SAN JUAN – Joint Meeting: ALAC & ICANN Board
Tuesday, March 13, 2018 – 09:45 to 10:45 AST
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LEON SANCHEZ: Thank you very much for attending this joint session between the at-large community, the ALAC, and the Board.

We have received some questions from the at-large community. And we have posed, of course, some questions from the Board to the at-large community.

So I would like to first welcome our ALAC chair, Alan Greenberg, who happens to be the birthday boy today. So I would like to wish you a happy birthday, Alan.

[Applause]

ALAN GREENBERG: From now on, if my birthday is during an ICANN meeting, I'm not coming to the meeting. But thank you all.

LEON SANCHEZ: Good. So just submitted a couple of questions to the Board. And we would like to give you a small introduction as to what are the goals and objectives that we, as a board, have envisioned for this year.

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Cherine's speech, opening speech in the opening ceremony was detailed into what we are looking in to carry out as priorities for the board in this fiscal year.

But I think it would be useful to remind us maybe a slight reminder of what we're up to. Cherine, would you like to remind us of some of the goals that we have envisioned for this year?

CHERINE CHALABY: Thank you, Leon. And happy birthday, Alan. Okay?

So the Board, basically, sets its priorities on a fiscal year.

And before the last AGM, we published a document called "FY18, Activities and Priorities." And we went in great detail on those. And, hopefully, as the year is progressing, we feel we are meeting quite a lot of these priorities we set ourselves.

We're now in the process of beginning to think about the FY19 priorities, which will begin on the 1st of July, 2018.

So we haven't got our next year priorities totally articulated. But let me tell you a couple of two or three areas which is really on our mind.

One area is going to be the strategic plan. We would like to engage with the community in FY19 in setting and agreeing together what would be the next strategic plan for ICANN.

And, as I said yesterday, the plan will consist of three parts. Two of them are unlikely to change, although I had some pushback on one of them, particularly the vision. I said that the mission will remain the same because it's in our bylaws. And I said that the vision of ICANN in 2025 is unlikely to be significantly different from what it is today.

And some people have come back to me and said, "Do you want to think about that? Maybe we want a different vision a little bit."

So there's going to be some, perhaps, good exchange and interaction around that. And then we really need to sit down and think what are the main trends, and how are those going to impact us?

And we, together, really have to do that. That is quite important.

So the strategic planning exercise is occupying us next year.

The budgeting exercise -- we really have to rethink the way we spend our money overall. I think at the moment we almost forgot that our mission is the secure and stable operation of the unique identifiers. That's on the one hand.

On the other hand, there are also a lot of things that make the multistakeholder model work. And there are many constituencies represented.

So we have to find a way of making this work efficiently so that we make decisions quicker and on a more timely basis and a much more efficient basis. So that's another area we would like to look into. How do we help the community? How to help that system of governance that you have and with the budget limitation work to our advantage collectively. Because we're detecting, through the budgeting process this year, there is an unease. There is the -- kind of the envelope is being stretched too much. Because, in previous years, yes, we had discussion around the budget. But it didn't matter too much because funding kept on increasing year on year on year. And, frankly, ICANN org had the flexibility to meet requests.

That flexibility is now -- I'm not saying it's gone. But it's more restricted.

So how do we do so in order to make sure that the system is still working very efficiently? And those that are not, for example, from the contracted parties but the other side representing different parts of the community, whether it's the ALAC or other members of the community, have their needs and how those needs can be supported and fulfilled? So that is a good

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challenge and a good discussion and something that's going to take our focus next year.

Thank you.

LEON SANCHEZ: Thank you very much, Cherine, for this kind introduction to where we are up to.

But we also would like to know what the at-large community is up to for this year and which are your priorities, which are the challenges that you see that you're facing and that, of course, we could facilitate at some point.

So, Alan, could you please guide us through that?

ALAN GREENBERG: Thank you very much, Leon, just one comment on what Cherine just said. I have a particular bugaboo that I've done for a -- thought about for a long time. Every time I see the word "efficient," I want "effective" to be used near it. It's not just effectiveness. It's not just efficiency. It's doing it well. Just a thought.

CHERINE CHALABY: No, no. 100% agree with you. Sorry. I should have said both of them. Efficient and effective. Both of them.

ALAN GREENBERG: Thank you very much.

CHERINE CHALABY: Doing the right thing and doing it right. I agree.

ALAN GREENBERG: I'd like to ask Hadia to give the initial comment on the short-term issues, what's on our mind for this coming year. And then we'll open the floor to anyone else who wants to add anything.

LEON SANCHEZ: Hadia.

HADIA EL MINIAWI: Hadia El Miniawi, for the record.

                         So, responding to the first question about our goals for 2018 -- yeah. So one of the things we are looking for to start on working as soon as possible would be the implementation of the improvements with regard to the at-large review.

