
PRAGUE – name of session
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HEATHER DRYDEN: Good morning, everyone. If we could take our seats, we will get started.

So welcome again to the ccNSO meeting with us. Thank you.

We have three agenda items for today's session. Perhaps I will hand over to Lesley to present those, chair of the ccNSO.

LESLEY COWLEY: Good morning, everybody. We are struck in awe by your very impressive room. You need to come and visit us. It's slightly less ostentatious.

We have three things on our agenda today, the Framework of Interpretation Working Group, the latest installment on the country names study group and the UNESCO survey that we talked about in Costa Rica, and a very hot-off-the-press update on ICANN finances and the operating plan and budget.

We'd also really like a more participative session, if at all possible, and so very much would like to hear GAC colleagues' views and ccNSO and ccTLD views in the session, if we can.

But to kick off, I will hand over to Keith, who is the chair of the Framework for Interpretation Working Group.

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KEITH DAVIDSON:

Thank you, Lesley. Keith Davidson is my name for those of how don't know me, and I am the chair of the Framework Interpretation Working Group. And I think, as I understand it, the GAC covered the topic yesterday, so I won't go through any introduction of what the purpose is and so on other than to say we are looking at aspects of delegations and redelegations of ccTLDs.

And firstly today, I'd like to very much thank the GAC for its feedback on the significantly interested parties consultation process. We received the paper about five days ago, so as a working group, we haven't had a chance to yet digest that paper, so I think that will be an agenda item for a future joint meeting.

And I think, also, some of the points raised in that particular document from the GAC will probably be being answered in the current document on -- that we're working on.

At the last meeting, we suggested that we would be trying to do our work in chapters, and as chapters were approved, would be sent on to the ICANN Board so that implementation could start in a chapterized version. It has just proved too difficult to facilitate this, so the Framework of Interpretation working group is recommending back to the ccNSO Council that while we continue to do our work in chapters, we will not be referring them to the ICANN Board as chapters and we'll wait until we have completed the entire document.

So we would appreciate the GAC continuing to provide feedback chapter by chapter to us so we can address those issues as they're fresh in our minds, but then bring the final extant document to you for a final approval.

The current topic that the working group is working on is unconsented redelegations and focus at the moment is revocation and what is meant by revocation under RFC 1591. and that's a particularly ticklish topic and we are slowly working our way through. It's taken a little longer than I thought but we're still well within our timelines.

And the working group is meeting tomorrow from 1:00 p.m. to 4:00 p.m. in Palmovka room. It's on the agenda, if you didn't understand my Czech language. But -- And it's a three-hour meeting. I know conflicts with the public forum at ICANN, but for those who have a strong interest in delegations and redelegations, and particularly redelegations and unconsented redelegations, we'd welcome you and welcome your contribution in that meeting.

And with that, that's my report. Thank you.

HEATHER DRYDEN:

Thank you very much for that report, Keith.

New Zealand, did you want to provide anything further from the GAC perspective?

NEW ZEALAND:

No, I just want to thank Keith for a very succinct and useful summary, and I would echo what he said; is that people who have an interest in this work or just interest in finding out what the work is about, that I know that they're very, very welcome to attend.

And I particularly welcome what Keith has said about the change of the work practice from chapter by chapter to acceptance as a whole, but

that doesn't change the fact that, as Keith has said, being able to comment chapter by chapter is still extremely important in terms of advancing the work of the group.

Thanks.

HEATHER DRYDEN:

Thank you.

Are there any questions or comments from the floor on this topic?

As a reminder, the Framework of Interpretation working group is looking at delegation, redelegation and retirement -- not retirement. Delegation and redelegation matters related to country codes, building on earlier work that was carried out and on the principles developed by the Governmental Advisory Committee, and the relevant RFC here.

New Zealand, could you add?

NEW ZEALAND:

Yeah, thanks, Heather.

I should have said that I did circulate to the GAC list yesterday the URL for the Web site for the working group and all of the records of the working group are on that Web site. It's building up to a very impressive body of work which many GAC members will find daunting, but you can always find the latest status report on there, and that will probably help your thinking about things.

HEATHER DRYDEN: Thank you, New Zealand.

Okay. So I think we can move to the next topic.

