

LOS ANGELES – LAC Space in ICANN Meetings  
Monday, October 13, 2014 – 10:30 to 12:30  
ICANN – Los Angeles, USA

[RODRIGO SAUCEDO]: This document shown here in this link is actually a report prepared by Albert Daniels specifying what it is we did on the Caribbean Roadshow. Here is an agenda of the Roadshow, held in Trinidad and Tobago. We basically dealt with three focal points, which is a multi-stakeholder model – security, stability and resiliency of the DNS model and the transition to IPv6.

The second edition was a couple of weeks ago in Guadalajara. We took advantage of a very important event, which is the WCIT Congress. It's the World Congress on Information Technology. Aside of the Roadshow session, we took advantage of this important event so that Fadi, the ICANN CEO, could deliver a speech before the conference plenary.

Rodrigo de la Parra could also participate on one of the panels, called Internet Governance Rights, Responsibilities, and Integrity. We also had a working breakfast, where the [inaudible] group research was introduced.

Then we had an outreach session with one of the GNSO constituencies, with participation of several ISPs in the region.

And then going more into the Roadshow issue, there were two topics that we dealt with. First, we introduced two new gTLDs from the Latin American and Caribbean region: .REST and .BAR were present there, and .LAT was present as well.

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*Note: The following is the output resulting from transcribing an audio file into a word/text document. Although the transcription is largely accurate, in some cases may be incomplete or inaccurate due to inaudible passages and grammatical corrections. It is posted as an aid to the original audio file, but should not be treated as an authoritative record.*

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They also referred to the experience of the transition to IPv6 in the University of Guadalajara, Telmex, and LACNIC.

I also want to show you some pictures of the event here. The third event, that is the Roadshow edition, is actually in the Futurecom, which is held today in Sao Paulo, Brazil. Futurecom is one of the most important ICT events at the Latin American level. It will have around 15,000 attendees, 340 exhibitors, 325 speakers, and people from 53 countries.

How will ICANN participate in this event? Well, we will have a remote hub that will be installed in ICANN's stand, and we will stream ICANN's most important meetings live. There will also be some panels on security, stability, and resiliency of domain names, and the impact of the new gTLD program.

The fourth edition will be held in La Paz.

The second part of the project is a communications project. I'm now going to give the floor to Alexandra, who is in charge of this project, so that she can provide us with an update on this.

ALEXANDRA DANS:

Thank you all. I'm very happy to be here with a few friends and with future friends as well, I'm sure. I do have a presentation that's available online. I'm not sure if you can show it now. But never mind, then. I'm going to go on.

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I only have five minutes. I'm not going to speak very fast because of the interpreters, but I will try to show you very quickly what were the main activities we conducted in this project.

The first aim was to provide a communications plan. This communication plan attempts to define who, how and what resources to use to spread out the information we produce within the organization, as well as to provide more knowledge to the different public in the regions in Latin America and the Caribbean by using different communication channels.

I always speak very fast, so I will try to slow down a little bit.

The main objective of the communication plan for the region is to optimize the information going from ICANN to the LAC stakeholders with the aim of increasing knowledge of our projects and activities, involving new LAC stakeholders in our ecosystem and strengthening the regional presence of our organization.

I prepared a concept cloud with the different activities we have conducted. Of course, this was with the community's collaboration, and I would like to thank Dev and Fatima for their leadership in this project, but especially all the rest of the people who have joined us in the last months to help us in the different activities we have conducted so far.

In this concept cloud, which you cannot see but it shows very nicely on the website, we do have the bi-monthly newsletter. The newsletter is available in Spanish, French, English and Portuguese. If you do not receive it, I invite you to add your e-mail address so that we can send it to you. It is structured with news on the regional strategic plan, news on

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the region, news from ICANN, our relationship with the press, and the next events in the regions.

This is one of the activities we've held. There's also everything we did with social media. You probably saw we have Twitter account in Spanish. There's also a Twitter account in Portuguese. There's an original YouTube list with videos that are interesting or our region, but also some other global videos with translation into Spanish and Portuguese.

We are working with someone who is within our region. Her name is [Marisa], if I'm not mistaken. She's helping us to create a global Facebook webpage for our region.

Now, as for the press, and in connection with our social media, we have some account in [Scopy]. What they do is they keep a record of all our appearance and the work we do in our region, both in Spanish and Portuguese.

Some other activities are related to translation. We translate press releases, brochures with subtitles, and videos to make these available for the languages in the region.

There are some other projects that we are starting to develop. We are preparing an annual report to show everything you did – not only what we did ourselves, but what we did as a community in the region. It would also be led by Fatima, Natalia, and Cecil.

There's also a map [works] to add value to data we have available for the region. These are stakeholders and LAC maps. This content was

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prepared by Dev. So we want to show the different stakeholders in the region who are involved within ICANN.

There is also a ccTLD map that we are working on with the LACTLD people. So those are different maps that we want to develop, and they will be available within our website.

So this leads me to talk to you about our next activity, which is a very large activity. We have not launched it, but we have had good progress so far. This is a regional website with the regional languages. It would be available in English, Spanish and Portuguese.

This is what you can see there. I think this is the first slide that we can see of the whole presentation. There you can see the structure of the regional website. The idea with this original website is that it should be an initiative that you could use by providing your input, your contents.

One of the sections is about us, so I wrote there about ICANN, but it should have been ICANN and ICANN's community. There will be a special session on the strategic [inaudible] in the projects, but also the progress and the implementation.

Resources: This is a very large work prepared by Fatima, Natalia, and Cecil. It is an inventory of the resources available in the languages in our region.

Also, there is a section on names, numbers, and WHOIS.

How to get involved? There are also opportunities to participate in the different interest groups within ICANN.

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Events, both for us and well as for you. We can show here the event we had last week. I think all guys are somewhere here, and [Adiel] as well, dealing with Latin American domains. This could be part of this list. LATLD, LACNIC, and there's section on public comments where you can participate.

There's a section on maps. These are the maps I was telling you about. The content of these maps will be developed together with different regional organizations once you have news and press. We're now working hard so this will be available in Spanish and Portuguese very quickly. We're also working with the press and journalists so that they will have a place they can access and make questions if they need information about different subjects, postings in our blogs. Every time we visit or a new [organize] visit or you want to emphasize something, you can post these within ICANN's blog post. It is usually available in all languages in the region. Am I going to fast? I'm sorry.

We also have this section for [ALAC] organizations or regional organizations. [inaudible]. We are within the Latin American and the Caribbean Internet House. That includes ISOC Latin America, LACTLD, LACRALO, LACNIC, obviously, which is the umbrella organization that created this initiative. We also want to have other organizations working in the region, and a section for the academia. This is part of another project within the strategic plan. If you want more information about it, we can discuss this later on.

There's another section for observatories related to another project of the strategic plan and contact information.

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The important thing here is to underline that all these initiatives have to come from yourselves. If you have information or content you'd like to share in the blog posts, in the social media, or on the website, maybe the [inaudible] events or [milestones] for the region, there will be a section for you to do this.

I want to thank Ignacio Estrada and the people from NIC Argentina. They are helping us with the design of this website. I do not have time to mention everyone who was participating, but thank you very much for all your hard work for this project. Thank you.

RODRIGO SAUCEDO:

Continuing with the presentation, Albert, one minute, because I'd like you to be able to follow the presentation.