                         We are looking at ways to involve more members of our ALSs -- of our at-large structures as well as individual members and affiliated with the at-large structures.

Methodology will include information about ICANN and active policy issues in understandable terms and in local languages as well as an at-large newsletter.

So we've decided to issue an at-large newsletter that's going to be issued quarterly. This will help in presenting the work of the ALAC. Because we think that we've not been doing a good job in presenting to the community what we are actually doing.

This also will be pursued through the Web site. So we are revamping the Web site and wiki presence.

Another very important item we are going to tackle is metrics. Metrics are very important. And one of the metrics we are working on is tracking the participation on a more granule basis. So we are looking on tracking participation of people as opposed to just ALSs.

So we are basically working on engaging and involving more individuals, making them effectively participate in ALAC work and work on the implementation of the improvements with regard to the at-large. We want people to understand what we are doing, and we expect to have more people embarking on the participations in the PDPs as a result of that.

ALAN GREENBERG: Thank you very much, Hadia.

Just to elaborate a little bit, we've been really good at keeping track of some things. So we keep track of attendance at some meetings from ALSs and things.

The real challenge, however, if we're going to be focusing on a constrained environment on the people who are actually contributing, who are actually participating, we have to start tracking people. And that's a lot more difficult because there's a lot of them. We have a lot of different meetings.

So just the staffing work -- we haven't figured out how to do that. We've looked at automated tools that sort of scrape meeting agendas to see who has attended. And turns out that doesn't work really well.

And, on the other hand, we don't have an awful lot of staff to do it manually. And it's a real challenge, and it's one of the things we're going to be looking at trying to figure out how to do.

LEON SANCHEZ: Thanks, Alan, Hadia. Let me make a quick comment, and I'll then go to you Goran.

GORAN MARBY: And Alan knows this, because we actually discussed this. There is another thing with this following people through. It could be -

- it probably is, I would say, with a high certainty it's against GDPR. Because -- that's not a joke.

To collecting people's data and follow them through the sort of multistakeholder model and their advancements, their comments in different -- like, for instance, right now you can see what I've said. And that's going to be stored. So you can actually track me.

And to have a system where we track individual people sort of traveling through the multistakeholder model, including what they've said in different venues, which is searchable, is probably against GDPR.

So it's not a -- it is one of those things we have to address.

HADIA EL MINIAWI: I just want to say maybe "tracking" was not the right word to use.

LEON SANCHEZ: Excuse me. I don't want us to go down into details in this meeting. I think there are other fora on this. And I would like us to keep track on the high-level discussion we're trying to get here.

But I agree with what Goran has said. And I think that we definitely look forward to start implementing the recommendations that are made to the Board by OEC. In regard to the at-large view, as you might know, we are in the process of having feedback from the at-large review working party to the OEC. And after that the OEC will actually review the document with other OEC members and build the recommendations for the Board to actually be reviewed by the Board and, hopefully, have them approved so that then comes the implementation phase of this work.

We have discussed this in an informal way with the at-large community yesterday.

And we think that we are close to actually closing the cycle. So, hopefully, we'll be having news for you in implementation soon.

Thanks, Hadia. So what will be the next item? I see Sebastien. Sebastien.

SEBASTIEN BACHOLLET: Thank you. I want to be sure that, when you hear all that, it's clear that it's -- the goal is to be more effective and efficient to do policy work and that we didn't give you the list of where we are involved as at-large. But we are involved in a lot of different topics.

And it may have been better to talk to you about that because it's out of our work. It's where we spent more time. It's where it's most important. But the fact that we are -- people talk about At-Large review came to our mind that we need to take this moment to talk to you about that. But don't forget, please. Don't forget -- not just the board but the whole community -- that we are mobilizing our people to do the work that ICANN is supposed to do participating to different working group and putting our idea, defending the end user in all those arena. Thank you.

LEON SANCHEZ: Thank you very much, Sebastien. I think many are well aware of what you're saying and we have to commend the At-Large community for that. I see Holly.

HOLLY RAICHE: Just a brief explanation. When we're talking about tracking, we're talking about public information anyway. Who holds the pen to develop a submission? Who contributes to that? Who attends working groups? All of that's a matter of public record. We haven't captured it so we don't know who those people are and how they've contributed. But if we can better understand that, then we can better understand how we contribute. Thank you.

LEON SANCHEZ: Thanks, Holly. And again, let's not deep dive into details. Maureen, could you please be brief?

MAUREEN HILYARD: Thank you. I just wanted to make a comment on something that Cherine mentioned about the recent budget process identifying that the envelope had been stretched. But I think that from our concern -- from our perspective, the concern is really that the stretch (phonetic) has been focused now more on what we've actually been -- what the ALAC and At-Large has been attempting to achieve through its end users, and I think that this is where we sort of, like, feel there's been a little bit of unfairness, perhaps. But I do understand, too, that there are going to be further sessions on the budget and that more may be revealed through the developments that come through. And I hope that it is seen to be a little bit more fair. That's a personal perspective.

