
DURBAN – ccNSO Members Meeting Day 1
Tuesday, July 16, 2013 – 09:00 to 18:00
ICANN – Durban, South Africa

LESLEY COWLEY:

So good morning everybody, and welcome to day one of the ccNSO meeting. I'm going to ask the guy at the back if we can do the announcement and start the day. We're good to go. Wonderful. So welcome everybody.

Let me just say hello and run through our program for today. We're going to start with, it seems the umpteenth discussion on financial contributions in the finance working group. Then we are going to go on a little walk to hall six for our meeting with the ICANN Board.

Hall six, those of you who have been down that far will know, it's a bit of a trek. So we will move to that one. Then we're back here after coffee for an IANA update. The presentation from the framework of interpretation working group.

Then the finance and SOP working group before lunch. And we very kindly have lunch sponsorship for today from dot NG. After lunch we move to our meeting with the GAC. And then after coffee, we have our session on multi-stakeholder models of ccTLD governance.

And it will be really good for people to come to that one because certainly multi-stakeholder models are particularly relevant in the international governance discussions. After that we have an update

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from the IDN PDP voting review, where sadly we fell just three votes short of the vote.

So let's think about how we might do with that one. Then we have a very swift ATRT review update. Unfortunately, we couldn't find much time to fit them in, but we will have some brief highlights, I'm sure, from that.

And then to end our day, we have the domain name industry association presentation. And then particularly important to everyone, this evening we have our ccNSO celebration cocktails. You don't need tickets for the event, but you do need to get on a coach that will leave here at 6:30.

It's leaving from the meeting venue at 6:30. And I'm very much looking forward to seeing colleagues and friends at that meeting. So it's a very important milestone for us. Ten years, doesn't seem like five minutes ago, but ten years since the ccNSO was created.

Okay. So that's our program for today. And to start, let me hand over to Byron for the finance working group.

BRYON HOLLAND:

Thank you very much Lesley. Well, I think the good news is we can start to see the light at the end of the tunnel. I anticipate that the finance working group should be able to put forward a recommendation to the counsel at the Buenos Aries meeting with our conclusions after having spent two and a half years looking at this subject.

So that's the good news. In the interim, there has actually been a fair amount of activity with the finance working group. Since Beijing – at Beijing and since Beijing, in particular with ICANN, the ICANN finance group itself, who after a considerable amount of time has produced numbers that we believe after looking at them in some detail, are numbers that we can rely on and are consistently replicated by the ICANN finance team.

Which that in itself was an important step forward. So that's a quick overview. What I would like to do today is really walk the group through how we have come to the conclusions that we're heading towards, and also to solicit any feedback from the broader community.

The finance working group is a relatively large working group, so we have certainly have had considerable input from a considerable number of folks along the way during this journey.

But I would also like to continue to solicit input from the broader ccNSO membership and beyond. So with that said, given that this working group has been a couple of years or more in the making, I wanted just to quickly step back and give you a sense of some of the milestones along the way in this journey.

Some of you, or many of you, will probably remember what stimulated the formation of this working group which was the former CEO's comments in Nairobi meeting, and some of the statements made that this community should be funding ICANN to the tune of 10 to 12 million dollars a year.

And that was the former CEO's estimation of what ICANN was spending to support this community. Needless to say, we took some umbrage with that, and first and foremost, said, "Fair enough. We don't think so, please explain." Those numbers were really not forthcoming until recently.

But that was... That moment, I think, was the real catalyst to review and renew the contribution scheme that this community has with ICANN. So in June of 2010, almost three years ago, this working group was formed. And through 2010 and 2011, we did an analysis all of the possible contribution models that we can look at, and we took guidance from other organizations within this community, like the regional organizations.

Different types of models, service models, etcetera. And over that period, continued to request from ICANN hard data where they could support that 10 to 12 million dollar claim. It was not forthcoming during that period but we continued on.

And we also did the detailed survey that many of you will remember, and that really asked each and every one of us, what resources, what services are you actually receiving from ICANN? And can you quantify those? And then we also looked at, what are you as individual members contributing to ICANN?

And did quite a detailed survey on that, and I think many of us will remember that that was presented, I believe, in Costa Rica to the broader community as well as to this community. And I think it was a little bit eye-opening some of the other communities.

During the whole period we continued to request hard data from ICANN, it was not forthcoming. As we moved into 2012, Kevin Wilson, the former CEO had moved on, Xavier was in the CFO seat. And it was last year in Prague that Xavier really came forward and said, the EAG or the Expense Area Grouping, which is the term they used, the reporting methodology that ICANN was using was not valid.

And that was something of a bombshell to all of us because as incomplete as the data was, the fact that was the reporting methodology that we were relying on, and the CFO basically came out and said, “We can’t rely on it. The EAG is dead.”

That said, I think that most definitely was a positive step forward, ICANN since that time has made some significant progress in their ability to report financially. That was also the period where in the evolution of the work that we were doing, the finance working group had started to settle on the notion of a value exchange model.

And that really flowed from the work around the survey that, you know what? Yes, ICANN spends a non-trivial resources on this community, but this community participates and contributes, financially and resource wise, in a very significant way to the benefit of ICANN.

And that was a key, I say, turning point in the discussion with ICANN. And also getting ICANN to buy into that notion, because that’s a fundamental difference between a strictly a fee for service model... ICANN does work, delivers a service, we pay. Versus the notion that it’s a two-way street.

And you'll see why that is particularly meaningful in a moment. But that was, I would say, a turning point as well. And during that period, as we reviewed the models we also, as a finance working group, came to the conclusion that the best path forward was an evolution of the model that we have today.

And we looked at them all. We examined the different possible scenarios but at the end of the day, came to the conclusion that an evolution of today's banded model would serve us best. Though certainly not perfect, it would be the most consistent and universally applicable model that we could have for this community.

So we settled on the notion of a banded model based on domains under management, the same as we have today, though somewhat refined as you'll see shortly. And we moved into Toronto and Beijing meetings, ICANN became much crisper on the numbers.

They were reviewed, iterated. We had a sub-committee, essentially, work very directly with Xavier and the finance function within ICANN to get comfort that the numbers were solid and replicable, which we did in the end get that [coming through 0:13:04].

So that is the fairly lengthy journey that this working group has been on. And as I'm sure many of you will recall, Tuesday mornings, you've heard this story to greater or lesser degrees over the course of those two and a half years.

So that brings us to where we are today, and where we are today is closing in on a recommendation for the counsel. And that recommendation will comprise a couple of elements. The first is really a

framework, a set of principles, the guidelines that you see before us. And these are sort of a half dozen bullet points that try to, in words, put forward the framework that the financial working group is going to recommend to the counsel.

And that I believe that ICANN can also live with and support, certainly based on the feedback that we have received to date. So without specifically reading every word on this page, we will make this available so you will be able to have it shortly. First word in the title, voluntary.

And I can't stress that enough. This is a voluntary regime for each and every one of us. So while we will as a working group put forward a set of recommendations, we can all have the comfort in recognizing that this is a voluntary regime.

We also recognize that as a community that ICANN in fact does expend material resources against this community, and should be compensated fairly for that. Given ICANN's growing stature and certainly rapidly growing size and budget, we also make the point that given its public mandate, public interest mandate, we want to stress that those resources expended by ICANN should be done very efficiently and effectively.

And as point number three we wanted to make that statement. We also make note of the fact that while there is some homogeneity to this community, the fact is many of us work in very different operating environments, have different governance structures, have different business models.

And that while we're trying to find a solution that will work well for most of us most of the time, the fact is we have very different environments that we work under. And there is quite a range, or spectrum, between one end and the other in terms of business models and operating environments within this community.

And we make the note that we will be recommending a banded model of voluntary contributions, but also recognize that while this is a set of guidelines and recommendations, that at the end of the day, each individual cc will have to come to a conclusion with ICANN itself on whatever their arrangement is going to be.

And as we know, some have an exchange of letters, exchange of commitments, relationship nearing a contractual relationship, etcetera. Those individual relationships will certainly supersede what is here, this is a voluntary regime and anything that an individual cc organizes with ICANN would in effect supersede this.

But this is really to give us guidance and guidelines. The final two points. Recognizing that this is likely not to be a trivial change, that there would be a very reasonable ramp up period in terms of any additional monies contributed by individual cc members to ICANN.

So we are suggesting that it would be at the cc's discretion, but could include up to a three to five year ramping or phasing whatever the new contribution is. And that finally, for registries that are operating... Or for operators that are in a sense managing or have multiple TLDs under their care, that we would suggest that you could look at the total domains across all of the registries, or the individual registries themselves.

That they, again, that the registry operator would have the flexibility to make that determination themselves, whatever they feel would be best for their particular situation. So those were the key guiding principles, and there are seven guiding principles that try to layout the framework of how we ended up coming to the conclusions that we did.

I would say we had rough consensus. We certainly had some good discussion and debate along the way. And as I said, this – given the many different operating models here, there is no perfect conclusion to this particular issue, but I think this is a fair and fairly equitable conclusion.

Now what did that actually look like in terms of the numbers? These are the numbers that ICANN finally brought forward in terms of, what did they believe they expend against this community? It seems surprising when I take a step back and think about the fact that it took two years to get these numbers.

But nonetheless, here we have them, and they have been repeated consistently and ICANN is standing behind these numbers as the numbers. And like I said, we even formed a smaller subcommittee to actually go through in much more detail the numbers with ICANN directly.

So we have comfort that these are fair, or fairly represented at least. And it really breaks down into three categories. The specific expenses that go very directly against this – or to support this community, secretariat support would be an obvious example, travel support for the secretariat, etcetera.

And some allocation for general expenses, and you can see that that total is \$825,000 a year, which I think if you step back and say with all that ICANN does specifically on behalf of this community, quite frankly \$825,000 is a fairly reasonable amount.

That is not a lot of money given what is inside of this particular category. The second category of three are shared expenses, and those are expenses that we as a community clearly share with other communities. An obvious example is the Board, and we have two Board members and there is an allocation of two against the total.

And that amounts to \$377,000 as an example, but that's complete Board support, travel, everything that the Board does. The ICANN meetings themselves, where we have a share in that. One of the things, and this came from the survey, was really getting ICANN to recognize the very significant contribution that cc hosts make in ICANN meetings.

And that's why you'll see that negative figure, the \$750,000 that we subtract from the overall number here. And then IANA and our portion, and again this is an important thing, our portion of IDNs. Because when we started this discussion, really all expenses against IDNs were being lumped in our – against this community.

And as the gTLDs have started to roll out, this is actually just a portion of the IDN expense. So we got ICANN to recognize that as well. And you can see here that between the two specific and shared, ICANN has identified a number of three, just over 3.5 million dollars annually that they expend in supporting this community.

Now the third category, the bottom one called global, that was a very significant change in the nature of the discussion with ICANN at this point. Because when the former CEO was talking about a 10 to 12 million dollar number, and we still believe there were significant issues within that number, but nonetheless one of the key components in arriving at that number was the fact that they then took just the total operating budget of ICANN and said, roughly cc's have 40% of the domains in the world, and therefore 40% of the total expenses of ICANN should get lumped against the cc community.

And that was a fairly lengthy debate that we had over that particular issue, and that's where the biggest number actually came from. And you can see here now that that number is zero. That is a very big change from ICANN's perspective.

And the reason for that was that notion of a value exchange. That we provide as a community a very significant number of resources that help ICANN too. And while the list became long enough that I couldn't actually fit it in this one cell, we're kind of the living embodiment of the multi-stakeholder model.

We're the boots on the ground that actually give credence to the multi-stakeholder model, with 100 – pushing 140 members. More than any community, we really represent what that multi-stakeholder model means and we, in our own environments, typically are a smaller version of the multi-stakeholder model.

In practical reality, in each of our own environments, many of us help fund the IGFs or regional IGFs, or the various internet for a within our own communities, and foster our own local internet policies and policy

development, and that has significant value to the broader multi-stakeholder model and to ICANN At-Large.

Now of course, ICANN does other things at a global level too, help with DNSSEC or IPv6 adoption, and many other things, work with the GAC, etcetera. That we do benefit from, but what we came to conclusion and agreement with ICANN was the fact that we will not come to a perfect number here, but we have to be okay with the fact that what we contribute on this, at this level, is going to be roughly equivalent to what they contribute.

And to be perfectly frank, we're just going to have to be okay with calling it a wash. And therefore, ICANN will [AUDIO BREAKUP 0:25:27 – 0:25:31] ...the discussion. But what [AUDIO BREAKUP 0:24:33 – 0:25:37] ... and the theoretical maximum based on this model will be a total \$4 million contribution. [AUDIO BREAKUP 0:25:44 – 0:25:58]

...have to be, I can tell you. But we have [AUDIO BREAKUP 0:26:02 – 0:26:26] ... rate of pay would be three million. Obviously the number that ICANN has provided, it's right in the middle. And when I said, a couple of moments ago, really when you come to the conclusion on what the number is, three and a half million dollars, then really it's a fairly simple, although somewhat contentious equation, in terms of how do you get there?

There is only so many variables in this equation, there is not that much flexibility in terms of how you try to get to the end number, and we certainly had a model that we played with, and tried different scenarios, and as a result ended up looking at increasing the number of bands, etcetera.

But this, at the end of the day, was the conclusion that we settled upon as the most reasonable articulation of how the equation can get to the number we should get to. So the math is the math.

Try to get to the bottom right, and we will have some time between here and Buenos Aires to have more fulsome comment from the whole community on it. This is really the first time... When I say the whole community, I mean this community, this ccNSO community.

And then, you know, you can see the variables here. I would encourage you to look at it and get comfortable yourself there's only, maybe this is an expression from home, but there is only so many ways to skin this cat. And I think we found the most reasonable balance.

Although I'm sure everybody in the room will look at their category immediately and go, "Oh my God, that's not fair." But when you start to look at it as a full equation, this is as equitable as we can make it. So that's where we have landed, and I think that the path forward here now is to have some more feedback from this community to the finance working group.

And then we will be working toward socializing what we have here with the other community groups that are important. At the end of the day, this is a relationship between the cc community, the individual operators, and ICANN staff, senior staff, to quote, make this deal.

But nonetheless, they are feeling pressure from various communities. If even of you have read the comments, public comments to the budgeting process, you'll know that comments were made about what

this community is paying, or not paying as the case may be in the comments.

So we need to make sure that those communities are comfortable, that this is reasonable, rationale, and logical outcome of this working group and ICANN and ICANN's efforts over the past couple of years. So with that, I wanted to open it up for some conversation. Lesley, did you have any comments to start with?

LESLEY COWLEY:

Okay. Thank you Byron. So I think just a couple of comments or thoughts from me. This appears to be one of the longest sagas for the ccNSO, I guess, so I think many of us would be keen to see it drawn to a conclusion.

For many years we were waiting for financial information from ICANN, since we've received that, there has been some really good progress made. I would just like to highlight two things. Firstly, the figure has gone down significantly, which is progress and exactly the right direction, because even though the banded figures are somewhat scary compared to what some are paying currently, it would be considerably more had not that value exchange concept be proposed and agreed.

So you will hear us repeating value exchange when you meet with the ICANN Board, and the intention of that is to reinforce and keep reinforcing. That's what we've agreed and we think it's an incredibly good way of dealing with this issue and recognizing the contributions that the cc's make.

So I would like to say thank you because I know a lot of work has gone onto this area over many, many years, and it finally feels as though we might almost be there at the end of that. So, on that, let me open it up to comments, questions, observations.

BRYON HOLLAND:

I would just like to make one more quick comment, because I didn't mention it. The other thing that we've been working with ICANN is around the duration of this. I mean, as Lesley just pointed out, this has been a very long saga in part because ICANN took a very long time to get us the numbers.

But nonetheless, I'm sure it's safe to say, we would all like to put this behind us for quite some time, and I think they would too. They are very willing to look at a fairly lengthy term for whatever the final agreement looks like, and I think that could put this issue behind us, give us confidence that it is settled for quite some time.

So I think that's also a positive step forward from ICANN's perspective, and certainly for ours.

LESLEY COWLEY:

Okay. I saw Oscar?

OSCAR:

Thank you. How we felt in any effort this contribution, this [full time 0:32:20] contributions, any consequence or any at least some social pressure to ensure this level of contributions?

BRYON HOLLAND: We certainly had... As a working group, we had considerable discussion around that particular issue. Because it's voluntary, the practical fact is there is limited pressure that can be exerted. Like today, the facts are published, who has paid what. So I mean, it's out there in a very low key way.

We, ICANN, will continue to publish that information, but as a voluntary regime there really isn't that much that we can do to really force or drive this beyond hopefully convincing all the members of this community that this is fair and equitable.

That ICANN does deserve some compensation. And that as a schema, this is the most equitable one that can be devised. We talked about naming and shaming, we talked about the kinds of things you can do in a voluntary regime, but really we settled on the fact that the list is published, and that will be it.

LESLEY COWLEY: Just for the transcript and also for remote participants, can we ask you to say your name before you comment? That was Oscar [? 0:33:58] from Mexico. And then I have Patricia next your next.

DOUG: Okay. Doug [? 0:34:05] from dot [EE 0:34:05] for the record. More or less heading in the same direction Oscar did, looking at our number, I see there is a substantial increase. It's even more than 100%. I assume that some ccTLD managers within the room will – well, they will experience more or less the same fact.

So as still within this regime, the real number of contributions from each ccTLD manager, is still up to their decision. There might be a good chance that we as a community will fall short. And I'm asking about, is there anything that has been discussed with ICANN, with the Board, what should be done if we do fall short?

And over a certain period of time? So one thing would be naming, shaming, and trying to force us to provide this amount of money. The other chance would be to reduce cost. To reduce cost on ICANN's side. And when I'm looking at the current numbers of the budget of ICANN overall, and there is some impressive figures in there, like 50 million for process optimization and stuff like that.

So I do have an inclination of looking at the expenses of ICANN, and other fields a bit more than trying to get out of this community the last 100K or whatever is needed, to almost at a regional level where ICANN can say, "Well, we're fine with that contribution."

So had there been discussions with ICANN, what will happen if this community fell short – falls short on a long term basis.