Lesley.

LESLEY COWLEY: U.K.

HEATHER DRYDEN: U.K., please.

UNITED KINGDOM: Thanks very much. Just to express, first of all, a word of appreciation for the work of the FOI Working Group.

I understand there was a query about the status of the GAC principles and guidelines on the delegation and administration of country code top-level domains. I hope that's been resolved, the status of the GAC principles. I understand there was some question. No? Maybe I misunderstood, then.

HEATHER DRYDEN: To clarify, I think the question is about whether the principles we developed were received by the Board, accepted by the Board. Yes.

So this is something that we aim to clarify as part of our -- our efforts to confirm the contents of the Register of Advice that we've put in place for advice to the Board, and then through that process we hope to confirm that that is the case.

LESLEY COWLEY: We await the advice with interest.

Okay.

Let's move on.

The second item on our dance card was the country names study group, update on progress, for which I have Paul.

PAUL SZYNDLER: Thank you, Lesley. Good morning, everyone. My name is Paul Szyndler. I'm general manager of Internet and international and governmental affairs for dot AU.

I did brief this group back in Costa Rica on the work of our study group, but noting that not everyone was there and that there were a few issues of importance and mutual interest to the GAC, I thought I'd just very quickly go through what we have done to date and where we are at with our work and the very soon to be upcoming opportunity for GAC to contribute to that.

I do have slides but they won't be much help.

Slide three talks about the elements of our work, and that is we're doing three things. The first one was to look at the policies within ICANN at the moment and how they use country and territory names. So the new gTLD process, IDN process, et cetera. This was completed before Costa Rica.

We then moved on to our second stage of work, which was looking at all the different ways that country and territory names could possibly be

represented. And we've used the typology and a survey built on that to help us. That's the methodology we are using.

And the third step of our work, and we are getting close to that, is mashing the two together and see what happens when you apply the policies to all the different country and territory names.

It is part of our responsibility to liaise with the community, which is why we are briefing you again now and, as I said, to soon solicit your active participation.

Just briefly, I have said before and I will say again, on the next slide, our work is not about defining what is a ccTLD or what is or isn't a country. And -- next slide, please.

And we also aren't about judging the different policy processes. It's -- and it's also not our position to make a definitive recommendation about how country and territory names should be treated moving forward in ICANN.

Next slide, please. Two slides, please.

The mechanism that we're using to solicit some feedback and some input is a survey that we've developed that will be circulated by UNESCO. Their collaboration has come as part of the agreement between UNESCO and ICANN.

At Costa Rica I suggested that that work would already be well under way about this meeting, but logistics in legal is one team's legal area talking to another team's financial area has slowed things down in the translation of the survey. So it is ready to go. It is basically ten

questions to a subset of UNESCO states asking them how they represent their country names and also asking how they represent other participants' country names.

Where GAC's help would be greatly appreciated is that many of those areas, in many countries the areas responsible for this work with UNESCO won't be familiar with ICANN or the GAC or gTLDs or TLDs at all.

So I'll certainly, as that survey goes and as we're ready to go, will send a note to the GAC asking you to consult domestically. It may go to the wrong agency, for instance. Any assistance you can offer there to make sure we get better advice back will be very greatly appreciated. It will also go out to the ICANN community because notably, within ALAC, there are a lot of people with this sort of expertise.

Next slide, please.

And just very briefly, that's some of the examples of the types of names and the questions that we will be asking.

At the meeting we had yesterday, here at the moment we're currently working through the new gTLDs process and looking at some of the country names that have come up as part of that or representations of countries. I won't go into all of the examples, but, for instance, dot AND, dot ARE, dot EST were all applied for, and they're all three-letter country codes. So the problems that we'd hypothesized are starting to become reality.

Our work will basically be to continue gathering and analyzing all this data and then reporting back to the community at Toronto, and a final report to the ccNSO Council in December.

And that's basically the status of the group.

Thank you.

HEATHER DRYDEN:

Thank you very much.

Are there any questions from the GAC on this topic?

Norway, please.

NORWAY:

It's not a question. It's just a comment, that we -- we have some -- we are not sure about the status of the list as it stands today, because as you said there are three-letter codes that are not supposed to be in there according to the Applicant Guidebook. So we're not sure if we would have to send -- sorry -- early warnings also on these three-letter codes or if they are supposed to be washed before they expect us to give an early warning.

