ICANN73 | Virtual Community Forum – ccNSO: Q&A with ccTLD-related ICANN Board
Thursday, March 10, 2022 – 09:00 to 10:00 AST

KIMBERLY CARLSON: Thank you and welcome to the Q&A with the ccNSO related ICANN Board members session at ICANN 73 on Thursday, March 10th 2022. Please note that this session is being recorded and follows the ICANN expected standards of behavior.

During this session, questions or comments submitted in chat will only be read aloud if put in the proper form as noted in the chat, and I think Terri's put that in there. I will read the questions and comments aloud during this time set by the chair moderator of this session. If you would like to ask your question or make your comment verbally, please raise your hand. When called upon, kindly unmute your microphone and take the floor. Please state your name for the record and speak clearly and at a reasonable pace. Please mute your microphone when you are done speaking.

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To ensure transparency of particulars of participation in ICANN multi stakeholder model, we ask that you sign in to Zoom using your full name, for example, first name and last name or surname. You may be removed from the session if you do not sign in using your full name. And with that, it's my pleasure to hand the floor over to Alejandra Reynoso, chair of the ccNSO.

ALEJANDRA REYNOSO: Thank you very much came and welcome everybody to our session with our ccTLD related ICANN Board members. It is our pleasure to have here Katrina, Patricio, Becky and Danko. And we would like this to evolve from a Q&A to a dialogue. It is important for everyone in the audience to know that the Board members are speaking on their personal capacity and acknowledge that they are indeed members of the Board. But first and foremost, they're ccTLD related. So we will not take any of their comments as the Board's view, but on their own view. So now I have the pleasure to present Biyi as our moderator for this dialogue. Biyi.

BIYI OLADIPO: Thank you very much, Alejandra. Good morning, good afternoon, good evening, everyone depending on the time of the day that you are in. Like Alejandra has said we're trying to as much as possible make this into a dialogue and not a question and answer session. But we'll see. We'll see how it runs. Katrina, good to see you. Patricio, it's good to see you too. Katrina is having her first engagement with the ccNSO as a Board member. And maybe I should ask you Katrina, how does it feel to be on the other side of the table?

KATRINA SATAKI: Oh, wow, very good question, Biyi. Indeed my first meeting with the ccNSO in some respect. And while answering your question, the grass

definitely looks greener on your side, Biyi, so we're very happy to be here.

BIYI OLADIPO: Maybe we swap positions. All right, so in preparing for this, we had a few discussions and also had some questions from the Board to the ccNSO. So what we're going to do is to try to see how we break this into specific segments. So we'll have the first where we talk about prioritization and what it means to the ccNSO and how it affects ICANN work. And then we'll go into the section where we'll talk about every other thing that are important to us and which we think will need the Board's input or view of the Board.

And please, at any point when you have a question, you can put it in the chat room or raise your hand to participate in this dialogue or in these discussions we have.

Okay, so the first thing that we'll look at, like I said, it's initially going to be about prioritization. What's important to the ccNSO as far as looking at the ICANN prioritization framework, is concerned.

So we've got two questions from the Board. And I know that one will be handled by Alejandra. And I think Chris is also going to take some input in the other one. And any other person who is interested in giving us some other insights please just signify.

First is, what are your key priorities? So this is coming from the Board to the ccNSO. What are your key priorities for ICANN work in 2022? And how do these priorities help achieve ICANN's common objectives as

expressed in the financial year 2021 to 2025 strategic plan? And how do you see community, Board and Org moving forward together on a way to achieve this? Alejandra.

ALEJANDRA REYNOSO: Thank you very much. Well, that is a very long question. But in short, I can tell you that the ccNSO priorities for 2022 are around our policy development processes. We have two ongoing at the moment. One is on the review mechanisms and the other is with the IDNs, as we are also on the final stage of renewing the rules of the ccNSO. Soon, we will have a vote going out to our members for them to either approve or not these new rules.

We have started a process regarding the role of the ccNSO in DNS abuse matters. And also, we have started this ICANN meeting talking about conflict of interest and how the ccNSO should address that.

