ICANN67 | Virtual Community Forum – Getting to know the Mexican Internet Ecosystem
Wednesday, March 11, 2020 – 09:00 to 10:30 CUN

RODRIGO DE LA PARRA: Hello. Good morning, everybody. This is just my audio test.

ALBERT DANIELS: Good morning, Rodrigo. We hear you loud and clear.

RODRIGO DE LA PARRA: Thank you very much, Albert. We will start in just a couple of minutes at the top of the hour. Thank you.

Okay. Shall we start? Good morning, everybody. Welcome to this session, entitled Getting To Know the Mexican Internet Ecosystem. Let me tell you a little bit about the background of this session.

So, as you know, we were organized to have originally our ICANN 67 meeting face-to-face in Cancun, Mexico. So, we had what we called the Local Host Committee of Mexico, which was pretty much a multistakeholder committee, which included the Mexican federal government by means of the Ministry of Communications and Transportation, the private sector with the Mexican Internet Industry Association, technical community represented by NIC.MX, civil society, one of our ALSes of LACRALO, the Mexican chapter of ISOC, and we also had two Contracted Parties from Mexico, one new gTLD registry

for .rest and .bar, Punto 2012, and we also had NEUBOX, an ICANN accredited registrar.

So, before the meeting, we started to engage with our communities. We organized a [roadshow] and were really excited about receiving you all into Mexico and Cancun. This has been the third. Of course, we'll be coming back to Mexico in 2021. But in the meantime, we organized this session so that everybody at the ICANN community could get to know better the Mexican internet ecosystem.

So, that's how the agenda is organized, as you can see. We're going to have, first of all, a presentation from César Contreras, which is the technological development coordinator at the Ministry of Communications and Transportation.

We're then going to listen from Julio Vega, the private sector vision on the development of the internet in Mexico. Julio Vega is the general director of the Mexican Internet Industry Association. Then, Jorge Azzario, the CEO of NIC Mexico will speak about why is it important to keep an open architecture of the internet.

Luis Martínez, from the ISCO chapter of Mexico, will present on social movement and the internet in Mexico. And then, we will go with Aaron Grego, the CEO of Punto 2012, who will be telling us about how can small and medium enterprises best insert themselves into the digital world.

We will break a little bit. We're trying to have Göran and Léon Sanchez at the beginning of this conference but they have a conflicting

schedule. So, they will be joining us at 9:00 AM Mexico City time and 10:00 AM Cancun time, just for 10 minutes.

And then, we will close our round of presentation with José Luis González, the CEO of NEUBOX, the ICANN accredited registrar. And he will be talking about digital entrepreneurship and its contribution to the development of the ecosystem.

So, without further ado, I welcome you again. And let me welcome César Contreras. César, welcome. The floor is yours.

CÉSAR CONTRERAS: Thank you very much, Rodrigo. Good morning, everyone. Thank you very much for the presentation. So, I would like to tell you a little bit about the internet ecosystem and the initiatives that we've been conducting, or trying to push, from the Ministry of Communications and Transport of Mexico in this regard.

Can we go to the next …? Right. Perfect. I want to start with the restructuring process that we're undergoing at the under-ministry. This has to do with a vision of Under-Minister Salma Jalife, who wants to have a more responsive under-ministry, in terms of the new technologies and new trends—the skills that people have to have in order for them to have a better, let's say, outcome of the use of the technologies themselves and to reduce the gaps of inequality in access to the technologies, basically.

So, in that sense, the current restructuring process has been guided, or based, on five pillars that are described on the left side of the

screen. And those five pillars have to do, the first one, with the telecommunications and broadcasting infrastructure—so, to understand that networks and technology actually needs a physical infrastructure to actually happen in the first place.

Then, the second pillar has to do with social coverage and access. And both are very important topics for this administration because social coverage and access have to do with the vision of providing internet access to everyone in the country and to—as I was mentioning before—to reduce the inequality gap in the access of technologies, including the internet, obviously.

The third pillar has to do with digital skills and capacity building. And this is, as you can see, has to do with the human element of the technology. This is complementing the view that the under-ministry had in the past about only focusing on the technology part and perhaps not making the connection so clearly as it is through this pillar with the human factor.

The fourth pillar is the one that has to do with many crosscutting issues—many crosscutting topics—such as technologies, standards, data, interoperability, cybersecurity, and obviously, governance. I'm going to go a little bit deeper into this after this. As you can see, this is the one that is highlighted and we're going to tell a little bit more about this new area that's going to be created, which is very much related to the work that ICANN and other actors—multistakeholder processes—are trying to push forward as well.

The fifth pillar has to do with evaluation and interinstitutional participation. And this evaluation is basic for us to get a good understanding of where we're standing, how of a progress we're making. And also, interinstitutional participating, considering that many of these processes have to do with multiple actors, multiple stakeholders—not only in the Mexican immediate ecosystem but also abroad, as you may be aware. And this ICANN meeting is proof of that, that many of these topics have to be addresses in a multistakeholder, non-boundaries fashion.

So, going to the central part of the slide, I'm going to go a little bit deeper into the Directorate-General of Technologies, Standards, Data, Interoperability, and Cybersecurity. For short, we call it DG-TEDIC in Spanish. So, this is an area that, once this restructuring process is finally approved, this is going to be created and it's going to respond to the goal of promoting technological development in several fields of the telecommunications and broadcasting sector to promote the digital transformation and inclusion in the country.

