently working on aspects of IDN ccTLDs. I will go into the current status of their activities, and secondly I'll go into what you can expect over the next months.

First of all, a status update of Working Group I. Working Group I's purpose is to develop and propose an overall policy for the selection of IDN ccTLDs. This is in fact the follow-up of the IDN ccTLD Fast Track Process. The Working Group has established its main criteria for the selection some time ago but it still has some issues that need to be

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addressed over the next coming weeks. With one exception – the variants, and you just heard the presentation from the Variant Issues Project Team; the variants will not be addressed in the IDN cPDP – it's deferred until the Variant Issues Project has been completely finished including the other ones, and at that time we will revisit the overall policy. That has been the decision from the Council already from some months ago.

Secondly, one of the major issues that we have been dealing with – and again, there was a presentation today by SSAC on it and some discussion on the confusingly similar or visual similarity. The Working Group is now discussing it and hopefully, hopefully we'll find a way out of it in the near term but I'll provide some more details; and the third element is the processes. The current rule....

A bit about the confusing similarity discussion within the Working Group I: the current rule in the Fast Track Process provides some unexpected outcomes – that was the result already from the review, the first review of the Fast Track Process. And if you look at it and the follow-up discussions we were not able to address these unexpected outcomes. So this experience is based on the Fast Track Process itself, so one of the good things when the ccNSO designed and proposed the Fast Track process the experimental nature of it proves to be very valuable for the overall policy and probably for the discussions within ICANN as well, and with the ICANN community. So that's something to consider for the future as well and to keep in the back of our minds, that some of the stuff we do should be set up first as an experiment to understand the issues and how they really evolve in practice.

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If you look at the confusing similarity, one of the major issues there is that the rule itself in fact tries to find its way through two principle questions which Patrik already mentioned during his presentation of the SSAC. It's "Should the starting point be that it needs to be demonstrated that a string is not confusingly or visually similar to another, or not confusingly similar? Or should the starting point be that it should be demonstrated to be visually similar?" And we're still trying to find a way and a starting point on these because this is the very underlying questions which the Working Group has to deal with.

Regarding processes, the Working Group will propose that the processes should be based on an improved version of the Fast Track Process – again, basically the review and the experience with the Fast Track Process. There were some flaws identified which we will hope to address in the overall policy. Some of the main issues that have been identified and that will be addressed – and it's still under discussion – is whether or not to introduce an appeal process on decisions of external review panels and a second discussion that's still ongoing within the Working Group: what should the level of detail in the policy be of defining the processes? To what extent should we leave room for implementation or should it be very high-level descriptions of processes? That is still ongoing within the Working Group itself.

So that was the current status of Working Group I – the overall selection, so the policy for the overall selection of IDN ccTLDs. A second Working Group is dealing with the inclusion of the already existing and future IDN ccTLDs in the ccNSO. The main issue here or the starting point is that according to the current bylaw definition or the definitions

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in Article IX of the ICANN bylaws, membership is not open for IDN ccTLDs. So that needs to be addressed.

The focus of the Working Group is on Article IX of the ICANN bylaws and the annexes. The core issues addressed currently, or the core issues that have been addressed are the membership definition, the implementation of the basic principle that IDN ccTLDs are ccTLDs which means that they should have equal rights and voting and membership rights in the ccNSO. And the major issue that was addressed as a part of that principle is especially the formal voting in the ccNSO, and the formal voting will be on the outcome, for instance, of cc PDPs, so country code or the ccNSO policy development processes; and a second one is the election of members of the ccNSO Council. So in the final report of the working group that was open for public comment there are suggestions on how to resolve the issues identified.

So what can you expect over the coming months? IDN Working Group I has to conclude its work. There will be a public comment on the final report of the IDN Working Group I. After that public comment period has been closed there will be a combined report of the IDN Working Group I and Working Group II proposals in the final report of the Issue Manager. Once that is published that will initiate GAC consultations according to the rules of the policy development process. It will initiate the vote of the ccNSO Council – that's the first step in the formal voting, which if they adopt the final report and the recommendations contained in the final report then there will be a membership vote so all the members of the ccNSO will vote on the outcome and the recommendations. And if they adopt the recommendations, only then

it will go to the Board as a proposal for a formal policy on IDN ccTLDs.  
Thank you.

Young-eum Lee: Thank you, Bart. Do we have any questions for Bart? I actually had a question, Bart – do you have a rough timeline in terms of when you will be closing the comments and when the ccNSO will be voting?

Bart Boswinkel: No. As I said, the real issue is with Working Group I dealing with the confusingly or visual similarity issue. That needs to be resolved and it needs to be part of this overall policy, and it's a very complex problem. And it's not just a policy issue – I think what we've learned over time is that both the technical operational community and the policy community need to agree upon a criteria for visual similarity. And so if we can't reach that then yeah, we have an issue and we're stuck with it.

Young-eum Lee: Okay, thank you. Do we have any additional questions for Bart? Well, I think then we can bring this meeting to a close at exactly 6:00. See you all at dinner tonight and thank you very much for staying.

Kristina Nordstrom: For those of you who have dinner tickets the busses are leaving at 7:00 down in the lobby so please be there at 6:55 perhaps. It's 7:00 from here.

[End of Transcript]