
MARRAKECH – LAC Space
Monday, March 07, 2016 – 10:30 to 11:45 WET
ICANN55 | Marrakech, Morocco

SPEAKER: It is Monday, March 7th at 10:30 A.M. local time. This is the LAC Space meeting in the [Ametist] room.

RODRIGO SAUCEDO: Okay. Good morning, everybody. Yes, hello. So thank you all for being here and we're going to try this make this in Spanish, then Portuguese, then English so that's okay for everybody.

We have a full agenda now, so let's get started. And before we start with the formal agenda that you've seen, we have Sally Costerton, the head of GSC in ICANN and we also have Nick Tomasso, the Vice President for Meetings in ICANN. And they are here to talk about the cancellation of the Panama meeting and how it looks for the region in terms of meetings.

So I will hand over to Sally.

SALLY COSTERTON: Thank you, Rodrigo. Is it okay if I speak in English? Oh, that's lucky because I can't speak any Spanish. Otherwise, I'd have to leave now.

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Morning, everybody. It's great that we can do this and have this LAC Space. I'm really thrilled that we've been able to establish this over the last few meetings. And thank you all for coming.

This is very casual. We haven't got anything particularly new to say, but we – we being Nick and I – thought it might be useful to just come and see you to see if you had any comments, any suggestions, any ideas about how we can help with the things that you need to get done that we won't be doing at the Panama meeting.

So I've said to Rodrigo, we want to make sure that as far as we can within reason that we try to hold extra, additional stakeholder engagement meetings in the region over this summer period knowing that we won't be coming to single venue to do this as we would have planned to in Panama City.

So maybe as we get a little bit of conversation, if there are things that you would like us to really understand that are important or priorities that can be done without having an ICANN meeting, then it would be good to hear what those are. And Rodrigo is very much empowered to try to make those things happen.

As far as Panama itself is concerned, I think you all know why we made the decision to cancel the meeting this time. It had become obvious to us that the presence of the Zika virus was

getting worse and, indeed, it continues unfortunately to get worse.

UNIDENTIFIED FEMALE: And it will be summertime.

SALLY COSTERTON: And it will be summertime, exactly. So we were very mindful of the likelihood that by the time we actually were in the run-up to the meeting, we were very frightened, really, of two things. One, and the most important one, is the safety of our group, clearly. This is a global problem. This is not an ICANN problem. Obviously, it's not just a Panama problem or even just a Latin American/Caribbean problem. But it is clearly something that Panama is grappling with. So that's the first issue is when we face these kinds of challenges, how do we assess the risk to our own delegations and our own groups.

And we have, typically, around about between 1,700 and 2,200 people at an ICANN meeting. So this is a very big group of people in a very complex meeting configuration. So the second thing we have to think of is if we are facing the possibility that we have to move a meeting, it's very hard. And in a minute, Nick can explain a little more to you about what that involves. So we have to make decisions not early, but we have to give ourselves some

time because finding a location that we can have a safe meeting and that can actually handle our meeting with the many requirements we have is very hard.

The second thing we have to think about is attendance. And we were worried that as in the run-up to the meeting, we might see a major fall-off in people registering because they would be worried about coming to Panama City because of Zika. And you all know that for our meetings to be effective, we need to have the presence of our community. Otherwise, why are we even having a meeting? These are policy making meetings. This is policy work. And the new B meeting, which is the summer meeting that would be held in Panama – or not now – is a policy making meeting. That is the primary role of it. So if we're trying to have a policy making meeting and we have a really big drop in registrations, we have a really big problem.

The other thing I was going to just mention – some of you know this, maybe some of you don't – this is not the first time we've had this issue even in my time at ICANN, and I've been at ICANN now nearly four years. In fact, where we are now in Morocco, we were due to be here 12 months ago, but we had a similar challenge with very similar issues, actually, which was very unfortunately, as many of you will remember, at the end of the previous year, we were facing a terrible outbreak of Ebola. And although there was not really much in Morocco, as I'm sure you

will remember, there was a quite serious outbreak in parts of northern and western Africa. And we actually had the same kinds of concerns.

We were obviously very worried and cautious about the protection of our community and our delegates, but we also had the same concern that we felt that a lot of people would not come. And we did some soft soundings and our suspicions were confirmed that a lot of people would not come if we had continued.

So we had a very difficult conversation with the Moroccan government and our host [inaudible] and the regulator here. And we had then a very extended dialogue with our colleagues, your opposite number, in Africa through the whole spring and summer of last year, which is partly what I'm doing here now, Nick and I are doing here now to start that process with you. And they've been incredible partners to us during that process of both making sure that we had more events in Morocco and in northern Africa and in Africa generally because we knew we would not have a meeting in Africa last year.

For example, the engagement center that you just heard announced, this was the work done by the community in that period. They've been very busy with us and we've been very engaged. And then, of course, we worked to return. And here we

are. But we take these commitments very serious. This is a beautiful, perfect venue for an ICANN meeting. I think everybody's really finding that already. So we're very happy that we're here now.

Nick, is there anything you'd like to add specifically?

NICK TOMASSO:

No, Sally. Not really. I think Sally's covered all of the high points. I'm sure most of you have been to a number of ICANN meetings and know that the size of the facility that we need just in the sheer volume of people and, more importantly, the number of meetings – there will be 372 separate sessions of meetings here – makes it very difficult for us to easily find a venue that can accommodate us. So we need to use as much time as we can to identify a new venue and move forward. And Sally's hit on all the other topics.

And we did see enough on social media, ICANN, Zika, Panama that would suggest to us that there was some concern within the community.

It's beginning to look like the decision was a right one as you follow the news on Panama. The number of cases are growing ,and it's getting to be summertime. So that's where we are and why we took the position that we did.

RODRIGO SAUCEDO: Thank you very much, Nick and Sally. Anyone has any questions or comments to Sally and Nick before we start? So I have Carolina and then Rubens.

CAROLINA AGUERRE: Thank you for the explanation and it's perfectly understandable. I have two questions. One is we're also having – although it's in the North American region – a meeting in the Caribbean where [inaudible] has been existing for over two years already. And I am from LACTLD and we were planning to have a general assembly and a workshop before the ICANN meeting hosted by .pr. So one of the things we wonder is, okay, whether it would be sort of a necessary precautionary measure just to move our meeting because that Puerto Rico meeting might not take place precisely because of the same reasons that you have been explaining right now.