Also, another important priority for us is universal acceptance. And to finish my list, we also wanted to devote ourselves this year to the ccNSO website. But it has changed priority to towards the end of the year. But we're still looking forward to doing that one.

ALEJANDRA REYNOSO: Thank you. All right. Thank you. Thank you, Alejandra. In terms of priority, the second part of the question is actually around how this [inaudible] the ccNSO help to achieve ICANN common objectives. And maybe you want to say something about that.

ALEJANDRA REYNOSO: Well, we haven't done our analysis on how it will pair with the ICANN common objectives. But it is indeed the work that we do. It's to help our community and to get them more involved and to provide the platform for sharing information and for the policies that we develop to be of— how do you say this? That are a consensus process among all the ccTLD participants.

How do I see the community involved in this? Well, we have lots of volunteers. We have of course ICANN staff, we have be advice from our Board members, we do send things to the Board to be approved and further implemented. So I believe that every community has their own priorities and they have to help their own communities but in the end, together, they do help to advance the work of ICANN.

ALEJANDRA REYNOSO: All right, thank you. Thank you. Alejandra. Patricio, I'm going to come to you with other things that Alejandra has talked about. How do you see this as working with the priority framework from the Board?

PATRICIO POBLETE: Well, thanks. First of all, let me say how glad I am to be here. I really missed you guys. So about the priorities. I wanted to raise my hand because I wanted to ask Alejandra two things. One, you've just told us about the priorities of the ccNSO. The question is, what's the process by which the ccNSO arrives at that list of priorities and how that is similar

or how it differs from the framework for prioritization that ICANN Org has developed or is proposing? That's one question.

And the other one is going back to the Board question, again, the question is not exactly what the ccNSO's priorities are but what would be the key priorities, the ccNSO would envision for ICANN work? And how do these priorities help achieve ICANN's common objectives? So it's not just about the ccNSO but for ICANN as a whole.

ALEJANDRA REYNOSO: Thank you, Patricio. Yes, ccNSO we are right now developing our own prioritization process. We have a standard process to triaging common requests from the ccTLD committee and broader community to seek where our attention is required. But to set priorities, we are now evolving to be able to sort those out. And we had a recent workshop at the Council regarding that, where we were looking first if our, let's say, the mission of the ccNSO, where it is, where it stands, if it's still valid. And with that in mind, then we are going to develop a plan regarding our priorities for this. Jordan has been working on it, and I am not sure if he is on the call. Let me just check. If he would like to say something, Jordan.

JORDAN CARTER: Good day, everyone. The other thing I would add is that we were just in that process of reclarifying what our strategy is for the ccNSO. And that will then guide the prioritization work that the triage committee comes up with. And we're using a basic impact effort framework to be able to

make sure that we're focusing our effort on the things that make the biggest difference to those priorities as identified in the strategy. So it's not exactly the same as the ICANN approach. But we're watching the development of that framework with interest and really pleased that ICANN has done it.

ALEJANDRA REYNOSO: Thank you. Thank you very much, Jordan. And respond to the second question. Yes, I did understood it as our priorities. But how we would like to see them or how do we need some help with ICANN there would be—Well, I think every single community would like special attention to their needs. And I know there are many communities and there are many things that are priorities for each and every one of the communities, but at least what we think would be very, very helpful is to have a more fluid communication, or maybe a way to speed up some processes that take too long to develop, because that, of course, affects our own work. And I don't know if that answers the question.

PATRICIO POBLETE: Yes, certainly, it is an answer. And it is, I think, important that the needs of the ccNSO from ICANN Org be made explicit and be taken into account in the prioritization because otherwise, there is a tendency for gTLD matters to monopolize all the efforts, all the energy that ICANN can muster. Because ICANN has so many more responsibilities towards the gTLD world. They have to develop policy for them, for instance. Well, we develop our own policies so we usually demand very little from

ICANN, but when we do have demands, it would be important that they are met.

BIYI OLADIPO: I think something that is quite clear from the discussions that we've been having is the fact that each constituency or each organ has its own priorities. It's important to find a way to harmonize all of this so that the larger purpose would be achieve. Yes, Becky?