As you can see on the right part—the bullets—we are putting there some of the main areas that this Directorate-General will be covering. The first one has to do with the identification and use of communications and information technologies.

The second one has to do with monitoring trends, technologically speaking as well, in communications and information technologies, together with all relevant actors. When I was referring to this interinstitutional participation, we are trying to convey everyone

together to discuss technologies, to discuss trends, to discuss how we can work together to work towards the progress and the adoption of this technology in the Mexican ecosystem.

Then, the promotion of the safe and responsible use of those services. And this is very important. This is related to cybersecurity directly. And as you might be already aware, cybersecurity is not only an issue that concerns experts. It also concerns regular citizens, users. Anyone that has a smartphone or a device that can connect to the internet has to have at least some basic knowledge about cybersecurity and how to protect themselves. And this is something that we're very aware of and trying to work towards as well.

And the last part is to identify and propose recommendations and best practices to contribute to the governance of the internet and the use of data. So, as you can see, this is a very ambitious area. We're trying to address many different topics. And the good part of this is that many of these topics are actually interconnected. So, you cannot just isolate, let's say, cybersecurity, or artificial intelligence, or governance of the internet—put them in separate boxes and deal with them that way. You have to actually see them all together and that's the spirit of this area. Can we go to the next slide, please?

So, regarding the last part I was mentioning about governance, we have taken some steps already, in the Ministry of Communications and Transport, to get a better understanding of how the internet governance ecosystem works in Mexico and how we can contribute from the side of the under-ministry, given this restructuring process.

So, we conducted last year roundtables that were pretty much focused on the different topics that I referred to before. And we had the participation or representatives from federal and local governments, the congress, chambers and associations, telecom operators, manufacturers, the academia, specialized entities, and, obviously, the regulator, as well, of the sector.

And we also realized that the stakeholders for this exercise that should be involved in internet governance are basically everyone. Everyone has an interest in the good functioning of the internet. So, this is really reinforcing the view of having this multistakeholder approach as well, and seeing the government, as well, as someone, or an entity, that makes use of the internet and wants the best use of the network for the people.

The different roles that we found out through this exercise had to do with several actors. Let me just give you a couple of examples. From the academia side, we got feedback regarding the interest of the academia producing reliable information, research, and innovation, human skills development, and training of digital skills. On the civil society side, that the civil society should take a very strong role, leading the monitoring processes to ensure the free, open and neutral nature of technologies and the internet.

So, as you can see, this exercise helped us realize who the different actors are and how to deal with them—how to make the connections with them from the ministry to actually do something relevant for the internet governance ecosystem. Next slide, please.

Thank you. So, from this exercise as well, we got some ideas from the participants. That's a picture, on the right side, of one of those roundtables that happened last year—ideas to improve coordination of stakeholders.

The first one is to have a regional fora to actually identify the problems and the current state of the internet and the internet governance in our region. To have multi-sector forums on the national level, conducted to generate inputs to actually strengthen the position of Mexico and to get all actors together and showing a common face. Promote the trust and transparency for multistakeholder participation. And strengthen conclusion, plurality, neutrality, openness, and the promotion of innovation as well. Next slide, please.

In this context, we have been trying to make operational some of these ideas. And I want to tell you very briefly, given that I only have a few minutes left for my participation, about a project that we're trying to push forward since last year as well.

This is an Observatory of Digital Technologies and Public Policy Trends. This is an initiative by the Ministry of Communications and Transport of Mexico to create an instrument—an observatory—to generate recommendations for the design of public policies and norms to actually foster the transition of the country to the fourth industrial revolution.

To include, as I was describing for, all relevant actors—the ones that I named before as well—and to give proof of the commitment of the country to actually to something to transit towards the fourth

industrial revolution. This way, we think that with project of this nature, we can make Mexico a pioneer in the design of public policies and norms that promote technological development in the sector.

We can see, on the right side of the screen, several topics of interest that we have put there, just to illustrate some of the areas that the observatory could be covering. And obviously, we have cloud computing, artificial intelligence, standardization, electronic commerce, and obviously governance. This is going to be a forum in which roundtables will be created and workgroups will be created as well. And actually, there will also be room for participation of experts, so in their expertise, they can provide some inputs on the best ways to deal with each of these different topics that we're seeing.

So, I'm going to stop it here because I'm already over my 10 minutes. I want to thank you, Rodrigo, for the invitation. And I am open to any questions when the right time comes. Thank you very much.

RODRIGO DE LA PARRA: Thank you very much, César. Certainly, lots going on within the Mexican government. Thank you very much for your presentation. And we will have time to make some question and exchanges at the end of the session. And next with us, I believe we have Julio César Vega from the Mexican Internet Industry Association. Julio, can you hear us? I'm not sure if Julio is around. We have his presentation.

Okay. Well, maybe we can wait a little bit until Julio arrives and we can go to our next presenter. Our next presenter is Jorge Azzario, the CEO

of NIC.MX. And he will be speaking about why is it important to keep an open architecture of the internet. And as César, we appreciate if you can stick to the 10 minutes. Thank you very much, Jorge. The floor is yours.

JORGE AZZARIO: Thank you very much, Rodrigo. And good morning everyone. This is Jorge Azzario at NIC Mexico. Well, in this case, I'll just take a few minutes to share with you some simple thoughts about why it's important to have this open architecture and how are we dealing with the challenges that this type of architecture has been bringing to all operators in the technical community in our country.