LEON SANCHEZ: Thank you very much, Maureen. Cherine, would you like to --

CHERINE CHALABY: Thank you, Maureen, for making this comment. And frankly, if I were sitting in the ALAC shoes, in your shoes, I would feel the same. And the trouble with budgets and budget cuts is that it creates discomfort in the areas where there are reductions. And you are trying to do your business and you see a way of doing it and then you then see a draft budget coming out with some cuts in your areas. And you ask yourself why? Is it fair? Why me? So sitting in your shoes, I would feel -- make the same comments. There's no doubt.

Now try and sit in our shoes a little bit. We're hearing similar concerns from almost every part of the community where there is budget cuts. And we have to improve that process going forward, certainly. But let me assure that you we are taking all the comments in and we're going to take them seriously and we're going to try and strike a balance between regular fiscal responsibility but also focusing on the community, which is mostly volunteers, and their ability to engage effectively and do their work in ICANN, right? This is not about deliberately going somewhere and say I'm going to cut this and cut this and cut this. That's not the way it should be seen. So unfortunately Goran has the bad task of, as he said, throwing the first stone in and create the ripples. And now we're just trying to calm these ripples down and take the water back, if you see what I mean.

So it is a tricky exercise. It's not easy. But we do hear you. We do understand your concerns. Thank you.

LEON SANCHEZ: Thank you, Cherine. Alan, you have a follow-up on this?

ALAN GREENBERG: Yes, just one very brief comment. I think we all understand that cuts are going to be coming. Even if a level budget, we have to make cuts to be able to do new initiatives and new things. The reaction you saw certainly from At-Large is a key part of what we do is funded in three different -- completely different ways in ICANN. All of them were radically either cut in half or eliminated altogether. That -- that's the impact we're talking about. Not just "a" cut. Thank you.

LEON SANCHEZ: Thank you very much, Alan. So I think we will be discussing more about budget later on in this session. And I say Goran trying to say something. So Goran.

GORAN MARBY: I'm desperately looking for something but I think that's something you can help us with as well. If I don't -- if I'm not totally lost now, I think there is a -- Serbia developed a

fellowship program, really the first one we looked into the effects of it, and I think we posted it. I can't find the link right now. But I think it's -- it's not part of the budget process itself, but I think it's an important instrument for the community to have a view on something we haven't looked into. So I'm just wanting to make a small ad about that. If I had the -- maybe I can post it a little bit later. Thank you.

LEON SANCHEZ: Thank you, Goran. So we have a speaker on the queue, and I would encourage us to close the queue with Olivier and then go to the next question. So Olivier, you have the floor.

OLIVIER CREPIN-LEBLOND: Yeah, thank you very much, Leon. Hello? Thank you very much, Leon. Olivia Crepin-Leblond. Thank you for allowing me to address the board here and address everyone here. Just on the topic of budget cuts, I think it's well understood that ICANN is now undergoing a period when it's less easy to grow the budget year-on-year and we have to start becoming very careful about where money is spent. Perhaps more so than in the past. However, I think that this community is somehow feeling maybe the brunt of the cuts more than other parts of the community in that one of our major pieces of work, one of our major tasks, is this outreach and engagement thing. And outreach and

engagement seems to be the parts of ICANN that at the moment is -- has borne the deepest cuts whilst there are parts of ICANN that appear to not have been subjected to the same thing. So perhaps a balancing of those cuts across all of ICANN and all of the activities of ICANN would be something that would be seen as a fairer way to do things than to chop some of the programs by 50% as I've heard in the -- the first stone that was thrown by Goran.

I was going to suggest with a tongue-in-cheek comment that perhaps board members could travel economy rather than business. Okay, I don't see any approval --

ALAN GREENBERG: May we go on to the next topic.

OLIVIER CREPIN-LEBLOND: Let's go on. Sorry. That was a joke. Thank you.

LEON SANCHEZ: Thanks, Olivier. Yes, Goran.

GORAN MARBY: May I -- we are looking -- just to give you some perspective of it, for instance next year we're actually increasing the travel funding for the community as a whole with more than 10%. We

are decreasing the travel funding for ICANN org with more than 10%. It's just that next year technically also we're going to more expensive places. And I'm going to -- just to -- and I know I'm going to be short but I've said this in other places so I want to say it here as well. The real problem is that 80, 85% of our costs are fixed. They're in the bylaws, they are the result of reviews, or they are part of the policies. And I think -- I'm so happy that this -- during this meeting we actually started to talk about the 85% as well. Anything from reviews, lengths of meetings, the amount of meetings, the intersessionals, all those things is now being discussed, which is actually much more important from a long-term financial perspective than the 10, 15%. And that leads me to that I believe, and I'm not speaking -- I'm actually now speaking as the CEO and not in personal capacity, I think we have to change the dialogue format for the discussion. So more and more are here. We should maybe change it into two-year budget cycle to give us time to have proper discussions and dialogue between each other because the timing of this, we have -- it takes 15 minutes -- 15 months to do a 12-month budget during the current processes. You have on top of that next year we're planning to do nine reviews, and I hear that the purpose of this is to do some sort of policy work as well. And if we start looking at this together, I think we have a better way of taking down some of the fatigue, have some sensible and good discussions with good interactions between the board, the

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community, and the org. But we need time to did that. And we set up a time frame that's too short, that's what I think.