BECKY BURR: Greetings to everyone. It's great to be with the ccNSO as always. I just wanted to take a moment to acknowledge Alejandra's comment about the desire for things to move more quickly, for stuff to get done more quickly, for implementation to take place more quickly at ICANN.

That is not a sentiment that is exclusive to the ccNSO. Indeed, we have heard it across the entire community. And it's something that as a Board, we are very much committed to working on this year as a priority.

The framework, the prioritization framework is really a tool that will help us set the priorities but it won't get the work done. And we also think that there is a need to look at processes that may make implementation harder as things go along. Now, with respect to the ccNSO PDPs, we do have a working group, a caucus set up on it, and which Patricio was chairing. And so we'll be getting to work on those right away. But I just wanted to say we hear you loud and clear on this.

And we hear this concern about bottlenecks and log jams across the community.

ALEJANDRA REYNOSO: I just want to thank Becky for her response. And, and we look forward to see improvements in this area. Thank you.

BIYI OLADIPO: Thank you so much, everyone. The next question from the Board. I saw that Joke had put that in the chat room for everyone to see the questions, of course, and which is a follow on to the first question. And that's the fact that, okay, so we've talked about issues around prioritization. So what suggestions would you have to enhance ICANN's effectiveness and efficiency with regards to the process of implementation after adoption of a PDP or review recommendation? Chris.

STEPHEN DEERHAKE: Hello, that was unexpected. What a joy. Thank you. Well, I mean, part of the issue with PDP is—and I don't know, I'm not sure that this is necessarily something that ccNSO PDPs suffer from, but I think we all know part of the issues with PDP is exactly the issue about the difference between policy and implementation. And from the view from the GNSO, where I spend a bit of my time at the moment, and that is the main concern. And getting clear if there are gaps, and solving the problems if there are gaps.

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But from the ccNSO point of view, I'm not sure that we've had any issues with efficiency and effectiveness other than the fact that stuff disappears into the general mele of what the ICANN Board has to deal with. And we don't necessarily know where it is. So we find ourselves sending notes to say, "Can you let us know how you're getting on with this thing we asked for?"

And so maybe as part of the prioritization framework, and I'm not entirely sure but I know we're starting a pilot soon on that, we would be able to, once it's in place, have a sort of understanding of where everything sits across.

If you look at the way that PDPs are run—and this was an innovation that happened, I forget, I forget how many years ago now. There are these charts that the GNSO, Berry Cobb produces that set out a timeline. And it will be really handy to have those sorts of timelines available for the Board dealing with stuff it has to deal with, and then moving into implementation as well. But I'm interested to hear what other people have to say.

ALEJANDRA REYNOSO: Thank you. Stephen.

STEPHEN DEERHAKE: Thank you, sir. I have to take some umbrage with what Chris just said. And I'm speaking now in my role as the review mechanism PDP Working Group chair. And my question to the Board is this: if you as the Board submitted a formal set of questions to ICANN Org legal to get responses

on, and after over six months, you have not heard back from them, would you be happy? Would you feel that they are properly serving you? Mind you, not even any, "We're overwhelmed but are working on it" correspondence. Just absolute silence. Would you as a Board put up with this?"

Yet this is our current situation with regards to the review mechanism working group. It's been over six months now since we corresponded with ICANN Legal regarding some questions we had regarding our discussions about binding review mechanism. And we have heard nothing back at all. And I know what's coming. When it eventually does, it will be another set of questions. Won't be any answers to our questions, but another set of questions from them, which will push back, reset the clock, etc.

This is really impeding our work. This is not just a bottleneck, this is a serious problem if we cannot get input back from ICANN Legal on a timely basis. So my question to the Board is, what can we do to fix this problem? Thank you.

CHRIS DISSPAIN: I just want to clarify something with Stephen before anybody answers that question. Stephen—and I apologize for not knowing this myself, but is that an implementation of a PDP? Or is it something else?

STEPHEN DEERHAKE: Yes, it's impacting our work on producing the policy.

CHRIS DISSPAIN: But just to be clear, though, it's a query within a PDP. Is that right?

STEPHEN DEERHAKE: Yeah.

CHRIS DISSPAIN: Okay. I just wanted to be clear, that's all. Thanks.