Basically, I want to start with remembering these very basic internet design principles and goals because as we face new challenges, we tend to forget some of this. And even though most of you are already familiar with them, it is things like decentralization, and scalability, and, obviously, permission-less innovation that are the big drivers of this huge network. And openness is also one of the design principles that bring enormous challenges as we grow every day. So, can move to the next slide, please?

So, being constantly changing networks, intercommunicating by a common protocol, we obviously need some basic interfaces, basic data formats, this uniform IP addressing mechanism, and interconnection rules that are publicly available. So, this makes and opportunity for every network to understand how it behaves and

[attend] all challenges, growing from an ever-expanding user base. Can we move to the next one, please?

So, just to take a quick picture of our global challenge, we are currently around 1 million new internet users per day, and in the domain name space, last year around 30 million new domains. So, we have a constant increase, obviously with different figures, around the globe. 5.1, for example, increase in top-level domains last year. 8.5 in country code to-level domains.

And in our case, in Mexico, for example, we're still growing at double digits, as some areas in Southern Asia, Western Asia, and some countries in Middle Africa as well. So, a pretty constant growth that obviously bring new challenges. And how do we manage networks and open architectures. Can we move toward the next one, please?

So, among these challenges, providing the networks with local autonomy, being able to interconnect heterogeneous systems, insuring communication across this interface, but basically having and creating these operational means for intercommunication and interconnection with collaborative efforts are very complicated tasks, as we have a community with these multistakeholder concerns.

So, how to properly manage this structure—to manage all this open architecture—is obviously a constant challenge. That is why these meetings and these conversations bring a lot of value in how we collaborate to ensure that we still keep these basic design principles as we move along. So, can we go to the next one, please? Thank you.

So, even though we are a community that's been working together for so long, there's always new people coming in. And I think that also adds a good driver for the community. As you know, we are, in Mexico, the entity responsible for administrating the .mx domain names, as well as all the IP address space for Mexican entities. And as part of our technical community, we also seek the growth of internet through this excellence in the management of all technological resources and meeting all the technical needs and challenges that arise from this responsibility.

Our local challenges—and we can move to the next slide, please—are related not only to managing these registries of domain names, as well as IPs, but also maintaining availability of all these critical services that provide domain name translation for our users.

And we also participate in this local internet ecosystem that César was talking about just a few minutes ago and how we work together to ensure this neutral and secure internet for everyone, as we expand to reach and reduce the digital divide we have in Mexico. Right now, we're currently around 70% internet penetration in Mexico. And there's obviously a tougher challenge, as we try to increase this percentage, reaching out for low-income areas or distant communities that have not been able to interconnect to this internet network.

And from the regulatory side, we also manage to observe many of the personal data privacy laws, as well as the GDPR implementations that have worldwide effects. We also match, in our networks, all certification related to the PCI and ISO 27000 requirements and,

obviously, ICANN regulations, as we are one of Contracted Parties in the ecosystem. One slide ahead, please.

So, to be able to provide this, these open architectures are also worldwide infrastructures that allow us to maintain this level of availability. And we do this not only having infrastructure within Mexico but we have our own infrastructure in some other countries. And we, as a community, work together with some other network operators worldwide to provide not only coverage but also cybersecurity protection with protocols like Anycast. Okay, one. Thank you.

So, these open architectures bring, for availability, network challenges that must always be focused and observed. And service continuity relies on at least five of these important aspects, being security, performance, agility, availability and redundancy, and, obviously, scalability, as we remember this enormous one million new users we have every day. One more slide, please.

So, just to try to close on a few remarks, these open architectures obviously face security implications that require for every network operator—and we are one of them, so obviously as a technical community, too—to be able to observe and perform different tasks continuously, checking for vulnerability scans, security scans, penetration tests, and all the ethical hacking and security audits that we do constantly on the network. And being able to support these open architectures, but at the same time being required to provide

high availability of our services, is also a huge challenge, as all networks keep, like I said, just growing and growing.

So, just to close on the last minute I have, can we walk it to the last slide? So, basically, an open architecture provides this common ground for innovation. That, we think, is one of the biggest privileges we have, and benefits we have, of sharing this open architecture network.

And as internet keeps growing and we face more challenges, it's very important to understand that, in this multistakeholder system, we still need to preserve these design principles and goals that we spoke about at the beginning—things like interoperability, openness, end-to-end network, where nothing really starts and ends in the internet. It's the people at the ends that take use of this dumb network, if you will.

So, preserving the neutrality and the openness of this network requires a lot of collaboration from all stakeholder, obviously, each of the stakeholders working in similar challenges from within its particular scope. So, some of these challenges in Mexico right now, for example, rely on the open discussions we have on net neutrality and things like IPv6 implementation. Still, it requires a lot of collaboration and global effort to reach a positive consensus.

So, I'm going to leave it to there and we'll be open for questions at the end, I think. Thank you very much, Rodrigo.

RODRIGO DE LA PARRA: Thank you very much, Jorge, for your presentation. Yes. We're going to have Q&A at the end of the session. But now, let me introduce our next speaker, Luis Miguel Martínez from the Mexican chapter of Internet Society. Welcome, Luis. The floor is yours.

LUIS MARTÍNEZ: Hi. Good morning, everybody. I hope you listen me well. I'm speaking from Tijuana. I don't see the slides. Is it possible to put them? Excellent. Thank you very much. This morning, I'm going to speak about the social movements related to the internet in Mexico. I'm glad to be joined today, as well, with my colleague, Karina Martínez, who's also a member of the Mexican chapter of the Internet Society, as well as I see many other Mexican members of the chapter.