So we have to address that to ICANN because we are not sure what they have done to the list before they gave it to us.

Okay. Thank you.

HEATHER DRYDEN:

Thank you, Norway.

Yeah, Paul, please.

PAUL SZYNDLER:

Thank you for reminding me that was a discussion that our group had, and I had undertaken to raise that with ICANN staff to attempt to get some clarification.

I don't yet have that. And, in fact, the presentation that Kurt gave after we met suggested that even the administrative completeness filter had not been completely worked through. He said that's something we're doing as opposed to something we have done.

So one would reasonably assume that the ones that have been published were at least complete, but that was not Kurt's wording, but we do all need further clarification on that.

HEATHER DRYDEN:

Okay. Are there any other questions or comments on this topic?

Okay. All right. So perhaps we can move to the next.

LESLEY COWLEY:

Okay. Our next item is a two-parter, and a slightly frustrated ccNSO copping to you for a two-parter.

So firstly we have an update from Roelof on our comments on the ICANN strategic and operational plan. And as GAC members will recall, the ccNSO has a reputation for transmitting comments on ICANN strategy and operating plan, and we are continuing with that.

We also have an update for you on finances, which obviously links extremely closely with the strategy and the operating plan. And we had some very disturbing news just this week. So let me give you that trailer so you pay attention, of course.

Roelof and then Byron, please.

ROELOF MEIJER:

Thank you, Lesley. Good morning, everyone. My name is Roelof Meijer. I'm the chief executive of SIDN, the organization that runs the dot NL ccTLD. I'm also the chair of the ccNSO strategic and operational planning working group, a working group that aims to increase the involvement of the ccNSO community or the CC community, increase the involvement in the operational and strategic planning cycle of ICANN. And we do that, among other things, by submitting comments on both the draft strategic plan and the draft operational plans and budget.

As I'm sure you are aware, ICANN approved the fiscal year 2013 operational plan and budget last Saturday, and like Lesley phrased, that's one of the areas where frustration stems from, but I think even more important than our frustration is our worries. And where do they stem from? They stem from the fact that, as you've probably seen as well, the community has submitted quite a few serious comments on the draft version of the FY13 operational plan and budget.

I put my question to the CFO last Sunday -- no, last Monday, what the difference was between the approved version of the plan and the plan the community commented upon. He said that the single most

important change was the fact that the number of gTLD applications have been increased from 500 to roughly 2,000, and of course all the financial implications that increase have. So for instance, the legal fund which stood at -- which stood at 30 million U.S. dollars is now at 1. -- 0.12 billion U.S. dollars.

But all the other comments were not taken into account. At least they did not lead to a change in the plan. And I'll give you a few which I think are so important that they should have led to a change.

One is directly related to the increase in the number of new gTLD applications. The plan has something like 13 strategic priorities and 25 projects. That was with the prognosis of having 500 applications. We now have almost 2,000. That means a lot of extra work, and there's been no change in the number of additional work that ICANN intends to do.

So we can all rest assured that there will be quite a few strategic objectives that will not be obtained and there will be quite a few projects that will be not even started let alone be completed.

Another item, and we have been commenting upon that frequently, so therefore stems a bit of our frustration as well, is the fact that the plan has very few measurable, quantifiable or qualifiable milestones or objectives. So it would be very difficult for both the ICANN staff, the communities, organizations like yours, but also the ICANN Board and the new CEO to determine if everything is going according to plan or if there's a need to intervene or to steer or to alter course, because there are very many objectives with a phrase like improve, increase, augment. But there are very, very few who have something that you can measure

and actually can -- that enables you to draw a conclusion is this going well or not.

And the last one I would logic to focus your attention on, but I could recommend you read some of the submission, of course, especially the one made by the SOP, the cost increase of roughly 20% if you compare to the FY12 plan.

The revenues increased only 10%. Now, that is all worrisome if revenues are higher than cost. But in the case of ICANN, if you take out the New gTLD Program, the costs are higher than the revenues. So there's an operating loss, which means that it will again not be possible for ICANN to add money to the strategic fund, and that fund is under its strategic purpose of one year of operational cost. We all know that with the new gTLDs, operational costs will increase. So that fund has to be even more than the present level of operational cost.