Just another small thing as well. Most of the different parts of the community takes hits. And most of the work we do is actually to support the community. We have translators here, we have people sit in the room to help us with AV and stuff, we have people who make sure we have lunch, et cetera, et cetera. Not to mention David Olive's team who does fantastic work to support your different parts of the constituency. Nevertheless, next year in the budget we do internal cuts for about $8.5 million, which I think is about 6 1/2% of the total budget as itself. People working for org is always assigned to a project. So look at the projects that we -- we have decided together to do and tell us which project we shouldn't do. But the underlining 85% are the most important piece. Thank you.

LEON SANCHEZ: Thank you very much, Goran. Cherine, you want to add something?

CHERINE CHALABY: Yes. I wanted to respond to Olivier's last comment, which is a good comment, by the way. The board -- so that you know, I said yesterday change starts at the top. The board is taking

measures to cut its own costs. And let me tell you three things we're doing. We have -- between the ICANN public meetings, we have three intersessional workshops. We're going to cut those by one next year. So that's one thing. Number two, we're getting a lot of support from ICANN staff, particularly IT support and all that. We're trimming that substantially so that we reduce costs. And number three, we're tightening up on our travel policy so that we're very targeted in where we go and the number of people that goes. So we have a much more disciplined travel policy.

So I think it is right that we do our share and that we -- we contribute as well. So thank you for raising that point.

LEON SANCHEZ: Thank you very much, Cherine. So I'd like us to go to the next topic, which is the long-term goals that the At-Large community has in mind. So Alan, you have the floor.

ALAN GREENBERG: Thank you. And we'll start off with Sebastien.

SEBASTIEN BACHOLLET: Thank you very much. We did invest a lot in our organization, and I'm going to speak in French. If not, we're not going to have

those services anymore. So my name is Sebastien Bachollet, and it was said nine reviews will be done next year. Maybe you can have a tenth review, but the objective was to, in fact, for the tenth review to get rid of at least four or five reviews for next year.

ICANN did evolve a lot in the last ten years. All the reviews were made in all the organizations. Some organizations, groups, and so on and so forth, and new global review was done. And after the transition, the IANA transition, and no more stewardship from the American government, it would be interesting, I believe, to ask ourselves if the organization, the ICANN organization enables us to do our job with our financial resources. So global review of ICANN might not last five years, but if it is quick and efficient, that would enable us to have the goal of reducing the costs through that global review of ICANN.

I believe this question, this long-term question, not only for ALAC or At-Large but the more global point of view, that's why I'm saying so. And I like to thank the board and the chair. I heard yesterday in the opening speech that we put on the table ten work streams and topics about strategy. I think that it's going to enable us to move forward and at last to have a multi-year budget over two, three, four, five year. That budget would enable us to have a more global vision on finances and not going back to the same topic every year.

Lastly, I hope that it's going to improve the operations of ICANN and what's important for me is to improve diversity in ICANN for our leaders so that we have gender balance, for instance. Thank you very much.

LEON SANCHEZ: Thank you very much, Sebastien.

I see Alan's tent card. So Alan.

ALAN GREENBERG: Thank you very much. Last Friday there was a meeting of the AC/SO chairs and Goran and a number of other people, Cherine. And one of the questions that was asked of the chairs is sort of: Where are you going? What are your priorities?

The chair of the GNSO, which has just had a strategic meeting, essentially intersessional meeting, a few weeks ago, said they have a spreadsheet identifying all the things they're working on. And she referred to it as the "scary spreadsheet" because it is so large.

The chair of the ccNSO said they also have a spreadsheet, not quite as scary, just because their scope is somewhat different.

And when it came to be my turn, and it was later echoed by the chair of the GAC, we don't have a spreadsheet because we're

essentially interrupt-driven. We are driven by what is going on in ICANN. And anything that's going on in ICANN potentially is something that At-Large needs to be involved in, as Sebastien alluded to earlier. So if there is a critical working group or a PDP or the transition or whatever, if we think there's an implication for users then, we have to be involved in it.

So if you ask us what is our long-term, five-year goal other than making sure that we are being effective and making sure we are representing the interest of end users within ICANN, the actual details, they vary. And we don't have a lot of discretion on what they are. So it takes -- it's a different set of requirements than the GNSO, for instance, which is looking at what are we -- what do we need to work on not driven by other parts of the community but what they themselves want to do. We don't have that discretion. Neither does the GAC. Essentially we are working on what is important to us.