BRYON HOLLAND:

So thank you. There is two key questions that I heard in there, which are both relevant questions that we did have some discussion on. At the end of the day, and that's why [I figure the 0:36:29] figures here, the four million dollar figure and the three million dollar figure, recognizing that some are not going to pay, some are going to underpay based on the bands, etcetera.

But that's up to ICANN to persuade the individual cc to actually make that contribution. I mean, again, in the title, it's voluntary. So ICANN recognizes the fact that we could, as a community, fall short and then it's up to them to try to encourage the individual cc to contribute.

So they are well aware that this is not a guarantee that this is a framework and a guideline and then it's up to them to actually try to collect. And I don't mean collect in a collection kind of way, but I mean to convince that there is a value and it's worth wild being a participant here.

The second half of your question, at least as I've heard it, was around ICANN expenses and the rapidly increasing budget, which we did have significant discussion with Xavier, who is the CFO, about that every topic.

And one of the things that I think is, it's an implicit benefit in what you see here, maybe it will make it more explicit right now, is a commitment that we would not see an expenditure up tick. As the expenditure increases are really happening in other areas of ICANN not directly related to us.

And even though we may experience the benefits of process optimization, or whatever some of the other big ticket items are, that we would not see the number change here. And in fact, we talked about the relative proportionality, the fact is as we get 1,000 new TLDs, or whatever the number is, in some instances therefore the proportionality of cc would relatively speaking decline.

Some would stay fixed. It will probably continue just to have two Board members, there will be some inflationary pressure upwards, presumably. But at the end of the day, some of the items that would start to decrease as a result of relative proportionality would likely be offset by some of the ones that have some natural increases just through inflation, etcetera.

As a result, without getting into really detailed five year modeling, which ICANN finance department is not prepared to do and I would argue they are not in a position to do, they're just saying we'll be okay with this number for five years regardless of what happens to the budget.

LESLEY COWLEY:

So could I just add to that response. One of the questions for the Board in just a minute, is around the likely surpluses that exist at ICANN. So what we're trying to do here is solve the ccNSO question and move on to a more broader discussion around ICANN finances that the ccNSO can play a part in.

Having parts unresolved on the issue of contributions... Byron is right. There is things that take that figure up over the years, there are things that would take that figure down, but what we don't think is that there will be any significant or material movement in that, unless its downwards, of course.

Okay so I have [Patricio 0:40:06] and then I have [Sebean 0:40:07].

UNIDENTIFIED:

Thanks Lesley. [? 0:40:18] ... I have two comments. The first one is, I think more of a matter of principle than of practical importance. And that has to do how we measure our participation in the governance part of the expenses.

I don't think it's correct to say that that's two Board members out of 16. I don't think that is part of what ICANN spends. That's... I think it's actually the opposite. It does what we contribute, we contribute the time of two members of our community for the work of the ICANN Board.

That's our contribution. What ICANN spends, I would think should be measured as the proportion of the Board time that's devoted to ccTLD issues, like number of resolutions or whatever. Whatever comes out of the work of the Board that has to do with ccTLDs, and I guess that is less than two out of 16, less than one-eighth, so I would make that distinction.

And my second comment is that, if we as a community feel that that's the right number, that we should contribute like – about 3.5 million, then we should also take into account that not all members of our community pay. I think that's our problem, we should increase the contributions, the suggested contributions so that the estimated total that's actually paid matches that number.

And I think that would be – that puts the ball more in our court, part of the court and that would generate I think a bit more peer pressure, so if everybody meets their – not their obligation, but if everybody pays what they are supposed to pay, then the contribution for each one of us

would actually decrease because we wouldn't need to pay for the part of our community that doesn't.

BRYON HOLLAND: Thank you. Those are good comments.

LESLEY COWLEY: Okay. So I have [Sabeen 0:42:45] and then [? 0:42:46], and just while the microphone is moving, can I just pick up on I think which is a bit of a theme about people who don't pay. And I think that we need to be a bit careful about that discussion.

I'm very much aware from conversations with individual ccTLDs that it's not that they can't – not that they are not paying, it's that they can't pay because of the stage of the development. I mean, some of these figures are scary for larger ccs, they are just as scary for some of the smaller ccs who are struggling on a shoestring currently.

So I think it's really important that we don't get too much into peer pressure about paying on the assumption that these people have money, that they're just holding back on paying over. That isn't necessarily the case. [Sabienne 0:43:44]?

UNIDENTIFIED: [? 0:43:51] form dot DE. I want to... I have one comment and one observation. And when I see the slides, I think – I still think there is a service ICANN [bringing to us 0:44:04], and that's the ANR function. And I think that we really should have a clarity about this service is a service and it's going – there are clear service measures.

I also appreciate the notion of value exchange on the – that there are different value and there is an exchange of values. But when... If there is a value exchange, I think there should be also a sort of before the value exchange happen, while you proposition and an agreement about – that we are now supposed to pay, it's contributing while [? 0:44:44]...

And when I see the IDN program on our list, that is a program actually that causes a lot of harm, frustration, and problems actually to the group here because of this group was not actually involved in that. It was involved in a way that they never have to deal with people telling them how to deal with IDNs where we know much better.

And now it's on our check. All the money we just spent for academics in the US doing [? 0:45:24] reports about linguistic problems in Bangladesh versus [? 0:45:28]. And I think that is something we really have to change, because when we start such programs which are so expensive and that it takes a long time, we have to start with a wordy proposition, we should start with the boxing.

Because now we pay actually for something, or we should pay or ask for paying for something, where that cause a lot, a lot of frustration to that community. Why?

LESLEY COWLEY:

I think that's a question for ICANN as well, not necessarily the ccNSO itself. But if you want to come back to it Byron.

BYRON HOLLAND: Yeah. I mean, I don't disagree with you. It's a fair comment. It's not per se a comment for the finance working group in terms of that specific program and your dissatisfaction with the service level. I think many of us would probably have felt that way.

It probably, I think the comment is good in that as we make a transition to a new regime, there is an opportunity to highlight particular issues, and that would certainly be one of the key issues. Because I know the IANA function is often a source of contention.

UNIDENTIFIED: Yeah. But, when we say there is no value exchange, why is that on our check box? There was no value in that.

BRYON HOLLAND: So I guess the notion of this is not meant to be a service model, that is true. Of course there are some services that ICANN does deliver for which there is a cost to deliver them. So we try to find a blend, it's not crisply black and white. And the IANA function is one of the clear services that ICANN provides this community, whether you like the quality of it or not is kind of – that's a different discussion.

But it is a core service that ICANN does deliver to this community.

LESLEY COWLEY: I'm mindful that I have to cut this conversation short, and that's not because we're not trying to recognize your point. Andre and then we really need to go to the Board, which I think is a bit of a trek. So okay.

ANDRE:

Andre for the ccF. One remark, seeing your table at the screen, we should probably increase our contribution by five, so it's a lot of number and I probably have a hard time to explain my general assembly why this item in the budget is increased so much.

But I will try my best, but it's complicated in light that we recently hosted ICANN meeting, and we spend much more money. So the remark is about, we should probably include those money for hosting, as many of the ccTLDs host the meeting in the contribution.

I know it's not in the ICANN budget, but we spend more, more than what we are talking about contribution, at times more on hosting. And it's money spent on the ICANN community, they are not in the budget, they are not in your tables.

So I think it would be fair to say also that ccs are very significantly contributing to hosting meetings, and that is a lot of money and resources spent on hosting. And you, Byron, have hosted three of these in the past, so you know how much money it is, and how much resources it is spend on that.

So I think it would be only fair to put it in the table.

BRYON HOLLAND:

Thanks Andre. Agree, for anybody who is hosting a meeting, I mean, clearly, the number is typically much larger than the contribution suggested here. As a community, if you look up here, it does say ccTLD meeting hosting, and it's negative. We're deducting roughly representative figure for the hosting contributions for a year, it's about halfway down the shared.

That doesn't specifically address the individual ccs who have spent that money, but it does recognize it and allocate it across the community. Now it doesn't solve your problem or my problem or [? 0:49:33] problem, who have all just recently hosted meetings, but it does recognize it community wide.

LESLEY COWLEY:

Okay. I don't want to truncate this conversation, but I think we need to come back to it after we've been to the ICANN Board. I know I have you at the MIC, but we need to be at the ICANN Board at ten, and I have a reputation for getting to places on time.

So if I can lose that for my last meeting that would be a dreadful shame. What I suggest is that we ask Kim to give us a bit of time from the IANA update, which I know doesn't normally take its full slot, and we come back to this after the coffee break.

And importantly, that will give colleagues some time to think about other questions and reactions, and also for me to ask you if you are still supporting this direction of travel. And if we like to have some more thinking and work around this, to give some feedback to Byron and the working group. Okay.

So if I suggest we go to our engagement with ICANN Board, which is in hall six, and then we'll come back after the coffee break, excuse me, at 11:00 and we'll continue this discussion then. Thank you.

UNIDENTIFIED: We're starting the ccNSO member meeting. This is part two.

LESLEY COWLEY: All right. Welcome back everybody. Could I encourage you to grab a seat and we will restart. We seem to have lost a number of people to the Board or the coffee on the way. Okay. So. Let's welcome back one again, a regular feature on our agenda is Kim from IANA for the IANA update. Kim.

KIM DAVIES: Thanks very much. It's good to see everyone again. This is the regularly scheduled update from the IANA department for ccTLDs. First thing I wanted to update you on is a series of reviews that we've been performing within the IANA department.

For those that aren't familiar, we started a new IANA contract period 1st of October last year. As part of the first year of operating this contract, we have a series of reviews that we're performing relating to how we execute the IANA functions, what improvements need to be made.

In terms of the reviews that we have performed so far, they are documented on the IANA website, there is a webpage dedicated to them. You can go there, click on and find out the terms of reference of the reviews, the comments that we've received, the analysis of those comments and our final conclusion based on those comments.

We also have a number in the pipeline which I'll come to in a little bit. From the consultations that we've already conducted and concluded,

we have a few improvements that we've already identified and will be implementing through the course of this year.

The first thing that we're going to implement is service notices. So whenever we have system outages, for example, whenever we have a new service implemented, or some kind of service change, that we implemented a new tool or there is a change in the way to interact with us, we're going to have an announcement process for that.

This will involve basically a series of announcements that will be available via an email list. You can subscribe for notifications, we'll also have a webpage where we've documented in chronological order. And then if you just wanted to subscribe to them we'll also have a RSS feed as well.

I think it's worth noting that across the entire gamete of what IANA does, it's roots are in maintenance, protocol registry maintenance, and so on. A constant recurring theme we keep hearing is, we want to be subscribed to notifications, we want to be notified of changes to this particular registry.

So when we're implementing this, we're going to be mindful of developing an approach that would allow us to provide notifications across all of what we manage. So I think in the long run, there will be a capacity there to... If you wanted to be notified whenever there is a change to the root zone registry, we can give you a notification of that.

If you wanted to be notified of some other registry, we'll have some kind of overarching system for the IANA registry to allow you to do that.

Another consultation that we did is on our customer dispute resolution process. This is what we historically called the escalation process in IANA. Essentially if you have a request with IANA and for whatever reason you feel that the way that your request is being handled was not appropriate, or requires clarification, we've provided a way that you can lodge a request that – have your request reevaluated.

This was actually developed in close consultation with the ccNSO back around 2006, regional policy. So this consultation was to take – to show the community our current policy, and to ask feedback on the way we do this customer dispute resolution.

So we got a fair amount of feedback on this. And I think one of the key takeaways from the feedback was that we should increase awareness that we even have this procedure. A lot of people were not even aware of this escalation procedure, so we're going to take more steps to making it more visible.

For example, as part of the automated message that is sent to every one of our customers when they do a request with IANA, we're going to notify them that this procedure is available to them, provide a link where they can read about the procedure. We also, as part of that, were just reporting on the number of complaints, or the number of times this procedure was invoked.

The truth is that for the first seven years of this use, we've received single digit usage over the entire period. It's very rarely been used. Whether that's a reflection on lack of awareness or lack of complaints, I think reporting will help the community better assess that and help us refine it moving forward.

We also did a consultation on how we do IP address allocation. And some of the feedback on that was that we should have improved reporting. They wanted, for example, machine readable reports, they wanted certain aspects timed up, so we will be doing that as well.

We have a raft of upcoming consultations. I think of particular interest is user documentation on things like how we do delegations and re-delegations of ccTLDs. We're currently working with NTIA to, internally, and then with NTIA to finalize the consultation documentation.

So once its available, we'll post it online and then we'll invite you to review it and provide comments on that. We also provide documentation on what's called sources of policies and procedures. So this is really identifying what are the key policy documents that is informed the way IANA does its job.

And we'll also consult on what is called dashboards, but essentially that's our performance reporting processes. So as always, I think I said this in Beijing as well, these processes only work if we get feedback. We're also receptive to feedback, but this is really a formal mechanism where you can get your opinions on the record.

It particularly helps us as IANA staff that if there is any question about why we do things a certain way, we can link it back to the community feedback that was put on the record during one of these consultations. So I really encourage you, during these consultations, to review the material.

If you have suggestions about how IANA can improve the way we do certain things, please do communicate that feedback to us, it would

really help inform us to develop our services. Another topic, new gTLD readiness.

For those who were in Beijing, I'll just say, quite simply, nothing new here. I think we're on track. For those that were not familiar with the Beijing presentation, the only delegation process is the last step in making a new gTLD live in the DNS. IANA has historically been involved in all delegation of gTLD requests in the past, but recognizing that there will be a large volume of them, our focus in the last six to 12 months has been improvements, firstly to our technical systems, our automation systems to support new gTLDs.

Our goal is to make the processes streamlined and as automated as possible. One aspect of that is in the past, the delegation reports for gTLDs have been narrative. We've moved to a checklist approach so the delegation reports for new gTLDs will be a checklist.

This checklist will be automatically populated by our technical systems internally, so really help us in streamlining the process as well. We've also hired an additional staff member to support the relatively minor but nonetheless there will be some increase in staff activity to process all of these.

In terms of how the gTLD delegation process actually starts, we've focused on integrating the workflow with the new gTLD workflow that already exists. So customers that are applying for new gTLDs will, through the existing system, be handed off to the IANA system. It's all done by a very smooth process.

I'll skip past this one. I think the key point about that checklist that I just mentioned, is that really unlike ccTLD delegations, gTLD delegations, the evaluation has already happened before it comes to IANA. All the factors that are relevant for whether a gTLD should be delegated or really is that new gTLD process that's happening right now.

Things like initial evaluation, extended evaluation, that's sort of the process that involves assessing whether a TLD should be delegated or not. So by the time it comes to the IANA department, it really should be a straightforward maintenance issue.

I mentioned that we've added an additional staff member, so that brings the total root zone management staff to three, and I've already mentioned that our focus has been to reduce the amount of staff time per request by using automation systems.

But we also have the flexibility that if, for whatever reason in a given week or in a given period, there is an onslaught of new requests that we can reassign staff to sort of ramp up our capacity during that period. So I think the net takeaway for new gTLDs for us is that, firstly, the way that we're going to process a new gTLD delegation request is really much more akin to the way that we do routine day to day root zone updates.

That means we turn around in a matter of days not a matter of weeks or months. Very routine, streamlined process. And unlike ccTLDs, the sustain review is not happening within our department, it's happening elsewhere within ICANN. And importantly, the processing times for you as our existing customers, existing ccTLDs, would not be impacted.

We have sufficient resources to process our existing workload of root zone changes despite having all of these new gTLD requests as well. Finally, free use of DNSSEC at the root. Yesterday was the third year anniversary of having the root zone DNSSEC signed. In the last three years, we've processed 385 DNS record change requests at IANA.

The net result is today, one third of TLDs are signed with DNSSEC. That's only going to grow with new gTLDs. They are all required to be signed with DNSSEC from the beginning. So I think the number of TLDs that are not signed will be in the margins, in [? 0:12:58] order.

And in terms of DNSSEC adoption, there was a report out from APNIC just a couple of days ago who studied traffic and found that 8% of all DNSSEC lookups now are DNSSEC enabled. That's up from just 3% in March. So just in the last few months, there has been a large uptick primarily driven by the fact that Google, in its services, has implemented DNSSEC validation very recently.

I know that... I believe that the next version of the Apple operating system as well, will have DNSSEC validation turned on by default. So we're seeing the software vendors are now implementing DNSSEC as turned on by default, so that's only going to drive up adoption of DNSSEC.

So that's really... That was a quick summary of what we've been doing in the IANA department in the last couple of months.

LESLEY COWLEY:

Okay. Thank you Kim. Any comments or questions from the room please?

UNIDENTIFIED: Hi Kim. Thank you. Good morning. [? 0:14:07] for the records from LAC TLD. We had an incident a couple of weeks ago with ccTLD who wanted to publish its secondary server online. They wanted to get in touch and it was actually like a very difficult...

So if you can let us know about this 24 hour hotline or service, so that ccTLDs can, when they have this server updates that they want to contact IANA to make it more friendly for them.

KIM DAVIES: Sure. So for those that aren't aware, ICANN provides 24 hour response for root zone emergencies. Whilst what is defined as an emergency is really for the TLD manager to decide, general guidance is if there is some event that means that means your TLD is completely offline, or an imminent threat of being offline, we encourage you to use this service.

Obviously you can contact us through regular business hours by our normal method, but if you have a change that really needs to be done in a matter of hours rather than waiting for the next business day, we have a 24 hour telephone number that you can call.

This will go to a call center, they will take your details. They have a roster of all of the available ICANN staff. They'll call all of them until they reach someone to hand off the issue. That staff member will then call you back and arrange for what needs to be done to process this request if it's an emergency.

So our commitment to you is that we're available, we'll have staff available if an emergency should arise. If you need further details about how that process works, I'm happy to talk to anyone.

In terms of the telephone number itself, we don't post it on the IANA website just because we don't want nuisance callers, but we send it out to all TLD managers on an annual basis. And if anyone needs a refresher on what that number is, please contact me and I'll provide it to you.

LESLEY CROWLEY: So Kim that's reliant on your IANA contact information being up to date of course.

KIM DAVIES: That's true. So I encourage you all to have your IANA contact information up to date.

LESLEY CROWLEY: So one of the things that we touched on earlier, a few years ago, was about the [? 0:16:28] staff who may not be aware of this and so on. So it's important to be aware that there is that reminder. I do recall that the desire for an emergency contact came from this community as well.