The first mention of the internet is Mexico is related to the Zapatista War, when Jose Angel Gurria, who used to a Mexican politician, and now is the head of the OECD, he described that the Zapatista war was movement of paper and the internet.

Then, we have to wait some time more than 10—nearly 15 years—when a campaign was started within academia that is called Internet Necesario, The Internet is Needed. So, a number of people gathered in a park and make a public demonstration against taxes for telecommunications.

Then, we move into another demonstration, largely in person but also through the internet, which was against the law that was going to be

passed about ACTA, PIPA, and the Protect IP. This was called the Ley Döring or the Döring Law.

Suddenly, everything moves around the YoSoy132, I Am 132, which was a public demonstration that started and was grew within the internet because of a video that was published against the media coverage of the unrest of young people within the elections for the last presidency. Can you put the next, please?

By then, the election of 2012 was the first presidential election fully covered through the social networks, even though, since 2006, the first coverage of the internet and the presidential election was performed at my university, Universidad Iberoamericana, where we analyze the content of blogs and that's it—webpages—because Twitter and Facebook were not very used by then.

By 2014, we were gathered again through the internet, regarding the movement, Internet Para Todos, or Net for Everybody, which was a demonstration carried out in the social media, related to surveillance and censorship against the citizens within the telecommunications reform, which was started in 2014. And the result was the creation of the Federal Institute of Telecommunication, who is the regulator of telecommunications in Mexico.

Then, by the end of that year, there is a huge unrest within society because of the disappearance of 43 students coming from a rural school in Ayotzinapa. That campaign was called … It was the state because people were blaming the state because of this disappearance. Until today, it has not been clear what happened that

day. So, this is still alive from the internet and on the streets. This happens, or is remembered, every September—nearly every month.

2016, the IGF is carried in Mexico. The IGF is the Internet Governance Forum. And ISOC Mexico was present in the event. It was very active. We carried out the first IGFEM, which talks about the importance of women on the internet. It was activity where we gather a large number of women attending the IGF.

And for the next year, the same year that the earthquake in Mexico happened in 2017, there was another gathering with young people— young women of Mexico—learning about the opportunities and threats of having an open life within the internet. Now, this movement is being replicated around all Latin America.

2016 is also a great time for indigenous or originary people of Mexico, where the first indigenous community-owned telecommunications network was started in Oaxaca in Talea de Castro. With the support of ISOC and other German and European organizations, they were able to set the first mobile or cellular telephone network for connecting their village because the large operators had that discourse that they were few and poor. So, they were not ready to give them service. The next slide, please.

2019, the government starts a large operation in Mexico for bringing internet into everybody. The last figures of penetration in the internet in Mexico, which I'm sure Julio may expand, is nearly 80%. But still, there are many parts in the country that will never be connected. We're talking about 3% of the land and at least 7% of population.

So, that's where Internet Society plays a role, through a program called the Community Networks Initiative. But Internet Para Todos bring the opportunity to use the shared fiberoptic network backbone in Mexico through [AlterNetworks], to connect small villages to broadband. This initiative was highly recognized within the ITU.

Then, we moved into 2020. We are still in the discussion of the guidelines for net neutrality, issued by the IFT or the regulator. And a number of social organizations have demonstrated against the possible threats of human rights, and freedom of speech, and censorship if those guidelines are issued and enforced.

These guidelines are highly focused on the efficiency of network, on the network management, and still it is being discussed in public through mechanisms designed by IFT to consult every single law and guidelines that they issue.

Finally, this week, we were very glad to see how the internet was used for organization, live broadcasting, and all the recordings and archives of two big movements related to violence, and especially to gender violence. These are called the Eighth of March and Ninth of March. And it was organized, a full, nationwide … I cannot say a strike, but a full stop of presence of women in every single aspect of our society. And they were organized to have no use on Monday of internet and communications through the internet.

So, I would be very happy to answer any question at the end of the session. If not, Karina is also available for that. Thank you very much.

RODRIGO DE LA PARRA: Thank you very much, Luis Miguel. And thank you very much, Karina, for preparing this presentation and being here with us. We'll have the Q & A at the end, in case anyone wants to hear more about the interesting projects that the Mexican chapter of the Internet Society is working on.

So, our next presenter is Aaron—the CEO of Punto 2012, Aaron Grego. And Aaron will be speaking about how can SMEs best insert themselves into the digital world. Aaron, can you hear us?

AARON GREGO: Hi, Rodrigo. Thank you. Yes, I can hear you.

RODRIGO DE LA PARRA: The floor is yours.

AARON GREGO: Thank you very much. Thank you, Rodrigo. Thank you, ICANN. It's a pleasure to be here and to speak remotely. I'm sorry we're all missing Cancun but I understand the seriousness of the threat. Hopefully, we'll be able to host everybody here in Cancun next year.

I just want to talk a little bit about, I think, the challenges and the opportunities that we see as a business here in Mexico. We're the only gTLD registry. And since we created the domain names .rest and .bar, we've been reaching out to the general public, and reaching out

specifically to our niche of restaurants and bars, and trying to see how we can bring them on board—how we can help create more of a usage of the internet as a whole.