Every once in a while we will have an initiative that we will raise to the level of ICANN-wide when we think it's an important initiative. But the bulk of our work really is reacting to whatever else is going on and trying to understand what the impact is on users. Thank you.

LEON SANCHEZ: Thanks, Alan.

So I guess it would be useful for us to also address the questions that have been raised by the ALAC to the board. And to that end, I see we have two questions that were submitted by the ALAC. And one of them refers to the global public interest as pictured in one of the chair's blog after the Los Angeles workshop. And I think that for that we could listen from George Sadowsky to that end.

So, George, would you like to comment.

ALAN GREENBERG: If I may, first. The question said: What does the Board think? The real question is-- we know the Board is in the midst of discussing this and there is no board position. So translate that to: What can the Board members provide?

HADIA EL MINIAWI: No, actually the question said that we would like to know about the discussion that went through. So it's not about what they think. It's about more details about the discussion that they had during the workshop and actually how it was concluded.

LEON SANCHEZ: Thank you.

CHERINE CHALABY: Can I just say a brief thing before --

LEON SANCHEZ: Yes, Cherine.

CHERINE CHALABY: Prior to the workshop, we had a one day which was just board alone without staff discussing various topics. And one of the topics, in fact, was brought up -- every board member made contribution to the various topics.

George made the contribution, said we really out to discuss the global public interest, what it means, and so on. So that's why we asked George to talk here so he tells you exactly what we discussed in that session.

GEORGE SADOWSKY: Thank you. We don't have a transcript, but I will do my best. First of all, I would like to wish Alan a happy birthday. It's clearly in the global public interest that he has many, many more of them.

[Applause]

Beyond that, the global public interest is pretty hard to define. And you may recall -- I think a little bit of history and context here is useful -- that three years ago, maybe four years ago now,

Fadi established a number of study groups under the old regime. And one of them was in the global public interest. Nii Quaynor was the head of it, and he wrote a paper with the help of staff and others. And it was a very -- I thought it was a thoughtful paper. It was discussed -- really didn't go any further.

It's important for us -- and here I represent because I wrote the paper that went to the -- into the Board session, I can give you the motivation for raising it. It's important for us because our bylaws and our articles of incorporation say we are essentially defending the global public interest. What we do, we should take into account the global public interest.

Now, beyond that, when you think about defining it in an affirmative and exact way, we didn't get anywhere. It turns out -- I think the bottom line was that the global public interest is easier to make -- to use as a test in specific circumstances than it is to define it. Any kind of general definition isn't really very helpful.

Now, in the articles of incorporation, the new ones, it says that the global public interest is defined by the empowered community. There's no question about that. And that seemed to me very self-referential. That is, we are taking on -- we, the empowered community, take it on ourselves to define what the

global public interest is for the rest of the world. And that seemed to be a bit of a stretch.

And so I wanted to explore that because among other things -- clearly, what we do here, if we take actions that are specifically linked to what we do in the names and numbers space, that's pretty clear that we probably can define it. The multistakeholder model, in effect, is the method of defining it.

But when we take actions that have effect beyond ICANN, external effects, both positive and negative, is that in the global -- should we -- global public interest? Should we apply a global public interest metric to those effects? And to what extent should we be concerned about this? Close secondary effects? Remote secondary effects? So on. And then the question is who decides and how do we decide.

So the discussion was characterized much more by questions rather than by answers. And we simply explored what some of those questions were and how we as board members reacted to them and how we would answer them.

There was no attempt to get consensus. And from my point of view, the discussion was successful in that it raised the profile of the issue in terms of degree of consciousness of it among the Board members.

Thank you.

LEON SANCHEZ: Thank you very much, George, for this detailed reply to ALAC's question.

I see Tijani is in the queue. So Tijani.

TIJANI BEN JEMAA: Thank you very much. Tijani speaking.

George, I heard you. And you say we need to assess it case by case, not having any definition. Perhaps -- but if you want to do, you need elements against what you will make this assessment. And those elements, we never managed to have them and to agree on them.

I think there is a will of all parties not to define the global public interest because everyone try to think that perhaps if we define it, some day it will be against his own interest, his commercial interest, his political interest, et cetera.

So I am sure that we can make a high-level definition at least of the public interest, but we don't want to do so. Thank you.

LEON SANCHEZ:	Thank you very much, Tijani. Before I go to George, I would like to point out that we do have principles and core values in our bylaws and that is our guide to actually making a decision.
	So, George.

GEORGE SADOWSKY:	Thanks, Tijani. I think it's possible that you're right. I wouldn't -- I would disagree with it. I think it's just -- it's easy to get a high-level definition, but -- I think it is easy. But it's so abstract that I think that you would have trouble being able to use it in any definitive way in assessing any particular action.
	If the community wanted to work on the definition of "global public interest," I certainly wouldn't be against that. I don't think the Board would have objection.