Okay. Anyone else? No? In which case, could you join me in thanking Kim? Okay. So for our next session, we are due to receive updates from the finance working group and the SOP working group. And if I can suggest that this is also the place where we continue our discussions from earlier on financial contributions.

Both of which seem to require Byron and Keith. Keith. Roelof, sorry. I'm already tired [laughs].

LESLEY CROWLEY: Okay. Right. Welcome to Roelof, chair of the Strategic and Operational Planning working group.

ROELOF MEIJER: Okay. Thank you Lesley. Just to give you some feedback on what we've been doing over the last two and a half months since ICANN Beijing, and to give you an update about what's coming over the next period. Next slide please Gabi?

So we've been busy with two things. The FY 14 operational plan and budget, and the strategic planning process. First on the operation plan and budget, the draft was published by ICANN at the end of May. We felt or comments, which we also sent to the community, to all members, but also with the larger cc community, end of June.

I'll get back on the highlights of those comments are. On the 6th of July, Xavier sent an overview of the comments that ICANN received on the operational plan and budget, and he also gave an update about the changes that were made in the plan.

We had a face to face meeting last Sunday of the SOP working group, and we had Xavier there and he gave us the first high level reaction on our comments. We understand from him that since we filed our comments a bit late, that we will get answers from the second answering round. ICANN answers these days, all comments received, but does so in two rounds.

As far as we know, the final plan and budget will be approved this month. I don't think it will be here in Durban, but probably in a later

Board meeting. Those other two, that's all, I should have removed it. Just ignore the last two lines. So next slide please.

So our main comments on the plan and budget are, that this plan is definitely an improvement from previous plans. There is more information, its better structured, and there is a clear link between expenses and programs.

On the other hand, we are – and that's the last point on this slide, it's very... In very many cases, it's expenses related to programs and not to projects, so we found it very difficult to judge if certain activities were needed, if they were executed – or if they were going to be executed in an efficient and in an effective way.

A comment that we made just now to the Board is that we see a strong increase in operating expenses, so that's separate from the expenses for the new gTLD program, but that's ICANN professionalization. It's almost a quarter, 24%, and it's – and if you combine it... Still a lack of measurable goals.

A large increase in staff. More than 65 FTEs that will be added at than end of 2014 as compared to the end of the FY 2013. I think there is a clear risk that a lack of efficiency and effectiveness in certain areas will just be cut off by adding staff and spending money. We don't have a clear solution for that, but we brought this to the attention of Xavier and to the Board just now.

If the comments are available, I think they are also on the cc website, you can download them there. So if you want to add the details, it's a

five page document and you're very welcome. If you have questions about this, I'm happy to answer them later. Can I have the next slide?

So the other activities, the new five year strategic plan. We are in a joined strategy conversation phase two. I think you will all remember that during the opening ceremony in Beijing, Fadi showed us a video and there were certain areas that the community was asked to provide feedback on.

At SOP we did, so feedback that I gave to ICANN was that we haven't received any comments on what we submitted. And without any tangible product of the first round of this strategic conversation, there is now a second round, where we have eight key points where the community is asked to provide input on.

I think that quite a few of you have participated in this session that we had on Monday morning, where we had this working groups. My personal opinion is that it's applaud able that ICANN in this way seeks, really in all different kinds of ways, community input. I think on the other hand, there is a risk that ICANN and the ICANN Board get the impression that they don't have a clear vision themselves, because there is just open questions.

We were supposed to get a framework somewhere in June, and as you can see from the coming soon, it's not going to be June. I wonder if it's going to be July. So somewhere probably between now and October, there will be, first a strategic framework. It will be the first tangible product on the strategic plan for the community.

We will continue the discussion on the strategy in Buenos Aires. And if the rest of the schedule is still intact, then the final strategic plan, high level documents, 10 pages, will be approved in January of next year. We heard the Board comment on this and the fact that it will be a high level document. That there will be a three year operating plan, with expense and revenue forecasts for the same period.

I think it's a very good improvement compared to the present situation. But I think it will still take some time for them to deliver this. Okay. So that's where we are. I don't know if there are any questions from the room, or members of the working group that want to add to what I just said.

Okay.

LESLEY COWLEY:

So maybe while the mic is circulating, can I remind you that you should have three cards. Which is green for yes, red for no, and orange for I'm not sure. It might be really helpful to the thinking of the SOP to test whether there is general support for the direction of your comments.

And whether, for example, the concern about the cost increase is shared. I suspect the answer to that might be yes, but I thought that I would just test that you are awake and have your cards.

ROELOF MEIJER:

So are we going to post it in a positive way? We'll everybody who is in agreement with the comments, on the direction of our comments, will

the green card? Or will we say everybody who disagrees with the red card.

Well let's see if everybody is awake. So green cards if you agree with the general direction of the comments on the SOP on the drafts. Okay. That's good. Anybody who wants to stick a red card and make a point of his or her personal vision on this issue?

LESLEY COWLEY: Or anyone orange and they're not sure? Or not have the time to read the comments.

ROELOF MEIJER: That's definitely also the case.

LESLEY COWLEY: That's really helpful to know. Sorry. Could you introduce yourself please?

PIERRE: Yes. Thank you. Pierre from AfriNIC, from Darfur. So first of all, thank you for this update. I have a question regarding the announcement made by Fadi yesterday morning on the creation of the five committee...

It's not very clear to me the link between these five new committees and the final strategic plan. That was the idea that would give input to this strategic plan, but I don't know if you had more explanations on that or understand the scope of the collaboration with the other mechanisms about this project plan.

ROELOF MEIJER: I regret to say that I haven't so far.

LESLEY COWLEY: I may have only just slightly more, which is my interpretation of what has been said so far. It has been that the five groups replace the previous president's strategy committee. And the president's strategy committee was tasked with looking at the environment that ICANN was operating in, going ahead and getting some high level inputs.

And my understanding of what he's trying to do is divide that out into sections. And I see with the interaction of the SOP, in terms of SOP, I hope very much, being able to channel the ccNSO inputs into each of those areas, and most certainly to then comment on the output of a draft strategic plan.

I don't know if that helps. But that's as I understand it currently, maybe it would be clearer soon. Okay. Anyone else? All right. If there is not, can I suggest then we use the opportunity to move back to the financial contributions discussion?

Yes if we can get those slides back up. And I abruptly ceased the queue when [? 0:29:56] was ready to speak from CN NIC. Did you want to comment just while I was setting up the slides? And we'll open up for general comments and questions from our earlier session too.

UNIDENTIFIED: Okay. It's [? 0:30:23]. I'm sorry maybe I missed some discussion on the financial working group. So I just to have some comment. The first one,

I just think about the benefit and the contribution. I want to second the comment of Andre, for the contribution.

In some instances, the ccTLD registry may compete into the ICANN community, not only to pay money to ICANN, but they also try to host the meeting and host the resellers and other activities to make it a benefit for the whole community.

And for the contribution, I just revealed the table you're releasing [the ICANN side 0:31:10]. I just wonder if it necessary to calculate that contribution by per ccTLD registry registration, not divide per ccTLD? [? 0:31:24] also have IDNs. The ccTLD is does seem – in Chinese.

So send made contribution to ICANN by [? 0:31:34] also contribution by dot China. So [? 0:31:38] I prefer we calculate that contribution by ccTLD registry. Maybe they will one or two or three. I know that for Singapore or other registry, they run a lot of IDN ccTLD.

So it's my second comment. So for the contribution, I also prefer we consider the different kind of contribution. We should make sure that for the ccTLD to manage ICANN and they want to get a benefit for the community.

For ecosystem, the ccTLD registry [? 0:32:18] money for, put them in, and they [? 0:32:21] we also retain money, and retain the benefit of committee for different kind of activities. We should make sure that contribution to ICANN can return to the community in some kind of way.

So that's why I mentioned the contribution, including the money, the hosting meeting, the hosting [server 0:32:42], hosting technical activities for the community.

BRYON HOLLAND:

Thank for the comment. Comments actually. So I will take sort of the notion of the work that individual ccs do in their own environments. And how does that tackle? As I heard the question or the comment that question was in there.

And that's where we really try to capture in the three categories between specific, shared, and then global. Global was the category in that in the early parts of this discussion was by far the largest number.

Actually, maybe you recall having been in ICANN person during the Rod days, where he was putting forward the number of 10 to 12 million that this community should contribute, the bulk of that 10 to 12 million dollar number was in the global category, not the specific or shared ones.

And that's where I think where we made the greatest progress debate of that notion of the value exchange, which I think is what we were trying to capture that you were asking about in your comments or question.

Where we as a community do a lot of things for the benefit of the ecosystem in our domestic environments, and that needs to be captured somehow. And by getting ICANN to agree that we will not pay any dollars towards the global operations of ICANN, because of the

work that we do on the ground in our domestic environments, they walked – they stepped back from making demands in that category.

And I think that's where we have to, as I said earlier, it's not going to be precise. I mean there is 140 of us and we can't end up having 140 calculations on what each of us do in our domestic environments. We're trying to find a framework and a set of guidelines that are reasonably applicable to us all, and the way we address the – your comments is by getting ICANN to agree that, yes we do a lot of work and therefore no we will not charge accordingly.

Right. Two other pieces are on IDNs and in particular running multiple registries, which is not just running IDNs because there are some operators who run multiple registries on behalf of other countries. So there is different situations where that plays out. And then on the different types and models, I absolutely agree and we as a working group thought about operators who run IDNs as well as ASCII TLDs.

How do we work with that? What about operators who run multiple TLDs on behalf of other countries? AfNIC is a good example of that. it runs, correct me if I'm wrong, but I think about six TLDs on behalf of other countries. If you look at the last bullet point here, that's where we tried to provide guidance, but give flexibility on how a cc would approach that particular question.

So there is guidance on it, or guidelines, but there is still considerable flexibility for a cc to work with their particular instincts. And then in terms of the specific... So I heard three real comments issues, correct me if I'm wrong. And then the next one was around the model and could there be more individual models, etcetera.

And we did a look at a range of them. In fact, in the early days of this working group that's what we were focused on. We reviewed eight different types, although some were subset types, but five different models. And including taking guidance from some of the regional organizations, the way that they work, or the numbering organizations, fee for service models, etcetera.

And the challenge of course with so many different business and governance models in this room, is very difficult to find one that is crisply going to address every situation. And that's where we came to the notion that, you know what, the banded model based on domains is one of the few universally applicable benchmarks that we all share.

It has worked more or less since 2006. It's the current regime that we have. And that really it was going to be the best solution across a relatively heterogeneous set of business models. So is it perfect? No. Is there a better one? A la Churchill and democracy, it's a lousy form of government but it's the best one tried.

Perhaps. That's how we got to the model that we did examine a number of them.

LESLEY COWLEY:

Thank you Byron. I wonder if the way to think about this is to separate the two issues, because I know from my own registry point of view, I think the model is as good as anything. I don't like the sum. I wonder if there are other registries in a similar position.

So is it the end balance that we don't like but we could live with some model that shows that, or do we disagree with both of those? It will be useful to understand. Okay. I had Hiro then [Sabene 0:39:10].

HIRO:

Hi. I'm Hiro from JP. Maybe it's already mentioned, but I think just recommend in the table is a little bit dangerous in some scenarios. I think it's good of us to add the column showing that projected lower [band 0:39:45] of the sum of our contributions, when we recommend this table.

That most dangerous possible scenario with the recommended bands maybe [like this 0:39:58]. Registries who not pay more than the table says, will pay exactly the amount of the table and registries who now pay less than the table, including zero payment, will remain the same.

The sum will be less than the current status. It's possible logically at least. So we need to have some needs to carefully avoid such [? 0:48:27] although it may be impossible. Thank you.

BYRON HOLLAND:

I think the basic statement that you made is correct. It is possible. I mean there is a mathematical possibility that that could happen. Certainly my hope is that over the two and a half to three years that we've been at this, we've taken input, provided updates, taken feedback, working with a fairly large working group. But again, as we've said, people may not love this solution, but there is a general acceptance that we have to pay some number more.

And that this is a reasonable number. And that it's a reasonable allocation of it. And then it will be up to ICANN to work with the individual ccns to actually collect on that, or encourage the ccns to live with the guidelines.

You're right, it's theoretically possible. I don't think it will play out that way, and certainly in my conversations with numerous, all be it not everybody, but numerous individual operators, one on one conversations, plus the feedback that we've had. My sense is that most, not all, most, could live with this. And that's really what we're trying to get to.

LESLEY COWLEY:

Okay. Sorry, excuse me. So I think there is three bits that I ought to highlight that I know the working group spent some time ensuring we're in the debate have come out finally as well, which is the big voluntary word. And I know it doesn't apply to the ccns that are contracted by ICANN.

But for many, voluntary is extremely important. There is also the phasing word. So for ccns that this represents a significant increase for, we certainly discussed over what kind of timeframe would ccns, if they choose to, voluntary increase, how long.

So I think the three to five years is in there for that reason. And also you have heard us repeating the value exchange words. And that's very important for the ICANN Board, and also with many others in the ICANN community who have taken a view that ccns are not paying their way, as

they see it, to recognize that the ccs bring value to the ICANN multi-stakeholder model.

And that has... Doesn't have a pound sign or a dollar sign over it, but is absolutely crucial to this too. We had [Sabene 0:43:32] next.

UNIDENTIFIED:

Yes. [Sabene 0:43:44] here. I really appreciate the [warranty 0:43:46] model, and as a registry paying since 2000 voluntarily each year, I think that's quite fair to say. I have a big problem with the core...

I have great sympathy for the banded model, which is fair enough. I think that's important. I have a huge issue with the putting the – or recommending people putting into bands according the amount of top level domains, and according to domains under management.

Because I don't think that's really – that that's the point, or it covers the point. Because when you look at the UN how they collect their money, if you look at the [? 0:44:41], how they collect their money, they look much more on wealth and infrastructure, people served.

And if you compared, let's say, the amount of domains from... If we really look what we receive from ICANN, we receive each and everybody a service for one domain. And so the amount of domains delegated is actually something that concerns our business model, which has something to do with the amount of people we are serving.

But it is also something to do with the model which... If you compare the island of [? 0:45:20], small idea in the middle of the Pacific, I think,

and Germany it's a huge difference but we have a similar amount of domains.

I don't refuse to pay in a large band, not at all, but I will never be allowed to be sorted in a large bin according to the amount of domains we have under management. Because I think we are serving a large community, because I think we are wealthy country.

And I think that is something which, if you look at the – on the UN level, that is possibly something you can look at. You can say about the amount of people you are serving, the amount of – the wealth of the country, if you want to give guidance.

But I would definitely refuse to pay a license fee for the domains under management. Never, ever.

BYRON HOLLAND:

How do you really feel [Sabena 0:46:20]? [Laughs] And all I can say to that is that is fair enough. We had conversations not dissimilar to that within the working group. There are certainly folks within the working group who advocated against a banded model.

But again, at the end of the day, when we look at the complexity or equity of a significant number of models, this in the end was the most universally applicable. And I'll just come to a couple of points. There is a strong correlation between the size of the registry as managed under domains under management, and revenue.

It's not perfect, but it's probably the strongest correlation of any of the possible measurements. And like any issue, if you look specifically and

only to the outlining situations, it becomes almost impossible to find a conclusion. So while there is a small island in the Pacific that has 15 million domains that they give away for free, that's not necessarily what we should be basing our entire model on, or hanging our collective hats on.

So yes, I recognize that there are outlier, we, not me, we as a working group recognize that there are outliers. And as we've said, this isn't perfect for all situations, but it is the strong common denominator for us. And while not perfect, it's the strongest correlation between potentially capacity to pay and any other factor.

LESLEY COWLEY: Okay. [Patricia 0:48:21]?

UNIDENTIFIED: Hi. [? 0:48:22]... I believe that if you are looking for a variable that have even stronger correlation, if you had access to that information, which you probably don't, I think that variable would be not registry revenue, but registry expenses.

Because if you are giving a million domain names for free, still it takes money to run that registry and a lot of money. And you certainly have some business model that covers for those expenses. And adding a small fraction on top of that, should be feasible for whoever is running that to manage. Okay?

So I think if you look at things from that point of view, even if you do not have access to that information, that gives you a better view of how to

fit everybody into the model, not just those that are generate actual income.

BRYON HOLLAND:

Yeah. And you know what? I... Personally, I completely agree with your comment. And we looked at that, could we tie it to revenue? Could we tie it to expenses recognizing the comment that you just made? The problem with that, of course, is we simply get access to all of that.

So having a model where we can't get access to the data while theoretically superior, becomes practically unworkable. And that was one of the challenges with that one..

LESLEY COWLEY:

But even if you had access to the data, it will also depend on the accounting policies of the country in question as to have a display of their expenditure, and what they capitalized, for example.

UNIDENTIFIED:

If I may? What I would say to that is that if we're talking about a voluntary model, self-selecting of the bands, then it's up to you to decide which band you fit in. And you know what your expenses are.

BYRON HOLLAND:

Fair comment. Like Lesley just said and like what we looked at, it had to be a practical solution as well, and the challenge there was actually getting access to the data, whereas the one thing we can get access to, as a community, where there will be some peer pressure as well, let's face it.

Is the domain name data is available to everybody in a consistently applied methodology.

LESLEY COWLEY: Sorry. Nigel.

NIGEL: Thank you. Please bear with me, my voice is still playing up, although it's improving slightly. Two points, first of all. There is a difference, I think you've conflated the two, between a model based on a banded system which is voluntary to pay, and mandatorily based on the number of domain names under management.

And a model which is self-selected as, for example, [cent-a 0:52:03] uses. I just want to make that clear and to see what it is that is under management here, under consideration here, because if it's based entirely on domain names, under management, then it's approaching something like a tax on e-commerce in your country.

The second thing is that for some ccTLDs, which for other reasons have a very, very alive and vibrant second level market, and such as where we are now, and also the UK, the number of domain names under management is less than 20.

LESLEY COWLEY: I remember my predecessor advancing the same argument circa 12 years ago. Yeah, yeah. I think from the UK perspective, we accept there has to be some methodology and the words voluntary give us some comfort. The methodology doesn't take into account ability to pay.