And for me, many years ago, I always thought a domain name is the key. It's the very beginning. It's the starting point. And we have some phenomenons here in Mexico that I think are very telling of the situation here and are probably replicated in many other countries around the world.

So, I [get off] to start saying that we are one of the countries that have the most usage of social media. We have over 70 million Facebook accounts. And I would say, with the penetration of cell phones, and since the cell phone companies are offering accessible plans for data, we pretty much have everybody with a computer in their pocket and in their hand. I think this is happening around the world and will continue to grow.

So, basically, people are already online and they're consuming information. And the moment they create this profile page—whether it's a profile on Facebook, whether it's a profile on LinkedIn, or whether it's a photo feed on Instagram, or a video feed on TikTok—then they're starting to participate. And we find that this phenomenon is usually the case for most small businesses, most medium-sized businesses is that they see social media as this point of interaction and of contact with their users.

Over the past years, we've seen them grow to be more and more conscious about how there are many other ways to be online and how

it's not just consuming information or being part of platform that offers you a series of services but that you can create your own services. You can roll out an ecommerce website, or have a distribution center, or have an intranet.

So, we see a huge amount of usage, I would say, initially, with platforms that already exist, that are popular, that already have user engagement and that I think make it very easy. Basically, you create a profile. You're there and within five minutes, you're starting to interact with the world.

Now, what we've been trying to promote and trying to raise more and more awareness--again, there's a lot of challenges but I feel at the same time, there's a lot of opportunities that come with this—is how we can have them interact more and how we can have them own their own identity instead of being part of somewhere where they don't have a custom way to promote this to other people—they just say, "Look for me on Facebook—" that they can actually say, "My domain name is this and you can visit me here."

We also see this phenomenon, I would say … And these are things that are probably obvious for the audience here but it's what I like to tell a lot of other conferences and small and medium business owners— again, specifically restaurants and bars. We start to see this with emails. And I feel that email is also such an important piece of the puzzle or such an important piece of communication online that it's almost overlooked.

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And we do see this, that hundreds of people … I'm sure a lot of the people that are listening to this started out with their email. Mine was aarongrego1980gre@hotmail.com. And that was my identity. It had my name but it had this string of numbers and other letters to identify it because my name was already taken. And at the same time, I'm not having that brand engagement. I'm not having people remember who Aaron is. And my company doesn't even exist.

So, what we're promoting, and what we're trying to offer people with the gTLD program and offering our domain names, is that they can have more of an identity online and offline. Their way of communicating starts to be … If I have a restaurant, it's aarons.rest. So, you can visit me there. I'm aaron@aarons.rest. That's just such an easy way to find me and to remember.

We've had a lot of people that come back to us or that give us the feedback that the search engine is their guide to getting everywhere—that they don't type in anything. There's very little type-in traffic. But we still feel it depends. Once you're on the search engine, it depends on your SEO and it depends on how well-built your platform is, what kind of strategy you use to be positioned correctly, and if you're using the right keywords and the people know how to write your name or your business's name.

So, definitely having your own domain name, we feel, empowers this. And at a very initial stage, with an email account and then moving into whether it's a landing page or a fully-developed website, that you're going to achieve any kind of goal you have.

A lot of times, we see people being very skeptical about the results that they'll have. And then, they start looking at the investment. And although I would say it's accessible here, if you compare the cost of having a professionally-built website and the hosting costs associated with that, compared to what the minimum salary is, it's still quite an investment and there is a certain sector of the general public that's not easily going to be on board or is not going to easily make that investment.

We've seen a lot of people that engage with social media campaigns. And that campaign can be anything from putting a little bit of money into a Facebook post and promoting that with a certain audience. It can be starting out with Google AdWords or actually doing some kind of further campaign with email marketing or Instagram promotions.

And once they see this, and they see that the model is [paperclipped] in a lot of places and they find that there's metrics, and there's data that can prove—it's not anymore what you tell me or what somebody else tells me. It's based on hard data—we start to see a very different reaction. So, I would say, again, that's one of the key points, is having metrics, and having statistics, and being able to show people the benefit of the usage that they're having.

These are also things that you don't necessarily obtain in an easy way, just on a social media platform. But once you have your own account, or once you have your own website, you start to get an idea of interactions. Thankfully, there's a lot of open source platforms— there's Google Analytics—and a lot of these are free. So, we find that

the engagement becomes also more and more focused on building awareness. And we see more of a reaction when people understand that this can grow their business—that this can positively impact their business.

We saw a phenomenon a few years ago where everybody was asking for a blog. And I would say a lot of people, or a lot of businesses, didn't even know what a blog was. That was just the name that they were applying to a website. But we did see this jump in consumer—in people buying websites and buying them for business purposes. And they're saying, "That's a way for me to have my branded presence online. That is my space and that's where I can start communicating with the world."

In many cases, these blogs, or these requests for blogs, ended up turning into websites that would give out basic information and start to have the interaction. What I like to specify, also talking about interaction, is many cases that can just be a contact us form. Or it can be a registration for a newsletter. But it's also a very clear point of interaction where business owners can start to see that they have clients or they have prospects that are engaging with them online. And that can promote their business and promote this usage around the world.

Here, we own the registry of Punto 2012 and we have a series of other businesses that are focused on building small, medium, and large businesses' presence online. Over the past few years, again, we've specialized a lot in e-commerce. And I feel e-commerce that is that

tipping point, where it's not even statistics anymore. It's actual income, where I'm seeing revenue coming from the initiatives that I'm bringing.