And the other point is looking at the discussions and the lists with my Latin American colleagues and looking at how many of these engagement sessions encourage the participation of the community from the region where the ICANN meeting is taking place to consider for 2016 the special case of Latin America being excluded from the ICANN meetings in general so that there may be more fellows or more next generation leaders or more of

those kind of people being able to attend with a special caveat for 2016 considering the scenario. Thank you.

SALLY COSTERTON: Actually, [inaudible], can I just qualify the question? I think your first question was should you move the LACTLD assembly in case the Puerto Rico was cancelled. That's the question. Is it? Okay.

And when are you currently planning to do it?

CAROLINA AGUERRE: [inaudible]

SALLY COSTERTON: When are you currently planning it?

CAROLINA AGUERRE: We usually try to organize our meetings before an ICANN regional meeting because then we get a lot of synergy there.

NICK TOMASSO: I would recommend to you that we take a little bit of time to see how the conditions progress or regress hopefully in San Juan. But certainly, be prepared to do that. If you want to keep it tied to the ICANN meeting, be prepared to do that. We're going to be taking a very thoughtful look at the whole process beginning to

work with the community and specifically with Pablo, with .pr because he really has a vested interest in this and he has been doing a fabulous job in San Juan to get support for this. If we do anything there, it will be very hesitantly because we do have that support and that relationship.

But I think we need to continue to watch what happens there and not for much longer, perhaps over the next six weeks, and see how things progress.

RODRIGO SAUCEDO: So I have two more questions. It's Rubens and then you and then I think that's it.

RUBENS KUHL: My question was about Peru, Puerto Rico and it has already been addressed. Thank you, Rodrigo.

MARK DATYSGELD: Good morning. My name is Mark Datysgeld. I'm a former NextGen member and a current Fellow. And my question is ever since us, the ['53] group of NextGen have returned to our countries, we have been engaging youth to participate in their community and steering them towards this meeting. As well, last year, we had the IGF in Brazil and [inaudible] and there was a big

program for youth there and we also engaged a lot of youth there. We have been building a lot of critical mass for this youth to be able to attend this meeting.

And with the change, I think the NextGen program gets hurt the most because this youth won't be able to attend the meeting since it's local. So something that I want to propose this week to as many people as I can starting today is that maybe a small quota is allowed for Latin American youth to attend this meeting since it has been an ongoing task for us of the NextGen and the fellowship and the local leaders like [Daniel] and engaging these people and giving them a chance to be part of the process. That's my comment. Thank you.

UNIDENTIFIED FEMALE:

Just to add, I do believe that we have this strategy in the region and it's a good idea, I believe, that working with Rodrigo and the others to see what is interesting for the region that is already in the programs. There is a lot of outreach. There is a lot of engagement process. So I do believe that we need to work on that and maybe make a suggestion as a whole group to encourage people not to get so wound up on everything. Yeah, like Nick, like everybody trying to address the things to the same time because it's hard to travel and expensive, and so on. So that's the idea maybe to use what we already have and trying to

locate more effort to that. And this is just to add to what [inaudible] said that engage universities, engage everybody to that meeting.

SALLY COSTERTON:

Yes, thank you. No, I completely agree. And that's very much what I've been working with Rodrigo to say, right. Let's really make sure that we've really maximized, we've really made the most of the opportunities that are coming up in the region and ensure that we can do everything to the best of our ability, that we really focus on that in the next few months.

The NextGen is different. This is about sort of coming to the meeting itself. So obviously, if the meeting isn't there, then it's not that the NextGen program has no value, but this is major focus of the NextGen activities, isn't it? I would certainly encourage and support the community that you are building, which I congratulate you on, by the way. This is fantastic to hear this. I couldn't be more pleased. This is such an important part of what we are trying to do is to bring in more young people for many reasons, not least of which is we need more volunteers, we need more people to understand and participate in working parties and to really support the model to be, as somebody said to me once, the bottom of the bottom-up process.

So I would love to be able to see if there are things that we can do with your group in the region this year that allow them to deepen their understanding of what we do and how we do it. Whether we do in-reach, we come to them. So I would really encourage you and Rodrigo and the regional strategy team to think laterally, to think differently, about how we use that group of people this year.

Now when it comes to the question several people have asked, could we send a bigger quota to the next meeting, to the Helsinki meeting actually or to wherever we do it, whichever country we're in, you need to think about the logic of what's going to happen when they go there because this is going to be a very much smaller meeting and it's going to be policy only. Now that doesn't mean we won't have NextGen and it doesn't mean we won't have those programs.

But what I would encourage is that we have a detailed discussion about exactly what will be available for them to do when they get there to make sure that this is, in fact, what you want because it's not about quotas and who gets what. That's a different issue. But I think being able to say, "Okay, we know that when we are going to bring somebody to an ICANN meeting in the NextGen program, we have a responsibility to make sure that that is a great experience for them." Because otherwise the goal of the NextGen program is lost. They have to have a very

participative, engaging experience. So let's keep working on it both in the region and coming out into new meetings. Is that helpful?

UNIDENTIFIED MALE: We have [Lauren] here.

SALLY COSTERTON: Hello. I didn't know you were there.

[LAUREN]: No problem. No, I think Sally pretty much summed it up very well. And I do have to say Mark and the rest of the NextGen group have done a fantastic job of building a network in their region. But as Sally said, this will be a very different meeting anyway so we have a very different approach to how the meeting will actually be run and how NextGen will fit into the policymaking process anyway. So it was going to be different.

You all know at the moment, the NextGen applications are closed until we work out where the meeting will be. A fellowship program is being run for people who have already participated in the fellowship program already. So it will take people that are former alumni and pair them up with different policymaking aspects within the organization as well. But we do very much

take on board what you're saying and I know that there are concerns about the next meeting as well. So this is something we're evaluating. We're also taking a look at fellowship criteria as well. It's the ten-year anniversary of the fellowship program in the next year.

UNIDENTIFIED FEMALE: This [inaudible] needs to change because we changed meetings.

[LAUREN]: Exactly.

UNIDENTIFIED FEMALE: So [inaudible] focus.

[LAUREN]: Yeah, it's something that we've definitely taken on board and are looking at as well. So that's good. Thank you.