Let's continue. The third pilot project is the creation of DNS capacity building. This project was led by Christian O'Flaherty from ISOC, Gonzalo Romero from .CO, Carolina Aguerre from LACTLD, Eduardo Santoyo and Olga Cavalli.

Basically, the goal of this project was to coordinate capacity building through workshops in the region in coordination with ccTLDs, LACTLD, and LACNIC. This activity included the following events. In Panama, on September the 3<sup>rd</sup> last year, we supported a technical workshop or LACTLD, LACNIC 20. There was a DNSSEC workshop for ISPs. In Montevideo, at the beginning of this year, the project leaders had a meeting where they did a gap analysis where they mapped all the workshop needs in the region and a document was created – a list of all DNSSEC events for the year.

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Obviously, you cannot have a single agenda where everybody will attend the same events, but we're trying to organize events where there is high participation of regional organizations.

In May of this year, ICANN helped to organize a DNSSEC meeting, and some weeks ago in Sao Paulo, we organized a technical LACTLD workshop.

The following pilot project is an emergency response project. This project was led by Oscar Robles. Oscar Robles performed an analysis based on 20 interviews to the community. He published a document that basically said that the project should have the following items: services, the relationship with ccTLDs, continuity, security, cooperation, staff, funding, and legal environment, among others.

In the technical workshop that took place this year in Sao Paulo a few weeks ago, this topic was dealt with and some very interesting doubts came up. From the very beginning, the title of this project is too big to comprehend. We should work on this again and determine exactly what the scope of this project should be because when you say "emergency response," that's too wide. So we'll go back to work on this project with the community.

The following pilot project, the last one, is [really the LAC space] in ICANN meetings, and it's this meeting now was led by the beginning by Vanda and Gabriela and Celia.

The goal of this project is to create a space within ICANN meetings – a permanent space – to provide economic stakeholders in the region the possibility of making presentations during these meetings.



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The first LAC space meeting was in Buenos Aires, then in Singapore, afterwards in London, and now in LA. You will be able to download the presentation, and there is a link that takes you to the file for every meeting so that you can see what was discussed, and you will also be able to access the presentations.

Now, getting into the implementation plan, the goal of the implementation plan that was announced a month-and-a-half ago to the community is to categorize different projects to facilitate execution and follow-up. At the same time, it is divided into two implementation periods. The first one goes from August 2013 to August 2015. The second one, June 2015 to June 2016.

The implementation process for the new projects is also determined. The implementation process is quite simple. First of all, we have to find leaders for the different projects, then a work group is set up. Once we have the work group, a mailing list is created. When we have all of this, we work on the document, which is basically one document for every project. The document should include why the project is necessary, general and specific goals, a time frame, the schedule, budget, and how the project will be evaluated.

I would like to show you the projects that are starting to be implemented. We have the two observatory projects. This will be led by Hugo Salgado from NIC Chile. NIC Chile is quite experienced in this field. We do not yet have a work team. We're looking out to the community so as to get participants in this group.

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The following projects are inventories. This is being led by Olga Cavalli from the Argentinian government, Carolina Aguerre from LACTLD, Christian O’Flaherty from ISOC, and Ariel Grazer from LACIX. We’re also trying to set up a work team.

We have a series of projects for ccTLDs to encourage ccTLDs’ development, and leaders come from LACTLD and all the different ccTLDs in the region.

These are some links for you. The first one is the strategic plan. It’s in Spanish, English, French and Portuguese. The second one is the implementation plan, which is in Spanish and English.

If there is more participation from the region, this plan will be more successful, so I encourage you to download these documents to see what are the projects that you may lead or participate in, and we will start working. Thank you.

RODRIGO DE LA PARRA:

Thank you, Rodrigo, for your presentation. I apologize for technical issues we have. I think it is stable now. We want to have ten minutes for questions, comments, thoughts, and interactions with you, and then we will continue with our agenda. Eduardo?

EDUARDO SANTOYA:

I am Eduardo Santoya from .com. Thank you for your presentations, and congratulations on the progress that has been made. I’d like to call your attention to how the process will continue. How are we going to assess

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the results of these five pilot projects so that this will help us as feedback for the following projects?

I'd to mention two projects specifically. One which has been carried out successfully, and in the other one, we started successfully, but it's kind of stagnated. The first one is these meetings, the LAC space meetings. The goals where to have some space where we would talk about Latin America, but also and especially, to be able to discuss Latin American issues in a global ICANN.

So the goal was not to only have some space to talk among ourselves about Latin America, but also be able to build the space so that Latin American issues would be discussed in ICANN's global meetings. So we have to assess whether what we are doing will take us to this ultimate goal, or whether there's more to be done.

Rodrigo, you mentioned what was initially pointed out as an emergency group in the case of DNS nodes crashing down in the region. This eventually became your regional set, which is not what we wanted, either.

So my question is, what are we going to do? What is the process we're going to follow to learn from those experiences and to help us in the projects looking forward?

UNIDENTIFIED MALE:

Hi, Rodrigo. Are we going to have questions first, or should we interact as we go? Okay.

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So first of all, thank you for your presentations. We have heard very interesting issues, and many questions come up. The issue follow-up of projects seems to be a key topic. Especially we need to see what budget we will have, how it will be implemented, and how the community can report things looking forward.

Now, in connection with what you have just mentioned, Eduardo, I hope there will be interaction with the Latin American community about what is happening in ICANN. The most important thing about this meeting is precisely for us to be able to discuss issues, to know what the region thinks, and to see how we can implement the ideas we have in the region in connection with the processes that are taking place. These processes are very relevant. We're not talking about simple things or things that happen every year, so I think that the space we have here is very important. We have to take advantage of it.

I'd like to call on you to interact and discuss, and I'd love to hear your opinions about what's happening, for example, regarding the IANA transition. Thank you.

RODRIGO DE LA PARRA: Any other comments? Ernesto?

[ERNESTO ARAUJO]: Hello, good morning. I'd like to make a general comment. Seeing the information that [Alex] suggested, including in the regional ICANN website, I think it is very good to have that.

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My only comment is that we should avoid duplication of information. If we try to leverage the resources that are already available at other websites, I think it's good for us to have a space that collects all the information. I really support this initiative, but when it comes to posting information, I think we should not be duplicating initiatives that are already in place.

In this same spirit, this is ongoing work. The development of a regional strategy is ongoing work. It's something we have been building together for a little over a year, so it's quite young.

From LACNIC, I know we are to blame, too, because we have not been able to support all of your work. But I'd like to say that I'd like to identify those aspects where we can work together as a community in addition to what's being done already. That is, those areas where no actions have been carried out. I know that that is your idea. I know that the idea is to build things together and to add to what we already have. I'm just pointing that out as not an alert, but maybe something we have to bear in mind. We should not do something that has already been done.

RODRIGO DE LA PARRA:

Thank you, Ernesto. Carlos Raul? Raul, I'm sorry. Anyone else? Are there any comments or thoughts about this strategy? I think there is a remote question, Albert.

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ALBERT DANIELS: This question is from [Viviana Ferrero], and it is: “What is the profile that persons should have if they want to participate in projects of this type?”

UNIDENTIFIED FEMALE: It’s open.

UNIDENTIFIED MALE: Okay.

UNIDENTIFIED MALE: Is there anybody who’d like to make a comment or just add some other observation?