STEPHEN DEERHAKE: Yeah. Cheers.

ALEJANDRA REYNOSO: Okay, so who takes the shot at it?

PATRICIO POBLETE: I don't know if we do have someone from ICANN Legal could answer. Otherwise—

CHRIS DISSPAIN: I think there are a number of people from ICANN Legal that are present, but whether they want to answer it or not is entirely another—

PATRICIO POBLETE: Samantha Eisner is here. Samantha, please.

SAM EISNER: Thanks, everyone. This is Samantha Eisner from ICANN Legal. And thanks, Stephen, for your question. To be fair, yes, we have not provided responses back to the team yet. We have been in close coordination with the staff that are supporting the effort, and have been told that that the ccPDP has been progressing very well on the other tracks of their work. And so we had been given some signals that it was okay to deprioritize that a bit from our side as the work was going. However, we will be getting back to the team quickly. And I think that the point is taken as well. And I think that it goes to some of what Chris was saying too, that there is that continued obligation, even if people are very busy with many different tracks of work, to maintain a line of communication about status, even if the work isn't there. So we will be getting back. We apologize if there are impacts to the work, but we had been getting signals that the work had been progressing very well on the other tracks because we know that there are multiple tracks of work within that system.

STEPHEN DEERHAKE: Thank you, Sam. I appreciate that. That was my G rated version of my frustration with the process. Yeah, we need to work on the binding side of it as well. and we can't without input from you guys. So I do appreciate that response. Thank you.

BIYI OLADIPO: Thanks, Stephen. And I know Stephen has been very passionate about how long it takes to get response from ICANN Org. And I'm sure that this should make things a lot easier. Yes. I saw Katrina's hand. Katrina.

KATRINA SATAKI: Yes, thank you very much. And Biyi, as you mentioned, I'm now on the other side, but I still remember how it felt when I was on the same side as you. And I fully understand Stephen's frustration with the process and maybe not as much with how long it takes, because again, of course, community has to prioritize all things that we do. But same goes for staff. And it's not that they're doing nothing, they work very hard in the background. And you just probably do not see that.

And perhaps that is the problem, that you do not see that. And I completely understand how it feels when you send a request and there's no response whatsoever. It's not about how long it takes, it's about acknowledging the request. And even if you can say that, okay, it will take two to four months, but just really give the feeling of yeah, we have received the request.

And again, I do understand staff, too, because they do not feel comfortable saying that it will take very long and that your request is not priority. Everybody wants their request to be treated as priority. And again, it's a normal thing, we want to move forward.

STEPHEN DEERHAKE: But six months?

KATRINA SATAKI: Only six months? No, I mean, Stephen, we fully understand, I still remember how it feels. And it's hard to justify, but at the same time—

well, you're right. What else can we say? Of course, you're right. But again, as Sam explained, there are other circumstances and your request will be answered shortly. Thank you very much.

BIYI OLADIPO:	Okay, so Chris is telling us that one person's six months is another person's 180 days. Nice one. Yes. Danko. Thank you very much, Katrina. Danko.

DANKO JEVTOVIC:	Thank you. First seeing Stephen, I remember that he asked to join us for this meeting. And Maarten Botterman, the chair of our Board asked me to convey his best regards for this ccNSO meeting. But unfortunately, he had to be on some other call, it was prearranged. And we on the Board are sometimes working as we are told by our support team that is looking at all the meetings and planning our schedule. So he wanted to be here. But he can't.

On Stephen's command on the PDP, first, I wanted to thank him for leading this PDP effort. I believe it's very important for the whole ICANN, of course, for ccNSO members, and understand his frustration for not receiving timely response.

But coming to this other side. And looking from the ICANN Board perspective, I developed very strong respect for the work of not only the whole Org support team, but especially for ICANN Legal, they often have very difficult tasks to help us, guide us, whole organization

through difficult legal challenges in the global environment, and of course in the US. And they're working hard.