RODRIGO SAUCEDO: I think I want to take only one because we are already very late. So in regard to the meetings, I think taking Renata's and I think we close and go and start the agenda.

RENATA AQUINO RIBEIRO: Excuse me. So I just add that indeed a lot of effort since ICANN Buenos Aires has been added into bringing new people in ICANN. And for the Amazon region and for the northeast region of Brazil, we had major advances and participation in events in Spain, in the U.S. and we have a possibility of also participating in the [inaudible] process. And I actually also would like to address another aspect of participation and engagement which is regionalization. For the visa issues, for example, we had a major problem with different requirements for Latin America here in Morocco, including we had people detained in airports. So this is something which worries when you talk about engagement because you cannot recover from that image to other groups that you're trying to bring in to ICANN.

So some procedures like having the invite letter sent with a lot of advance could really decrease the situation. And other important aspects that could be raised when talking about engagement is bringing regional groups that are not present in the Latin American and Caribbean strategy yet, such as the Amazon region, into the ICANN ecosystem. We have a special attention to their needs and to their requests. In the Amazon region, for example, to go to a specific small city in the north, you may need to take a boat and spend a day on the boat. So they have mobile messaging groups and they do not have a lot of access to websites such as ICANN Wiki or the whole idea of

[inaudible] and editing on the website. There is a whole other way of dealing with the Internet there.

So if we could think about ways to integrate these regions, newer and innovative ways, that would be incredible. Thank you.

RODRIGO SAUCEDO: Thank you very much, Renata. Nick, Sally, do you want to comment on this?

SALLY COSTERTON: Just very quickly. I'm just going to ask Nick to comment on the Visa point. But I am really intrigued by your point about the access issue. And in another part of the teams I'm responsible for, we are involved in what I think is an ongoing project, as in I think it will always be there, to look at digital engagement, if you will, digital assets. We look a lot at languages which is an obvious one. We look at mobiles. How do we make sure to the best of our ability that you can access content while on a mobile platform, which for those of you who build websites, which I imagine is quite a lot of you, this is actually much harder than it sounds because there are, I think, 25,000 pages on the ICANN.org. It's a massive, massive site. And it goes back 15 years.

It's like a huge library and trying to make the content ready to use on a mobile device is a big job.

But I think it would be very interesting, Rodrigo, and [Vander], I don't want to give you too much work to do, but in the strategy group in this region, I would love for you to have time to look at this specifically. I can't promise we can give solutions instantly. But what we need is user needs and this is great example of how can we use maybe different ways of having discussions. Is there a way we can use mobile devices completely, for example, to handle public content? Or to be part of a working group? You just really made me think, so I'd be really curious to see from this group as to whether you can help us to shape our thinking on some of that. And it's a timely point. Nick, do you just want to close on something on visas?

NICK TOMASSO:

I'll be brief. I know you all want to get to the [inaudible] meeting. There are many criteria that we use for selecting locations for ICANN meetings. Visa is very high up on the list of those criteria. I think of Morocco as a specific case in point where this government went out of their way to grant visas upon arrival to delegates who didn't have a consulate or embassy within their country.

I'm very concerned when I hear you say that people were detained coming here and I would like to hear some particulars if you wouldn't mind dropping me an email. But what I suspect it was – yeah, then I'd be very happy to talk to you about that because I can't imagine that they granted you a visa upon arrival and then didn't let you into the country. What I suspect it was is merely that the agents at the airport didn't have your name on the list. But let's get into the details so I can figure that out. Thank you.

That said, very high priority. I agree with [inaudible] meeting strategy working group with us and can attest to the fact that it was a very high priority item and we're doing our best to meet that. Thank you.

RODRIGO SAUCEDO: So last one on this subject because we are moving to the agenda. [inaudible] telegraphically please.

UNIDENTIFIED FEMALE: I have a suggestion. Maybe we can fix this in having the meeting if you don't have a Plan B in terms of a change in Puerto Rico. Maybe Miami is a good thing, is a good place, because we would have a LACTLD meeting and also ICANN meeting perfectly. And

it's the same region. You agree? Perfect. Yeah, well my suggestion is Miami. Thanks.

RODRIGO SAUCEDO: Thank you very much and thank you, Nick and Sally, for joining us for this section.

SALLY COSTERTON: Thank you. Enjoy the rest of your meeting.

RODRIGO SAUCEDO: So without anymore preamble, we'll start with the agenda if you agree. We have Bob. Bob, are you still here? So Bob Ochieng is from our stakeholder engagement group in Africa. And as in other ICANN meetings, we invite folks from the other regions to tell us a little bit more about the DNS industry or sector in the region. So Bob, thank you very much for being here. And the floor is yours.

BOB OCHIENG: Thanks, Rodrigo. Good morning. So after listening to the discussion in the last few minutes, I don't know to go through the slides or just to take up from the discussion because it's just been confirmed to me that we share a lot in common within the Latin American region and Africa. I mean, starting from taking a

boat and taking one day to get to the other site. In Africa, you have to get out and get back in to visit a neighboring country. So if you talk about access, we are on the same page.

But critically on the DNS space, I think we are even much more aligned because we like to refer to our regions as under served. Under served because we are not equal players in the business space and we are not equal players in terms of ICANN participation, be it as registrars or in terms of input in policy. It doesn't mean that we don't have enough of us attending ICANN meetings. Yes, they do. But until we lead and command on policies that are being processed, we don't participate.

So there is a big difference between attending ICANN meetings and actually participating on those meetings. We always have [inaudible] delegation from our region to ICANN meetings. You see them the first time in the airport and the second time in the checking out at the airport again. So yes, I believe it's kind of the same scenario where we are trying to drive participation and meaningful participation. And this is the purpose of the Africa strategy.

So for the last three years at ICANN, we tried to address these two issues, one, on participation not only within ICANN but the wider [inaudible] ecosystem, and two, participation from the business front. And on the business front, you're looking at, first

of all, developing the ecosystem that will allow for the uptake of domains as an industry. Otherwise, we just become consumers.

So these are the two broad categories that the Africa strategy is trying to look at. And over the three years, we have made some gains and, of course, we still have big room to improve. And maybe I'll just highlight just a few of what I would call flagship projects that we are currently trying to implement.