UNIDENTIFIED MALE: I do have some remarks to make, and then we can discuss this so that we do not leave this open.

First of all, Eduardo, thank you very much. Your comments are very strict. So to the extent that you’re capable as a community to be able to see progress – well, if we do see progress, this is how we improve. So there are some important issues that we need to review.

One of them is a group made up by Gabby, Celia, and Vanda. The questions is, there is a consolidation of two or three projects within the Latin American space and these projects need to be complied with, including the ones you mentioned. So we still need to have a look at this with some perspective and strategy.

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Now, regarding the emergency team, the analysis itself of this process has found that there is a new vision because as we interviewed key people, they themselves have provided a different line.

What I heard now is that this project will now be co-lead by NIC.br people. They have experiences in these issues. They will work on this together with Oscar Robles, who will provide the focus that we need in this kind of redefinition.

I think what Gonzalo said is really important. There are two lines inserting the Latin American view in ICANN, but also to make ICANN's processes to have a Latin American space so that this is being discussed as well. This is something that we are trying to do.

Now, as for the communication projects, we do know that we have a lot to do yet, so we are only providing you just a short comment. We are about to finish an educational video on the IANA functions, together with LACNIC. It is a very simple thing. It's very educational, so that everybody can understand what are the IANA functions, so that everyone can get involved in these issues.

Ernesto, I think what we discussed in the Latin American strategy is that we never duplicate. We do not want to invent anything or to duplicate efforts because of evident reasons, so we will be very careful with the website, and we thank you for wanting to join us with more strength.

With respect to Vivian, the profile is anyone. Even with remote participation, anyone can participate. You can now look at the remote participation website. You can see those sessions, and you will see the

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document showing how to locate us and what is the inventory of projects we are having so that you can join us.

So this is all from me. I would like now to give the floor to Gabby so that she can introduce our special guest this morning.

GABRIELA SZLAK:

Thank you very much, Rodrigo. I would like to thank you all for participating. The idea with this space is to take your feedback and to improve. I loved your comments very much.

My name is Gabriela Szlak. For those of you who don't know me, I work at the Latin American Institute of E-Commerce. This is a federation of e-commerce chambers in the regions. I am a member of the Business Constituency, and I am a representative of the Business Constituency before the GNSO. So I'm a [inaudible] right now. I have a mandate until the end of 2015.

The BC, and the reason why [Jacobo] is here, and how is it that we managed to get Mercado Libre to be here, present in ICANN meetings – the Business Constituency is a group within ICANN that defends the interest of companies, but as users of the Internet. This is an important distinction. The BC deals with the security, stability, and resiliency of the Internet so we can do business in this platform, and this implies that it is a trustworthy platform that you can rely on, both for users and for the flesh-and-bone individuals who use the services provided by the Internet as a channel.



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So we understand that this is interesting for everybody, and if you know people or companies in your countries who may be interested in joining ICANN, it is very important that we spread the word to say that this space exists.

I'm saying this because now at the BC there is a situation where there is no sufficient representation in our region. I represent the institute, and this is the only Latin American institute in the Business Constituency today. The same applies to Africa and Asia. So that is why we put up a program called Business Leadership Development. It's a pilot program. Within this program we have, for this meeting, managed to invite Mercado Libre. That is why Jacobo Cohen Imach is here with us today. And since [Jacobo] is part of our region. We believe all of us are doing a big part of this space. We believe that from the first moment that he arrives in a meeting, it was very important that he come to our community and to provide us with his input from the perspective of the e-commerce ecosystem in Latin America and the Caribbean.

Without further ado, I'm going to leave you now in the hands of Jacobo so that he can talk to you and give you some context. [This is final]. Because when we talk about developing the e-commerce system in our regional, we're also talking about something that will produce changes in the DNS industry because one thing leads to another and everything is related to everything, and every time we talk about companies, we're also talking about how companies relate to government and to civil society.

Now I will give the floor to Jacobo. Thank you.

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JACOBO COHEN IMACH: Thank you very much, Gabriela. Thank you very much, ICANN and the BC, for inviting me, and especially for having invited me and giving me the opportunity to participate.

I will refer to the situation of e-commerce in the region. I had a very nice presentation where I was giving you the key, and I had some graphs and some photos. So let's try and do this without the presentation.

When we started talking with Gabriela to come here – well, I hope I can meet your expectations now – they told me to provide us with an outlook of e-commerce, so I think the best image to define how e-commerce is doing is this one that we see here.

Why is that so? Because we are having a region with a huge potential – really, really huge – and e-commerce is starting to become, even though it is still incipient, more important. We will now, throughout the presentation, see some metrics, but the potential of our region is really huge. It is much more significant than the potential we see in other regions that have no more space to continue growing.

Let's place up the following slide. We see in this graph that numbers are a bit outdated because this is from last year. We have a region with 600 million people, where there are more than 250 million Internet users. About 70% of these users do e-commerce. They at least do one transaction a year by purchasing some goods or some service.

So as you can see, there is a very important potential so that we can at least, in Mercado Libre, as the leading e-commerce platform in the

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region – we are motivated because we have a huge challenge that is still coming. In each of our countries, we still see that there more international players coming to the region. They start offering more goods and services, and all of this would result in the benefit for the consumer in Latin America and the Caribbean.

We can see some numbers in the following slide that allow us or help us to see the potential on our growth. Even though this is a very incipient situation – this is a very early stage – when we compare e-commerce as opposed to retail, today it is less than 4% in the region as a whole than when we compare it with Korea, where there's 5%. In the U.S., it's almost 10%. It's still very far away, but with the drive that Brazil is having, and the retail stores going more into e-commerce and starting to offer those services, we estimate that these will be duplicated in the following years.

When we see graphs from 2013 and 2018 and we see the potential of e-commerce, we will see it will almost double. In 2013, it was \$27 million, and we estimate this to be 47% by 2018.

What's interesting here is to try to see how each of us, from our different possibilities or from our own focus can just do things to have an ecosystem to help SMEs to have large companies to go into e-commerce, because one of the main problems now is the supply problems. There is no supply in some countries, like Argentina and Brazil. Well, there is some development in e-commerce, but there are some other countries that have a huge potential, but people don't buy anything on the Internet because they have nothing to buy. There's no

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offer. There's no supply. There is nobody who is offering goods on e-commerce.

Our region has a very significant potential. It has a very large opportunity to develop e-commerce, and the ecosystem in general. Why is that so? Because there are more than 600 million people, and the adoption of the Internet is growing very significantly. This is being held by a large infrastructure in broadband, by a large penetration in cell phones, and by a decrease in broadband costs and smartphone costs. All of this is broadening the perspective of users going into the Internet.

There is a region where there is a very important engagement of the users. The users spend a long time [of the month] doing things on the Internet. Many of them spend a lot of time on social media, but some of our users spend 22 or 23 hours a month on the Internet.

Finally, users need to be more trustworthy, to rely more on us when they do e-commerce. Most of us here I'm sure do e-commerce transactions for more than 15 years now, but very few of us have had their credit card number stolen. It has never happened to me, and I started doing Internet purchases since 1997.

Nowadays, governments, together with chambers of commerce and companies themselves, are starting to help end this myth that purchasing stuff on the Internet is unsafe and that they will steal your credit card number, etc. So with more trust on the part of the users, we will start to see more e-commerce transactions.