So of course, six months is a long time. And I don't want to say it's reasonable. It is reasonable to expect some sort of the answer. But also the Board is there. And you see that you have a lot of ccNSO friendly vices in the Board. So people are writing to us. And also PDP can escalate that a bit as letter to the Board in such cases. I wasn't aware of this delay. And probably we could help by communicating also to Legal in our oversight role to ask them about the priorities and help prevent a PDP from being slowed down by this slow response. So Stephen, we understand your frustration. And now we had this communication for the ICANN Legal and hopefully things will get better. Thank you.

STEPHEN DEERHAKE: Thank you, Danko. Appreciate it.

BIYI OLADIPO: Thanks, Danko. Alejandra.

ALEJANDRA REYNOSO: And thank you Biyi. Well, with this conversation, I think we've established that of course the decisions that are made at ICANN impact our work in the ccNSO and it interferes with our priorities and the planning that we do. So we would like to know if there is a way that we can help the Board—maybe with the [inaudible] of the prioritization

framework or something else to deal with what can be treated in an appropriate timeframe.

BIYI OLADIPO: Okay, so who's taking? Is there a way that the ccNSO can be of help in [parsing the] prioritization framework, or other things that would speed up things within the system? Yes, Becky.

BECKY BURR: So I think that we have to look holistically, I think we have to look across the board at our processes. I think some processes may need to be examined to see if they're still fit for purpose. And this really is more of a GNSO issue, I think, than a ccNSO issue, because I think the way the ccNSO works is very consistent with the mechanisms that are in place for policy development.

And then so the issues really are implementation issues, and, and communication. And I also don't think that the ccNSO—my guess is that the ccNSO is not going to have the kind of issues with implementation that other parts of the community have.

For example, a big problem—and it really is a huge problem—is that the implementation section of the work is seen and used by some as an opportunity to relitigate policy outcomes where they were not satisfied in the first instance, because of the way that the ccNSO works. And the general consensus when that is developed, in the course of very careful and deliberate policy development processes, I don't think that you see

those kinds of relitigation efforts that are problematic afterwards, but I think that is an issue in other parts of the community.

The ccNSO also tend to—because of the nature of their relationship to the governments and territories that they're linked to, is in closer alignment with GAC on some things, and so that kind of helps.

So, for ccNSO issues, it's really a question of there's a lot of work going on at ICANN. Do we have the Org resources? And by this, I mostly mean the human resources that allow implementation to move forward promptly and effectively. And I think ICANN is looking to hire, to add staff. And I think that's been very difficult during the pandemic when people are not together, it's harder to find people, it's harder to bring them on board and get them engaged and stuff.

So I think we're going to have to look at sort of where the log jams occur with respect to that efforts of different parts of the community, because I, I do think that the ccNSO issues are going to turn out to be a little bit different and actually easier to address than some of the bottlenecks we see in the GNSO context.

BIYI OLADIPO: Okay, thank you. Thank you so much, Becky. While the discussions are going on, a question came in the chatroom and that's from Irina, saying, "This is not necessarily related to this particular situation, but is there any formal process to escalate the issues when it is not solve timely?" Yes, Danko.

DANKO JEVTOVIC: I tried to answer that in the chat. Hi Irina, good to see you. And well, we have a lot of processes. I don't know if we really need to, on top of that, add more general processes, because it's quite a general question.

So as I noted, you can always write to the Board, and people are doing that. So in case—the Board is selected from the community, is part of the community but also is overseeing the ICANN corporation. So this is our role. We are there to serve.

So I don't think we need a specific form or processes. We are always there to communicate like in these meetings, but a bit more formally by writing a letter. And as I said, people do it and we respond. Everything is in the public. Thanks.

BIYI OLADIPO: All right. Thank you, Chris. Still on this?

CHRIS DISSPAIN: Thanks, Biyi. Yeah, I wanted to talk to respond a bit to what Becky said and make another couple of comments on it. So I agree with Becky about the view of the way that the ccNSO operates, as opposed to the GNSO. And I think that's correct.

But I think Pierre made an extremely good point in the chat. He said the problem is about attack or defending the staff. No one is saying that people are doing a bad job.

I think that's a really, really important point. No one gets up in the morning determined to do a bad job. It is almost always the system

that's the problem, not the people. Occasionally it's the people, but very rarely, it's almost always the system.