As you see, this has been a journey that started quite some time back, way back in 2011 when we have an Africa ministerial meeting that really expressed their strong desire for ICANN to do more in Africa. And in Marrakech today, almost five years later, I think ICANN has done something including the latest announcement of an engagement center that's coming up in Nairobi. So yes, I think ICANN is striving to do its part, but we have to do our part. And that is critical.

So our strategy focuses on two major things: as I said, the business aspect of the domain name sector in Africa. And the business aspect is being looked at from growing the numbers of domains in Africa per se as well as ensuring that we have more registrars getting created by ICANN and playing in the business. Today we have less than ten accredited registrars in Africa. I'm sure you have a bit more in the LAC region, but not what is desired if you look at the other regions. And this has actually

been tested in the New gTLD applications. The numbers from Africa were not much to write home about, and the LAC region was better, but not, of course, ideal compared to the [inaudible] region. So this needs to be addressed.

The second issue is on ONS and having our regions participate across the ICANN constituencies from GAC, from civil society, from technical community, not only in ICANN but in the wider Internet ecosystem. And we have critical challenges where, for example, you have countries that are wondering why they are not in charge of their ccTLDs and struggling from the standard that it is not only them, but are supposed to take positions on their ccTLDs. So it takes a bit of time to get them to understand that this is a resource that brings together everybody in the nation and not only the government. So those are the two prongs that we are looking at in Africa.

And I say that in three years, we have tried to lead in coming up with a number of ideas. Some of them have now become what have been adopted globally. So for the DNS forum, for example, we are doing the fourth [version] that just ended in Morocco and I'm sure it's now across the globe. So you have it in London, you have it in the Middle East, and I'm sure in the LAC region. It's something that is being adopted and I think it's a forum that brings together players in the DNS industry to discuss their unique issues which are normally not in other platforms.

We are trying to improve on our communication with our community and to stress the fact that ICANN is today with them on the ground speaking to them in their language and not in the U.S. This was critical to really assure Africa that it is a global organization as the Internet is global.

Of course, improving their technical capacity including deploying more L-roots in the region. Capacity building is very key, both focused on business as well as on security, especially securing the DNS. And in this space, we'll be quite active in rolling out DNSSEC trainings and assuring that our ccTLDs get signed.

So what we plan to do ahead. Of course, we haven't reached where we want to be and we feel that [inaudible] to our stakeholders remains key, top priority, especially the business constituency and government. They're ready to take their space in the DNS business.

Of course, we really want to encourage participation. And participation in this case is meaningful participation. There is a very big gap between people who contribute to ICANN and the next level or the next generation. There's such a wide gap. So when I hear about NextGen, it really encourages me that actually something is being done to encourage the next generation of contributors to ICANN. Otherwise, I am very afraid because it

takes a lot of commitment and effort to read, to comment, and then you're not paid for it. It's not easy. So volunteerism is not easy. We have to encourage the community to do more.

I think maybe very lastly, we have a number of challenges. It could be similar to what you have in your region from access, cost of connectivity. ICANN requires at least a good Internet connection because some of our engagement is via webinars. You need to connect to conference calls and not everybody is connected, so this is a challenge. And when you're connected, what is the quality of that connection? So yes, we have a bit of work to do there, some of it not really within ICANN but we can contribute in helping advise the different players and hope that if we were to do this, then every player needs to come to the table and appreciate what we call multi-stakeholderism. Like for instance, it is not ICANN that came up with this thing. In Africa, we have thousands of communities and they work together. They might not call it multi-stakeholderism, but they're working together. So yes, let's work together and try to solve some of these issues. Thank you very much.

RODRIGO SAUCEDO:

Thank you very much, Bob, for this presentation, and I agree with you. We face some similar challenges in the LAC region. Before I open to questions and comments, I just want to

apologize because the interpretation services were not here. We asked for them and something should have happened in the middle. So it's really a pity to be doing this in English when we have interpretation. And we always have, as you know, but in any case, sorry. Anyone? Comments? Questions? Tony Harris, please.

ANTHONY HARRIS: Hi, my name is Tony Harris. I'm with CABASE in Argentina. I have just a curiosity question when you mentioned about growing the DNS in Africa. Could you update us on what's happening with the .africa application?

BOB OCHIENG: I'm sure that is a question to Rodrigo.

RODRIGO SAUCEDO: I didn't hear that. Could you repeat that please?

BOB OCHIENG: Okay. I'll try. Of course, I think that the latest update on .africa is that the board has authorized ICANN to proceed. But then we faced a legal challenge, and it's now subject to a court case, which we are really hoping will be concluded very, very soon.

But as we speak now, it is within ICANN's executive to handle it. It is no longer with the board anymore.

RODRIGO SAUCEDO: Okay. Any other questions or comments?

[VANDA SCARTEZINI]: Sorry, Bobby. It's not recorded.

UNIDENTIFIED FEMALE: Yes, it is.

[VANDA SCARTEZINI]: It is. Okay. This is Vanda from the records. Bob, I have some curiosities about how is the taxes problems for money expended to buy domains or to have import some domains from the registrars that are not in the country. Do you have a clue about that and could share with us? Because this has become some problems in the Latin America and maybe the expansion of New gTLDs will be impacted by those kind of taxes and the cost for the people in general.

BOB OCHIENG: So if I got your question correctly, maybe, the question is how easy is it to, for example, buy a domain from Africa when you're

from outside in terms of taxation and the overall cost of it. So this varies, especially if it is a ccTLD domain. Most of them we see have prices that are different for if you are a local or if you are foreign. And of course, they make it difficult to buy if you're foreign. Most of the time, they have reason for that. That is the subject of the discussions in the Africa DNS forum.

And this has impacted even the issue of being able to sell, for example, one ccTLD in a different country. If you are going to talk about business, then if I am .ke for Kenya, for example, what stops me from selling .ng which is Nigeria? They realize that I could buy the domain or the domain could cost \$30. But for me to transfer \$30 to Nigeria, it will cost me \$50. And this problem is then moved to the financial sector because they are not synchronized. They don't talk to each other. It becomes very costly to actually transfer money across the continent. So it's a wider problem that caused for the intervention including the understanding of the financial sector. Thank you.

[VANDA SCARTEZINI]: How many registrars you have in the region and how they are distributed?

BOB OCHIENG: So good question. I mentioned we have less than ten ICANN accredited registrars.