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Now, the other side of this opportunity is related to the challenges we are facing. There are three or four important challenges. First, there is a disparity on the behaviors of users when they do Internet transactions, or in the purchasing process.

Even though they spend a long time online, they're not very focused on e-commerce, and they try to spend more time on the social media websites. So the products they purchase are different according to the country. They vary based on the country, but they go from trips to appliances for your house and electronic appliances on the other hand.

All of this is also related to different manners of payment. We are in the region where the penetration of credit cards and bank accounts are very, very low. Not everyone can have easy access to a bank account or a credit card. That is why some countries now are starting to create laws related to financial inclusion. This is the case of Columbia and Uruguay, and I'm sure this trend will continue.

So there are two important barriers for e-commerce: first, payment methods, and logistics. Logistics, then, is the other challenge that I'm mentioning there. Unfortunately, there is an important difference, or there is a gap, between being able to purchase products on the Internet and to receive those products home. It is very easy now to purchase products on the Internet. There are lots of website and platforms that allow you to do that, but we do see that the users suffer when they need to receive the products in their homes.

And It's not only users – it's not only purchasers – it's also the sellers because for the sellers, well, sellers feel it is a torture to deal with the

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logistic difficulties in each of our countries, especially in countries like ours where most of the sellers are concentrated on large cities and purchasers are in the rest of the country.

I can tell you this first hand because I come from the north of Argentina, a province called Tucuman, where my first purchase on the Internet was a purchase I did in 1999. I wanted to buy a palm. There were no palms where I was living, so I bought in on Mercado Libre, and at that time, it was very difficult to bring it. Nowadays, it's not much easier to have it sent to my home. So the rapid expansion of e-commerce was not accompanied by investment in infrastructure or logistics infrastructure.

Finally, one of the important barriers or challenges is related to the lack of legislation that starts to be unfavorable for the industry. When I say unfavorable, I'm using a very general criteria. In most of our countries, because of the different economic junctures, there is a lot of willingness by the governments to impose taxes, but it's actually the same tax income source for the governments. There is nothing new there.

Usually they are asking me if we need a specific law to regulate e-commerce, and I usually say no because at the end of the day, e-commerce is commerce, but it's just electronic. So it is already governed by the laws governing any commercial relationships. It would be nice to have clear rules establishing the rights and responsibilities for all of the parties involved, but we do still need legislation on the responsibilities of ISPs in general terms; ISPs like Mercado Libre, search engines, and access providers. Don't look at me, but what I mean is ISPs in general terms, not the ISPs you represent.

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We need a more homogenous legislation with respect to how content can be removed on the Internet, and we're not talking about freedom of speech, but also contents that could be violating interactive property rights.

Even though we are starting to see a trend in the region, especially with the leadership of Brazil in the civil framework, there is a lot of disparity yet, and governments, even though they do not talk between them, they have different targets, or they have similar targets, but with different approximations.

The following slide will now go more into our ecosystem, with a general picture of the situations of e-commerce in our region, and then go into what we do in Mercado Libre. This part is not in the presentation because they do not want us to talk about business issues, so they put it off. But I'd like to say that Mercado Libre somehow democratized commerce. It made commerce equal for everybody without giving importance to their geographical condition or economic condition.

In the same way that Google or Yahoo would democratize the access to information, and none of us remember what our life was like or what it was like when we started at university without the search engines, or YouTube democratized to video contents and now we can all access everything there, and you can become a creative person or a movie director or singer from one day to another, and that Twitter and Facebook democratized social relations or relations with the news, we like to say that we democratized access to commerce in general in our region.

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Going to the next slide, for some time now, we've not been talking about Mercado Libre as an e-commerce platform but as an e-commerce system. Many of the challenges I mentioned we started facing them some time ago. We speak of an ecosystem because Mercado Libre is no longer a buy-and-sell platform that you may be familiar with.

But in order to expand the pie and the offering of goods and services over the Internet so that different players will do [online] transactions, we launched a service that is called Mercado Shops. Any person can set up an e-commerce business in less than a minute. There are over 50,000 SMEs that have an online store. Each of these stores has its own domain, its own e-mail address, and its own look and feel. We're just providing them with their hosting and access to certain tools.

I think it is worthwhile mentioning this because if this grows – this [inaudible] 150,000 companies that had to register a domain that had to host their content that they are selling online. [The other] of our ecosystem is payment, not only within the platform, but also for any e-site to be able to make payments through MercadoPago was to have an advertising part and a part of the focus in on deliveries and shipments. This is where we do logistics and interact with postal services. We try to have good fees.

Going to the next slide, I'll give some quick information about Mercado Libre. We are present in over 12 countries with over 2300 employees.

In the next slide, you'll see more figures. Over 100 million users. 2.5 purchases were made every second, 365 days a year. Last year, there were seven million sellers and 20 million buyers who bought over \$85



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million in products. This is \$7.5 billion, which is more than the GDP of some of our countries.

Going to the end of my presentation, Mercado Libre ranked 16 as an e-commerce platform in the world. It was founded by Latin Americans, so I think it is very interesting.

I've been told I have only three minutes left, so going to the end of my presentation. The interesting thing is to share with you that in the last few years, we have changed. We're no longer an auction site. We went through different stages, buying, selling, big retail stores, importers, distributors. They're on our site. We now are an ecosystem, and we went from being a closed technology platform to become an open technology platform. This had a huge impact because we build an [api]. We rewrote all our properties so that that third parties will be able to use them so that e-commerce platform led to another ecosystem. Software developers started programming and selling services on an open platform. I thought it was worth my mentioning this.

Two more slides. I wanted to mention the importance of generating a public policy ecosystem. We want to find the way of helping to develop certain public policies within this multi-stakeholder concept that I have been hearing since yesterday, where we can develop a set of flexible and modern rules that can support development, generate new content, and creation of local content so that we will have legal security so that we will be able to attract investments.

Colombia for example has been working hard in this respect, and for some years now, we have technology clustering in Colombia. Argentina

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has been following a software development policy, so the software industry has exploded. The different countries can take different methods and different public policies to help develop this industry.

We should also remember the entrepreneur approach. In our countries, it is very difficult to be an entrepreneur. Nine out of ten entrepreneurs go bankrupt, and going bankrupt in our countries is almost like being dead. So we should have more flexible rules so entrepreneurs will be able to do things, and if we do this, we'll clearly have a region with more of these initiatives.

By closing, I'd like to say that, clearly, we are at an early stage with huge opportunities. There are big opportunities and also big challenges that we can all try to face together. E-commerce in general has a huge positive impact in our region. It generates employment and taxes. It reduces the social-geographic gaps. I think that all together we have to make an effort to generate this framework, or these conditions, so that we can retain local talent so that we have local content, innovation, entrepreneurship.

As I was telling policy maker a few days ago, we need to generate the conditions so as to build the next Mercado Libre, the next YouTube, the next [inaudible], the next Google, so that they will be born in our region. This can be done. We have region that is rich in human resources. We have very creative people.

That is the message that I wanted to communicate. Thank you very much.

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**RODRIGO DE LA PARRA:** Thank you, Jacobo, for your excellent presentation. Later, we will see two entrepreneur models from Latin America in the new generic domain. Thank you for being here with us.

I think we have four minutes left for questions or comments. Fatima, Gonzalo?