And that tends to be a much more engaging topic when people start to see that what domain costs, or what a hosting costs, or what a platform, or building a website, or any of the costs associated with being online have—that that will actually turn into a return on the investment. There ROI to be achieved—that there is, again, very clear measurements of this.

And we've seen a tremendous of growth. I see Mexico still has many, many years to go, as the rest of the world does. But we'll continue from the domain perspective and from online perspective, in all ways, to promote small and medium businesses getting online and continue to offer them accessible ways. And I would say accessible, both having web accessibility but cost efficiency and having cost-efficient ways to be online and to be able to participate with this.

And we will also continue to push awareness. I feel that that's also one of our responsibilities as a registry. And this is something that took me a little while to understand. But because gTLDs are so … Because a lot of the technology and the terminology that we're using is very new for the general audience … People aren't so tech savvy or they're not necessarily up-to-date, also depending on their age and social demographics.

But we have the responsibility to raise the awareness and to let them know not only what exists and how that benefits us as a business, but

to let them know what exists and how it can benefit them. Whether they end up hiring the service with us or not, we're raising that awareness. We're creating consciousness, and we're trying to create a much more informed ecosystem so people make better decisions—so that they can be better informed and hopefully continue to grow and impact their personal finances and the general economy in a positive way.

I'm looking forward to taking questions and answers. And again, thank you, Rodrigo. Thank you, ICANN. Pleasure to be here.

RODRIGO DE LA PARRA: Thank you, Aaron, for a great presentation. Let's continue with our presentation. Now we have José Luis González, the CEO of NEUBOX, an ICANN-accredited registrar. José Luis, can you hear us? I think we can upload his presentation.

JOSÉ LUIS GONZÁLEZ: Hi, Rodrigo.

RODRIGO DE LA PARRA: Yes. Welcome, José Luis.

JOSÉ LUIS GONZÁLEZ: How are you?

RODRIGO DE LA PARRA: Good. Excellent. Thank you for joining.

JOSÉ LUIS GONZÁLEZ: Thank you. I had to come to Cancun, all the way [inaudible]. Does make it fast.

RODRIGO DE LA PARRA: Excellent. Great.

JOSÉ LUIS GONZÁLEZ: Next slide, please. So, what is the effect of the digital entrepreneurship in the growth or the impact of the internet ecosystem in Mexico? First, a little bit of information about Mexico. Mexico is Latin America's second economy. It is the 50th economy in the world. And over the last 10 years, we have an average growth of the GDP of 1.96%. This average was over 2% but last year, we had a small decrease in the GDP. Next slide, please.

Regarding internet in Mexico, we have had 4.1 million companies and we only have 1.2 million of .mx domains, this information according to NIC Mexico INEGI, which is the national statistics institute. We have 83 million of internet users and we have a population of 125 million, which gives a total of 66.4% of penetration. Some of those users buy online, 71%. 63% of the population doesn't have a bank account—of this working-age population doesn't have a bank account. So—next slide, please—we see some gaps in the internet penetration and economy in Mexico. Next slide, please.

As we can see, year by year, the e-commerce grows fast. It almost doubles, or doubles approximately every 3.5 years, according to the Mexican Internet Association. Next slide, please. If we extrapolate this graph with the GDP graph, we can see that the e-commerce grows way fast than the GDP. For example, in Mexico, the GDP, [with the presence] of e-commerce [inaudible].

RODRIGO DE LA PARRA: José Luis, I think we are losing you. The audio is not very clear. Can you try again?

JOSÉ LUIS GONZÁLEZ: Can you hear me now?

RODRIGO DE LA PARRA: Yes. This is better. Thank you.

JOSÉ LUIS GONZÁLEZ: I don't know what happened. As we can see here, e-commerce rose faster than the economy. In Mexico, the e-commerce represents 3.4% of the GDP, while, for example, in the US, it represents almost 7%. So, we still have a great way to go. But e-commerce is growing fast and it's helping to increase the GDP. Next slide, please.

Also, another metric from the Mexican Internet Association. We can see here that the number of internet users is also growing fast. We expect … I was doing some calculations last night and in about 7 to 10

years, we have around 90% of internet penetration in our country. But as Luis from ISOC said, some parts of our country may never get internet. He said that around 7% of our country may never get internet so that's an issue. Next slide, please.

Also, we can see the effect of the shared economy on the GDP. Globally, it's expected that the shared economy, companies will increase 22 times in value for the next five years, between 2015 and 2025. And the GDP could increase 2.4% per year, by getting an efficiency of 3% because of the shared economy. So, the shared economy could make our GDP increase a little bit more, reducing the inefficiency in other systems. Next slide, please.

Also, the AMVO, which is the online sales Mexican Association, says that the effect of shared economy on adoption of digital economy. So, the shared economy affects the adoption of digital economy because it brings users or companies to the e-commerce ecosystem. Also, the shared economy, it's a driver for e-commerce in our country and also in Latin America. Next slide, please.

Another proxy of internet penetration or the development of the internet ecosystem are the VC investment metrics in Mexico. We can see that for 2018 and 2019, we had record VC investment in Mexico, seeing that technology and fintech take the biggest part of this chunk, totaling $240 million in 2019 and $80 million in 2018. Next slide, please.

Companies that invest major capital in Mexico averaged a multiple of 4.3 in an average of two years. So, we can see that investing technology in Mexico is a good business. Next slide, please.