[VANDA SCARTEZINI]: For the '12-'13 RAA or just 2009?

BOB OCHIENG: So two of them are, I think, on the 2013. The rest are on 2009. And in terms of the position in countries, three-quarters of them are in South Africa. So if you take South Africa away, you don't want to talk about the numbers. It's really embarrassing. So we will hope that this could improve and I think the waiver on the insurance fees, which was seen as a big hindrance, would really encourage more to now get accredited.

[VANDA SCARTEZINI]: Latin America is not much different from that.

BOB OCHIENG: I guess that's why we are sharing. We are very much the same. We're an under-served region. Thank you.

RODRIGO SAUCEDO: Thank you very much, Bob. Any more questions or comments?
[Win]?

[WIN]: Hello. I'm sorry. Good morning. I'm [Win] [inaudible]. Some of you, well, most of you probably know I have been working with [inaudible] ICANN on a study last year on, well, the LAC region and the ccTLD [inaudible]. While you were explaining the African continent, I had one question. Is there a country or a couple of countries, not South Africa, of course, where you can say, "Look, these could serve as an example. This is a country where [inaudible] penetration or whatever," where you say the community works, it works. They could go also as a proof to other countries within Africa, but also to countries outside of Africa and the world to say, "Look, it is possible to do."

BOB OCHIENG: So I think I have three answers to that question. The first one is that as we speak, nobody has really done Africa, forecast research on the Africa domain name industry. And ICANN has just launched that study. We have actually contracted a consultant to now do that because even when we speak to the business community, they ask me, "So can you show us what is the potential ways to market and how do you get into it?" And I have no answer for that. So that was missing.

It's like walking in broad daylight with your eyes completely closed. You'll not see anything without data, without

information, there is nothing. So that is being addressed. We expect that report by June this year.

The second thing is Africa is 1 billion people today and at least 2 million registered businesses on the lower side. Why should Africa have only 1.5 million domain names and 1 million of those domain names in South Africa, meaning you have 500,000 domain names for 53+ countries? It doesn't make sense. So it has to start with the players themselves, Africa, and are standing and believing in their domains.

If you ask anybody, including in this room, who does not have a Gmail account – I hope Google does not take me to court on this – everybody has a Gmail account. If you ask public servants in Africa, in Kenya because they come from Kenya, if you look at their business cards, they always have two e-mail addresses, a .ke and a Gmail account or a Yahoo account or a Hotmail account. But they always circle the Yahoo or the other account and tell you, “Please use this alone.” Why? Because one, they think the Kenyan one is being monitored by Kenya. I ask them, “Do you think the other one is not?” That is not for you to answer. Two, they say it is not working. The Kenyan one is not working. I prefer and I have confidence in the other one.

So as long as we don't believe in our domains ourselves, there is only so much we can do. It's like selling wine and you are busy

drinking water. Why should I buy your wine? So we have to make them aware that these domains are effectively the same. You can use your .ke domain and send the e-mail and it will reach America or the U.S. or South Africa. It is not that .ke is local to Kenyans. This is the challenge. They feel that some domains are more global than others. So that's an information gap that we need to fill.

So all this needs to be done almost in parallel to really help us get the business going. And of course, by some of the intervention by ICANN like waiving the insurance fees for the under-served regions, we think that the business sector will seize the opportunity.

RODRIGO SAUCEDO:

Okay. Thank you [Win] for the question and thank you, Bob. Sorry to speed this a bit because we need to move to the next item on the agenda. But thanks for coming and thanks for sharing this. It has been really useful, Bob.

And now I have my colleague, Marika Konings. And we have an important item on the agenda which is about the proceedings from the auctions of the New gTLD program. And we're going to have an update from Marika and then we're going to have some comments from Tony and [Dev] about the program. So please, Marika, the floor is yours.

MARIKA KONINGS:

So basically, yes, I'm here to give you an update on where things stand with regards to the New gTLD auction proceeds. And we're currently in a drafting team stage phase.

But before that, I want to quickly cover what's the background and purpose on this topic, how did we actually get here, where we are now and where we are going next, and as well, answer any questions you may have.

So basically, I think as most of you know, the auction mechanism is actually a mechanism of last resort in the New gTLD program to resolve any strained contention sets that are remaining. It is actually the expectation and it has been shown in practice as well that most strained contentions are actually resolved through other ways, conversations between different parties. There are also private auctions that have taken place. But there are still a number of strained contentions that are remaining to be resolved and some of which have already been resolved through ICANN-led auctions.

As a result of that, there is already a significant amount of funds that are being reserved and earmarked as a separate fund to, of course, the ICANN budget which currently stands at over \$100 million U.S. dollars. And as was identified as well as part of the New gTLD applicant guidebook, the board, staff and community

are expected to work together in designing and developing a plan as well as next steps for how to deal with these auction proceeds.

I just want to briefly read to you what it actually said in the applicant guidebook because I think that also provides the basis and foundations on how these conversations will be conducted. And it very clearly states that the funds must be used in a manner that supports directly ICANN's mission and core values and also allows ICANN to maintain its not-for-profit status. And that second part is also an important conversation in relation to the board participation, for example, in this effort as they have a fiduciary responsibility with regards to how ICANN manages and spends funds.

And the applicant guidebook also provides a number of examples that could be considered as part of these conversations such as the formation of a foundation that would allocate funds in specific ways, the creation of an ICANN-administered community-based fund for specific projects, and some other ideas and suggestions that were captured, just to give an idea of what might be possible.

So how did we get here? There are a couple of steps that have already been taken in this process starting with a conversation that started within the GNSO, Generic Names Supporting

Organization, which of course has also been the party responsible for developing the policies that underpin the New gTLD program. In February of last year, basically starting a conversation of well, there were actually already some funds that are being gathered. We know that process hasn't completed yet, but is it time to actually start thinking about what process we want to put in place to deal with these auction proceeds?

So following that conversation, the first decision they actually took was to reach out to the other ICANN-supporting organizations and advisory committees to see if there was any interest to work on this issue together. The GNSO understands that although these funds may have been gathered through a program that was developed by the GNSO, there is, of course, broader interest in this and as well, the guidance and the guidebook was clear that it's to support ICANN's mission which, of course, reaches broader than just gTLD policies.