**FATIMA CAMBRONERO:** Thank you, Rodrigo. Thank you, Gabby, for having brought this guest. Very interesting. Thank you very much for your presentation. I liked this big picture of e-commerce in the region.

There are two things I'd like to go back to because I'm especially interested in. I am part of an organization of Internet users, so there is something you said. You said that we need more trust from users so that they will use e-commerce. From your point of view, what do you think we, the organizations working with users, can do to develop this trust in the tool? Because the Internet is the tool or a means for e-commerce.

On the other hand, you also said that more legislation is needed, or that there is no favorable legislation. So from the point of view of user organizations, what can we do to have the governments in our countries learn about this? What is your recommendation from your position? Thank you very much.

**JACOBO COHEN IMACH:** Thank you very much for your comments and questions. Going back to your first question, I clearly think that we have to work on educating

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users and it's something that we all have to do – governments, consumer protection agencies, and companies. We need serious companies that will not need governments to build laws, but we need to provide users with clear, accurate information. We need to make things easier for users.

There's a lot to do from the point of view of education, and we all have to do this together because there are a lot of urban myths. The biggest urban myth is, "I will not use my card over the Internet because it will be stolen," and it will be more easily stolen when you give a card to somebody at a gas station than over the Internet in a secure place.

So if we help users identify where they can use their credit cards, where to get in touch with sellers, if we help them to take these steps, it will be easy to work. There are some secure seals where Gabby has just told me what I've just said, but clearly [inaudible] to help us build that trust.

On the other hand, I also believe that it's important for all of us to get together – all the sectors involved – because what eventually happens in that many legislators end up doing [inaudible] effort to attack a problem. They heard that somebody's nephew's e-card was stolen when doing an e-commerce transaction, so the following morning, that person gets up and submits a law that goes against e-commerce. Or somebody heard somebody talking over the Internet and didn't like that and said, "Let's go against everyone showing third-party content."

I think that we all have together – all players involved – as a civilized society. The genesis of the civil framework in Brazil was precisely this. It was open for everyone to comment on. They got comments from

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everyone. Then they reviewed everybody's comments. It was very transparent. They went through that process again until they developed a process that society agreed upon. I think that should be our goal.

We need clear rules of the game. It is very important to have clear rules for everyone so that in order to protect consumers, we will not be killing companies. On the other way around, we may be too protective towards companies and we may leave consumers unprotected.

UNIDENTIFIED MALE:

There's a person there who raised his hand. That person is Nicholas Schubert. He's one of the new representatives of Chile in the GAC. He works in the economic affairs at the Ministry of Foreign Affairs. I just wanted to identify him.

Jacobo, rather than a question, I have a comment. I listened to your presentation, Jacobo. I found it very interesting. Your opinions about e-commerce are very interesting, and it's nice to see what Mercado Libre is doing in the region.

But I'd like to see what Mercado Libre can contribute to this forum. You talked about how the committee was created in Brazil. That's an image of what the private sector thinks about public policy things that are being done in the region.

So again, I'd like to thank you for your presentation, but I'd also like to invite you – not only you, but other companies in the region – to join us. I imagine that you'd get together to discuss what is happening, not only in Argentina in terms of legislation, but now in Chile there's a digital

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strategy for the next 20 years. The private sector is working, and there are other initiatives in the region, so that experience and what you've just said, your opinion on the opinion of Mercado Libre and other companies you work with are very important.

For example, you mentioned the SMEs that are being born through Mercado Libre. This is exactly what we need. Thank you very much.

JACOBO COHEN IMACH:

Thank you for your invitation. This is why I'm here. I'm taking over the responsibility of the private sector, and the private sector has to be more active in this respect. And the private sector has to make sure that it is present in fora, or at least in these discussions with those who develop public policies.

What is true is that the ones who define public policies are not always so open to the private sector. Sometimes the fact that you represent a company means that you're kind of an enemy. I'm being completely honest and open and straightforward, but that's the truth.

For example, the [civil] framework – I'm mentioning this again – was something wonderful to me. We may discuss whether everything that is within that framework is correct or not, but from the genesis all the way through the end, as a process, it was a very good process, and I think the rest of the region should follow.

RODRIGO DE LA PARRA:

Please be very brief because we have a tight agenda. There's another person from the audience.

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NICHOLAS SCHUBERT: Can you hear me? Thank you, and thank you, Gonzalo, for introducing me. I am Nicholas Schubert. I want to thank you for receiving me here. I would like to thank Jacobo for his presentation that includes a diagnosis that we see at the Ministry of Foreign Affairs.

We also wanted to emphasize the issue of the trust of consumers. I'd like to share with you some ideas supplementing European [south] regional initiatives. I'd like to share with you what we have been doing in Chile. We have been participating in a regional negotiation. It's called the Pacific Alliance that includes other countries from the region.

We have identified the need to improve the regulation and harmonize regulations in terms of consumer protection. We have an initiative to create a cooperation mechanism for consumer protection agencies. This was something that was well-received by the private sector as well.

I will stop here for the sake of time. Thank you very much.

RODRIGO DE LA PARRA: Thank you. Jacobo, would you like to comment on that?

JACOBO COHEN IMACH: There's something I wanted to say. Since you're mentioning this agreement, there is something else that is very important for regulators to take into account when it comes to building legislation in our countries. There are so many cross-border agreements. Sometimes

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countries sign things, and when it comes to taking that down to reality, it is not adjusted to every country's constitution or reality.

For example, Chile, in the case of the new copyright law that was passed some time ago, clearly Chile was firm. There was an issue of copyright infringement there, and Chile said, "In our country, only a judge can determine if something is illegal or not. Only a judge can take down content."

That is important because beyond what they signed through the Free Trade Agreement, when it comes to taking it down to reality, it's important for you to take into account the national legal history.

This is another discussion we have to hold, especially with other countries. I just wanted to point this out. I think it's a model to follow and Chile's position there was key.

GABRIELA SZLAK:

I'm going to go quickly, and I apologize to the interpreters. I just want to remind you that there's a survey for you to fill in. It's also available in Spanish. It's a review of how the GNSO is working today, which is the organization that generates the [inaudible] during domains. Please fill in the survey. It's important for us to work hard on this so that we can improve this organization.

As Jacobo said, it's very for the private sector to participate in policy generation and things related to Civil Society. The GNSO, the Civil Society is also present, so I invite you to fill in this survey by Friday. It's very important for the region to participate. I worked very hard for the



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survey to be in Spanish and cc'd a lot, and no one has filled this survey in Spanish yet, so please help me there.

RODRIGO DE LA PARRA: Thank you, Gabby. Thank you, Jacobo. Unfortunately we have to continue with our agenda. Jacobo will be here this day, so if you want to interact with him, I'm sure he will be available.

Now, there is a special remote guest. It's an ISP from Brazil. His name is [Marcelo], and he's going to talk about the ISP trends in Brazil. He will be participating remotely.

UNIDENTIFIED MALE: Is the presentation there? Is the presentation on the line?

UNIDENTIFIED MALE: So we'll continue with the second item on our agenda. This is a very interesting issue. We're now going to go to Amy.

This is an issue that deals with underserved regions in the context of registrars. This was one of the issues that got from the original strategy. There is a very low participation of registries and both registrars, both in Latin America and the Caribbean, and so there is a very important and significant global effort and discussion that is now being linked to our strategic plan.