Over the coming years, it would need an addition of something between 50 and 70 million U.S. to get up to the right level. That means that ICANN has to run the surplus and not at a loss.

What we found quite worrying is that we got back from the Board, when we made this presentation, that they had the impression that we knew more about ICANN's budget than ICANN itself. And I think I better leave it at that for the moment.

Maybe some of my working group fellow members want to add to that. Otherwise, I will hand over to Byron. And, of course, any questions I would be happy to answer, or at least try to.

LESLEY COWLEY: Maybe if we take the update from Byron first, and while people are thinking and formulating some good questions for us.

BYRON HOLLAND: Thank you, Lesley. My name is Byron Holland. I'm the president and CEO of CIRA, the operator of the dot CA space in Canada, and I am also the vice chair of the ccNSO and in this capacity the chair of the Finance Working Group.

Many of you will, hopefully, remember that the Finance Working Group presented to the GAC in Costa Rica and spoke about the work we were doing.

That work is primarily reviewing how the CC community contributes financially to ICANN, both in terms of the model which we use and the actual number of dollars that we contribute.

As such, there have been three primary work activities. One is reviewing the actual models of contribution and ascertaining whether we have the appropriate one and whether any changes should be made.

We have also done qualitative and quantitative survey research in the community regarding what are the perceived services that we are consuming as a community from ICANN. And then a holistic look at what we are providing the community, as well.

The third key area, and that's what I really want to speak about today, was getting a detailed or a more detailed understanding of ICANN's finances in terms of what ICANN believes they are providing from a dollar value to the CC community.

Many may recognize the term the EAG, which is the Expense Area Group reporting tool that ICANN has been using over the past number of years. And that tool is fundamentally an allocation tool that provides insight or was supposed to provide insight into the costs associated with every stakeholder group, every constituency, SO, AC.

Many of you will recall that with that tool, ICANN had indicated that they believed that they were expending approximately \$9.2 million on the CC community.

Now, I speak from the CC community's perspective, but of course this relates to all the communities and how ICANN is allocating expenses to them. But from our perspective, we had been using that tool and going forward with our work based on the EAG.

We are 20 months into a 24-month mandate. We were anticipating delivering our recommendations at the Toronto meeting based on all of our analysis and reviews. However, we have been continually awaiting the detail around the EAG from ICANN. It has been much promised and not delivered over that term.

Needless to say, given we're only four months out from Toronto, in our working group meeting on Sunday we were anticipating -- we are anticipating this information, and in meeting with Xavier, the ICANN CFO, relatively recent ICANN CFO, he came to us on Sunday and provided with us some quite surprising information which was that the ICANN finance team, and he in particular, were no longer -- no longer felt that the EAG provided an adequate representation of ICANN's expense allocations. And, therefore, has not been included in the FY13 budget.

I think that's very important to note, the tool by which they had been allocating expenses to all of our communities was no longer considered an adequate representation and therefore, was not going to be used any longer. That applies to us all but certainly from our working group's perspective it was a core element of the work that we were doing and thus certainly put our work -- compromised our work and led to significant uncertainty in terms of where we go from here. Until Sunday we had fully expected to achieve our milestone of delivering recommendations in Toronto, but at this point our working group is unsure now that we'll be able to deliver on that.

I would say -- and I want to make this clear, too -- that the ICANN CFO came to us with a difficult message, and I certainly commend him for that. He's clearly very technically competent and came with a very tough message, very late in the game, and -- and I certainly have respect for that. It was deeply frustrating, after all the work that's been done at this late stage in the game, but he was speaking the truth, and I certainly respect that. Both Xavier and the finance working group remain committed to finding a path here and exploring alternative approaches to this predicament that we find ourselves in, but the outcome of our work, which I know is of interest to a number of communities, including this one, has certainly been undermined from a timeline perspective, and as a result, we are unsure if we'll be able to meet our commitment in terms of recommendations about the model at the cc community uses to fund ICANN and the dollar value associated with that model.

