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SAN JUAN – GAC Discussion: Independent Secretariat  
Sunday, March 11, 2018 – 18:30 to 19:30 AST  
ICANN61 | San Juan, Puerto Rico

CHAIR ISMAIL:

So thank you for remaining with us until the last session. I know it's been long days. We will try to do better on the agenda for next time. So this starts the discussion on agenda item 18 on the independent Secretariat scheduled at 18:30 on Sunday 11th of March for 60 minutes. And thank you, Jorge for joining us here again. We will try to quickly set the scene for new GAC colleagues.

As you may know, the GAC has staff support from ICANN as well as GAC independent Secretariat. The independent Secretariat as you can see is doing a great job in all the briefs we receive and all the [indiscernible] we receive at the again beginning of the session as well. We're trying to find a sustainable way of funding the GAC independent Secretariat. And I think Jorge will speak more on this regarding where we stand, what we're trying to achieve and our aim is to find basically a long-term solution and also a sustainable one so that we can have some predictability to us as the GAC and also to the independent Secretariat. So

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Jorge, can you please help us to set the scene before we open the discussion.

JORGE CANCIO:

Sure, thank you, and thank you for inviting me to the podium. I think that Manal already explained we have what we call hybrid model of secretariat support. So we have one side ICANN support staff and on the other hand we have the independent Secretariat which is being provided since 2013 by ACIG, which is an Australian company. The thought behind this model at that time when this was decided by the GAC is that especially for everything that relates to our policy work, to our responsibilities as governments to providing independent policy advice to ICANN, we would need independent Secretariat that would provide us with the necessary briefs, with the necessary expertise and also ensure the continuity and the knowledge of this committee. I think that the role of the independent Secretariat was key in the process of transition of the ICANN function and also of the accountability improvements to ICANN. It certainly helped a lot, also in the increased participation of the GAC in cc WG's in cross community efforts and PDPs and other efforts that really require a lot of work and preparation for the GAC to be able to provide meaningful input to the work of the community.

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As to the, let's say the institutional framework of the how this independent Secretariat is financed and organized, just for your information, for those who don't know it, as the GAC has no legal personality on its own, the contract that exists for the provision of these services by ACIG is between ICANN, the organization and ACIG. As the funding of the secretariat is independent, not from ICANN, what is being done is that the costs that ICANN incurs in the financing of the secretariat are reimbursed by the GAC owners. For this in 2013, an association under Swiss law was created, the GAC Secretariat funding association which has at its sole purpose to champion the funds from the GAC donors to ICANN to reimburse the services provided by ACIG as the independent secretariat. I will pause here for a moment in case anyone has a question. Because this setup is a bit complex. So I don't know.

Does anyone have doubts, wants to know more? In any case, if that is the case, you know me by now I guess, you can always approach me, and I am speaking here with the hat of the GAC secretariat funding association, because as Switzerland, the Swiss government, we provide the administrative support for the workings of this association.

As to background, the historical evolution of this independent Secretariat, as you may know, from 2014 to May 2017, the secretariat was composed by 2.5 full-time employees, so it

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wasn't only Tom. It was a larger team, not an enormous team, but it was between two and three people. Mostly closer to three people because ACIG used to be quite generous in how they provided the services.

But in 2017, at the beginning of the year we had to realize that the donor base wasn't as strong as before in terms of financial input. We had from 2014-2016 very generous support from the Netherlands, from Brazil, and Norway. But of course as they had been informing since 2015 they had to lower their contribution and expect the others would share the burden. And that has been the case. So I have here more or less a long list of donors.

So to the -- Norway, Brazil, and Netherlands, there were others who joined the European union. Switzerland, Austria, Belgium, New Zealand, the UAE, China, Taipei, Portugal, Sweden, Luxembourg, Denmark, Peru. A good list of donors, but we had to realize that the level of funding was not the same as before. So in May of 2017, the provision of the independent secretariat had to be cut to one full-time employee, which is Tom since then who has been taking the burden of the independent part of our Secretariat.

So to round up with the background, you should know that there was a new agreement signed between ICANN and ACIG in the summer of 2017 which runs until January 2019, and this

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agreement is on the basis of one full-time employee as a minimum. It could be expanded if we had more funding.

In Abu Dhabi, those who were there, you will remember at the very end of the meeting we were able to more or less secure stable funding for 2018. That remains the case. We have a good and reliable donor base for 2018, so we shouldn't be fearful of that with the understanding that it's only for one full-time employee. So if we want to have more support, we would need to still increase the funding.