LEON SANCHEZ:	Thank you, George.
	Becky.

BECKY BURR:	I think we'd want to talk about that because I think -- excuse me. We had a very long and detailed conversation about this point in the course of the accountability cross-community working group on accountability. And there was a significant concern

that any attempt to externally -- to define the global public interest out of context would lead us down a path that we didn't want to go. And so we -- the bylaws specifically say that the global public interest will be defined through the bottom-up multistakeholder policy development process using our commitments and core values as a way of caveating the process and guarding against those things.

I happen to think that was a very sensible solution because I am anxious about contextless definitions here. I think that reflects the wisdom of the community at this point, and it certainly reflects what our obligations under the bylaws are.

LEON SANCHEZ: Thank you very much, Becky.

I have John Laprise and then Alan Greenberg and then we will go to the next question -- sorry, and Hadia.

So, John.

JOHN LAPRISE: John Laprise for the record.

So when we're thinking about the global public interest, that's best defined as what the public is actually saying and interested in rather than what we're defining it as. And as such, At-large, to

my mind at least, in some sense are the canary in the coal mine. So when there is an issue of global public interest that bubbles up from public usage, we are among the first to hear of it.

And I would point out the example most recently in Puerto Rico with respect to registrar contracts that we acted upon and the Board was very responsive to.

So when we're thinking of global public interest, we should not forget the actual public in that and what they are saying, what they are doing in terms of the definition. Thank you.

LEON SANCHEZ: Thank you very much, John. I don't know if it was Hadia or Alan first, but I would like to go to Hadia.

HADIA EL MINIAWI: Thank you, Leon. Hadia El Miniawi for the record.

I just want to make a quick note, that we should actually try to differentiate between a broad perception of public interest that we can keep on debating forever and a specific mission-related definition that can actually be articulated and achieved.

And I think we are looking for the former, not the latter. We don't want to go for a board perception. What we need -- and I

think we need to have -- what we should and I think we need to have is a very specific articulated mission-driven definition.

LEON SANCHEZ: Thanks, Hadia.

Alan.

ALAN GREENBERG: I'm not quite sure what George was driving at when he started this process. My concern over the use of the public interest is the Board is the only group in ICANN that is really charged with balancing the various competing needs or competing desires of different parts of the organization. And they invoke that by looking at a policy recommendation for the GNSO and saying: Do we think it is, indeed, in the public interest to do that? There's no other part of the organization that formally has that responsibility.

And I find it rather concerning actually that the bylaws now say despite what I just said, the Board is not allowed to formally determine whether something is in the public interest without going back to the community. And it probably only becomes a question for the Board if the community has not -- does not agree on this.

And there's clearly no way for the Board to every time it has to make a decision go back to the community and say: How should we make that decision? So I think we've put ourselves in a catch 22 situation which is really problematic. And it's not going to matter until something really critical comes up. As long as you don't mention the words "public interest" in your decision, you're safe.

If you ever actually say we decided not to do this because of the public interest, then you've now violated the bylaws. And I find this really problematic.

LEON SANCHEZ: Thank you, Alan.

So I would now like to turn to the next question, which is on budget and finances. We have a question that states that budgets are clearly going to be a subject of most conversations going forward in ICANN.

Do board members have any thoughts on opportunities to increase revenue, what we call funding, and any thoughts or concerns on how budget reductions might endanger the multistakeholder model?

So to that, I would like to turn to Ron to comment on these questions.

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RON DA SILVA: Thank you, Leon.   To the question of funding, I think it's important to remember the funding for the organization comes primarily from only a few sources. Not withstanding the new gTLD program and the subsequent auction proceeds, there are registries and registrars and over 300 names -- 300 million names in the namespace. That's really the source of funding for activities.

So are there creative ways to have more registries or more registrars or more names in the namespace? Those certainly would impact funding. And I think what we're seeing is with the current ecosystem of registries operators, registrar operators, and the demand in the industry for names getting us to this level of some over 300 million names, we're sort of in a leveling out of the industry.

And unless there's some thing that can be done to kind of expand one of those three metrics, the reality is we're looking at a relatively predictable amount of funding for next year and the years ahead.

So with that said, is that an issue? To your second half of the question, do we think there's some risk for the multistakeholder model? No. That's still a considerable amount of funding. We

have close to $140 million to enable this activity that, you know, really makes the multistakeholder model successful.

If you think about the budget, there's maybe 10 million of it that is to facilitate the core coordination function of IANA. Outside of that, there's still 130 million or so that we could make this multistakeholder model effective.   And that's really the challenge, I think, for us as a community: How do we best leverage the limited funding that we have in front of us to not only sustain the multistakeholder model but then also to make it as effective as possible.   Not efficient.   Barring Alan's comments from earlier.