So, also, the digital economy, the e-commerce, the internet penetration is growing. Also, the domain name penetration is growing fast. We can see that we still have challenges for the development of the internet ecosystem in Mexico. Next slide, please.

For example, gender inequality is a problem in Mexico. The Gender Inequality Index is built on the same framework as the Human Development Index. And globally, we are ranked place number 76 of 160. And another proxy, we have here at the right a graph about the people that receives training in companies. 61% of the people that receives training in companies are men and 40% are women. And still, demographically, we have 50% of women and 40% of men. So, we can see that this is a huge gap. The first data is from the human development index and the second one is from INEGI, the national statistics institute. Next slide, please.

Also, the economic freedom in Mexico. As we can see, in Latin America, it's a huge problem. But Mexico is just an average country. Next slide, please. For example, an issue we have in Mexico is the judicial effectiveness and the government integrity. This affects the capacity of other companies of doing business. And this also affects growth and internet adoption. Next slide, please.

That will be all from me. So, I expect to hear from you in the Q & A at the end of the meeting. Thank you.

RODRIGO DE LA PARRA: Thank you very much, José Luis. Perfect timing. Thank you, everybody, for sticking to the 10 minutes that you have. We'll have more time for interaction at the end. We are waiting now for Göran Marby and Léon Sanchez. They are just wrapping up a session now and will be joining us shortly. They want to address the Local Host Committee. And we are also missing Julio César from the Mexican Internet Industry Association. Something should come up for him. But maybe he can join, also, at the end.

So, in the meantime, maybe we can take one or two questions or comments from anyone. You can either just raise your hand and I can give you the floor or you can type any comments or question in the chat and we can read them out loud. You can do it in Spanish or in English. It's up to you.

So, I see [Cassia]. She is connected. [Cassia], is Göran with you already? Not sure. Ah! We have Léon now joining and I believe Göran will be also connecting very soon. Okay. So, [Cassia], can you hear us? Is Göran with you? Probably just waiting a few minutes. Léon, thank you very much for joining. Did your meeting end?

LÉON SANCHEZ: Yes, Rodrigo. Thank you very much. I assume that this meeting is in English, of course, as we are speaking in English.

RODRIGO DE LA PARRA: Yes. Yes, we are. I'm afraid so. We were testing a feature yesterday in a session but still it's on a testing mode. But it will work well. But yeah. All of the speakers from Mexico did a great job speaking in English. Thank you very much, also, for your flexibility on that.

So, in interest of time, and also given that Léon is already here with us, maybe, Léon, you can just address the session. These are just some remarks or anything you would like to say to the audience. So, Léon, the floor is yours.

LÉON SANCHEZ: Thank you very much, Rodrigo. I thank you very much for attending the session. You know we have a striving internet ecosystem in Mexico. And holding the ICANN meeting in Mexico would have been the perfect chance for us to continue fostering this ecosystem. Unfortunately, of course, the COVID-19 crisis has led us to go virtual. But I'm pretty much looking forward to our meeting in Cancun next year, if we are all still alive, of course.

One of the things that I would like to touch upon … I didn't have the benefit of being here for my Mexican colleagues' interventions. But I think that we have different advantages in the internet ecosystem in Mexico. One of them is that we are working in some sort of a disorganized way but also very coordinated. So, this might sound a little bit funny and strange. But we all know each other. We share a lot of common issues. We are allies in some battles. We are enemies in some others. But we are all aware of the principles that drive us and the efforts that we need to enshrine in order to foster this ecosystem.

In this regard, I think that Rodrigo's work has been key, to gather us all together, and to seat us on the table to talk, and to do this work of engagement that he does really well. So, I thank you for that, Rodrigo. Your intervention and your role in pulling us all together has been key, at least for me and from my point of view, to continue to grow this engagement and foster this ecosystem.

I think that some stakeholders are worried because we don't see a digital agenda coming up from the government, as we were used to in the last two administrations. But I don't think that's actually a bug. It might be a feature if you look at it because when you have a digital agenda coming in from the government, it might seem as the government is actually driving the ecosystem, whereas if you don't have one, then you go truly into a multistakeholder model of trying to build that agenda and to try to push for the different interests of the different stakeholders within this environment.

So, again, I don't see it completely as a bad thing that we don't have a digital agenda in place at this point, although, of course, time will tell if this was the right solution for the government to do or not.

Other than that, Rodrigo, I think, again, I would like to thank the Local Host Committee for all the efforts that they went through—all the time investment, the money investment that you did. I know that we all made the best we could to have the meeting hosted in Cancun. We know the outcome. We know that happened.

And I especially thank the Secretary of Communications and Transportation for all the support that they have been providing, in

coordination with the Ministry of Foreign Affairs. One of the issues that we were very concerned about was the visa issuing process. And I think that their support was key to having most of the participants being granted a visa to come to Mexico. Hopefully that visa will last long enough to have them next year coming to Cancun. If not, of course we will continue to work with the Ministry of Foreign Affairs and the Secretary of Communications to try to provide the best support possible to all attendees.

So, back to you, Rodrigo. Thank you very much.

RODRIGO DE LA PARRA: No, thank you, Léon, for all your support. As you all now, Léon, he is from Mexico and he's the vice-chair of ICANN Board of Directors. Thank you very much for being here and thank you very much for all the support that you have given us.

And also with us, we have ICANN President and CEO, Mr. Göran Marby. He's joined the call. Hello, Göran. The floor is yours. Thanks for joining.