And we need to be able to make comments about things like delays and issues that we have, without that being taken as a criticism of the staff. And if every time somebody makes a comment about a problem that has arisen because of a delay, it is taken as a criticism of the staff, that makes it very difficult to deal with. And to some extent, increases the frustration, shuts down the line of communication, but also means that if there really is a problem with the staff on the very rare occasions, there is, it can't be talked about because everything else has been deemed to be a suggestion.

So I think that's something I really want us to get away from, is this constantly criticism being taken as an attack on staff when 99 times out of 100 it is not. Thanks.

BIYI OLADIPO: All right, thank you. Like everyone has said, I think this is not about staff bashing, but it's just to be sure that the work is going on. There's a comment by Becky. Yes, so it says "Also—and relevant to Stephen's points—we have seen recently that sometimes, simply sitting down across a virtual table to hammer things out is more efficient and effective than correspondence."

Okay. So I think this is all still about how do we ensure that the work goes on without necessarily having delays. Patricio.

PATRICIO POBLETE: Okay, thanks. I think it's one of the good things of us meeting often, is that people get to know each other and trust each other. So there shouldn't be any misconceptions that people are intentionally doing a bad job or not meeting somebody's needs. People are very busy as everyone knows. But we can also communicate and communicate in a good way.

I happen to be a member of the committee where the Stephen is leading, so I have an opportunity to see the other side too. And I know that ICANN Legal has participated in our meetings a number of times, so it's not like they have done nothing. But it is also true that for whatever reasons, this question has gone on too long without being answered.

Perhaps it is because of the heavy workload that they have. And perhaps it is because they believe that we're doing well in the other track of our work so this might be able to wait. And if they're wrong in that, we can tell them, "don't think this is not urgent. It's becoming urgent and it's delay in our work." And we can communicate with the people we interact more directly with.

But also, it can be escalated within the Org first, because remember, this is a staff that we're working with. So they have their own line of escalation, you can go to the top of ICANN Legal and if there you don't have luck, you might even go talk to Göran about it.

If this becomes a systemic problem, then the Board within its oversight duties should be involved. But there are plenty of opportunities before for getting things moving in case they happen to be stuck.

BIYI OLADIPO: Okay, thank you so much, Patricio. Stupid. Stephen, and this is the last one we'll take on it and we'll go to other things.

STEPHEN DEERHAKE: It is and it's the end. We need to move on, obviously. I just want to ensure Sam Eisner that It's nothing personal here. It's just my frustration that we have not gotten any communication back saying, "Oh, we're swamped," whatever. And it's been six months. And I want to make it clear I'm not disparaging either her personally or ICANN Legal overall, it's just I'm bringing it up to the Board. What do we do to get this logjam with ICANN Legal unjammed? That's all. Thank you.

BIYI OLADIPO: All right. Thank you. I'm sure that's well taken by Sam and the team. So let's go to other questions that the ccNSO has to the Board. So we have one that says, "What do we do with the overwhelming number of bylaw driven activities? Do we have a full list? Or does somebody have a full list of those bylaws and bylaws driven activities and how do they relate to ICANN's operations plans and budgets?"

What do we do with all the bylaw-driven activities? Says overwhelming number of bylaw-driven activities. So do we have a full list of them? And how do they relate to ICANN's plans and budgets? Yes, Katrina.

KATRINA SATAKI: Thank you. I'll take the first stab. I do remember that on the ccNSO Council, we did compile a list of all the things that we need to do according to the bylaws as required by the bylaws following the process described in the bylaws. So I'm sure that ccNSO knows everything that needs to be done.

I don't know if there is a full list or the entire ICANN. Maybe somebody can answer but again, I'm sure that I can Legal does know what needs to be done when and they do have the list.

But getting back to your question about what to do with all the stuff that we have, I believe that is a very good question. Because clearly, so far we've just been adding to our plate. Maybe it's time to look back and try to get rid of some things that probably do not serve a purpose anymore.

And here again, answering your previous question how you can help, maybe ccNSO can start identifying those things, propose which of the bylaw-driven activities might not be necessary and just to initiate this discussion. Thank you.