And I'm very much aware from the range of models, and the range of financial actors we have in this room, that there are some who do not have the ability to pay, and there are equally some who do have the ability to pay and are not paying.

All of the committee was tasked with doing this, finding some basis on which to make a division. It's really not perfect. We're not advancing it as a perfect methodology, it has to be said.

BYRON HOLLAND:

And if I could just make a comment on the notion of tax, because I would like to dispel that. This is not a tax. Taxes aren't voluntary. This is strictly voluntary. Taxes are prescriptive, specific, and most definitely mandatory. This is guidance and voluntary and arranged. So I want to make sure that...

I mean, I take your point metaphorically, but let's just be clear. This is nowhere near a tax or a domain name tax. I just want to strike that from the conversation per se.

NIGEL:

I appreciate that. And just to clarify exactly my point is that a self-selected banding system is one that has worked extremely well incentive for many years. And a self-selected banding system is one that we would be happy...

But just the way it's been coming, the way [Sabena 0:54:41] has been talking, that you have so many domain names under management, you must pay X, and that's kind of uncomfortable.

BRYON HOLLAND: Okay. True. And I will keep... You'll get bored with this, but I'm going to keep cycling back to work number one in the whole thing, is voluntary. We're making suggestions using a proxy that's universally applicable, as best there is available, while not perfect, but that gives us common ground from which to work.

And it's voluntary and you can be free to up it or do something different. But this I think is a reasonable set of guidelines that we can live with. And will end... Let's not forget, at the end of the day, deliver the result that we're trying to achieve. Because like I said, the matrix it's a pretty simple equation.

There is only a few variables to play with here. So if we on notion agree that ICANN expends the number they do, which that's one thing within the working group we have pretty universal agreement on, then that number in the bottom right has to get divided up some way.

And there are only so many ways to do that, and so many variables to play with, so many dials to work with. So that's how we've gotten here.

LESLEY COWLEY: Okay. I have Bill. Can I remind people to introduce themselves please?

BILL MANNING: This is Bill Manning. And I haven't been an active ccNSO participant for a few years but...

LESLEY COWLEY: Welcome back Bill.

BILL MANNING:

A question arises about the assumption of equitable value of any registered name. If you simply count the number of registrations and use that as your basis, there is a difference in the actual value of – and I’m going to use com because I can – between Google dot com and [? 0:56:51] dot com.

If Google disappeared, there will be many people who would think that there was value that went away. If [? 0:57:04] dot com goes away, I’m the only one that’s really going to be concerned. And so is there any thought been given to not only the number of names under administration, but to the perceived value of those names, as part of this particular set of equations?

BYRON HOLLAND:

To be perfectly blunt, not a lot. There was some brief discussion but not a lot, and the primary reason is that is within this community, generally speaking, we don’t differentiate our pricing based on a perceived secondary market value of a domain name.

So for example, dot CA are 850 whether it’s Byron dot CA, which I think should have a lot of value but probably is only worth 850 [laughs], or the Royal Bank of Canada, one of the number one sites. We still charge 850, and therefore capacity to pay does not vary depending on the secondary market’s subjective evaluation of the domain name.

That’s how we got there, but to be fair we didn’t spend a lot of time on that particular question.

BYRON HOLLAND:

Any other further comments, or questions, or feedback? So maybe we could, dare I ask? For some feedback via the cards. And maybe I'll just start with the comfort level with the actual numbers here and based on what we have been able to provide and ICANN and the commentary that we've made, are we comfortable that 3.5 million is a reasonable representation of ICANN's expenditure against this – or on behalf of this community?

If I could get a green, red, orange. Are we okay with that? [Laughs] Okay. So, a material majority on green with a few oranges and a single red back there somewhere. Is that Giovanni? Okay. [Laughs] [CROSSTALK 1:00:06]... You confused red with green? Okay. [Laughter]

Okay. So, clearly... I mean, in that... For that question on this, certainly a significant majority for green, but there is some reservations with orange, definitely. Okay. Thank you. I also just want to point out, and Lesley reminds me, we're going to be putting the question to the counsel in the Buenos Aries meeting.

In the interim, we will be publishing this and asking us, this community, for further feedback and commentary to see if there is anything that we can continue to refine or update. [Sabene 1:01:01]

UNIDENTIFIED:

I have a procedure question. Due to which regulation that is the remit of the counsel to decide upon that recommendation? Is this [? 1:01:24] regulated that the ccNSO counsel is responsible for coming up with proposals on that?

And on which... Or is it not, as far as I understand, a sort of direct relationship between the ccTLD and the ICANN coming up with something on that?

BYRON HOLLAND: Well, at the end of the day, as we've stated very specifically in the guidelines and principles, as we've made very specifically clear, any arrangement is specifically between ICANN and the cc. So that's one of the core principles.

UNIDENTIFIED: Yeah. But the question is still a procedural question. Who should...

BYRON HOLLAND: Well, there was two questions there, I'm just answering...

UNIDENTIFIED: ...recommendation.

BYRON HOLLAND: Right. I'm answering one...

UNIDENTIFIED: ... ccNSO members.

BYRON HOLLAND: So I'm answering one question, which is just to reaffirm the fact that no matter what we say is a set of principles and guidelines, it is a one to

one relationship between ICANN and a voluntary contribution of any given cc.

LESLEY COWLEY:

I understand your direction of travel. Five years down the line, it's every so late to ask about the bylaw area. So this working group was chartered and so on some time ago. I think what the council will do is, will be asked, I suspect, to support the work of the working group and the recommendations of the working group.

And I think that is within the role of the council members will have a choice as to whether they accept those recommendations or not.

ROELOF MEIJER:

Maybe I can add to that. On several occasions, Byron has, on the base of the progress he has made and the plans that the working group had for the comment period, asked the community, this community, if he was on the right track, and if they wanted him to proceed.

And there was always a confirmation. You always proceeded on the confirmation from the community that you were on the right track, and that we wanted you to proceed. I think it's a bit too late now to go back to the start and say, "Should we have ever started doing this?"

UNIDENTIFIED:

I have no issue with the recommendation itself. But the question is actually, who acknowledged the result of the recommendation? Is this the ccNSO, or is it the membership, or is it the council?

LESLEY COWLEY: I think Barrett is poised to give us procedural guidance.

BARRETT: It doesn't, yeah it does work. At the end of the day, it will be the council in this case because it's not the PDP, that's one. So the working group when we pour it back to the council and the council will adopt the recommendation or not.

If the membership feels that say, the decision of the council is questionable, then according to the rules of the ccNSO itself, it can call for a vote among the members. And going back to say when it started, this process was started to replace the guidelines from 2007 I believe.

So that procedure is applicable to this one as well.

LESLEY COWLEY: And I guess the PDP route would have been of equal length, but importantly the PDP route would have meant that it was then binding on ccNSO members.

BARRETT: And this one was excluded from the PDP...

LESLEY COWLEY: Correct.

BARRETT: ...at all, so this will never be a PDP answer, it will only be a guideline form the council, and is not enforceable by the ccNSO or doesn't make a

difference. It's just out there to guide behavior of the individual ccTLDs, in the sense of not being enforceable or anything else.

LESLEY COWLEY: Did you want to come back on that [Sabene 1:05:30]? Okay. Byron.

BYRON HOLLAND: So the next question I would like to ask, fundamentally what we have arrived at is an evolution of the current model, which has had at least tacit acceptance since 2006/2007. What I would like to ask is, can we get a sense of, as a community, do we feel that this is an equitable model, or a reasonable model given the facts that we have?

We have looked at a number of them, but is this a reasonable model that we can live with? Green for yes, I can live with it, doesn't mean you love it. I can live with it. Red for no way, orange for eh, I can live with it but I don't like it. Okay.

So just if you didn't turn around and look, it was a majority green, definitely a couple of reds, and a few oranges scattered about.

LESLEY COWLEY: So Roelof, and I was also going to ask the guys at the front here who raised, I think it was reds, but the lighting is not particularly good in here, if you haven't spoken, if we can understand the concern that would be really helpful. Roelof?

ROELOF MEIJER: Yeah, maybe I should go and sit down in the room because this is not a SOP chair, but from my position it is IDN. I raised the green card because I can live with this model. I think it's pretty reasonable. From my side there is a condition, and that is that we're in the highest band, we've been paying considerable amounts over the last years, and we expect it to increase our contributions.

And that's the bit where the outcome of the whole procedure will determine if I can live with the model or not. Because if there is only a few of us that will raise their contribution according to the field that they are in, or start contributing according to the field that they are in, then it will still be, yeah, it will still not be a solution to the problem that we were facing, and it will just be a few of us increasing their contributions.

And if that is the case, then I will be very reluctant to do so. So I don't know... [CROSSTALK 1:08:27]

LESLEY COWLEY:forecast.

ROELOF MEIJER: Yeah. So if it is something that we have to do together, where otherwise it won't work. That's my point.

BYRON HOLLAND: I completely agree with your point. It only works if we generally speaking participate. And that's the way, at the end of the day, the way

I looked at it, and I think many of the working group members looked at it. Do we have numbers that we can rely on? Are they reasonable?

ICANN has finally come forward with them, they're reliable, consistently reproduced, and at the very least, not unreasonable. If you buy that, then you have a number. We only have so many ccs here, how do we distribute that number equitably?

There are only so many proxy metrics we can use, in fact there are remarkably few that are universally applicable to us all. Find the proxy number, and then how do you distinguish how to use that proxy metric? And there, again, are relatively few ways to do that.

So that flow of logic leads to a conclusion where there are very few possible outcomes, and this is the primary outcome, and it's not a revolution. It's an evolution of what we are living with right now that is reasonable.

And I think that as long as we can all, the vast majority buy into that, then we will address Roelof's question which is fair and which certainly I agree with.

PHILLIP:

Phillip from Belgium dot BE. I raised an orange because I agree with the model, with the bands, but I'm trying to understand the rationale behind the different bands and also the fees that are attached to each ban so that's why I put up orange.

I have the impression that if there are some quick calculations that some bands, sometimes if you calculate the price per domain in the

bands, sometimes it goes up per domain and then it goes down again, and then it goes up again. So I'm trying to understand that.

If it would have been BNC, for instance, and you look at the amount and the maximum, then you go to 7.5 US dollars per domain in band C, and six dollars in band B, and it goes down again in D and E, so I'm wondering why there is a peak for band C for instance, which is coincidentally the band we happen to be in [laughter].

BYRON HOLLAND:

Well that's exactly why I did it that way because I knew you were in that one. This is... If you look at... I mean, this is getting granular, but if you look at the column that's the number of ccs in a band, that doesn't give us a good and smooth distribution. Right, so we don't have a bell curve.

We don't have a linear curve or an even distribution across those numbers. So it does make it challenging to do what you're suggesting which is like some progressive rate that let's say gets lower with volume. That's probably where the natural inclination is where there would be a progressive rate that gets lower with volume, in some way, shape, or form.

And more or less, that is what happens, but it is a bumpy on the way down that curve, I agree, and in part, the other fact that you've got to layer onto that is, okay, how we do that, still has to deliver the bottom right number, given a lumpy, unequal distribution of ccs in any given category.

So yes, a perfect smooth distribution would probably be easier to sit up here and defend, but the math and the equation works such that it has

to be a little lumpy. But it's still within the realm of reasonable in terms of a general, I mean, I even hate to say the words, cost per domain.

Because that's not what it is, it's a band, it's voluntary, but based on the number of players in each category, it does get a little choppy on its way out to being cheaper at great volumes.

Is that explanation enough?

LESLEY CROWLEY:

Microphone. And we need you on the finance working group, clearly you have math skills.

PHILLIP:

So I just wanted to mention that the extra amount for us that you are asking, that equals our total travel budget for the year to come to ICANN meetings. So we can just give the money to ICANN and then just stay and relax at home.

That's an option too, of course.

LESLEY CROWLEY:

Thank you for that. I have [? 1:14:05], and then I was going to invite whoever it was in the front row that also raised an orange or a red, if you'd like to be able to contribute your comments, that would be really appreciated.

UNIDENTIFIED: Adding to the question, my guess for the reason why it peaks in band C is because there are some ccs in band C that have a different kind of an arrangement with ICANN then others. And carries also in that band. So we're especially interested in that.

So my guess is that there is the – there are the ccs that have a different kind of arrangement with ICANN. Would that be...

BYRON HOLLAND: Right. And the other thing, just from a pure math point of view, let's not forget that if you're at the very top of one band versus the very bottom of the next, that gives you the choppiness too. So your number is very dependent on the assumption that you're using there.

Because the bands are wide enough that being at the bottom or the top certainly make a material difference. But again, it's a band and it's a guidance, and that's what we're trying to also give is flexibility within that, or that's what we're trying to suggest.

LESLEY COWLEY: Well done. Thank you.

UNIDENTIFIED: I'm [? 1:15:33] from dot [? 1:15:34]. I been following the discussion and I'm not clear on whether we're using the word voluntary truthfully, because... Could you consider making which band you fall in voluntary as well, as opposed to fixing that one?

Because it seems like it's mandatory in that case, and then voluntary thereafter. So it kind of takes away from the voluntary. That's just an opinion, but I'm prepared to change to green if you convince me.

BYRON HOLLAND:

Well, certainly... And we've had this discussion many times in the working group, we have tried to stress the voluntary nature of this everywhere we can, from the titles to, like I said, word one is voluntary.

So, we believe that in the presentation and in the discussions with, even just the ICANN Board, certainly with senior staff who at the end of the day we're doing, quote, doing the deal with, with the senior staff of ICANN.

That has been stressed every single time. If we go back to the principles, it speaks to that very specifically and speaks to the fact that the relationship will still be governed one to one with ICANN. And ICANN recognizes the flexibility that the cc has to come to that conclusion.

So I mean, I feel that within the documents and the words, the language, the vocabulary we used in conversation and in print, that there can be no mistaking the voluntary nature of this. And that we've given bands so that people have flexibility even within, between ranges and have space and time in any given range to grow their registry while still maintaining a relatively stable payment.

I don't know if that specifically convinces you to go green, but I am convinced that ICANN, there is no misunderstanding that this is a voluntary regime.

LESLEY COWLEY: Okay. Nigel?

NIGEL: Finally, very quickly, the reason being on the front row and having waved in orange, the reason I waved in orange is exactly the same reason as the previous speaker. As I want rehash what he said, but in your answer to him you said you have stressed over and over again the voluntary nature of this.

To me, it seems the more you stress the voluntary nature of this, the more you are trying to distract from the non-voluntary nature of the banding mechanism. And I think if you were to stress self-selecting nature of the banding mechanism more, and the voluntary nature less, I would be happy to wave green.

BYRON HOLLAND: Thank you. I will.

LESLEY COWLEY: Some of us still want voluntary as word one on the principles.

BYRON HOLLAND: Yeah that's true. I mean, that's a fair comment. We had some much stronger views on the working group too about not making it mandatory, but much closer to that, much harder, name and shame. I mean, we had that whole side of the spectrum all the way to it should be wide open, do whatever you want.

And we've try to find the common ground, the rough consensus here.
Yeah, there were much harder positions on the working group as well.

LESLEY COWLEY: [Ana-bet 1:19:47]

UNIDENTIFIED: Thank you. I think that one of the things that worries people here in this room is that, even though it's voluntary, it might be a difficult talk between the CO and the ICANN staff when they are discussing what they should pay.

Because even if it is voluntary, it's still kind of, you call it a recommendation, and it's very easy to at least think that they will use it as a kind of pressure to get more money out of those who won't pay that much.

So one thing, perhaps, at least is to instead of call it recommendations, call it guidelines. So I think this word is a little looser than recommended. And another thing is that it should be quite to go somewhere between or inside this number here. So if you have... Even if you choose a band, if you have one million instead of 2.5 million, you're so close to that lower band that it's easy to say that, "Okay, I'll pay 50.

That's more than enough. Because I'm not 2.5." And then you can move within the band as well. I think that's my comment, yeah.

BYRON HOLLAND: You raise something that we actually wrestled with, and even recently just at our Sunday meeting the specific choice of words. The shall, versus should, versus could, versus will, and all of those kinds of words, as well as recommendations and guidelines. We use recommendations after some discussion because that's what we currently live with.

If you look at what the recommendations are today, the regime we live under today, recommends the word use consistently throughout. And that's, as we try to have an evolution as opposed to a revolution, that's why we used recommend because it was consistent with what we have today.

So I take your point, that's how we came to recommend. Recognizing that it is a little stronger than a guideline, but it's still just a recommend. You can take that recommendation and say, "Thank you very much, and I'll go about my own business."

LESLEY CROWLEY: Okay. The gentleman at the mic and then Nigel.

DMITRI: Hello. Dmitri [1:22:42]. I have two comments on the table. First, I just don't see how the contribution makes sense at all. I see the top level of each band essentially double the previous one, except the lowest.

So it's a quarter million, half million, million, two million, five million. Then when I look at the contributions, again, accepting the very lower

one which is obviously just the cheap... First it goes from 10 to 15, which is like 50%.

Then 15 to 25, then it jumps three times, then it jumps twice, and then it jumps less so that the scale doesn't make any sense to me. I mean, I know you can play with those numbers to fit into the same, just my first comment.

So I don't see how the numbers... They look arbitrary. So if the goal is to have average kind of fee can bring it back to the genus of the domain name, right? To be about the same, like you have double of the number of domains if it goes up, so the lower is the same. Then that goal is enough there.

Second contribution, while our current payment is about 10 times less than the one proposed, we can probably double that. My question to you is that, would you rather have members that didn't pay at all, or members that pay, I would say, a quarter of what the proposed fee is voluntarily?

Because the word guideline can mean two things, either pay that or not, and pay something preferably something around this. Likewise, if somebody feels that they should be paying more, is it a good thing for them to do? I really don't see what the word guideline means here, because otherwise we can just say, "Let's pay a quarter per dollar per domain it delegates to the GNSO for dot com."

It says a guideline. And then this. The ccTLD manager will just use the amount based on the domain they have. I think that kind of guideline

will be much simpler to achieve. And then as we know the total number of domains they'll get, is really easy to estimate revenue.

See what I'm saying? Much easier and no bands.

BYRON HOLLAND:

We certainly had conversations about essentially a fee per domain, and that for a variety of reasons, historical and otherwise, was pretty much universally not acceptable. So in terms of does it make the math easier? Does it... Is it more predictable?