That said, if there are some other metrics or some other sources of funding that can be identified, it's really not the role of the Board to do that, it's really the community to identify are there some new creative ways that we want to change either those, you know, registry, registrar or names as sources of funding or is there some new area of funding that we can identify? We're kind of looking to the community to work through that and come up with ideas, if there are any ideas that make sense for us to take on.

Yeah. Any comments on the other side?

LEON SANCHEZ: Thanks very much, Ron.

I have Alan on the queue. Alan.

ALAN GREENBERG: Thank you. Let me address both parts of it.

As an example, we made a decision -- we, ICANN, the community -- made a decision about 11 years ago that the new gTLD program would -- the application fees would cover only the application covering -- the application processing costs. That was a decision. We are essentially selling valuable parts of the Internet real estate, TLDs, and there's no -- there's nothing written in stone that says we must only charge the operational costs.

So that's a potential source of revenue. It may not go over well in some circles, but -- and it's certainly not an even, steady-state revenue, but it's a potential source of a pile of money. And I think we have to think at that level. Just because we made a decision a long time to go in a very different world -- you know, at a time when we made that decision, the growth rates were radically different than they are now. And I think we have to look at those kind of decisions as we go forward.

The second part of the question makes reference to the fact that there are parts of this -- of our multistakeholder community that

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will participate actively in ICANN with no funding at all from ICANN's budgets. They -- they are parts of the community that have a financial stake in the Internet Domain Name System, and it is important had a they participate.

There are other parts, and At-Large is one of them but it's not the only one, that if ICANN were to decide we get no money, then we disappear. We're gone. And, you know, that -- that will vary from community to community whether you'll be completely gone or just significantly decreased, but that's what that reference is to. And I think we have to be very sensitive to the fact that the decision -- This is not a discussion about this year's budget, but the fact that the funding decisions may impact the multistakeholder model very significantly, and it's already very imbalanced. We know that. Fadi at one point introduced the term "equal multistakeholder model." It disappeared from the conversation really very quickly because it clearly wasn't equal and never will it be equal, but how equal it gets is a matter of concern.

Thank you.

RON DA SILVA: Just on that -- Leon, again. Just on that last point, Alan, certainly in the proposed FY19 budget, there's close to 30, I think, ALAC; right? And there's probably more funds, actually,

because we're anticipating some of the locations will be a little bit more expensive. So there is still a commitment to make sure that there is representation being funded at each of the three meetings the next year. I realize you might be touching on some of the other programs, like CROP or fellowship or next gen or something. But I do want to -- If that changed, right, to your question, if we somehow disrupted the constituents' travel program, which is those 29 or 30 ALAC members to be funded, yeah, that could be problematic, especially for this part of the community because, you're right, other parts of the community are less dependent upon that funding and may have, you know, an employer that has interest in them being here and so their funding comes from the employer or whatnot. So it's a good point, Alan.

ALAN GREENBERG: Just to be clear, this was not a discussion of this year's budget or the particular cuts. Five years from now we may be in a position with significantly decreasing registrations and we are on a very decreasing budget, and it's just something to remember. As we make these decisions going forward, it could affect the multistakeholder model on which we depend for credibility.

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LEON SANCHEZ: Thanks. And just to highlight that there is definitely a topic in our strategic thinking looking forward also.

So we have incorporated this line of thinking and this concern to our strategic plans and to the strategic work that we do at the board level.

So, yes, we definitely see your point.

Maureen, you have your flag up, so you're next.

MAUREEN HILYARD: Thank you, Leon. I understand -- reflecting on something Ron raised about the fact that -- about the limited sources of income that ICANN has, and that despite the lack of opportunity to increase, you know, this -- any revenue, unless you get creative about your sources. My concern is related to how sort of ICANN spends its money on things like projects. And I must admit I sort of like only got to see what kind of projects were available through the various reports that were provided within the budget. And the number of projects that there are and the scope, thing range of things that are actually sort of like being undertaken with these projects.

And my concern is, like, who decides on what these projects are? And is there any opportunity for the public to comment on whether that project is actually relevant? Because some of

those projects don't seem to be very relevant to us. So we want to sort of like know, is there an opportunity for us to actually make some comment on some of those projects?

LEON SANCHEZ: Thank you very much, Maureen.

And I have Xavier here with us, and, Xavier, would you like to comment on this, or, Ron, would you like to take this?

RON DA SILVA: I'm happy to comment on it. I saw him walking up. I would defer.

But certainly the opportunities, there are feedback sessions today and a couple more tomorrow to provide exactly that type of feedback; to look at, in detail, what is in the proposed budget and it to be able to weigh in on the different activities and proposed budgets around those activities.