I would like you to receive this update from Amy Bivins, who is our Registry Policy Services Manager. Welcome, Amy.

AMY BIVINS:

Hi. My name is Amy Bivins, and I'm from ICANN's Registrar Services team. I'm here to talk to you just for a few minutes about what we're doing in terms of underserved regions' outreach.

I started my piece of this project at the beginning of this year, and basically what we're trying to do is better understand some of the issues that are facing businesses in underserved regions that want to become more involved with ICANN and that want to become registries and registrars.

To that end, we put out a report for public comment earlier this year and sought input from you. We wanted to hear about the challenges that you're facing, first with the requirements of ICANN and challenges in becoming accredited, to participating.

We got input back from you and we held a session in Singapore about this issue to hear more from you about some of the contractual hurdles and other hurdles to your participation.

So we put out a project roadmap in August or September of this year. It's available in the ICANN wiki. We really want your input on this, so please go to the ICANN wiki and look at this roadmap. You can comment any time. We'll read your comments and take them into consideration and get back to you on them.

At this point, the project is divided up into three tracks, and they're all running together. It's not like we're going to finish one before we move onto the next one. It's just divided up into specific issues that we have

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heard from the community that need to be addressed or that we should address.

The first one is related to ICANN materials and the Registrar Accreditation Agreement, and challenges that the community sees in terms of becoming involved with ICANN, especially in regions where we don't have many registrars and registries at this point.

The second track is working with the [DSE] team and other departments within ICANN, just to increase our outreach and to better target our outreach to you to give you more of what you need in terms of education and help and feedback.

Then the third track is we're looking more long-term. Especially in this third track, we're going to be looking more to you for more feedback and more of your opinion and participation, and your input on what we can be doing better for underserved regions.

At this point, two contractual issues that we've heard from the community that are posing a hurdle to participation that are making it challenging to become a registrar in this case is the registrar accreditation and insurance requirement. We've heard from you that there's a requirement that in order to become a registrar, you have to have an insurance policy that's \$500,000, a commercial general liability policy that covers globally, and we've heard that it's difficult to obtain in regions outside the U.S. and Europe.

So at this point, we are working with an outside insurance consultant to try to figure out how we might modify this requirement to make it

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easier and more accessible for entities outside the United States – just entities that we aren’t reaching at this point.

So we’re hoping to be able to publish very soon more details about where we might be going with this requirement, and we’ll be seeking your feedback on that.

We’re also working on our RAA registrar accreditation materials and trying to make them more understandable and accessible. We heard they’re difficult to read sometimes for people, even if English is their first language. So for people where English is not their first language, we’re trying to make them better for you.

We’re also coming up with better materials related to you. The registrar accreditation requirement related to, [like with] working capital. There’s a requirement to become a registrar that you have to show that you have U.S. \$70,000, but there’s some flexibility in it, so we’re trying to provide better explanations for the community about how you can show that you have the capability to run a registrar without necessarily having that amount of cash to show.

We’re also working with ICANN’s Global Stakeholder Engagement Team and the fellowship program to try to figure out how to better improve our team and our division’s outreach to the community in terms of providing better resources with our subject matter expertise so that you can reach out to us and we can reach out to you and try to get you better information that you need.

Moving forward, we’re planning next year to do additional study on this. We’re going to be seeking your input hopefully early next year about

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additional issues that we want to hear your feedback on because we know it's not just the registrar accreditation requirements that are the cause of having low numbers of registrars in regions where we don't have many.

So we want to hear from you about what issues you're facing and what issues you think we need to study to make it better. So we'll be seeking your input on that. And then we plan to do a study on these issues next year to try to think about in these regions why there's not necessarily huge demand for domain name services sometimes to try to better understand the market and the issues that are facing you so that we can better serve you ultimately.

So if you have questions...

UNIDENTIFIED MALE: I think we have a couple of questions. We have Dev and Tony. Okay, Dev, do you want to go ahead?

DEV ANAND TEELUCKSINGH: Thank you. Dev Anand Teelucksingh, outgoing member from the At-Large Advisory Committee.

Thanks for that presentation, and I think it's very interesting. The Caribbean, to my knowledge – and I did a presentation at the IGF regarding the new gTLD program and the Caribbean and I noted that there was only two registrars in the entire Caribbean. One of them was acquired by a U.S. based company.

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So I'd be very interested looking at the report because I think, for the Caribbean, it's important to really see more registrars and registries become available in order to better take advantage of the new gTLD program and for future rounds, anyway. Thank you.

AMY BIVINS: Thank you. When it comes out, please provide your input, too. Thanks.

RODRIGO DE LA PARRA: Tony?

TONY HARRIS: I'm going to speak in English because I want Amy to understand me. My name is Tony Harris with CABASE Argentina Internet Association. As you know, we have been in consultation for I think over a year now about conditions that would enable us to become an ICANN-accredited registrar.

I have news today. We've thrown in the towel, as they say in South America. It's just not doable. Because until you resolve certain issues such as the insurance requirement of \$500,000, for some Latin American markets, that is a huge amount of money to contract from an insurance company and is extremely expensive. We just can't look at the possibility of doing this, much as we would like to become an ICANN-accredited registrar – not to make money, but just to give service to our members, who are all ISPs.

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I would also like to put something on the table which really bothered me. I think it was in the Singapore meeting where there was a meeting to discuss underserved regions and we had breakout sessions and people made comments on what could be improved, and the attitude of the ICANN-accredited registrars who were represented was, “Nobody should get preferential treatment. Underserved regions should pay their way the same as we did, and we don’t want anybody to have unfair advantages.”

Well, let’s talk about unfair advantages. When ICANN established competition in the sale of domain names back in I think 2000-200, and accredited registrars came into existence, they had a marketplace of 60 or 70 million – I don’t remember how many it was – domain names registered in the .com, and .net, and.org to carve up amongst themselves.

If you become a registrar today, we don’t have that. We have to look for each domain name that we sell one-by-one. There’s nothing out there that we have access to as they did at that moment. So as far as unfair advantages are concerned, I think they had an unfair advantage.

If we are asking now for better conditions to be able to become ICANN-accredited registrars in underserved regions, I think basically this is something you should consider. We do need some favorable conditions. The only thing we can offer in an underserved region basically is to attend to our customers in their own language. There’s not much else that we can offer as a differential attribute.

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So I'm putting this on the table. I'm extremely we had to back off from this because our expectation was to sign an agreement at this particular meeting here in Los Angeles, but we had to put this on hold unfortunately. Thank you.

AMY BIVINS:

Thank you, Tony. I'm sorry to hear that. I hope that the changes that we're working on help. We really are hopeful that changes will help you and businesses like you. As we go forward, we really need you to participate and provide your input in the public forums, just so that we can take all of that into consideration as we're trying to figure out our next steps. So, thank you.

UNIDENTIFIED MALE:

Gracias, Amy. Thank you very much, Amy. This is very helpful. I want just to comment briefly to Tony that – well, actually to everybody – that precisely part of having a project on this in the LAC strategy – so try to find a way so that we can alleviate this issue. We are coordinating with the [inaudible] team. They are taking this project globally to see how we can feed that into our plans or projects and move forward. I'm also sorry to hear that.

Thank you very much, Amy, for being here. This is very useful. Actually, you should stay because we have great presentations.