Yes to all of those. I would say for historical, cultural, taxation reasons, there was no appetite to go down that road, so that's the why, whether you agree with that or not, that's how we got there. And that was definitely one of things that seemed to have almost unanimity within the working group.

As far as the choppiness within the curve, I mean I more or less addressed that to, previously. But the other thing to remember, is as we work this equation, we're not just going forward and trying to find the solution, we're backing into a number.

When I said there is only so many dials to play with, right, part of it is trying to find, using the variables that we had, the right outcome, which is 3.5. So that's why it's not a consistently perfect curve, because part of it is going well, what we do over here in the variables has to get to that bottom right number.

So that's one of the reasons it's a little choppier than you might ideally like.

DMITRI: I hear what you're saying...

BYRON HOLLAND: Without going to just saying, okay, it's two cents per or whatever the number is.

DMITRI: I just call those numbers completely random so... You can have them [? 1:26:37] or you can have them random, but this one is not in the scale at all, it's just real arbitrary. So I mean, I think...

BYRON HOLLAND: Okay. We'll agree to disagree on that. I hear what you're saying, it's not arbitrary because we're backing into a number and trying to get to a specific place.

LESLEY COWLEY: Okay. So I had Nigel and then Giovanni.

NIGEL: Excuse me, I want to agree 100% of what Byron had said about the use of the word recommendation, but I would advise caution. I'm a native English speaker, and I understood exactly what you said about recommendation in your answer to [Ana-bet 1:27:15].

But I agree with [Ana-bet], she's right. There is in linguistics a concept of deceptive cognates, or false friends. Recommendation does not mean recommendation in other languages. Recommendation is binding

in some contexts. I give you an example, ITUT Radio Regulations. It's a recommendation, but it's binding internationally.

So we need to be careful that we don't use a word that can be either deliberately or accidentally interpreted in a different to that in which we intend it. [CROSSTALK 1:27:51]

LESLEY COWLEY:

...English speakers are fully able, because I was first to discuss in the meeting of would, and should, and could, and stuff. Sorry, Byron, I leaped in.

BYRON HOLLAND:

No, and we got down to the native English speakers arguing about the nuances of individual words, and guideline recommendation is one. And you raise an excellent point that should be clearly addressed, and I come to it as a native English speaker, so I have in my mind what that means.

And that's an unfair advantage, I guess, when you are talking about the nuances of an English word. Without a doubt, my perspective, our perspective, was a recommendation is not binding. Full stop. On the continuum of strength of the words, a recommendation is stronger than a guideline but it is not mandatory and not binding. That's where I come from on that, on the specific word.

And that's where the working group is coming from too, just to be clear on that word.

LESLEY COWLEY: Okay. Giovanni, do you have an Italian addition to the interpretation of recommendation?

GIOVANNI SEPPIA: [Laughs] no, I don't. And I already moved from red to orange, so eventually in the late afternoon it can go to green. But that will not happen. But I would like first of all to acknowledge the work of this working group.

Because I remember my infancy in the ICANN environment, and it was exactly 10 years ago when I was working for the dot IT and it was the first ccNSO meeting at the ICANN role. And a part from all of the logistic issues, I still remember there were people discussing very, let's say, toughly in the corridors about the ccTLD contributions to ICANN.

And that was exactly 10 years ago, as well as about the IANA service responsiveness. So those two topics were in the heart and soul of the ccTLD community 10 years ago, now I see that it's still quite a hard topic to discuss and to digest. And therefore, I understand the approach of the working group is an approach that tries to find a sort of compromise on what is a quite difficult topic to sort out.

At the same time, again, I don't want to get into an English matter. I don't want to get into the recommendation or guideline, what you mean for that. I know what it means in Italian, I know what Italian government sometimes means with that, so I just like to say that I don't know how this is going to be presented to the ccNSO council, or to ICANN staff.

My recommendation, but the UK and the Italian sense of the word, would be to have a paragraph or something in the preamble before presenting the table which we see now on the screen, saying that because of the complexity and variety of the ccTLD ecosystem.

What is presented as recommended may not suit specific ccTLDs. So that's my input to this discussion. Thank you.

BYRON HOLLAND:

Thanks Giovanni, that's good input. And just to pick up one of the points you made there, in terms of having some preamble, whatever the final document takes shape as it is absolutely envisioned to have some preamble, and a very short history that as an independent document that goes out into the wild would be self-sustaining, and allow the reader to actually get a picture of it.

So it would have a very, very short history, and some of the preamble and I like your suggestion there. So that absolutely will happen.

LESLEY COWLEY:

Okay. [Patricia 1:32:23]?

UNIDENTIFIED:

[? 1:32:32] I can understand that from a point of view of being this acceptable to people, it is just not feasible to talk about a certain of dollars or cents per domain. But on the other hand, that serves as a guideline to compare against what is being proposed.

And from that point of view, I can understand the concern of certain people who just do the math and feel that they are contributing on a per domain basis much more than other people from one band to the other. And in that sense, what I would like to ask is, are these numbers final?

Or can they be fixed somehow? Are they negotiable?

BYRON HOLLAND:

Well I'm not selling an used car here. But as I said earlier, this was the first really fulsome presentation on what I think are close, at the very least, close to the final bands. But, as I said, we will be publishing this and seeking further comment.

So if there is a math genius out there who can create the perfect curve, given the constraints, then I'm certainly open to it. We're certainly open to it as a working group.

LESLEY COWLEY:

Okay. Any further questions, or views, or interpretations of recommendations? No? In which case, can you join me in thanking Byron and the working group and the SOP working group, both very active working groups, I know. I am somehow on both of them. But I think an incredibly important milestone has been reached today.

We may not all be entirely comfortable with it, but it is indeed big progress. So thank you both. [Applause.] Okay. So we are heading into our lunch shortly, lunch was very kindly sponsored by NIRA the dot NG registry.

And I understand, I'm afraid that I don't know him, we have Mister [? 1:35:14] or something like that, who is going to address us. I don't know if he is in the room. Excellent. Well I'm so sorry I didn't know how to pronounce your surname.

So whilst he is coming up, let me just remind you about lunch. After the presentation from dot NG, there will be lunch tickets at the back of the room. There are 120 lunch tickets, I think we have enough for everybody this time, which is great.

Thank you so much for your sponsorship. Lunch itself will be at the Durban Upper Arena Foyer, which those of you that did the cocktails with the Board yesterday, it's the same location. It is a bit of a hike.

It is right down past where the Board and up a level. So we would allow sufficient time for you to get there. And then to get back for our afternoon session. And again, to fill in whilst they are setting up, we restart this afternoon with the GAC.

So we are not back here first of all, we are due to meet with the GAC at 2:15 at 14:15, and the GAC are in hall 4AB. Okay? So that's 2:15 with the GAC, hall 4AB. How are we doing? I'll carry on. So to the GAC, we're going to talk about the IDN PDP. The framework of interpretation work. The study group on the use of country names, and also how we can better work together with the GAC.

A similar theme to a discussion we had with the GNSO council and the ccNSO council, how can we make better use of our time together at ICANN meetings? I'm going to run out of waffle in a minute.

LESLEY COWLEY: Welcome to the dot NG registry.

UNIDENTIFIED: Good afternoon everyone. My name is [? 1:38:21]... I know that will be a bit difficult for some people, but it's okay. I'm just so used to it. But if you're trying a little bit, it might just be able to pronounce it. All right. I'm sitting here representing the Nigerian internet registration organization NIRA, the Nigeria's ccTLD and we're very happy to be associated with ccNSO.

And also to show that we sponsor the lunch today. We've also partaken lunch sponsored by others, so I think it's time for us to also contribute. [OPEN MIC 1:39:01 – 1:39:32] Okay. I think we had an opportunity to give an update in – at the ICANN 44 in Dakar. After that, a number of things have happened and we just think that we should also give updates on happenings within the registry.

So I'm not going to take your time, I actually wanted to show you a video, but it's not coming up so we're going to leave it and then we'll go straight into our presentation. Just a little bit of background for those who are not so used to our story.

Our story has been very interesting and over the years, I think, the chair and some other people within the room will understand our story. But over the years, a number of things have changed and there's been re-delegation and a proper management structure for the dot NG has been put in place.

And that's what gave that to the Nigerian internet registration association. It's a multi-stakeholder organization which comprises of

representatives of the government of Nigeria, different stakeholder organizations within the IT and the internet community within Nigeria.

Looking at the governance structure, we try as much as possible to make it multi-stakeholder. There is a general assembly which is membership based. We also have a board of trustees, which gives oversight to the management of the ccTLD, of our ccTLD.

We have executive board members, so of whom are around in this room, I'm one of the executive board members. And then we have some permanent staff who act as the operating entities within the organization. The organization is not for profit, and it was deliberately made so, so as to have inclusiveness within the internet community in Nigeria.

We... It's run by an executive board like I said before, it was a chief operations officer who happens to be the head of the secretariat. I'm sure some people would be wondering why he is not the one making this presentation right now, but we've been so successful that we got him poached [laughs].

The board consists of various individuals from different constituencies from the government, from the private sector, from industry, stakeholder associations, also from user constituencies, the press, and then the youth segment.

So fairly large, everyone within the internet community is covered as far as the governance of the ccTLD is concerned. It's head by a president Mary, a lot of people would know Mary in this room. Mary is the

president of NIRA. And then we have three officers, and also five executive board members.

What we try as much as possible to do is to ensure that in the administration of the dot NG, that stakeholder views are incorporated into policies that are brought up. Because the truth is, yes we can come up with policies, but it's somebody that is going to be at the receiving end of that policy.

Let's look at some journey so far. The adoption of the name is on the increase, when we came in 2011, many [? 1:43:36] were just about [braising 1:43:37] like 20,000, which was something that was a far cry from where we are coming from after delegation, we just had a few hundred.

But today, we have about 50,000 names registered and operational. The rate of adoption has been well over 60% in the last three years, and there is a huge growing confidence in the dot NG brand. More and more, the stakeholders are getting more aware, and are participating, our processes, which is something that gives us a lot of delight.

From various stakeholders in the community, we have increased involvement, and more and more, they are the ones that are actually promoting NG brand. Also we have deliberate policies from government, where all government agencies must of necessity today use the dot NG name as their official – either for a website, or for email addresses.

There is no way today in Nigeria, you can't have a government agency using any other email address a part from a dot NG. Now, one of the

things that we have done is try to as much as possible to see how we can drive adoption within our space.

First thing is that we know that once the train of adoption starts moving, it's going to be really, really important for us to have the infrastructure that would support the adoption. So we've just had an overhaul, an appraisal of the GNS system and then had an overhaul.

We put in new systems and backups. We signed a MOU in understanding with the internet exchange point of Nigeria to ensure that they give us second and third level support for our infrastructure. One of the things that we've also done is to strength the policy making and policy [monetary and endurance 1:46:00] framework such that it will take ownership of the policies, because they are involved in the processes that bring the policies about.

We have a committee structure for, to ensure that policies are done bottom up. The committees include committee members and it's usually headed by a member of the Board. Within the policy development process, we also try to do propose – or make proposals, and then community make input into the different policies that we come up with.

Okay. Let's look at some of the new initiatives that we came up with. First of all, is the opening up of the second level string. So right now, people can actually register the straight dot NG, and that's – what that has done is that has led to increased adoption. This is just about three months old.

So we're in the sunrise period, so we have a lot of people who have come up with very creative names. We have people who have come up with things like [fishy 1:47:27] dot NG, which gives you fishing. [Come in 1:47:34] NG, gives you [come in 1:47:35]. Jet lagging dot NG gets you jet lagging.

Travel link dot NG, travel link or whatever it is that you can come up with. So a lot of creativity. We see a lot of creative names these days, and that's really is gladdening to us because what that shows is that people are taking up the opportunity that we've created.

One of the things that was also done, is we understand that for names to be adopted and for our registry to be populated, we must have an audience. So we are trying as much as possible to help develop capacity within the whole community and the ecosystem.

There is a lot of greater focus for us on the name generation. You and I know that youths will drive a lot of things, so we're keeping the focus on them. We have support for student organizations, both technically and sometimes financially.

And also we've appointed some dot NG student ambassadors within the higher institutions in Nigeria just to make them peer initiators of different initiatives that we have. This drives leading innovations within those university environments.

We also recognize that we need to have collaboration on different things. Various organizations locally and internationally, we have partnered with other organizations in Nigeria and some pseudo-

governmental agencies, some government agencies, and some private agencies to come up with different things.

One is the local internet content forum, whereby we said, “Look, yes we can be talking about names. We can be talking about numbers. But, if there are no content, then there is nothing that the names or the numbers will display.” So we came up with this idea, and we partnered with a couple of other people to bring about the forum which is a [? 1:49:49] event.

The first one held in February this year, the next one is going to be held sometime next year. And out of that a number of initiatives have also come up and other groups have also come up to produce the online kind of content, and then host on the dot NG.

We also have analyzed with the Nigerian Internet Governance Forum, which we are co-initiators of. Then the AFTLD, we partnered with them to have training sometime in May this year, and the ICANN DNS roadshow was also, we also partnered with that with the GNSOs, DNSSEC roadshow.

So, what are the next steps? We’ve gone into a new session, because what we’ve told ourselves is yes, between 2009 and dates when we got re-delegation, we’ve achieved this far. So we’ve come up with a process by which we get into a strategic plan development, and that’s ongoing.

We have some ideas already written down, and we also try as much as possible to come up with more. So we know what next for the next five years. Second engagement, content developers. We had Fadi talk

about the fact that in Nigeria you have more films produced than even in the United States of America.

That's very true. I was in Zambia a couple of years ago, and had an encounter, a very nice encounter with a gentleman who was the immigration officer. And the guy just couldn't understand why I didn't have the originals of the entry permit. And I tell him, well the sponsoring organization gave me [? 1:51:55] that I brought.

But while we were talking about that, I'm waiting for somebody to bring me the original. The gentleman looked at me, and I looked at him and I said, in the African English, I said [? 1:52:09] and the guy looked at me and said [? 1:52:12], which its only somebody from West Africa that would know what [? 1:52:17] was.

The guy is [? 1:52:19]... and I was wondering where he heard that from. So I looked at him and said... He said, "Africa magic." Which is a channel on DS TV. So, if in Nigerian – something that would ordinarily be a Nigerian thing or a West African and has gone as far as Southern Africa, then I think it's something to look at.

So when we are working with content providers to help them develop and make money for content, but of course, host it on the dot NG. And as well as that, other entrepreneurs, we also have come up with an initiative to encourage our registrars to try as much as possible to grow bigger, so they can also become ICANN registers, and that should be bigger pie for everybody.

We also looking at working with the youth segment and help them develop so that they can drive more adoption. Of course, we will

continue to develop policies to make life easier for everybody around us. Develop our people, and our processes.

All right. Thank you very much for your attention. And bon appetite.

LESLEY COWLEY: So [1:53:41] thank you very much [applause]. Okay. We break for lunch and back with the GAC in hall 4AB. 2:15, thank you.

UNIDENTIFIED: ICANN 47, ccNSO meeting day one, part three, July 16th 2003, from 16:00 to 18:00 in hall 1B.

LESLEY COWLEY: Okay. Let's make a start, because you've all gone really quiet now that I've announced we're going to restart soon. So, let me just recap on our agenda for this afternoon, because there has been one minor change. Excuse me. Thank you. Sorry.

It carries. Okay. So the observant amongst you will notice that this morning we jumped over our framework of interpretation working group update. I could say that that's because we wanted to spend more time on finance, but the truth is my bit of paper went over that bit so I'd thought we done it.

But anyway, you would have seen, in the GAC that Keith gave the update to the GAC and rather than go over that same update again, which is I understand it is the update that would also be presented to

the ccNSO, we thought that we would just thought with a pause to see if anyone wanted to make any comments or questions on that.

When we've done the brief interlude, we're going to move on to our discussion on multi-stakeholder models of country code governance. And Catalina has very kindly volunteered to chair that session. From that, we're going to go straight into a discussion around the IDO PDP and the voting with regard to that.

We have then the ATRT 2 group coming to visit us. You'll notice that they sent out an amazingly long list of questions, we are not going to try to answer those questions within the 15 minutes we have allotted, rather we would like to use that to identify for the group what our key issues are from a cc perspective.

Then we're going to go straight in from that into an update on the domain name industry association from Adrian Kinderis. I am really going to do my best to ensure that we finish on time. I've already had a special request that we finish on time, in order that people get changed in various hotels for the cocktails.

So I'm on my usual mission to try and get us complete on time. So without further ado, the FOI update. Keith, did you want to add any comment or further details to that?

KEITH DAVIDSON:

Just to follow on, in a way it works out quite fortunate for the ccNSO to have missed giving the same presentation twice. So hopefully everybody is saw the presentation in the GAC forum. I think just to

remind everybody that we have had a lot of difficulty within the working group on the topic of revocation in terms of...

Well I think we had consensus for a quite a long time, but a varying consensus, but we finally achieved a unanimous position on it. And it's really of great relief to me that we have because everything else that we've done right the way through has been unanimous in the working group, and I think that's a testament to the fortitude of the people wearing down and getting to that level.

So having done that, there are things that we are now ramping up on, activities for that working group and we will be finishing our work over the next meeting or two. So it is time to take notice and make your views known because this is getting into the last stages of consultation and discussion from our community and out into the public consultation processes.

So really, I'm just seeking any questions since the ccNSO didn't have an opportunity to ask questions in the GAC room.

LESLEY COWLEY:

Anyone? Okay. And how do people get engaged? How do people get comments? Where do we find the materials and what happens next?

KEITH DAVIDSON:

Well what happens next is, if anyone wants to follow the issues more closely, the working group is meeting on Thursday for three hours, 9 AM to Noon, and we will be finessing the final wording of the report of revocation and putting it out for public comment.

So that public comment period will be possibly closed even by the time we get to Buenos Aries, so it is important to keep an eye out. Of course, we'll announce the maintenance list and so on at the time.

LESLEY COWLEY:

Okay. Thank you very much Keith. Let me then hand over to Catalina. Thank you.