But the question -- and here I finalize, and this is what Manal introduced at the beginning of this session -- is what we do starting in January 2019 because there are questions whether it makes sense or not to continue in such a unstable framework where we have to see from year to year whether there is sufficient funding, where we since May 2017, we are at a very low level of independent GAC, Secretariat support, which also begs the question whether this is reasonable for this condition providing these kinds of services. So these are all services that I at least think would merit the establishment of a task force, small working group who would look into this and present options for action, if possible in Panama, so if any decision has been to be taken during the second part of the year we don't end up in a bad situation in terms of timing. It may be we have enough time to take the necessary action to see how the

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Secretariat services continue after January 2019. So I leave it by that. And thank you, again, for giving me this opportunity.

CHAIR ISMAIL:

Thank you very much, Jorge, for this informative, setting the scene. I hope we are all on the same page. I want to note also that Japan has very generously also offered to fund the independent Secretariat during the meeting in Japan. So there are some creative ways as well to contribute to this. So thanks to Japan.

So Tom, would you like to speak to this?

TOM DALE:

Just very briefly, as Jorge noted, we do have a contract to provide services to the GAC at the current level of 1.0, which is me. Our company is can he clearly committed to meeting that contract, and we will do so until the end of January 2019 when that is subject to periodic checking in advance as that the funds are available as Jorge mentioned, there was a process in the contract for doing that is committed to doing that. As a company, we are reviewing the commercial viability of extending the contract if it were offered between 2019 and depending on the commercial viability of providing the service,

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we would discuss that further in the first place with the GAC chair and with donors.

So that's all I wanted to put on the record, thank you, Manal.

CHAIR ISMAIL:

Thank you, Tom. So any comments or remarks? So basically the session is to inform everyone of the current setup and the current situation to bring to the new GAC representatives to bring to their attention and seek your guidance and input on how we can maintain long term sustainability and also if we can have other countries contributing so that we can share in the contribution, the shares would not of course -- would of course be significantly less.

So this is where we stand. We will be creating a small Working Group or task force as Jorge mentioned. To look into this but we look forward to your input and suggestions and anything you can provide the task force to help us reach a long-term sustainable model. So any questions or remarks before we conclude? Yes, please.

[indiscernible]

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GERMANY: Just to note, Germany is looking for a solution to be among the donors. Next week we have a new government, and we hope the government will adopt it by the end of the summer, and I hope that we can have the money at ICANN 63 or at the latest by the end of this year, and I would like to say thank you to Switzerland and Austria for their helpful tips regarding the question of how to get the money from the budget unit in my country. Thanks.

CHAIR ISMAIL: Thank you, Germany, thank you for your consideration and thanks to -- so yeah, you can definitely seek advice from GAC colleagues who are already contributing if you need any guidance or tips how this could be progressed through your governments. So Belgium, please.

BELGIUM: -- made a significant contribution in 2017 and will continue to contribute in the coming year, would like to insist on the need for us to have an independent Secretariat. I would like to think ICANN support but what we need here is a fully independent Secretariat, so I thank Tom for the excellent work he has done and to remind you all, if we had more resources, we would make GAC members' work easier. I belong to a small country, difficult to have resources available to go through all the documents, and thanks to Tom we have an easier job to do, can go through



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all the documents we need to review. So I urge all members that are here present to help us find sustainable solution to ensure funding for this independent Secretariat because it's important to have an independent secretariat and to have all the resources available and the means available for us to provide an give a response.

CHAIR ISMAIL: Yes, please?

KENYA: Thank you, Chair. Vincent [indiscernible], I would like to thank for the hard work Tom and the team are doing and also what the countries have been funding to the independent Secretariat over the years. I think that's a welcome move, but as [indiscernible] mentioned during the ICANN meeting in Johannesburg, we would like to have perhaps a structured way, it became difficult to procure the funds, we need something more structure, we need to say this is the framework developed by back or any of the organizations to support the funding. We will engage with other countries to see how they go about it work but I think it would be very useful if we had a framework for funding.

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Obviously the welcome the move to have a Working Group or task force and are will go to engage to be able to inform what comes out finally.

Secondly, I think what's important is for the ACIG to indicate whether that 1.2 [indiscernible] is adequate and if not, what would be an ideal Secretariat to be able to deliver on the [indiscernible] it is empowered with.