Some are compulsory; right? I think Goran touched on this earlier about there are things that the organization has been required to do based on whether they're reviews or bylaws specifications. So there is a lot of activity that needs to be funded because that's basically the mandate we're putting on Goran and the organization, and then there are other projects

and activities that the organization is taking on as part of addressing the security and stability of the namespace.

So I think all of the activities you'll find somewhere tie into the mission, and, you know, there's a need to make sure, and a prioritization effort, that we get input from the community. So definitely appreciate all the input so far that's come in through the public comments which closed, I think, last -- the end of last week, but then this week there's obviously a lot of feedback that's coming in through these types of engagements, and then there's some formal engagements that Xavier is hosting with the community to get into as much detail as you need.

LEON SANCHEZ: Thank you, Ron.

Cherine, do you want to add something?

CHERINE CHALABY: So I think this is a fundamental question, and I want to take a step back before Xavier answers the specifics.

So together the community developed a five-year strategic plan that now is coming to an end in 2020. Bear with me for a moment; right?

To support this five-year strategic plan, we needed to put together an operating plan, also five years, of how we would implement it.

We never costed that. We said how we would implement the strategic plan but never said at what cost; right? And every year we take one of those years of the five-year strategic plan which has all the projects and all the activities and we try and cost this one out and then put it out to the community for public comment.

So in principle, the community has, every year, the opportunity to comment on all of the project and all of the activities and either say we don't like this or we do this or increase this or not increase that.

That process took place -- now we're in the third year, also, of the plan, and it took place, yes, with a bit of negotiation and so on, but there was always room to accommodate because during those three years, also the funding kept on increasing. So our cost was increasing on average by 16% and the cost -- and the funding was increased almost similarly. So there wasn't a big issue. Now suddenly the funding stops and stabilize, so we can't continue with that 16%, which means that, in a way, the strategic plan we had before, we can't afford to finish it at the same rate.

So, hence, all the discussion now about, you know, how do we -- how we -- our -- our funding has leveled, but have our expenses level; right?

So -- So that's the process. It's not perfect, but you should be able to, every year, as part of voting or making comments on the budget, you should also make comment on the operating which is put forward to the community with all of the various projects.

Xavier, have I said anything that you disagree with that?

Okay. Your turn.

He can't disagree, he said (laughing).

XAVIER CALVEZ: I thought you had just offered to me to disagree, but now I understand I can't. And I won't -- Cherine said something that I was going to say as well, so I won't repeat it.

The only thing that I want to add to what's already been said is Maureen's question is exactly the right one; is we want to offer the possibility to look at everything that the organization does. And I recognize it's a lot of information for anyone to look at, especially with your busy schedules on everything else already. When we throw at you 233 projects to look at, which is what Cherine was pointing out, we make available every year that

level of information. And it has personnel cost, it has travel, it has a further breakdown within that 233 projects. It's a lot of information.

Hopefully, it also is useful information for you to be able to say we don't think that's a project we should spend time on. And you can also see how many staff members are allocated to those projects so you can understand the amount of efforts that are being put behind those projects and you can then comment on we think it's adequate or we don't think it's adequate.

Now, the limitation of what we do today with that process is that we are not at the outset of the planning of certain of those projects, always ensuring that we also quantify resources for those projects that are considered, and that we aren't honestly yet able to show how much those projects, if we would to approve them, would then impact the future funding. So that's something we want to be able to do better. Sebastien mentioned several times in the past years and present that it would be great to be able to budget for several years so that we can see the impacts. We have started diagnose some things like that, but there's a lot more work to do.

But your question is exactly the right one, and we want to be able to receive that input of what projects should we not do or do less of, or do later maybe.

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Thank you.

LEON SANCHEZ: Thank you very much, Xavier. We are over time already, but I'll go really quick to Cherine.

CHERINE CHALABY: So I think the -- this is all fine and right. The problem is that the budget has become too big and too complex; that for any constituency to review 240 projects and make comments on that is becoming quite difficult. When we had a budget of 50 million and the projects were limited, it's okay.

So we need to find a way now of reviewing because just say here are 250 project, you have an opportunity to comment and we haven't commented, it's tough luck, I don't think it's good enough. I think we have to find a way. It's too complicated now for people to really grasp all of these. I can't grasp 240 projects, so I don't know how the community can with all the work and the pressure on them and doing their other work.

Thank you.

LEON SANCHEZ: Thank you very much, Cherine.

So I would like to thank the at-large community and the ALAC members for joining us in this -- in this meeting with the Board. I think it has been a very fruitful discussion and we look forward to continue to work together on this.

Alan, do you have a closing --

ALAN GREENBERG: I do have a closing remark. We have been doing these Board-ALAC meetings for a long time and for a good number of years the reaction after the meeting was, "Why do we bother doing this? This is a waste of time." The meetings have now become actual good discussions.

Thank you.

LEON SANCHEZ: Thank you. And happy birthday again.

[Applause]

[END OF TRANSCRIPTION]