The positive note is that Tony and the folks from the .LAT are indeed signing something at this meeting. So perhaps not a registrar agreement, but they are doing a registry agreement, which is



sometimes even more difficult than that. So don't miss that. We have the .LAT. This is great news for our region.

We also have .REST and .BAR, which are also registries from our regions, so this is the positive note, of course.

But before that, we know have our friend from the ISP from Brazil. Remotely he's going to provide a very short presentation, five or six minutes, on their experience in the ISP landmark in Brazil.

UNIDENTIFIED MALE: Thank you very much. [inaudible]

UNIDENTIFIED MALE: Marcelo, we are ready for your communication, so please proceed.

MARCELO SIENA: Hello. Can you hear me?

RODRIGO DE LA PARRA: We can hear you, and we are ready for your presentation. Marcelo, we are ready for your presentation, and we can hear you from here in Los Angeles. We're going to try once again to have him here. Is that ready? So he's not.

[MARCELO SIENA]: So I would like to give you an outlook for the Brazilian Internet providers.

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INTERPRETER: We would like to try to go to the next slide. We apologize, but the sound is really bad.

[MARCELO SIENA]: We are Internet providers in Brazil, and we have a large experience in the markets, as well as in the regulatory field.

INTERPRETER: Marcelo, I'm sorry to interrupt you. The sound is very bad. It's very choppy. It's breaking.

[MARCELO SIENA]: We continued our path through the Brazilian steps. There's a current representative of providers in [inaudible], and this experience that we can see from here there are [initial] numbers.

UNIDENTIFIED SPEAKER: Fabiano and Marcelo, actually the communication is very unfortunate. They were about to be here present, but they asked us to do this remotely, but unfortunately this is not working. So we cannot delay our agenda. We still have two important items to deal with. We have ten minutes for each of the new registries. I would like to ask the representatives of .LAT if you'd like to present your projects for ten minutes.

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Roger has gone to talk to the [inaudible] to see if we can repair this. Roger, are you ready? Tony? All of this is to feel very much at home. The thing is, Roger likes to create suspense.

TONY HARRIS: Roger, if you want, I can make an introduction. They say every story has a happy ending.

UNIDENTIFIED SPEAKER: We started thinking about this project of .LAT in 2005 with the initial hope that we would start by the end of 2008. Eduard, I'm sure you remember what this was like. Thanks to the ideas of the lobby made by the IP group within ICANN, which qualified these as a very evil thing, they managed to delay with successive technical and market and trademark issue. They managed to delay this process until 2012, where we can finally submit our applications.

I am a bit colloquial, but this is an interesting anecdote. The comment by the company that requested the highest number of domains – I'm not going to mention it, but it requested 307 applications – was that they were a bit concerned by this lobby and the delay, but this was very good for them because they could manage to get more venture capital and submit 307 applications.

So all of this lobby to hurdle the start of new domains generated 1930 applications, when in 2008 we talked about 300. This is an interesting anecdote, actually.

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So we have the privilege – and when I say “we,” I mean the Latin American Federation and the Caribbean for e-commerce (eCOMLAC); we are the applicants for the .LAT domain. We have NIC Mexico represented by Roger here. They are our partners, and they would be our partners – our back office – for the registry operation, and they will also provide us marketing services.

I am now going to give the floor to Roger, who has prepared something that’s very interesting.

ROGER LIM:

Good morning to you all. It’s actually a good afternoon. I’m going to give you a brief presentation on .LAT. As Tony said, it is a joint company between eCOMLAC and NIC Mexico. We’re going to support that with all of the technological infrastructure, and it also is marketing and promotion for the new TLD.

.LAT is an initiative, as Tony said, by eCOMLAC, and the aim is to be able to offer individuals and organizations more presence in Latin identity. We were lucky enough to introduce these proposals for .LAT, which is a label that we believe is highly recognized. We have conducted a few market researches on this field, and they will offer a differentiation with respect to the rest of the Internet. It is a giant effort between NIC Mexico and eCOMLAC.

We also participated as a technological operation with our technological infrastructures. That is, our main sites are based in a couple of locations in Mexico, and they’re also part of the backup and technical requirements that ICANN requires.

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Our registry will be based in Mexico with Mexican technology to have a 100% Latin American TLD.

Maybe, Tony, do you want to talk a little bit about eCOMLAC? We have an eCOMLAC slide.

TONY HARRIS:

eCOMLAC was founded in 1999 as a result of the ICANN formation process, where several stakeholders in the region realized that it was necessary to have an entity grouping together all the interested party in the new scenario created with the creation of ICANN, and also to promote the development of the Internet in Latin America.

Sitting now next to me is Jacobo Cohen Imach, who is one of our vice chairs, and there is also Eduardo Parajo, who is over there. He is another vice chair for eCOMLAC, and Osvaldo Novoa, who was sitting right there from Uruguay. He's our secretary.

I think this initiative is something that is going to be historical because it is the only fully Latin American application, because the applicant, eCOMLAC, is from Latin America, and the back office service provider, or the registry operation, is also Latin American.

I believe it is the only case in this round – well, somebody's telling me I'm wrong.

ROGER LIM:

Well, if you want, there are some other Brazilians who are also doing [inaudible] . Well, is this a good thing?

TONY HARRIS:

I don't really know what else to tell you about eCOMLAC. We are based in Montevideo, and this is where our administrative office would work. Everything is related to operations with a base in Monterey, Mexico.

Well, as we said a few minutes ago, within the initiatives of .LAT, .LAT will be the new gTLD oriented to the Latin community. We want to give a promotion to this new gTLD category, and to look for a more cultural representation, more than a geographic space.

Since it is an easily recognizable TLD, we hope that it would be easily recognized, it will be easily related, or it will be easily associated to Latin people.

We [would] like to facilitate communication and exchange between Latin people, and to have these and the medium to be link and offer a space that can put together the different stakeholders such as governments, institutions, companies, and civil society.

It is very important to say that .LAT wants to be a means to reach Latin people, but also a means for Latin people to reach other areas in a global perspective, but maintaining their identity. Well, precisely in this aspect, .LAT is a support for growth in the Latin American context by providing a higher recognition of a label, and also adding value to the efforts of people offering products and services on the Internet.

If we want a product that was originated by Latins anywhere in the world where we are, if we want to reach to the global market, well, we should do this with a termination that gives us a Latin identity.

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So this is the digital home of Latins around the world looking for presence on the Internet with Latin identity, and this is what we want to introduce to you today. Thank you very much.

RODRIGO DE LA PARRA: It was very emotional, right? For those of you who haven't been here for a long time, it is very nice to see that this has materialized, so we wish a lot of success to Roger, Tony, and everybody here in this.

The following presentation for .REST and .BAR, Gabby wants to say something about that.

GABRIELA SZLAK: Going to what Tony was saying about intellectual property lobbying, I'd like to say that there is a trend to consider the Commercial Stakeholder Group as a single group, comparing it to the Business Constituency, Intellectual Property and ISPs all in the same group. We have one representative for all the IANA transition thing, and for accountability, and we need to have representatives for the three groups because the perspectives are very different in these three groups.

This raised to Tony's comments, that within the groups, ISP and the Business Constituency, we also need to make a distinction. Companies in the region and ISPs in the region need to have their voices heard. We need to [inaudible] our perceptions.

So if you're working ICANN in ALAC or civil society and you always think of the commercial sector as just the same thing, we need to be able to

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make this distinction and to find the voice of the Latin community and those things that will favor our communities. Thank you.