CATALINA:

Thank you Lesley. Good afternoon. Okay. This is the beginning of a panel session that as you might see, we have a wide extensive examples from different ccTLDs and different regions, and definitely different models of multi-stakeholderism [sic] or how to look at multi-stakeholderism [sic] from the perspective of a ccTLD.

You might be well aware that in the discussions around internet governance, the ccTLDs, as part of the technical community, they embrace... I mean, the technical community embraces multi-stakeholderism [sic] for other organizations. And in some respect, some ccTLDs are also beginning to rethink their own models and how they are themselves working in a multi-stakeholder fashion.

So multi-stakeholderism [sic] together with enhanced cooperation, which basically includes the presence of governance. And internet governance is one of the hottest debates these days, and so I really look forward to seeing this experience that our colleagues will share around the issue of multi-stakeholderism [sic].

But we will first have a presentation but dot [? 0:07:38] from Kye-Nam Lee, he will start making a presentation on internet governance in Korea and how, well it's working these days and how they are working for the future. So, Kye-Nam Lee, you have five minutes please. Thank you very much.

KYE-NAM LEE:

Yes. I would like to present full on status on internet governance in Korea and the way forward. My presentation consists of three parts. First, you can see overall structure of Korea's internet governance model. The second part shows challenges we face and how we dealt with them.

And I'm going to finish this presentation with our basic principle on internet governance and our future plans. This slides shows, the operating history of internet governance Korea, focusing on organization was in charge of internet addresses.

In the past period, [? 0:08:58] was one of the leading academies in Korea, established [Korean 0:09:03], as a department in it for the past time. [Korean 0:09:08] service started in this period. In 1994, [Korean 0:09:14] [depart money in past was Korean 0:09:15] transport to the regional organization, [? 0:09:20].

The national information exchange agency to facilitate registration process, and promote the use of Korean ccTLD. In 1999, [? 0:09:34] was separated from [Nia 0:09:36] and started to stand on its own feet until 2004, when action internet authorization services was put in first.

After that, [? 0:09:48] change its name to NIDA, National Internet Developmental Agency, and came to function as a full-fledged governmental agency, according to the law. And finally, in 2009, the structure of Korean government was reorganized, NIDA was consolidated into [? 0:10:13] with other two organizations.

In the process you just saw, there was some challenges. As other internet address resources was put in force in 2004, government took the full charge of internet address, which caused some concerns. There was a view that government driven internet governance model might break the balance between diverse sectors leading to endanger the multi-stakeholder environment in Korea.

There has been a lot of efforts to deal with this issue, and as a result of continuous discussion, we ensured internet governance model that we have now. Many [? 0:11:04] were created, where many actors can stand and speak on an equal basis by different entities.

For example, now there are not only internet policy address committee, created by the law, but also network neutrality forum collected by civil society and other forums. Nowadays, one of the most active forum is KIGA Korea Internet Governance Alliance, which gathers experts from diverse entities such as government, administrator, academia, and civil society and allows them to discuss the internet governance issue in a [? 0:11:55] manner.

As you can see from this, there has been some challenges until we finally established this model. But this challenge also can be recognized as a great opportunity which Korea Internet community benefited from.

So this process, we created a new and more advanced internet governance model.

We have been actively working on internet governance issues, and continuously developing our own model, as you saw in the previous slides. At World Telecommunications IT Policy Forum, WTPF last May, Korea presented its basic principle on internet governance, that we support multi-stakeholder model.

This is recognized as a major achievement for us because the statement is based on many discussion [wizards 0:13:01] at diverse forum I mentioned before. Based on this principle, we are making efforts at national level such as spending issues [? 0:13:13] hold in advance to share views about internet governance and increasing interaction among diverse stakeholders.

And we are also preparing global events such as [? 0:13:30] regional internet governance forum this September, conference on cyberspace this October, and finally ITU plenty potentially conference next year. I am looking forward to your active participation in this event.

This is the end of my presentation. In case we have any questions, please contact me at this email address. Thank you very much for your attention.

CATALINA:

Thank you very much [applause]. Okay so after this introductory presentation on the internet governance model of a ccTLD in Korea, the case of dot KR we will now start with the case studies or the presentations regarding the particular question that is addressing our

panel session today which is, related to multi-stakeholderism [sic] and what are the opportunities, challenges, and threats ahead for ccTLDs working in a multi-stakeholder fashion.

And I will invite Debbie Monahan from dot NZ now to make her presentation again inside of five minutes. Thank you Debbie.

DEBBIE MONAHAN:

Right. So the brief was five minutes, three slides, so I'll do hopefully less than five minutes and I didn't do more than three slides. Basically, the dot NZ model it's a shared registry system, but with a slight variation of some people.

You'll see three different names on this particular, the one in the middle being [0:15:15], so the internet New Zealand is an incorporated society owned by its members in New Zealand. And that holds delegation for the dot NZ domain namespace.

Back in 2002, they setup a new structure which is represented here. There is two subsidiary companies that internet NZ owns. One is the Domain Name Commission Limited, which I hid and the DNC is essentially the regulator, we set policies and we feel like having the responsibility for operating the domain namespace, the dot NZ domain namespace on behalf of Internet NZ.

So we, in our policy setting, are very much – we involve the public and it's all based around open and consultative approach to our policy setting because there is no legislation that governs the space. And in the registry company, [? 0:16:09] hit a [budge a 0:16:09] daily that a number of you will know, and they actually do the technical function.

Now, because there is no legislation, you essentially have got a whole series of policies and procedures and agreements that govern the space, and the registry is bound to a service level agreement that the domain name commission oversee.

So we actually make sure that they actually meet the required standard. The registry reports to the domain name commission as per the contract of the agreement, and also whenever we actually have a question.

Now there are challenges around this model. The factors that three entities can create confusion, who is responsible for what. And I'm pretty sure if I was to ask many people in this room who have spoken to myself, Jay, Keith, and others who attend, why there is three different logos, three different names and other such things, how does it all fit together?

How do you actually explain it? I mean, it's hard enough explaining it to people in the industry, let alone trying to explain it to others. And there are also that matters that can come up. We feel that some of the boundaries of responsibilities are kind of blurred and you've got to try and actually work out how best to handle those.

That said though, there are far more benefits than then are concerns. And the clear distinction between policy and technical operations means that policy is actually developed in an open manner and in a way which best fits the needs of the local internet community.

One example of this is that dot NZ has IDNs. We have a [merry 0:17:43] language which has Māori mac-rons 0:17:43] [? 0:17:44]. Now the

registry has no financial reason for implementing those, but we did it for policy position because Māori is an official language of New Zealand.

We also have an independent person, I've seen the performance of the registry and publishing anything that is a breach of the agreement. And dot NZ has a really key role in the wider public goal of promoting and open and uncachable internet, and are free to focus on that leaving dot NZ to the subsidiaries. But I think the key thing to, is that in our model we actually have a shared ownership and dot NZ owns the two subsidiaries, which means we share the same principles and operate to the same standards.

And that's my very quick oversight with three different main names and web addresses to go to.

CATALINA:

Thank you very much Debbie. Now is the turn of... We will have a last bit of minutes, hopefully 20 minutes for questions and answers, but I would rather we go first through the eight presentations and then we have some questions and comments from the floor.

But it's Demi Getschko's presentation from dot BR. Thank you Demi.

DEMI GETSCHKO:

Thank you Catalina. [OPEN MIC 0:19:06 – 0:0:19:19]. Okay. This is a short presentation about the model we have actually in Brazil. Okay. The dot BR was delegated in '89, the Brazilian connection to the net, the international net, it was done in '88, but the steering committee, that is

the main political body for internet governance in Brazil was created in '95.

And was formulated to often times, the act on the definition of the steering committee, was done in 2003. And it keeps the format until now. The purpose of the steering committee is to create and not regulate internet activities and services in Brazil.

Basically oversees arise the rise of the [? 0:20:29] top level domain dot BR. And the allocation of IP addresses. And it also has a lot of other options in benefit of the internet community, the local internet community.

As an example, it runs internet exchange points and produce material about security and statistics on the internet in the country. Next. The way we are doing this in Brazil is we have a bicameral structure. The steering committee is the political part of the process and we have the operational part which is done by the NIC, the Network Information Center dot BR, as you know.

And the basic functions of NIC is to do the things in the physical world. We register the dot BR, we allocate the numbers and so on. All the money we get comes basically from the registry services, and we also have some revenue from the IP distribution, but this is marginal compared to the revenue, registry of names.

And how... We are a thick registry, we don't have licensed registrars. Anyone can be registered in Brazil, but we don't offer any special conditions for them. They have the same cost as an end user to raise under dot BR.

Basically the money from the registrations comes all to the Brazilian Network Information Center, and then we can spend money doing things like 20 internet exchange points to the count, we have 10 years of statistics. But this is not for this presentation, maybe tomorrow we can discuss this a little bit more. Next.

The steering committee is up to our composition, has 21 members, and the government has nine of them. There is not much authority of the board. The nine representatives from the government are indicated, are placed by the different ministries and so there is the list, it's on the screen. And we have 12 members from the civil society that are elected each for three years, then we have elections to choose these representatives.

Basically by their own constituencies. We are just the middle of this process, and we have the change of this 12 members in the beginning of the next year. Then the majority of the steering committee is basically the people from civil society. Just to show more or less the activities we are doing, can do with the money we receive from the registry.

We have under the NIC BR, this is five small boxes, one is the registry that gets the money for all those, CERT BR is the security emergency response team, the result of the statistics about spam, about phishing, about – and also is a focal point for information about violations in security.

The CETIC is one center that deals with statistics and collects data about how the internet is doing in the different regions of the country. Brazil is a very big country. Then we have maybe a big regional difference and statistics collect in that. The CERT is a research center deals with

courses in IPv6, deals with the distribution of the network time protocol for – have all the right time for all of the servers.

Anyone can use the right time for the protocol for free. And also runs the internet exchange point, we are quite big in this area. In many of these exchange points, a team of them who have mirrors of root servers.

And we also host the regional offshore of the W3C, and we support their activity also on that. Just to finish the thing, we have a national law on telecommunication that was done after the creation of the steering community.

This law separates what is internet as added on value service from the telecommunication infrastructure, that is a lot of struggle right now. We hope to keep this separation in good shape, but it's not clear. The steering committee, as I said, is the political body we did an association of the 10 principles, 10 commandments for keeping the internet open and free and so on.

We have an information access act that provides all the access to all the governmental data since 2012. It follows also the dot [? 0:25:33] principles. We have two things that are in discussion right now. The privacy and personal data protection and the civil rights framework, it's voting in this proposal right now, I suppose, this day, today.

The civil rights framework will encompass three basic issues in the area: neutrality, privacy, and the correct response organization of the chain in the internet. And just to finish the 10 commandments are on the table,

not to read all of them. But this was the seed for the framework of the internet in Brazil.

The framework, the lack of framework, we hope they will move forward in this discussion today, and this is so. Thank you.

CATALINA:

Thank you very much Demi for the presentation. And we're going to dot TZ with Abibu Ntahigiye. Who is going to present Tanzania's model.

ABIBU NTAHIGIYE:

As the moderator said, my name is Abibu. I'm from dot TZ registry in Tanzania in East Africa. I will present the multi-stakeholder for the TZ, Tanzania. And just a briefing about the registry. TZ is a company, it was registered in 2006, but became operational in 2009.

Currently it has seven, five staff members. The ones in red were recorded in March this year, initially we are five. And we have 12 SLDs with 7,200 plus domains. And the re-delegation was non-contested in April 2010. We have deployed IPv6, DNSSEC and also we are hosting the F-root copy in our office.

We are working towards full 3R model, and we have 32 plus accredited registrars. And among this one, one is ICANN accredited. We handle disputes through WIPO, we have a memorandum of understanding with the WIPO.

In terms of governance model, it is a multi-stakeholder and how it is, is a bit different from other countries because you have variant types of multi-stakeholder depending on the members of that are coordinating

in terms of the government of the registries. So I will present two different cases.

tzNIC is independent and self-regulated. It is a not for profit, but member based through PPP, Public Private Partnership, and the membership is open. The founding members are the regulator, presenting the public sector and the association of ISPs representing the private sector.

Just as an update, we are making some efforts to have one ISOC chapter, which if interested, can be a member of tzNIC to represent the end users. The policy development committee is about equally represented by all members. And just as an example, from the regulator part representing the public, we have one member from the regulator itself, one member from the ministry, and two other members from other government agencies.

And the establishment of tzNIC was a result of facilitative and consultative operating model of the regulator. As for opportunities, we find that all the members, or all the categories of internet users are inclusively, and through the private public sector in terms of management of the ccTLD.

And we find that with this multi-stakeholder model there is a possibility of development of supportive policies and regulation. And to clarify on this, so far there is a new legislation, it's call the electronic and postal communication act, which requires every entity within Tanzania to use dot TZ domain.

And at the government level, there is a circular that requires every government institution to use the dot TZ domain. And also the multi-stakeholder model, makes TZ to be involved in policy, regulation, and capacity building initiatives.

And so far we have been participating effectively reviewing the national ICT policy, and also have been involved in discussion some new bills on transactions. So this multi-stakeholder model is given TZ involvement in the national policies, but again, the government passes some legislation as supportive of the development of the cc.

And also, as I told you, there is an element of possible expansion in terms of more members, because the membership is open. And so far there is a strong collaboration among the members. As far challenges in terms of governance, so far we don't have any major challenges a part from the sustainability issues.

But I have just highlighted some possible general challenges, which could be the dominance challenge and the governance challenges. Dominance challenge in the sense that, when you start the cc operations you might not be sustainable and find that one member might be providing some funds, and this accounts if you don't have good governance, then one member can be setting the terms.

And from that point the register not operate well. And that's all I have, thanks very much.

CATALINA: Thank you very much Abibu. Thank you very much also for respecting the time. And now it's Roelof Meijer with the case of dot NL SIDN. Thank you Roelof.

ROELOF MEIJER: Well a clarification, the SIDN logo is in the center, it doesn't mean that we think that we are the center of gravity or the most important party in this graph. What we try to do is arrange stakeholders and parties that we collaborate with along themes.

I should probably start by explaining that SIDN is an independent organization so we have no formal ties with governments. We are not a membership organization. We do both the policy and the technical functions, and it's all in this one organization called SIDN, a not for profit organization, Dutch foundation.

We have supervisory boards, which is also comprised of people who are not representing any specific organization but are selected in their personal expertise and experience and qualities. That said, we collaborate with numerous organizations that are stakeholders.

I think the group that is most close to us in our day to day business is the group of registrars, we have quite a lot of them, almost 1,800, 1,700, 50 I think of which only a small group consists of ICANN accredited registrars. We have recently, about two years ago, agree with them to organize themselves into a an association of registrars, which is a formal organization that we finance on a year to year basis and a three year contract.

I'll get back to that. On the thing of security, we closely collaborate with organizations like our National Security Center, but also the anti-phishing working group for instance. Policy and internet governance, we work together with IGF structure, and the ICANN structure, CENTR with our local internet community. Here within the ccNSO.

On technical issues, and I'm sure that there are some names that you recognize, considering our role and responsibility, so that effectives the legitimacy of course, there is a lot of content collaboration and yeah, working together with our government, and contact with political parties to make sure that the role that we have is the role that we keep.

Now, what are some of the challenges that we are faced with? Especially in the field of policy making, and I'm sure that most of you have the same experience, there are vastly different interests, different stakes, different opinions. The registrars are most involved.

They have the strongest voices. It's not a voice, but voices if it is on policy, both policy directly aimed at the registrars but also our strategy of diversification, and although we created the association of registrars because we found that we could never do it right.

There was always a group of registrars that would have an opposite opinion from what we are doing, whatever direction we went, we have just – yeah, transitioned this problem to the association of registrars. So on the field of policy making, I think our largest challenge is getting advice on policies from registrars that we can really follow up without a significant chunk of our registrar community being outside.

Our major themes on our naming policy, we decided to do what we call domain name debates and there we try to get a good representation of our local internet community presence, we prepare a certain themes that we are going to discuss with them and they can be from a dispute resolution systems, or mediation, or a change in the privacy policy of our WHOIS.

We try to get a rough consensus based advice, which we, in most cases, I think, all cases so far, then implement. In the technical field, one of the important challenges we are facing that was again, last week even, is abuse, [? 0:36:58], spoofing, botnets, attacks on our websites.

Another interesting issue since we implemented DNSSEC is the validation. We found that ISPs are fairly reluctant to take that up. There was a new sector where we had to establish direct contact. It's working well now, slowly but surely.

On the most important, the governance aspect independence and legitimacy. I think one of the best protections against that, or to ensure that, is our governance structure, like I just explained. Something like almost seven years ago we... On our initiative we signed a confident with our government.

Which is in effect about ensuring the uninterrupted function of the domain, but in which we also took up our governance structure and close about their independency. And I think that is one of the best protections of our present structure, and of course I think you all would agree that it all starts with being very, very good in what you do.

That's probably the best protection of your role and responsibility, and whatever structure you have. If you fail to run a good business, then I think in the end you will lose your role and you will lose that responsibility. So what are the benefits and the results?

We remain an independent organization with what we judge, and probably not all stakeholder's would agree all the time, but with adequate stakeholders' influence. We have the solid position with more than enough government support, I think.

There is a growing, and a broader growing, recognition of our expertise in the DNS field. We try to add value on, you can say, internet governance themes like openness, access, security, and privacy especially within our own country. And we have established national rules, an international broad collaboration on operational, technical, and security themes.

CATALINA: Thank you very much Roelof. Now, it's Giovanni Seppia's turn to present the model of dot EU. Thank you Giovanni.

GIOVANNI SEPPIA: Thank you Catalina. Yes, I'm going through the multi-stakeholder model on dot EU. So what we have done is that we have divided our stakeholders into three groups. And this is for what we, let's say, conduct as regular consultations that we do, three different stakeholder groups.

So basically the first group is our customers, and mainly those are the accredited registrar of dot EU. And of course, the European Union domain name industry. And then, the European registrants including SMEs and trademark holders.

We have also a second group where we have the European Union institutions and then ICANN. And this is a special group for us and I'll tell you briefly about it. And then we have the peers, which for us are the European and international domain name registry community which is very important to us because we always try to learn from other [? 0:40:57].