And lastly, I would like us as GAC to ask ourselves a question. What would be the implication of having ICANN supporting an independent GAC Secretariat? Would it in any way dilute the independence of the GAC? I think at question we -- if it's been discussed, would like to know the thinking behind not having ICANN fund the independent Secretariat. Thank you.

CHAIR ISMAIL:

Thank you, Kenya, for the valuable input and we will definitely try to do however to help your process, and thank you for offering to help with the small working group as well.

So if I understand your question correctly, you want ICANN -- why not ICANN fund the independent Secretariat.

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KENYA: What have I think the issue is sustainability. So is it possible for ICANN to consider funding -- we keep the independence, but at least the fund something cared for by ICANN, because we're already seeing ICANN funding us in other ways including the fellowships for the GAC members, so why not ICANN footing this bill, and all GACs members will again because a lot of information flows in the ICANN processes. We really need an independent Secretariat, but the question is is it sustainable funding.

CHAIR ISMAIL: Thank you, Kenya, and go ahead, Norway.

NORWAY: It has been a question for many many years, I would suggest any question about the historical ifs and buts and reasoning about the independence reasoning should be raised in the task force that you have volunteered to be part of, and the outcome of that will of course be public on the GAC list because it's too long a discussion to have now at the end of this day, I think.

So my suggestion that historical documents about the discussions and all these keeps of things can be provided maybe, looking in the archives and looking at the transcript from the discussions we had before in the GAC that this could be

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done more effectively in this task force that is being now formed by the GAC leadership team. Thank you.

CHAIR ISMAIL:

Thank you, Norway. And it's a late hour and we are not looking for concrete solutions now. It's just to bring it to everyone's attention and to make sure we're on the same page and to put it for your consideration. And definitely, the Working Group will be there or the task force will be there to help facilitate any solution or alternatives that may be available. So any other -- Japan please.

JAPAN:

My name is [indiscernible] Japanese representative for [indiscernible] I apologize for my poor English and my comment to be wrong. The Japanese government has part of the representation for the ICANN 64 meeting to be held in Kobe. Japan will donate 10 thill Japanese yen, about 75,000 Euro, so the independent Secretariat budget for the ICANN 64 meeting. However, it's difficult for the Japanese government to donate annually to the independent Secretariat budget. There are two reasons. The first is that ICANN [indiscernible] is not a [indiscernible] organization. No options to make a donation [indiscernible] by the Japanese accounting law for the Japanese government. And second, Japanese protocol mandates the

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government to complete bidding. Therefore, it is difficult for the Japan needs government to request the Secretariat to a given company in coordination with other governments.

For this reason, we decided to establish a fund for the ICANN 64 meeting with private sector as the host country. We will contribute a hundred thousand Euros, maybe 300,000 Euros to the fund. And the fund we will donate to the independent Secretariat budget from part of the contribution from the Japanese government. Even governments with [indiscernible] difficulties can dedicate to the budget of independent Secretariat. If each country of the meeting, which is held three times per year, will contribute in the same way as ours, much of the budget of the independent Secretariat will be secured.

And please remember, this contribution is only a half or quarter of the cost for hosting [indiscernible] so independent Secretariat cost is not expensive. Thank you.

CHAIR ISMAIL:

Thank you, very much, Japan, and thank you for the kind contribution and for the efforts to find a creative way to contribute to the funding of the independent Secretariat. And yeah, as I mentioned earlier, this is an example of creative ways to find a suitable way that might be unique to each and every government of course. So thank you very much.

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Any other remarks or comments? Okay then, thank you for your listening and for considering this and thank you for bearing the long day. And this concludes our discussion on the independent Secretariat.

Tomorrow we don't have GAC meetings here in the room -- we have, I'm sorry, we have one GAC meeting with the non-commercial stakeholder group at 8:30 here in the room. Then we have the opening and other cross community working group -- cross community discussions. I would like to remind you that the GAC is co-organizing a session on GDPR tomorrow, I believe it's of interest tomorrow and we need to be there. We have circulated an email with the agenda and speakers, and the only speaker we got is from the public safety working group, the GAC public safety working group. So, we will have a representative, the co-chair of the public safety working on the panel tomorrow, but I look forward to your participation during the session as well.

So thank you all, and see you tomorrow at 8:30 here in the same room. Thank you.

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