And as well, based on that feedback, it was clear that several other of the ICANN-supporting organizations and advisory committees had an interest to exploring the possibility of creating a cross community working group to look into this issue.

So [inaudible] to have some further conversation and get some input on the topic. A number of sessions were organized at an

ICANN meeting in Buenos Aires. And one of the outcomes of that was that it would be helpful to actually gather all of that information in a type of discussion paper to give the community, but also those outside of the ICANN community a chance to weigh in and provide their feedback especially with regard to this idea of creating a cross community working group.

So the paper was published in September of last year. We had public comment closed in November, and we're now here in February and had a first meeting of the charter drafting team. We'll cover some of these points in a little bit more detail, although I know we should go fast and not spend too much time.

Just on the workshops that were held in Buenos Aires, again, confirming that there is really broad and substantial interest in this topic. There are already many ideas in the community on what this money can be spent on but also recognition that the first step should really be to focus on what principles should underpin any discussions as well as what is the process and framework that should be in place before we even start talking about how to actually spend money.

I said the discussion paper was really an effort to make sure that there was an extensive opportunity for everyone to weigh into this conversation. I said before the ICANN community has

already had a chance to provide input but there is also recognition that, especially with the sum of money that is involved, the interest may reach wider than just people that come to ICANN meetings. So we published this for public comment and encourage everyone to participate.

I said the paper itself provides a sense of background on where the new gTLD auction proceeds come from, what the financial status is, what conversations have already taken place, but most importantly, it tackles or pulls out some issues that will need to be considered and addressed in the next steps of this process.

So some of those issues are, how can we make sure that the conversations focus on the development of a framework and not get distracted by how to spend the money? I think we've seen it already in some of the sessions. It's very easy to come up with ideas. Everyone has ideas on how to spend money. That's never an issue. But how can we make sure that we actually pull that back and say, "What framework should be in place? What are the guidelines and rules around that, that guide, actually, those next steps then on how money is spent? What kind of expertise is needed?" There may be certain fiscal questions that, at some point, come up.

How can we make sure that there is broad participation and involvement, and as well, that we benefit from expertise that

may exist in other sectors that have dealt with similar situations? An example is, for example, the ccTLD community. Several ccTLDs have had similar situations where they had access proceeds or it's part of the way their ccTLDs are set up that any access proceeds go into either a foundation or fund separate projects. And it may be helpful to look at how those processes have been managed.

There is also the question of what is the role of the board in this process. As mentioned before, obviously, the board has a fiduciary responsibility in this regard. There is also specific interest from the board. They have made statements as to some of the aspects that they would like to see covered. So further conversation and consideration need to be given to what is the appropriate role of the board in this process. And as well, what is the expectation of any outcome of a CCWG, how that will be dealt with by the board.

Then there is also the [inaudible] of conflict of interest. How can we make sure that those that participate are responsible for developing the framework are not the direct beneficiaries of those funds. Because that, of course, is an obvious conflict of interest. So how can we make sure as part of the process, we address that head on and make very clear at the outset of who will be eligible at the end of the day or ineligible to apply for these funds as a result of active engagement or participation? Or

maybe it's just a question of declaring any kind of interest upfront.

There is also the point of languages with other efforts that may have an impact on this. You may all be aware of the CCWG accountability efforts that, for example, look at possibly making some changes to the mission or the way the current mission is worded. That will need to be factored in as it's clear that any spending of funds needs to be linked to that mission. As well as efforts that are ongoing in relation to public interest because, again, that's one of the things that come up in ICANN's mission. We should work in the benefit of the public interest, but what does that mean in the context of ICANN? And separate discussions are ongoing on that.

And then there is also the question of implementation that will need to be addressed. What role, if any, would a cross community working group have in relation to implementation of the eventual recommendations?

I won't dwell on this. Just know that we did get significant input on the discussion paper and there was general support for moving forward with the cross community working group. We did also receive a number of suggestions on how to actually spend auction proceeds. And we're not ignoring those. What we're doing is actually keeping a big list of those so that those,

at the appropriate time, can be pulled up and reviewed. We did publish an updated version of the discussion paper that basically aims to address some of the requests for clarifications and additions that we received, and that was published in December.

So where are we now? So following the publication of that updated paper and the confirmation that, indeed, most in the community believe that a cross community working group is the way forward, the next step now is to develop a proposed charter for that cross community working group. So to that end, the GNSO council chair reached out to all the SOs and they say, again, to ask that they appoint representatives to this drafting team to start that effort.

And again, the drafting team is really focused on defining the scope for the cross community working group. They are not beginning with recommendations or any kind of proposals. Their focus is really what should be the scope of the cross community working group. So that also deals with issues. How does participation look like? What are the decision making methodologies? What are some of the inter-linkages or other issues that need to be considered? So again, I think you're probably all familiar with some of the charters that exist for all the working groups. That is really their task.

So we basically have representatives from all of the SOs and ACs apart from the ccNSO, who has indicated that at this stage, they're not interested in participating in the drafting team, although we know that on an individual basis, there may be interest to share their expertise when we start the deliberations in the cross community working group.

The drafting team recently formed. We only had our first meeting on the 23rd of February, so just a bit more than a week ago. They are now tasked to basically look at all the background materials that exist, including looking at the comments that were submitted in response to the public comment forum that specifically spoke about some of the topics people wanted to see in the charter and their input on those.

We did provide them with a template charter. As you may also know, there's a separate effort ongoing that is looking at what should be the principles for cross community working groups. And as part of that effort, they developed a template charter that includes some of the more standard sections that a charter should have. In certain cases, also has provided kind of standard language that has been derived from previous efforts. So that is really intended to be used as a starting point for that effort to make their work easier.

The group is going to meet here in Marrakech to discuss how to make progress as well as a schedule of meetings. They haven't really discussed yet what their likely timeline is going to be. But from a staff perspective and looking at previous similar efforts, we're hopeful that there may be a draft charter available by the next ICANN meeting. Because the next milestone in this process would be for the drafting team to present their draft charter to the different potential chartering organizations which is the ICANN, SOs, and ACs. And they then basically decide whether they want to sign on as a chartering organization.

What that means is if those groups are known as a chartering organization, it comes with certain responsibilities and expectations as well that, of course, they play an active role in that process. But also that they are responsible at the end of the day to review the recommendations of the cross community working group and decide whether or not to adopt those.