BIYI OLADIPO: Thank you. That's a nice way of throwing the thing back at the ccNSO, Katrina. Okay, any other comments on this? If anybody has any questions, please put up your hand or put it in the chatroom so that we can have comments, engagement and all of this so it doesn't look like we're just throwing questions back and forth to each other. Yes, Alejandra.

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ALEJANDRA REYNOSO: Thanks, Biyi. And to maybe tie this up, we have been talking about priorities, the main activities that there are and how they change over time because new things appear. And well, resources are not unlimited. And with this, at the ccNSO, we were thinking to propose to organize a plenary session at the next ICANN meeting as a follow up to be the session that we did in ICANN 69 regarding who sets ICANN priorities. So it has been five years, and I think it would be nice to revisit that. I don't know if Jordan would like to say anything regarding this particular session.

JORDAN CARTER: Just very briefly, that it would be a nice check-in point, I think, to see what progress has been made and to get more people across the community thinking about the work that's been done as the pilot that's underway rolls out. So it feels like a very long time ago since Joburg.

ALEJANDRA REYNOSO: Thank you, Jordan.

BIYI OLADIPO: Right, Jordan. Thanks. Another question that the ccNSO has is around finances. There are two questions, but I'm going to ask both of them together. And that's saying that with the pandemic and all of that, there's been very little travels and travel expense, unexpected surpluses and [inaudible]. It will be good to understand how much

transparency into the cost benefits the community will have ahead of major financial investments by ICANN. So how has the surpluses been handled? And are they going straight into the reserve funds? Or what's been done with them? Yes, Danko.

DANKO JEVTOVIC: Thank you for the question. I'm chairing the Board Finance Committee. So I'm always happy to speak about money. That's a very good question because it's very important, and we are striving to give more transparency to the way of how planning oversight by the BFC and the Board and generally our finances work.

And first, we are very happy by the feedback and support that the ccNSO strategic operating planning group—not sure about the name at the moment—is helping us with a great feel that we are receiving.

So, as you said, there are a savings that are coming from this unfortunately pandemic situation and us sitting on these Zooms and not being able to see each other. Hopefully it will get better in The Hague for the next meeting.

And this is a significant amount of money. So we are discussing that and the Board has made a number of resolutions about this money. Part of that has been moved to the reserve fund. And the reserve fund level has been increased. I don't have the number here at the moment but it is in the Board resolutions and reporting on the finance.

But we are over the required limit of [12 months] of expenditures that ICANN is having a year, and we are nearing to something that is like 18

months. There is no formal upper limit on the reserve fund amount. But we kind of informally agreed to follow this closely and rethink what is the optimal level of reserves if we come to the level of 18 months. So we are putting more money in the reserve fund and we are feeling good about it because it is creating safety for ICANN and we are painfully obvious of the complicated situation the world coming from pandemic and other events. Not to go into politics.

So the second thing the Board has done proposed by Org and discussed in the BFC was the creation of the SFICR fund. It's the supplemental fund for implementation of community recommendations.

So what is the idea? So ICANN spending is limited to amount of funding each year. And we as a not for profit, having this yearly cycle of budgeting and reporting, it is true that our planning is quite well ahead because of complicated structural planning. But anyway, it's a yearly cycle.

And sometimes it's complicated to follow more longer-term projects. And we see that we have first some of the money from this situation. But we also see that we in front of us have some more longer-term projects. So we decided to create this SFICR, which will be used to fund specific Board resolution projects that are multi-year in their execution and that are significant.

So this will give additional governance around these projects, and help us show them separately in the reporting and have more clarity for the community.

Just to mention one of the challenges we have is how to create financial reporting that is detailed enough that the community is able to process that each part of community is able to find what is important for them, but on the other hand, not make it too complicated that only financial people can understand it. So this is a trade over that we are following.

So by creating SFICR, we have this mechanism and we expect that significant projects that will probably come out of the current ODPs after the Board resolutions will be financed by SFICR and they will not affect the reserve fund.

So hopefully, from the next fiscal year, we'll come back into some kind of normal financing, but we'll be able to come out of the previous situation with increased safety from increased reserve fund and of course, this SFICR that will help us follow for the implementation of community recommendations. So I'll be happy to answer any particular questions.