Also, we try to make sure that any change in policies and procedures reflect what is the best practice, and standards of the international level. So we conduct regular exercises of consultations with these three different groups, of course, at different levels.

What are the challenges for us? First of all, we are special registry. We are a registry under contract, quite a strict contract with the European Commission. We are basically operational branch of the European Commission for the management of the dot EU top level domain.

And therefore when I talk about multi-stakeholder, I'm talking about consulting with our regulators, that means consulting with the European Commission but at some point also liaising with the European Parliament and the Council.

For us, that is a regular education process because in the seven years we have been at the management of the dot EU top level domain, there have been some changes at the parliament level, but also the European

Commission level. And sometimes the people you have in front of you, they start to ask you what is DNS? What is domain name?

And those are the people that are supposed to tell you what to do. They are supposed to produce regulations about you, so it's sort of a permanent education process. And then the challenges also that we have 28 countries as of the 1st of July this year, that they are looking at us.

They are looking at what we are doing, and at some point they call on us to – for very practical things like, sorting out specific issues on some domain names, but also let's say they're calling on us because in this country, we have – we must have one accredited registrar in each of the European Union member states.

And that is why in order to, let's say, make sure we achieve this goal, we have distributed account management network, which is distributed over four offices, and we have one account manager speaking the language of each of the European Union member states.

And that I'll just to get in contact, and not only pass on the information, but also to receive the input from the value stakeholders. The benefits of this quite in depth, multi-lingual multi-stakeholder approach is that we have, over these seven years, we have basically built a model based on consensus.

Which means that most of the changes that we have implemented for the dot EU top level domain name, they had quite a broad consensus. And two clear examples, are we introduced IDNs in December 2009. Before introducing IDNs, just to give you an example, we have consulted

with each of the different academy networks or academia in the 27 member countries, you understand?

What were the official characters in each of the languages, official languages of the European Union. And then we have also consulted our registrars to make sure that they were going to support, if not all some of them, the streets that we were going to introduce for IDNs.

And the same happened when we introduced last year a fully automated process for the trade and transfer procedure. We went through over 18 months consultation at different levels with the regulator of the European Commission but also with our registrants.

And the most amazing thing is that when we launched the new trade and transfer fully automated process for dot EU domain names, on 21st November 2012, we did not receive one single complaint about the new process. On the contrary, we have been receiving compliments by all registers, regulators, our primary stakeholders, and even registrants about the smooth introduction.

And we found that we have outreached all of our stakeholders. So it's a big challenge for us. We are really a special registry. Sometimes we wish we are regulated in a different way, but at the same time it is a challenge that for us means that we should do always better. Thanks a lot.

CATALINA:

Thank you very much Giovanni. As you said, a very different and interesting model covering a whole region. Now it's Vika's turn. Vika will be, of course, presenting dot ZA's case. Thank you Vika.

VIKA MPISANE:

Thank you Catalina. I'm doing a quick, hopefully a quick, presentation on the ZADNA case for multi-stakeholder comments in the ccTLD light. The first light, just loosely point out the key stakeholders for the ZADNA ccTLD.

Obviously the one on the light blue, that is the ZADNA that is the domain name authority, which is the ccTLD manager. And is a [? 0:46:50] entity that regulates and manages South Africa's internet namespace dot ZA. By nature, and by requirement of the law that found this entity.

ZADNA is required to be consulted if its decision making, and its regulation of the namespace. Some of the key players are met out there, for example the SLDs. That stands for Second Level Domains. This is the model we utilize.

The administrators and the operators of the second level registry operators are multi-stakeholder. We also have the registrants, domain name holders is obviously our key stakeholders who are participating in different ways, through consultations, workshops, and any other press releases we may have released when we come out on particular issues.

We have registrars, and then we have the DOC, which is the Department of Communication locally. In terms of challenges that we had in the past, and some of them still come from time to time, we have had a problem of limited participation in our, sorry, internet governance model.

Were you find that in historical, it's a problem to say historical only but it is sort of in present participants dominate, make inputs, make

proposals, give feedback. And you do not see a bigger pool of people coming into the space. It is obviously changing all be it, at a slower pace.

And we are from time to time starting to see our events attracting a bit more participants of different background. Internet governance education as well is one area of challenge or – for us, we are this year working on education in our way to support the internet and domain names, and the issues involved in the internet.

In the hope that one of the particular benefits that will flow with that will be a wider [? 0:49:16] ...of people are educated in terms of what internet governance entails, so that they can come and play a role. Sometimes we also have a problem of limited synergies between role-players in the namespace.

Not only... Not just the people who are directly affected by dot ZADNA operation and regulation, but also other CTO organizations in the country. We wanted it to overlap with what we do, but there is no communication between what they do and what they do.

And also, there is also a challenge of [? 0:49:51] ...of ZADNA, the regulator, because they act focuses purely on operation of the dot ZA domain. They have been calls from time to time of increasing or expanding our role to cover issues that flow from this – from the internet in general.

The benefits of, including the stakeholders have currently has been inclusivity, and we think that going forward that will increase. We see

more and more stakeholders and people, especially from civil society and other organizations coming into play.

We also see one benefit of a stakeholder voice in key issues in ZA. And of course, the adherence to democracy which is representative governance, which is an important dimension of our system of democratic of a – that government results broadly and has structures of different areas of its role, way it comes out at different players, organized labor, organized business, and civil society and so forth.

So we also see a benefit coming into play. And obviously location in [? 0:51:01], more and more people getting our way of what is entailed in running a namespace and then the internet as a whole.

And also we are starting to see a benefit of having people, meaningful participation in international forum, such as in ICANN and IGF, slowly we are moving away from, that's another way. At ICANN, it was just a few, myself and probably a couple of other faces that form ZA.

You are starting to see more and more people from ZA or from South Africa coming to participate at ICANN and the internet governance forum. That should be all from me. Thank you.

CATALINA:

Thank you very much Vika. Now it's the turn of our last presenter, he's Pierre Bonis from AFNIC and he will be presenting how dot FR is working with other stakeholders in the French internet ecosystem. Thank you Pierre.

PIERRE BONIS:

Thank you. So this is a presentation about the multi-stakeholder approach within AFNIC. Just for the record, I think it's a not for profit organization. It's not a government agency. But it has a lot of links and ties with the public authorities in France.

So how do we work? We are responsible both for the policies and for the technical operation. And we discussed these policies, or the technical changes, with various committees. The committee open to all the registrars that are members of AFNIC. They are not always members of AFNIC, they can be registrar of the registry without getting involved in the discussions with the policy.

The user's committee, whether they are individuals or commercial users. And after having discussed with these two committees, we usually round some public consultations, more about registry policies than about technical policies. And then we have... Whether a consensus or one or two major scenarios, we go to our board, and our board is made of government representatives, representatives from the registrar community, and representatives from the internet users, and representatives also from our foreign counterparts because we have one member who is representing foreign registries that are involved with AFNIC.

So now to the challenges. We have a strong participation of the government, and it's a good thing, but sometimes the other stakeholder thing that, because the government is strong within AFNIC, they will not be listened and it's useless to discuss too much because at the end of the day, the government is going to take the decision.

So sometimes difficult to have real discussions, or real debates because of this fear that the people will not be heard, and frankly it's a perception because within the AFNIC ecosystem, we can have long and large debates.

The other challenge is with the individual users. I think this is something we share with dot ZA because it was a little bit what you said before. We are open to individual users within our border, within AFNIC generally, but sometimes we like the organized individual users and it's a bit like, if we are lucky we have a very good one, and if you are unlucky we sometimes we have individual users that don't represent much.

But for now, we have excellent individual users representatives in our board. As far as the dot FR management, because AFNIC is mainly a dot FR registry, we are – we have answered a call for tender by the government and we have a contract that is very precise on how to manage dot FR.

Which means that for now, the multi-stakeholder approach on the main changes that can occur about the management of dot FR, this multi-stakeholder approach is a little bit conflicted by the fact that we have to stick to a contract that we have with the government that has not been negotiated with the whole community. So it's a bit of restricting the multi-stakeholder approach.

But the benefits now. The government makes it easier to focus on the public interest. And that's true, that's easier to talk about the development of the internet in France when you have the government and the board, than if you only discuss with your private customers.

The diversity of the participation in the board and in AFNIC allow us to facilitate the building of cooperation between the different actors. There is an example that if the observatory of the French internet infrastructure resilience, that gather a security agency from the government are getting mixed in AFNIC.

And it gives a platform and engage the dialogue before the international discussions, especially on internet governance. This is something that we have not done last month, but we are considering the debate and the preparation of the international discussions such as, international discussions in ITU or in ICANN.

And with that, I'm done. Thank you. [Applause]

CATALINA:

Thank you very much Pierre. And this was our last presentation in this panel session. And since we only have four minutes, I would like to open the floor to three questions. I mean, very up to the point if possible, and they will be answered at the end by the panelists. Yes please.

UNIDENTIFIED:

Good afternoon all. My name is [? 0:58:54], I'm from dot NG. I have a number of questions here. I want to find out how best to handle the issue of limited participation from the stakeholders. We are a member... Our house is a membership organization too, multi-stakeholder.

We have a government representative and then we have the previous ISPs and all of that. But you find out that when it's time... You want to review a point, the constitution for instance, you send out notice and there is no response after a given period of time, okay.

There is a call for a review in policy, and then you send out notice and ask for participation and you get none, even from the registrar constituency, okay. And then after a while, it is passed. And then shortly after somebody comes complaining, "Oh I don't like this. This member of the board shouldn't be a registrar, he sits on the board and he's a registrar."

And you tell them, but you had your opportunity to raise this, in the course of the review of the constitution, or the policy review, and you didn't do anything about it. So how best do we handle this? That's one.

And this is specifically to dot TZ, you said you have a legislation that entities in Tanzania should adopt dot TZ. I want to ask how effective that has been. We have considered taken that line, but we have opposition because people feel that it's better to persuade people to adopt dot NG rather than use an executive chair to get them to do that.

The other one is, well, maybe let me ask for country to have opened up the second level. We recently did that, we opened up the second level in the month of April, and I think in June or so I discovered that somebody had registered dot NG dot NG. That's D-O-T-N-G dot NG.

And I felt that that was in direct conflict with dot NG because we are the managers. So I want to know other people's as ccTLD managers. Thank you.

CATALINA: Yes, [Young Nam Lee 1:01:47] has a question. So.

UNIDENTIFIED: Thank you very much for all of your presentations. I was thinking that after all of the presentations I would be able to have like a spectrum of maybe the degree of freedom of government or the extent of civil participation, but actually it's not that easy to distinguish.

But some of you did mention the role of governments. Some of you I actually have a question about how strong an influence the government has in your policies? So for example with dot -- the government has...

I mean, you're a very independent entity, but I mean, but you do try to maintain a very good relationship with the government, right? So how strong an influence does the government actually have in your policies?

So I'd actually like to ask the same question to dot TZ because you seem to be emphasizing a very multi-stakeholder approach, but I mean the legislation that was just mentioned, mandating people to use dot TZ, that's not allowing people enough freedom. So I would like to ask what I think are maybe two very different approaches of the government.

CATALINA: Thank you very much. So panelists, we have four minutes to address these questions. So for the sake of keeping the schedule, let's try to keep to be brief and sharp thank you.

ABIBU NTAHIGIYE:

I would like to address one to [? 1:04:07] query about the, for example the example he gave about the register being in the board. I think this is the issue of governance of each specific ccTLD. If we allow the register to be in the board that depends on the policy, but basically you understand that the register has some requirements to the registry so being in the board, I think you might be creating some issues.

So I don't know how you handle that. But coming back to the issue of the legislation, it depends on how you take it. I said that this legislation was passed in 2010, and what basically the registry are doing, we are not imposing, we are trying to send out the message on the values of the TZ, not imposing.

This can be compared with the issue of SIM card registration. Initially when we started, most of the people they are not willing to register their SIM card, but when it come to be used on the mobile money, they saw the value of being registered.

So we are taking the same approach on communicating the values rather than imposing the registration of dot TZ, because if we impose the end result might be someone registering a domain name but not use it, and we have few examples.

So we are going very tactfully to have this registration waiting. And basically the idea is towards the localization of traffic, and you can localize the traffic if you are using the dot COM's. And that's why, even in my presentation, I stated the issue of root hosting. This was for the sake of localizing the traffic.

And this [? 1:05:53] was collected around the internet [strategic point 1:05:56], so using that dot TZ with the ISP and the efforts within the country, at least you try to localize the traffic, that is the idea. But basically you need to be tactical in terms of marketing on the user dot TZ using the registration.

And this way, I don't see that we are limiting the freedom of someone to use a dot COM, or a dot whatever, because we are telling him the values, okay, before imposing. And the values are clear, because even the cost minimization will be realized by the user himself. That's what I can comment or respond.

CATALINA: Thank you. Roelof, I think you have to answer one of the questions, yes.

ROELOF MEIJER: So shall I start with the one from [? 1:06:47], influence of the government? If it's about our naming policy, the influence of our government in principle is just is large or small as any other stakeholder. So they participate in a domain name debates, and they give us their opinion on certain matters.

If it's about... There is certain other fields where I think they have more influence, especially if it's on the field where there is regulation or legislation, so the privacy aspects of our WHOIS policy for instance, the government organizations have significant influence because we have to adhere to regulations and existing legislation.

If it's about... If we would undertake activities that would pose a significant risk for SIDN, for instance a financial risk or any other risk related to our continuity, that will be definitely something that will cause a lot of pressure on us from our government. If we would decide to move our offices to Belgium, there were would be – that would be a no go.

Although there is no formal influence, and I'm not mentioning Belgium because all the other countries would be okay, any country other than where Dutch law applies would be a no go. So there are certain aspects where our government will put a lot of force on us, a lot of pressure on us, and would probably not hesitate to come up with emergency legislation or something.

But my experience so far is where they make such points, it was always the interest of the other stakeholders in mind. So not a specific government interest other than protecting, if it exists, the public interest, the interest of the other stakeholders in the local internet community.

Can I also react to the point on how do you involve your other stakeholders?

CATALINA:

I think that's a very relevant issue, I mean engaging...

ROELOF MEIJER:

Yeah. Because we set our policy, like I said, with these domain name debates, and of course it's very easy to get participation from the

registrars, it's normally quite easy to get participation from government institutes, from the regulators, but it's definitely more difficult to get participation from organizations that represents consumers for instance.

Probably the best way to get a lot of participation is to do something terribly wrong, because it's very often [laughter]... The silence comes from satisfaction as long as everything goes more or less okay, people are not very interested to spend a lot of time on you, and if you do something wrong then somebody – everybody gets interested.

We also find out that is getting known better helps. If the larger community knows your organization and knows what your role is, then they would probably be more interested to participate in discussions about how you fulfill that role. But I think the problem of many registries is that we're not very known by the larger public. So I recognize the problem.

As far as I know, there is no clear solution other than in finding them and seeking publicity and making sure that your organization gets known. And I think the best way to get known is of course in a positive way.

CATALINA:

Thank you. We have one or two more minutes, so if any other panelists, yes, Pierre, go ahead.

PIERRE BONIS:

Thank you. I just wanted to react to the question about, with our junior colleague, about the involvement of the whole community. I think this is a problem for a lot of us in fact. There may be ways to make a distinction between the role of animating the debate on the internet, which is in the mandate for instance of AFNIC as a network and information center.

And the managing of the ccTLD itself. Because if we regularly organize debate on big issues related to internet, whether it is about privacy or international questions, some people will come regularly. As Roelof said, they will not have a huge interest to go into the details of the management of the dot FR, if they are happy with it.

But the first step is to involve them, and then after maybe they will have more interest towards business, which is the national ccTLD.

CATALINA:

Thank you very much to the floor and the panelists for what was a very interesting panel session. And I think there is lots of food for thought and examples to be taken from these panel sessions. So thank you all.
[Applause]

LESLEY COWLEY:

Okay. So thank you very much for that. We managed to give you a bit more extra time because there is nothing worse than hearing presentations and then not being able to have a discussion about some of the issues.

So I didn't want to cut that too short. Maybe it's a good place to say there is a ccNSO meeting survey that we circulate at the end of each day. If that discussion is something you'd like to continue at our next meeting, maybe as a panel discussion as opposed to presentations, can you please make that suggesting in that meeting survey report?

So we will have some ideas. It felt as though we cut forward, cut it short, but equally you may have had enough. We need to know your views either way. Okay. So we're going to move swiftly on to a discussion around the IDN cc PDP voting. Bart.

BART BOSWINKEL:

Thank you. I had hoped when we were in Beijing that we could avoid this discussion, but unfortunately we can't. There are just two things about it, say the statistics of what happened and then some issues we as a secretariat have encountered and then at the end of the presentation, probably some steps we're going to take over the next voting, on the PDP which will be from the 24th of July until the 22nd.

So I hope this time everybody votes. Okay. The votes, this is the reason why it didn't happen. Total membership of voters at the time was 136. We had 137 members, but one member, I think it was Paraguay, PY, that joined during the voting process and therefore was excluded of voting.

Out of the 136, 68 needed to vote and we only had 65. I can tell you, Gabi and I were very frustrated. We setup our laptops for the evening, at 2 AM, and that was one of the – fortunately my wife was not at home, so I had a stiff drink [laughter].

The voting per region on members base. In Africa, 12% of the total contribution, of Africa 12%. Asia-Pacific 32, Europe 29 – you can read this, and it will be available, but it's the input per region. Now this is the more interesting part, the number of votes per region. So per region we have a certain number of members, and out of that members...

So in Africa we have 29 members, of these 29 members only eight voted. So 21 of the African members did not vote. Asia-Pacific, again this was a clear split, number of votes 21, number of non-votes 21. So out of 42. Now again, this for Asia-Pacific, there is a clear sub-regional spread as well, but we didn't want to put it – that's clear as well.

Europe, again, 19, but this is over the 50% threshold so, in that sense, they did what they needed to do, but 18 did not vote and 19 voted. Latin American and Caribbean, again number of votes was 13, number of non-votes, 12. Again, over average. And this was the positive example, all our North American members voted. [Applause]

Now the interesting thing is, of the North American, in principle they have nothing to do with IDNs, so that's a good thing. But at least, so... So, now the issues we've seen, and this is probably the major one we've encountered during the process is contact details of representative of the member.