It is, I think, our expectation and it has been as well, of course, experienced in recent working groups that, of course, the cross community working group will be open to anyone interested to participate in. There may be chartering organizations' appointed members, but again, they serve more the role as liaisons between the CCWG and the chartering organizations to make sure that the chartering organizations are kept informed. And if there's any kind of official positions that need to be

communicated back, those are provided. But my expectation is that it will operate as other cross community working group efforts that we have seen that anyone interested can participate, and share their views, and work on a consensus basis to come to agreement on the framework that needs to be in place for New gTLD auction proceeds.

I think that's all I had today, but I'm happy to answer any questions anyone may have.

RODRIGO SAUCEDO:

Thank you very much, Marika, for this [inaudible]. It has been very useful. We have prepared two comments on the topic coming from two of our colleagues from the region, [Devin] and Tony. So probably we can open the floor to them first so that they can comment on the presentation and then we'll go around on questions. So who wants to go first? Dev? Tony? Dev, go ahead.

[DEVIN]:

Thanks. This is [inaudible] speaking and good morning to everyone. Marika, thanks for the actually very detailed presentation. I actually learned more what's happening since early February and so forth, so I think the way forward is, indeed, a lot of work that needs to be done in developing the framework

and not just coming up with suggestions solely for what to do with the auction proceeds. And you've highlighted the work and I think it's very important for, I think, all of us to really get involved in that GNSO cross community working group and its affairs. So I think that's my main key takeaway on this.

RODRIGO SAUCEDO: Tony?

ANTHONY HARRIS: Guys, it's Christmas again. Santa Claus is here. \$105 million and there's more going to come in. This is, I think, an extremely interesting prospect for the ICANN community. And we have seen some of the specifications up on the screen, initial thoughts on how these funds should be applied.

And I think reading rapidly through Marika's excellent presentation, some of the highlighted items that could be valid for these funds have to do with the work of the LAC Strategy Group. So basically, I think we have our work cut out as a group. I suggest that the LAC Strategy Group could be one channel of producing some proposals, once proposals are called for.

Right now, I'm part of the drafting team. I'm on the GNSO Council and I am actually representing the council on the

drafting team which meets on Wednesday. But this is just to get the charter set out, in other words, the rules of the game.

So probably by the next meeting in Helsinki, we will have this. As Marika was saying, the charter will be finished. And then once the cross community working group is formed, of course, one of the things that will follow, there will be a call for proposals, I'm sure, on how to apply these funds. So I think a lot of people in the room may have some very interesting ideas on how to apply this to this windfall, this Santa Claus that is coming to ICANN. And I'm sorry, I'm just joking about that. I don't mean it in a light way. But it is something, I think, very – interesting is not the word I'm looking for. It's something which could help us a lot to develop new projects in the region and help people and develop into the Internet in general. Thank you.

RODRIGO SAUCEDO: Thank you, Tony. I agree. There's some space for the steering committee of the LAC Strategy to work on this. And we'll try to be posting and sharing the dates and key milestones we've got to do for that. So that's an excellent suggestion. Anyone comments or questions to Marika?

UNIDENTIFIED FEMALE: Nobody interested in the money?

RODRIGO SAUCEDO: We're behaving very bad and we don't deserve anything from Santa Claus.

UNIDENTIFIED FEMALE: Thank you, Marika. I was just wondering. I'm a bit out of touch with this working group or this drafting team. Why is it that you need to have the final version for Helsinki? I mean is there something that has been pre-established before?

MARIKA KONINGS: No, I was just trying to predict when it may be presented. The drafting team hasn't set any kind of deadline yet nor has the GNSO. But I'm just looking at other drafting teams, and how they have produced work, and what a likely timeline could be. So I don't want to put the drafting team under more pressure than they may already be, but it might be a target for them to set Helsinki because that would also allow for some face-to-face conversations, potentially, between some of the groups if they have any questions or concerns about the draft charter as it's being proposed. Although, we, of course, need to see as well whether it fits within the new meeting strategy as a big topic conversation as it's not policy as such.

RODRIGO SAUCEDO: Thank you very much [Karlina]. Thanks again, Marika, for being here. I have to tell you that the agenda of the LAC Space was made by the community themselves. So we just launched with the help of Vanda and others, the call for subjects and topics. So they chose this one on the auctions and other interests, so I think this was very interesting and, of course, part of the mandate of the LAC Space might deal with these economic issues of the market. Tony?

UNIDENTIFIED MALE: [Speaking Spanish]

RODRIGO SAUCEDO: Okay. I think this is the right moment to do it, so the next item on the agenda. Oh, Marika. Sorry.

MARIKA KONINGS: I just wanted to take advantage of making a little promo because I'm very happy to be here and thanks to be invited. But we're also happy if there are any questions or if future meetings, any interest to hear about GNSO policy development activities or certain topics, I'm more than happy to come and speak to you or wherever you want to reach out to us either at the meeting or in-between meetings, we're happy to help. I'm actually located

in your region. I'm in Costa Rica, so in the same time zone for many of you probably.

RODRIGO SAUCEDO: We will take your word on that. No worry about it. So thanks again. The next topic on the agenda, actually two topics that are interrelated among each other, so it's what are we doing in the region to promote the DNS marketplace and we have two initiatives, very important initiatives. We have the DNS marketplace study and then we have the idea of creating something similar as the Middle East and Africa are doing regarding the creation of a DNS [inaudible] center. So we're going to tackle these two topics now. And Daniel, do you want to introduce both topics and then Carolina please?

[DANIEL]: Okay, thank you, Rodrigo. Yeah. Hello, everybody. This is Daniel. Well, we've been working on the topic of the DNS marketplace studies since early last year. So first of all, I would like to thank to the committee members, Tony, Vanda, [Rubens], LACTLD for helping us with the consultation. So we were able to launch the RFP, September last year. And early this year, we finished selecting the company and contracting the consortium to run the study that is already going on. So without further delay, I will come back in the end to talk about the [inaudible] center. But I

have here Carolina Aguirre who is one of the researchers from the OXIL Consortium that were selected to conduct this study on this first semester of 2016. So Carolina, if you may help us walking through the status. Yeah.

CAROLINA AGUIRRE:

So the consortium team which we are working on this report that we are producing, we expect to have a draft by June and then the final report would be released around September. It's this one, OXIL LACTLD Internet Communications and URID. Next, please.