RODRIGO DE LA PARRA: Thank you, Gabby, and we'll continue with the next presentation, .REST and .BAR.

On Thursday, from 12:00 TO 12:30 we have a ceremony during in which these two registries will be [inaudible] will be there with us. This will take place in the Olympics room on Thursday from 12:00 to 12:30.

Adolfo, go ahead.

ADOLFO GREGO: Good afternoon, everyone. We are honored to share our history with you. We are one of the only registries in Latin America, and we feel that we have to represent the region.

As has already been said in some presentations, we are perceiving the entrance barriers for e-commerce, the world of domains, registries, and registrars.

The first obvious barrier is the financial part, the economic part. I would like to share with you the enthusiasm we still have, the new barriers we're seeing. I'd like to mention the awareness. The gTLD program worldwide needs more awareness. This new initiative is starting to be known in the region. We are working, focused on SMEs, restaurants and bars all over the world, not only Latin America, but worldwide.



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What we're seeing every day is that people are not so much aware of this. Again, there is an entrance barrier for these businesses that use technology to help them publish content on the Internet with reservation systems or home delivery orders. We want to create a space at the domain name level so these sites will be more easily found by people.

This is our history. We started by developing a restaurant guide many years ago. Here we said there was a need for restaurants to participate online. Gradually, the project started growing. We were selling [profiles], membership. The restaurants started to come to us and ask for more information. It was only five pictures, but a picture gallery, all different meals and dishes.

As a result of this, [site.com] was created. From here, we started growing. We started going to our digital marketing, [CO and CM] It worked a lot. Search engine optimization, web positioning. Understand that it's not enough to create relevant content, but we also need to create content that can be easily found in Google so that people will find it easily.

Along the way, we also had a chance to develop an e-commerce company called [inaudible] Stores. I found Jacobo's presentation wonderful, and we're working with different associations in Mexico. We have created [inaudible], which is a Mexican online association. We are participating with [inaudible] and other organizations to raise awareness and bring more culture to the region and to reduce the entrance barriers, to improve banking, and many other factors.

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This is a real example of restaurants that are using .REST. The success of our project is a real conversion of publications. We have not really had a huge volume of registries, but we have seen some cases of use. We've only been three months on this, and we have 100 real cases, companies that are positioned in Google that are presenting information.

It is a worldwide phenomenon. We find this in all languages in sites in Hebrew, Chinese, Japanese, and Russian.

I'll tell you more about our history. We created a company [inaudible] 2012 to commemorate the opening of the first round of new gTLDs. We hope there will be many more in the future.

This is some interesting piece of information about our project. .BAR is really a geographic region. According to ICANN, Bar is a municipality in Montenegro, so we had to get the approval of that municipality in order to be able to operate that gTLD. [We found the case of an international integration in a Mexican company] through an agreement with a government of a municipality within Montenegro [inaudible] to operate .BAR today.

We've already organized an event. There is a school in [inaudible] that is called Mexico. It is a very big school in the region. We organized an event, and we also participated by making donations, and the welcome was wonderful. Lots of children speaking Spanish, traditional Mexican dances. The welcome was wonderful. We were warmly welcomed to the region.

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I think you all know this: digital opportunity. The reach and the need for information are huge. There is some statistics, [inaudible] the number of searches, the number of domains.

We focused on gTLDs that were universal. So .BAR is on the same term in all languages, and by “bar,” we know that it’s an establishment where you can consume some kind of drinks. We have been raising awareness.

Why .REST? Because in our Latin American region, “restaurant” is spelled different: “restaurant” with a different spelling. So we wanted to create a universal synonym. .REST is a shortened version that would help us recognize a restaurant over the Internet.

You can see the similarities for these first four characters. The goal was for users to be able to find easily, to remember it easily, and to type it easily. The goal is to increase awareness and to turn this into a tangible benefit for businesses that are using these domains so that they will have more traffic and more customers, so that by the end of the day, this will mean more sales.

This is something very important that I usually show in our fora. It’s 3001 redirection. It’s very important to raise awareness. If you have already posted content in a domain, .com or a country code, you can redirection that in another domain without losing your positioning. Through this 301 redirectioning, you can leverage those positioning benefits.

There are some premium options here. This has been a learning process. We have had to learn about secondary markets, opportunities,

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and different business models available to monetize this part of the portfolio.

This is a distribution chain about how we have to work with the registrars. This is key for us to develop these distribution channels. We need to have joint strategies, rather than focusing on registrars only. We have to work to develop these [channels] through registrars.

At [inaudible.rest] and [inaudible].bar, you may see different examples – current examples.

This morning, for those of you who have been to Mexico, outside the [inaudible], you would see that there's [inaudible].REST So we are seeing some restaurants that are already putting this domain on their menus. We're seeing these domains that affect all of us. I think it will be fascinating to see the evolution in time and the influence on everyday lives.

Well, this is an example of some searches in Google. We searched for La Bodega. We already have LaBodega.rest. [inaudible].rest, which is a restaurant in Argentina. We also found an example called Anglers.rest, which is a pub, a community hub, and a post office of a city in the north of England. Anglers.rest is a name that defines them.

We also found an interesting thing, which is Ibiza.rest, which is a restaurant directory for the Ibiza region. They already have their brand, their logo-type already included in the domain in the real content of all restaurants in the region.

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I also wanted to show this to you. This is not only for restaurants. .BAR is not only for bars, but for the related suppliers, distributors, and suppliers. Every stakeholder in this industry can also use this domain.

.CAFE is a domain that is a contentious domain with other companies. This is what we have been doing in this region. Thank you very much.

RODRIGO DE LA PARRA:

Aaron, thank very much for your presentation. Congratulations, and I wish you lots of success with this new project. I'm sure you'll be very successful. We will meet again at 12:00 on Thursday when the agreement is signed.

Before closing, I would like to thank Celia, Gabby and Vanda for helping us to build this wonderful agenda, with guests such as Jacobo and our colleagues. Thank you very much.

I'd also like to remind you that there is lunch for the Caribbean people on Wednesday at [X-Bar] at 12:30. This is very important because we want to integrate the Caribbean community to this strategy planning process. We also want to integrate them to this space.

This is a LAC space, but it may also be CLA. Sometimes we forget and we say Latin American, but we mean Latin America and the Caribbean. It's only for the Caribbean people?

UNIDENTIFIED MALE:

I'm an ICANN fellow. Actually, I'm from Haiti. I have one question. It's mostly related to the part where you were talking about e-commerce.

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My concern is that you talked a lot about protecting our customers and I think we need to integrate as well in the strategy plan a model to protect the existing business, the existing establishment.

For example, in America we have seen some disruptive innovation, such as [inaudible]. I think as well we need to sit together to strategize in such a way that we integrate this plan to protect our existing business in such a way that we would not become a victim, based on the competitive advantage that this can be [inaudible]. Thank you.

JACOBO COHEN IMACH:

I totally agree with you, and I mentioned part of that in my presentation. I think all together we have to find a way to generate the next Mercado Libre [RB&B] and so on and so forth. I think this should be a joint effort. We all have to work on this.

RODRIGO DE LA PARRA:

Well, this is the end of this session. Thank you, everyone, for your participation in this meeting.

**[END OF TRANSCRIPTION]**