For your information, the ccNSO has a member, has a representative who votes in the ccNSO. Because we hardly vote, even during election periods, that contact or that representative does not receive a lot of emails.

And what you see is over the years, the contact details became incorrect. Sometimes, and that's again what's happening, is people update their contact details with IANA, and then they think automatically the ccNSO membership contacts will be updated. No that's not the case because they are separate and different contact details and different people.

The representative in IANA its other the admin contact that could be somebody completely different that the representative in the ccNSO. One of the reasons, again, what we have seen is person listed as representative have left the organizations or changed their jobs, and they haven't because again, it's hardly used.

They haven't thought about of changing the name of the representative. So we send out tallies, etcetera, to the representative while he is sometimes not in the organization anymore or doesn't receive the emails anymore, etcetera. That's what we see.

So there is a need to be – it needs to be updated. And one of the things, especially Gabi encountered is even you think you are the primary contact, and there are some examples, do not take it for granted. During the process, we Gabi had to update the details because it showed that the person who thought he or she was the representative, was not listed as such in the contact database, and therefore did not receive the tally or the voting mechanism.

So please, please, during this week, check your contact details with Gabi, she'll be around tomorrow afternoon, to make sure that for the next round the contact details are in fact correct.

A second set of issues is spam filters. What we've heard and seen is people use spam filters and assume that something comes in like tally@icann.org includes the ballot and needs to be confirmed, it disappears into the black hole. People do not receive the tally as such and because they are not aware that there was a tally, they do not respond to Gabi and say, "Look, I didn't receive it."

So it is again, please be aware this is happening. If you have not received the tally at a certain point in time, especially when Gabi announces they are sent out, then contact Gabi again to make sure that it is sent out, first of all, to the correct person and secondly, that you receive a tally, so that you know when to receive it and look at your spam filters.

One of the... In that sense, say one of the more underlying issues, I think, we've encountered, these are more of the logistical and administrative issues, is the awareness of voting. I think if you would really look at the numbers, you see that there are sub-regions where the awareness of voting is very limited, at least with the representatives.

That has to do probably with people who are not able, and not engaged with the ccNSO activities as such, because if you, as you know, there is a pool of people that attend these meetings, there is a core of people that react to emails, and then we have a more outer layer of membership who is more passive, but they have – and rightfully so, I think – they are able to vote.

But if they are not aware for whatever reason, that they receive the votes, or what they are voting on, then there is a major issue. And this

is one of the underlying issues and I'll get back to that one. So what we just, on the awareness of voting, and that it shows it, we conducted what we announced in Beijing, we conducted a webinar.

I think four people attended that webinar, it was later on posted on the website. Okay. Several emails from the secretariat, Twitter and Facebook, so it's more a question of what can we do to increase the voting? Now some proposed changes for the next round.

Community and council members and secretariat will be informed on progress of voting by Gabi who will manage the voting process. Secretariat and councilors will approach members individually during that process, say to – because it appeared that this helps. And there will be illustration on website on how to check and update your own contact details. That was it.

LESLEY COWLEY:

Okay. Thank you Bart. If anyone has any ideas of how to improve turnout, they would be very welcomed, and also Bart as suggested, can I encourage you to check your contact details whilst you are here with Gabi this week? That would be really appreciated.

It's slightly embarrassing to have an exam fail on the vote. I know that we don't vote that often, but just three votes, oh, so close. So we've got to go over that for the next time around. Thank you very much Bart, much appreciated.

Okay. So let's move on. Next item on the agenda is the ATRT 2 update, which I did see Brian loitering briefly in the back. And then I lost him. It looks like Oliver has gone to get him. Thank you very much.

So we are being joined by the ATRT, let me just briefly introduce the item. I'm sure Brian will speak to the review as chair, but we were provided with a rather impressive number of questions from the ATRT just the other day, that have been circulated to the council and members on community lists.

The ATRT is understandably very keen to receive our feedback, but unfortunately we are struggling with time, as always seems to be the case this week, to fit in a long session with the ATRT. So we've suggested is the best use of this time, is for an introduction, for us to understand and remind us of the scope of your work.

And to maybe get some input members as to the things that you think are most important to you. And then what we will do is ask you to submit the feedback on the questions separately to the ATRT. Over to you Brian.

BRIAN CUTE:

Thank you very much Leslie, and thank you for your time today. I'll be brief so we can get the benefit of your thoughts. ATRT 2 scope of work involves reviewing ICANN's implementation of the prior three review teams, ATRT 1; the WHOIS review team' Security, Stability and Resiliency review team.

So how well has ICANN implemented the recommendations of those review teams? We are also going to look at some new issues. And thirdly, we're going to provide recommendations on the review process itself. Is this process working well? Are there ways it can be improved? That's our mandate.

The questions we provided you, questions one through six, represent questions that have come to top of mind for us at this point in our work. The rest of the questions, seven on, reflect questions that we formulated after reading public comment that we've received to date on our questionnaire.

As Leslie noted, your input on these questions is welcome. In terms of our timetable, we'll be issuing proposed final recommendations and a report in mid-October for public comment. You'll have an opportunity to comment on that. We issue our final report to the Board by December 31st. If you wish us to consider inputs for the proposed final recommendations that we publish in mid-October, we ask that you provide inputs by mid-September timeframe.

With that, I would like to open the floor.

LESLEY COWLEY:

Okay. I should highlight that we have the ccNSO representatives to the ATRT as well, which give us another channel of communication in both dissemination and getting feedback back as well. Okay. So.

And I see Alice probably distributing list of questions, or something else, list of questions. I thought they might be. Okay. What areas are we most interested in please? Do we not have an interest in security and stability at all? Just to check if you're awake.

Okay, maybe to start the ball rolling, Brian, obviously security and stability I suspect might be of interest to the community. But I did want to ask one question, so the ccNSO has a little bit of a fixation on strategy

and finance for some strange reason. To what extent is financial accountability and transparency covered within the ATRT's purview?

BRIAN CUTE:

Thank you Leslie. We've been hearing from a number of different parts of the community, the question about finance and ICANN's management of its finances in two different ways. One, with respect to the windfall, if you will, that ICANN has received the new gTLD application process, and then secondly just in terms of general management and administration of its finances.

Within the AOC, it's not perfectly clear to be honest, and we are trying to sort through exactly whether that falls within our scope. Our mandate is in paragraph 9.1, if you're interested to know the scope of our work. But we are hearing clearing from the community, finance from both of those perspectives and we're considering if and how we might address that in the report.

LESLEY COWLEY:

Please, do you want to speak from your perspective potential areas for cc colleagues? From your perspective, the areas that would be of most interest to ccNSO colleagues.

UNIDENTIFIED:

Well, I find that most of the areas are going to be interesting for us because this is about the whole accountability and transparency of ICANN as an institution. And it's also about how the processes are managed within ICANN, so I find most of our work is going to be relevant to this group too.

LESLEY COWLEY: And Demi, you were the other ccNSO representative. Did you wish to add anything? Okay. Katrina did you have a remote question?

KATRINA: Yes. Peter from [? 1:30:22] is wondering if there will be an online survey?

BRIAN CUTE: We issued an online questionnaire for public comment that we admit was very long, and in some ways difficult to manage. And we apologize for that. One of the reasons it was as long as it was is because we have so much to review in terms of subject matter.

The three prior reviews alone represent a pretty large amount of information, so we apologize for the length. We did hear some complaints about the survey timing out. We did receive 30 comments, and those were welcomed. Let me step back.

ccNSO should feel free to provide inputs, we will have an email address on the Wiki, on the ICANN Website for ATRT 2, you have these questions and frankly if there are other issues you felt you wanted to you are free to submit comments to us.

The next opportunity to comment will be after we issue the proposed final recommendations.

LESLEY COWLEY: Okay. So I guess the question probably, knowing Peter, was around the, well these comments be turned into a questionnaire, the survey, that

I'm attempting to transmit thoughts to Peter to let me know if that's the correct interpretation.

CATALINA: Yes.

BRIAN CUTE: I apologize I misunderstood. What we will do with the comments is read them, assess them in relation to our work, and when we issue our report, you will see that our analysis will be punctuated with citations to comments that we have received that will be used to reflect back that we have heard from the community, and that underpin any conclusions that we reach.

We think that's important for us to show, and we're talking now about how we're going to organize the comments in an annex, and the form of that isn't clear yet, but we want to definitely put that back as part of our report.

LESLEY COWLEY: Okay. So there is potential to turn this question list into a survey. Yeah. Okay. Lisa?

LISA: Well you asked before about special issues with special interests with this group. Well you raise yourself in ICANN's outreach and strategy for the voices, and that's actually one of the things that we're looking into while we – should we evaluate?

Is ICANN being represented enough as an organization?

BRIAN CUTE:

Thank you for that question on the comments. In fact, there were recommendations from ATRT 1 that ICANN adopt a comment and reply comments cycle, that ICANN implement a stratification and prioritization process, and we are looking at how well they've implemented.

Here's the important part, we can look at the fact that ICANN implemented a comment, reply comment cycle and prioritization and stratification and say, "Well, they implemented the recommendation, but what matters is the effect." And what we're still hearing from the community is that process, there is too many consultations, there is challenges with clarity, what happens to my comments when they are received?

We continue to hear those comments. We will be focusing on those areas because it's really about the effect of the implementation of the recommendations that's important. So inputs that you have on that specific will be very helpful.

ROELOF MEIJER:

I think one of the very recent examples is that when we had the ICANN meeting in Beijing, ICANN launched this strategic discussion thing with – was it four question areas, I think, where we could respond to? So at SOP we did, and so far we haven't received any feedback on that, but now we are in the second round of this strategic dialogue with eight points we were asked.

And while we have no idea of where these eight points really come from, and what were the comments that ICANN received from the first phase of this discussion. So that makes it very unclear.

LESLEY COWLEY:

As chair, if I could just support that comment. I think one of the things that we're a pain in the neck on is repeating comments that we've made previously, because we still haven't heard any response to them.

Maybe the ATRT will be able to draw on some examples of best practice elsewhere, or what springs to mind is one of the occasions, in one of the GTLD consultations, where ICANN put a great deal of effort into saying what that they had heard, and then saying what they did with that feedback.

There was an example somewhere that I recall, in the distant past, where I know that there was some great analysis work done, and people who provided comments were able to see what was done in those comments, and whether they were taken on board. Or equally, there was somebody else who commented the opposite.

Yeah. Donna, did I see your hand up at the back there? You're waving, hello. Lots of people waving today. Okay. Okay. Demi you wanted to add something to that?

DEMI GETSCHKO:

Thank you. Just to add to what Brian said, really we are eager to get comments form, input from the community. And we will be very careful in giving much value to these comment, and for sure part of our work is to recommend to the Board how to deal with this very important input.

But I'm quite optimistic is your going, write the input, anyway it will be extremely important to get input from the community. Thank you.

LESLEY COWLEY: Okay. Thank you Demi. Brian?

BRIAN CUTE: Thank you very much Lesley, and thank you all. We appreciate the time that you had today. Again, we will be issuing proposed final recommendations in mid-October. We welcome your inputs by mid-September, please, if you want that factored into that report.

And then final report by December 31st. Thank you very much for your time.

LESLEY COWLEY: Thank you. [Applause] Okay. So to conclude, lastly but no means least, we have Adrian Kinderis on the Domain Name Industry Association. While he is coming up, can I just remind you two things? Firstly, the busses to the ccNSO celebration cocktails will be leaving here at 18:30 onwards.

I've just seen some of the plans for this evening, it looks great. So let's look forward to that. And secondly, there will be a meeting survey on day one of our meeting that will be sent out very soon, I'm sure. Please can I encourage you to fill that in so we have good input about what has worked well, or what has worked not so well today.

Adrian.

ADRIAN KINDERIS:

Thanks Lesley. And I appreciate that is late in the day. Thank you very much for accommodating me. For those of you that don't know me, think yourself lucky. For those of you that don't know me, my name is Adrian Kinderis.

I am speaking to you today in my capacity as – go the way forward. Sorry. In my capacity as the chair of the interim board of the domain name association. So I just wanted to quickly provide you with a bit of an update. Tomorrow we will be doing a session, it's a formal session, on the schedule.

It's at 4:00, Donna are you out there? Is it 4:00 tomorrow? 5:00 tomorrow, thank you, where we will be going into this into more depth. So I will get through this quickly now, as there will be a session on this tomorrow if you can make it at 5:00.

So, first and foremost, we wanted to make sure we understood the definition of the domain name industry. If you haven't seen it, you'll see a little bit more about it tomorrow. I know it's hard to see where you are, there will be handouts and printouts of this.

You might start to see this diagram a little bit more regularly, as it was developed in conjunction with ICANN. What this does is it describes the, defines if you like, the industry.

The outer layer there is the internet coordination layer. The bigger oval that you see is the ICT sector, and the subset within the ICT sector is what is determining the domain name industry. So it is, this domain name industry that we seek to represent within the association.

So who is the domain name industry? Well, it's a non-profit, global business association that represents the interests of the domain name industry. Importantly we have zero affiliation with ICANN. We are not funded by ICANN.

This is certainly has been circulated with Fadi, I've set down and gone through this, and the staff. They support us, but we are not affiliated. And that will be important as we as an industry seek to have an united voice that sometimes may not be aligned with ICANN as we go about our business.

So the members of the domain name association are the groups, businesses, and individuals that are involved in a provision, support, and sale of domain names. Hence, while I'm speaking to you today, this is not about being contracted to ICANN. This is not being just a registrar or an ICANN accredited registrar.

If you are involved in the provisioning of domain names, then you are welcome to come and join the Domain Name Association. So all of you, here, would be welcome. And that includes registries, registrars, resellers, and of course, registry service providers.

So what is our mission then? The mission is to promote the interests of the domain name industry by advocating the use, adoption, and expansion of domain names as the primary tool for user to navigate the internet.

So what we're doing here folks, is sort of helicoptering out, while you all sit here and talk about how the policy of domain names, and new gTLDs, and so on and so forth, but what we want to do is make sure

there is body that is ensuring that domain names continue to exist full stop.

And that they remain relevant to those that interact with the internet. There are many ways now to navigate the internet through apps, through search, so on. We want to make sure that we're protecting our interests here and clearly, you are aligned there. A lot of what I just said is contained in here, and I can get through a lot of these slides quickly.

So I'll keep moving through [laughs]. The middle one here is probably the key folks, the intent of the domain name association is to build trust, exchange ideas, educate, and raise awareness of domain name related issues. You'll see other industries, the ANA is a good one and they've been able to lobby the new gTLD program.

So really when there is something within the industry that requires comment, we like to have the domain name association put forward as someone that represents the interests of the industry, and whether that be through media, for example, in commenting on particular things, or indeed lobbying to government or various other bodies, we get to do it in – with an unified voice.

So very quickly, this all started from a group of colleagues that decided that... In my experience, at least, in the 12 years that I've been involved in this industry, this hasn't been done before. There hasn't been an effort to try and unify all that are within the value chain of the domain name industry.

So we got together, and the reason why I explain that is because you'll see there is a little bit of a North American focus here. But I don't want

that to grab your attention. What I want to grab your attention is that these folks here have put themselves forward as members of the interim board, and that was by self-selection at this point in time.

So for my sins, I was put forward as the chair, and I think it's got more to do with my accent than my capabilities, but largely we are pushing for an international feel here. Anyway. Jeff [? 1:45:23], Rob Hall, [? 1:45:24], Job Lawrence from Google, John [? 1:45:48]... and Elizabeth [? 1:45:28] from [? 1:45:29] have all come forward to roll up their sleeves, and at least get some momentum into the Domain Name Association.

All of us will stand down as interim board members once the membership structure is in place, and there will be the usual election of board members that you would see with any association. But at the moment, these are the guys that are putting their hands – and rolling up their sleeves, getting their hands dirty, and indeed putting their hands in their pockets to get the work done.

So what have we done so far? We have officially incorporated in Delaware. You just heard me in my last sentence talk about the internationalization of the Domain Name Association, and here we are incorporating in Delaware, United States.

For those of you that know me, you know that I've – I'm quite an advocate for an international – I hate the North American wide web, or at least the feel. So we're working hard to internationalize. But one thing we did have to take advantage of was the legal service that we had on hand that was pro bono in order to get moving.

As you understand, in the embryonic stages of the association, we don't have the funding as yet to go and seek outside efforts. So we've done it with pro bono work at largely from some of those members that you've seen from the interim board.

And secondly, as we go get that first round of funding, we'll probably rely on some of the bigger industry players, and a lot of them just happen to be located in North America, and there are tax benefits to be donating to a non-profit entity.

Thanks. The... What else have we done? The charter and initial by-laws have been adopted. We've got a membership structure currently being developed, and of course we've got our budget that we're coming together to try to work out how much money we require.

Now we've got an educational website which I'll get to in a second, and we've developed our own website, which a lot of this content is available on the dna dot org. And of course, local companies we went and spent on getting a logo done.

I'll leave the benefits for the session tomorrow. I think we've probably covered a lot of this. This is the educational website, and this is something that you can utilize today when it goes up. It will go up tomorrow. It will be available in six different languages, from the onset.

And I must thank the team at Google for building this site. They have dedicated a lot of funds to this, but it is a tool that all of us will be able to use in pointing people to, it is agnostic, but also allows to – very simple language to talk about how the domain names – what domain names are and how the industry works.

And that's not the website of the association, as I said earlier. So the next steps, and lastly, we've got to get this budget done, transition to a formal board. We want to get a campaign going to let people know about who we are and what we're doing, get the membership drive, and then launch our educational website.

Get that up. I should say the domain name dot org will also be translated into those six languages as well. And that's all I had, so sorry if I was a little over time.

LESLEY COWLEY: You're only about 30 seconds, don't worry. Okay. So. Where do we go for further information, apart from the session tomorrow?

ADRIAN KINDERIS: Just at the bottom of that... Oh, you can't see it. DNA dot org is where you want to go.

LESLEY COWLEY: Okay. So we will put your presentation on the ccNSO website, so colleagues who haven't been able to join this session can find that information. Thank you very much Adrian. Thank you everyone who managed to stay until the very end.

And I look forward to seeing you this evening. Thank you very much.
[Applause]

[END OF AUDIO]