And so the goals of the study, it is to identify and define the strengths and weaknesses in the industry ecosystem within the region, and develop recommendations on how to advance the industry and bring it closer to the opportunities available. So the study is a very large study, I must say, which we are approaching from a quantitative and a qualitative basis. Next slide, please.

And my last slide will be on what we are doing now, but how we are framing this work is basically doing, as I mentioned, doing a qualitative and a quantitative study which is divided in three phases. We are currently in phase one, since as Daniel mentioned earlier, the contract has been awarded only recently. So what we are doing is we are currently in the data gathering stage, and we are building up the methodology, in particular, to

run the quantitative analysis in 160 million domain names. So we are analyzing huge zone files. And once that data set is gathered, it will be very difficult to go back so we are working really strictly to get the right methodology and the right approach so that when we go forward with that, we will get the data that we are looking for.

There's a phase two which concerns the analysis of the domain name market in the region. We are looking at ccTLDs. We are looking at GTLDs. We are looking at market share. We are looking at where the domain names are hosted. We are looking at ISPs. We are looking at hosting companies. We are looking at a very diverse set of players that we have sort of identified as key players in the supply chain of the DNS. We are not just looking at ccTLDs. We will look at the whole sector of the DNS in Latin America and we will not only sort of making a diagnosis of what the situation is. We are also aiming – and this is something, a rumor, that ICANN was very concerned about – producing advice and recommendations on how to advance and promote the DNS in the region. So next slide, please.

So where we are now. So we are testing the different parameters for the quantitative analysis, as I mentioned in 160 million domain names: where they are hosted, what kind of content they have, what kind of content is remitting to the region, looking at the [inaudible] records. I mean, we are looking at it

from very different perspectives and just getting in as much variables as we can at this stage.

We are running a specific survey questionnaire in LACTLD and we are also filtering historical data from LACTLD that is relevant for this study. We are designing a registrar questionnaire. URID works already with 2,000 registrars and it has a great deal of experience with the registrar and the reseller market in general, not only Europe but globally. So URID is a key partner in this work with the registrars.

And we are also designing the interview templates for the actors. We will be conducting over 30 interviews apart from the interviews to the registrars in 12 Latin American and Caribbean countries that have been identified as the case studies for the region. So it's a very in-depth and comprehensive study. And while we are a team, one of our team members is right there, Stacy, and so we are very happy to be working in two continents – Europe and Latin America – to develop this study for the region and we hope first to get the Latin American and Caribbean strategy committee on board with the first draft and comments. And then getting the draft by June for the community for public comments before the final release in our spring time or the fall. Thank you.

RODRIGO SAUCEDO: Thank you, Carolina. So I think we are on time. Maybe one question to Carolina or no more time. Mr. Chair, very quickly. Okay. Yes, actually we ran out of time, but we have four more minutes but we really need to leave the room at that time. So one quick question.

ANTHONY HARRIS: I have a quick comment. It's not about the study, which I think is going to be great. It's about things that we find from the Latin American region when we try to do something in ICANN, try to do something like become a registry and have a domain name. Well, I'm in the midst of that. I have responsibility for a domain name, which is .at.

And I thought that our problems were finished once we had paid this enormous sum of money which we had to pay to be able to apply, and then all the other things that ICANN demands, which are substantial. After that, well, this is great. The market is here. The registrars are there. Let's go and sell.

It's not that easy. There is another roadblock up ahead, particularly if your domain name is from the Latin American region, which for reasons probably understandable, the registrars do not consider Latin America as a very interesting market. It does not produce a lot of sales for them.

So what happens if you look at the fact that the sales of domain names, let's say you have, I don't know if it's 700 or 900 registrars – I get lost with that – but the market is actually in the hands of maybe seven or eight companies who are probably 70% or 80% of sales. If those seven or eight registrars don't think your domain name is interesting, they will not put it in their system, or they will make you wait. And until they do that, effectively, you do not have access to the 70 or 80 million customers that they have. That's not there for you.

It's true that you can build your own registrar, or you can be a reseller, or you can sign agreements with small registrars who will sell your domain name. But the main market is not within your reach if the main registrars, let's say they do not sign an agreement with you and begin offering your domain name on their portals. I won't say who they are. It's easy. All you have to do is figure it out, the big registrars.

So this is another roadblock. We never talked about this. We talked about the roadblocks to become a registrar, and thanks to that, we got rid of the insurance requirement. Do you remember? \$500,000? So the LAC Strategy Group did achieve that. You want me to cut off already?

UNIDENTIFIED FEMALE: No, no.

ANTHONY HARRIS: Oh, okay. So basically, now we have this new situation which I am confronting now, trying to resolve. And well, new domains in Latin America have this problem now. That they have to be interesting otherwise, let's say the registrar sales channel, they won't offer them. And you have to realize that we are obliged to sell the domain names through the registrars. There is no other sales channel. But they are not obliged to sell our domain names. So there is perhaps some room for thought there or consideration. Thank you.

RODRIGO SAUCEDO: Thank you very much, Tony. Just to finish up, we still have one homework here and may I ask if you agree to have a webinar after the meeting in the coming days about perhaps the new project. Then we can discuss in more detail about the [internship] center project that we can deploy if you like.

UNIDENTIFIED FEMALE: Good. Good idea.

RODRIGO SAUCEDO: So okay. Thank you very much.

UNIDENTIFIED FEMALE: Well, thank you very much, everyone that, especially Tony, Dev, Marika, Bob that's already left. But I believe that Tony touched something very, very important. It's not only if it's interesting or not. Because I even offer a list of clients, thousands of clients, to a registrar and they are not interesting to become 2013 registrar because they would think about, but they prefer to not have the task. And then what has happened, you need to use the outside registrar in the United States or whatever, and when they sell to the resellers in the country, for instance, they pay higher tax. So make all the things not working in our region. That is the reality we are facing.

For many years, I have been talking with the director of the registrar many years ago, not from now. That's the problem. Now we are failing because of the New gTLDs. But I have talked with, in that time, [Karla]. She showed how these things work and it was very difficult. And I believe that we need to do something to make it work because we'll never work. We'll never work if we don't push in some way to make it work. Okay, thank you very much. I appreciate your presence here. Thank you. To Helsinki.

[END OF TRANSCRIPTION]