BIYI OLADIPO: Thank you, Danko. And Xavier actually gave a bit more explanation in the chatroom. In addition to expense savings from the pandemic, ICANN's funding has been a little higher than budgeted, also contributing to the excess. due to a smaller expense, expense savings. Thank you.

DANKO JEVTOVIC: Thank you, Xavier, for using precise language. I'm always, when I'm talking to the community, trying to use you more general, natural

language hopefully to be able to better communicate. But Xavier is always there to help us with the precision part.

BIYI OLADIPO: It's good to do that, Danko, so that you help people who are financially illiterate like me.

DANKO JEVTOVIC: With different formulations, we'll hopefully be able to understand each other better.

BIYI OLADIPO: Excellent. Thank you. Stephen, and then we'll turn the room open to everybody who wants to ask [inaudible].

STEPHEN DEERHAKE: Hello Xavier. I guess I'll ask this to you. Thank you, Danko, for that. If I understand what Danko said, we're up to about 18 months now in an established reserve. Is that correct?

XAVIER CALVEZT: Not yet, Stephen. We are about at 15 to 16 months at the moment, which is approximately $170 million. And so we're in that range at the moment thanks to the recent couple contributions that the Board has approved, and also to be honest, also because of the gains on the market, the financial markets that have occurred throughout actually the pandemic, which has been to the surprise of many, including me.

But there's been a lot of gains in the reserve fund that have also contributed to increasing the balance. Thank you.

STEPHEN DEERHAKE: Thank you. Well, you know it's a big itch of mine. And you're making me happy. Thank you.

BIYI OLADIPO: Okay, so let's go to more general questions. Anybody with comments or questions for the Board? And then we can close this up. One question that I have, which keeps coming up is, do we know for certain, are we going to get any early warnings that we're going to have a hybrid meeting at The Hague?

KATRINA SATAKI: We'll see you there. What can I say? We certainly hope. I mean, not hope but we—it has never been Board's intention not to have those meetings. We're working hard to have them. Of course, unfortunately, some circumstances did not allow them to happen. But at this moment, I think it's pretty certain to say that they're ready on the way to The Hague.

BIYI OLADIPO: Okay, so that sounds like some hope rising. Yes, Irina.

IRINA DANELIA: Thank you very much, Biyi. And I wonder if Katrina or Pablo, or maybe Danko, can provide us any status update with regard the PDP3 retirement consideration by ICANN Board, and also with the status of the bylaws change initiated by ccNSO. I understand we have very little time. But anyway, thank you.

BIYI OLADIPO: Yes, Patricio.

PATRICIO POBLETE: I can speak about the first part, the retirement proposal is now in the hands of an ad hoc group of the Board created. And the group has just been populated and my colleagues have been kind enough to select me as their chair. We will met meet for the first time right after these meetings finish. And we will establish a timeline for our work.

But personally, I don't foresee any obstacles for the proposal itself to be processed quickly and go soon for the Board resolution and adoption. We have tasked with other things to do also, which may take a little more time. And they have to do with establishing some more normal mechanisms that don't require ad hoc groups for dealing with the proposals now in the pipeline and will be coming our way soon. But that's less urgent, and we'll do that in due time. But as I say, I believe there won't be any obstacles for the proposal on retirement to be processed quickly from now on.

BIYI OLADIPO: Okay, I see Irina nodding. So that looks like the questions were answered.

KATRINA SATAKI: Sorry. The second part of the question was about the bylaws change. And there was a public comment period and it closed. Three comments received. And currently ICANN Legal is working on report that will be published in a few days on 16th of March. And then yeah, it will be taken further to the Board for pushing it forward. Thank you for the question.

BIYI OLADIPO: All right. Thank you. If you look at the time, it's like one hour has flown without us even knowing that it's moving. So I'm going to hand over to Alejandra and then we can call it. Thank you so much all for joining. And thank you Danko for joining us. Thank you, Becky. Thank you, Katrina, and Patricio.

STEPHEN DEERHAKE: Thank you, everybody. Great to see you.

ALEJANDRA REYNOSO: Thank you all for coming, for joining us.

[END OF TRANSCRIPTION]