GÖRAN MARBY: Thank you. And thank you very much for inviting me to this call. I rather would have had this meeting in person. I was personally looking forward to go to Mexico. For some reason, I have this love for Mexico after I had the pleasure of being the Swedish government representative for ITU back in 2010. I sort of fell in love with the country. I hope I'm not … That's one of the reasons why we decided to go to Cancun in the first place.

So, I think that it was a tough decision for us to make, not to go, but it was because we thought then and we thought now that in this very challenging time, we didn't want to put our own members of the community at risk. But we didn't want to also bring in more virus cases into Mexico as a country. So, it was done with that belief. But we are planning to go back already, next year, to have a meeting there. And we're all looking forward to it.

I wanted to thank everybody who has been involved in setting up the meeting in the first place because we received a lot of support from the Local Host Committee and everybody in the Mexican internet ecosystem. And then, we hope that and expect that we will get the same level of support when we return for an even bigger party next time.

The Mexican stakeholders and the stakeholders in this part of the world is very important to us. When we look into our strategic plan, we see many positive things happening in this part of the world. And we are adding resources to ourself. We are adding more cooperation with stakeholders. We're trying to learn as much as possible because ICANN … Apart for everything here, we are here to provide a service to the world which people call the internet. And as that evolves and more people get online, we need to learn and adapt as well. So, it's in our interest to continue to have a good relationship in this part of the world as well.

So, I just want to … Sorry for breaching in on the call. I just wanted to give my heartfelt thanks for all support we're getting. Thank you very much.

RODRIGO DE LA PARRA: And thank you very much, Göran, for joining the call and addressing our friends from the Local Host Committee in Mexico. Thank you very much. So, Göran and Léon, you are more than welcome to stay in the call. I understand you have very busy agendas otherwise, so just stay as much as you can.

So, let's carry on with the agenda. I believe we don't have Julio with us. So, maybe we are now ready for taking questions or comments from the floor.

GÖRAN MARBY: I will stay on a couple of minutes as well. So, if you have any particular questions to me, I'm happy to answer them.

RODRIGO DE LA PARRA: Okay. Excellent. So, if you also have comments or questions for Göran, this is the time to do it. And as you know, you can do it by raising your hand in the Zoom Room and I can give you the floor. Or you can just type the question in the chat. It could be in Spanish or it could be in English as well.

LÉON SANCHEZ: If you have questions to me, I will be happy to address them as well, Rodrigo. I will stay on the call until the end.

ALBERT DANIELS: Rodrigo, I think we have Luis Martínez raising his hand.

RODRIGO DE LA PARRA: Oh! Thank you, Albert. Luis, please go ahead.

LUIS MARTÍNEZ: Thank you, Rodrigo. I also would like to congratulate the organizing committee, of course, at ICANN for giving us the opportunity to have this meeting in Mexico. And as Léon said, you are very welcome next year to come to our country and really have a face-to-face meeting, which will be most pleasurable.

Just a comment that was developing within the chat. Also, as part of the social ecosystem of the internet in Mexico, I'm opening the floor in this minute we still have. I'm certain that they will be very productive. Léon, Felipe, and Karina were speaking about the uniqueness of the internet ecosystem in Mexico.

I find it very, very unique because the way it evolved. We were one of the first countries, in Latin America at least, to be connected to the internet. We were, in terms of ISOC, the second chapter in Latin America to be recognized. Actually, we were the first to fill the application but we were the second to be recognized outside the United States.

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So, the way the internet evolved in Mexico is unique because everything started from academia. That's why, in my presentation, you may have seen that line. It started in academia. Now it's everywhere. So, the way this has been assembling a national machine is very unique.

I have seen a lot of people in indigenous areas—people really, really forgotten from society—to be connected to the internet, speaking in their languages. We have more than 1,500 different languages in Mexico, many spoken by a bunch of people—maybe 15 or 20. So, the internet is really, really bringing them into a global society.

But also, there is a lot of challenges. They want to speak in their languages or write in their languages and their characters are not helping them to do so. So, they're developing new modes of writing their languages, which is really, really something that is unique to the internet.

So, I'm very happy to answer any question. And thank you, everybody, for being here. I'm very glad, as the leaving president of the ISOC chapter in Mexico, to bring the congratulations, as well, of our president, Alejandro Martínez Varela, who is one, with some of the guys here on the list, that started the internet in Mexico and thank them in public, again, to bringing us into global connectivity. Thank you.

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RODRIGO DE LA PARRA: Thank you, Luis Miguel, for your comments. Are there any other reactions, comments, questions? Okay. I see none. Anyone want to make any closing remarks before we wrap up the session? Okay.

So, let me then thank you all for being here in the call, and particularly our members of the Mexican Local Host Committee for their continued support, and also for sharing their ideas and their point of views in this session. I hope we can keep the good momentum that we have been having in the last few months in organizing this and be in touch. And eventually, these months will happen so fast that we'll be planning very soon for Cancun and ICANN 70 meeting. So, thank you very much and have a great day. Bye-bye.

LUIS MARTÍNEZ: Bye-bye. Thank you very much.

JOSÉ LUIS GONZÁLEZ: Thank you, Rodrigo. Goodbye.

LÉON SANCHEZ: Thanks, everyone. Bye-bye.

JORGE AZZARIO: Thank you, Rodrigo and everyone.

[END OF TRANSCRIPTION]

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