So that, as Lesley says, is relatively hot off the press. It's certainly of significant interest to myself and our working group, but also has an

impact on all of the communities and the expenses allocated to them by ICANN. Thank you.

CHAIR DRYDEN: Thank you very much for those presentations related to the strategic plan, budget, and financial matters. Are there any questions? I see New Zealand.

NEW ZEALAND: Thank you, Byron and Roelof. An obvious follow-up question to what you've just said, Byron, is what do you think the implication would be for this much touted \$9.2 million figure that has been under continual critical analysis by the ccNSO for a long time? Is that going to increase or is it miraculously decreasing, do you know? Thank you.

BYRON HOLLAND: At this point I would be speculating, but having done the quantitative research that we have done and presented to this group in Costa Rica, it is certainly my belief that that number would be lower than \$9.2 million. They're not able -- ICANN is not able to justify that number any longer. That's fundamentally what they've said. So based on the numbers that we have had from the cc community, it is certainly a materially lower number than that. At this point that's about as much as I could say with any -- with any certainty. I do want to point out something that I think is also important that I didn't mention. ICANN financials are not suspect in any way. The actual financial results of ICANN, their statements, are absolutely not in question at all. It's simply the tool that layers on top of those numbers that provides analysis and

expense area allocation reporting. That's what appears to be in question. I want to make that distinction, too.

CHAIR DRYDEN: Thank you, Byron. I have EU Commission, United States, and Denmark.

EUROPEAN COMMISSION: Thank you, Madam. Apologies. Thank you, Madam Chair, and thanks to the last two presenters. I'm not an expert in financial matters, so I might have misunderstood something, but I must say I'm a bit perplexed by statements that I hear and I have no doubt, no reason to question them, that ICANN seems to know less about its budget than certain constituencies within ICANN. I mean ICANN staff -- is it ICANN staff or ICANN Board, did you have any kind of discussion with the Audit Committee of the ICANN Board, and most importantly, it is frankly not clear to me at least as what you have just told us which implication does it have in your view for the viability of ICANN in the future months and years. I mean, frankly, we are -- and we have been saying this repeatedly. We are getting into a moment in which we really need to look at the world outside ICANN. ICANN has a lot of lights being pointed at it, a lot of attention being paid to it and -- but listening to you and listening to others, I'm start to go get even more worried than I usually am, coming from the European Commission. I would like to have your view. What does this imply? What does this mean? Is it -- to be even blunter, if I may, is this a problem between the ccNSO and ICANN, which I understand it has to be so, but then we would leave it, I imagine, to the ccNSO and ICANN to solve it or as you just told us has broaden implications for ICANN?

ROELOF MEIJER:

Yeah, that's a very good question. Does it have broader implications for ICANN or -- I don't think that's -- there's, of course, a problem between the ccNSO and ICANN that we have spent a lot of time coming up with these comments. We think they're reasonable at least to say, good, and very little has been done with them. So that's the frustrating bit. But the worrying bit is I think that -- and it was also one of our comments, ICANN urgently needs to professionalize. And the way they deal with their finances is not in line with the present size of the organization, in my opinion, and is definitely not in line with the size of the organization it will soon become. I have a fair experience in the financial management of corporations, and time and again I'm worried by the way it is done in this organization. And we've heard Byron say, and I agree with him, the new CFO is a very capable person, but he's got a lot to do. And I think the Board would have to improve on their oversight in this matter. I think the fact that the FY13 budget was approved without any change derived from the comments that the constituencies made is not a good sign.

LESLEY COWLEY:

Can I just add to that? I mean, this is a story that started at least five years ago and there was concern about how much money the country code community was contributing to ICANN. And there were some quite loud voices calling for us to contribute more. We heard those voices and we committed to working through the financial matters, which is why we know the budgets very well, and we committed to finding a solution to that. So you want to understand that we are somewhat frustrated at this late stage to hear that news.

But let me say a bit more positively, the managers in this country code community do have a lot of financial expertise and therefore, we are not querying the expertise at ICANN. There is good audit, there are good controls, is my impression. And we are also committed to finding a new way to dealing with this solution. It's unfortunate at this late stage in the day.

CHAIR DRYDEN: Thank you very much. Next I have United States.

UNITED STATES OF AMERICA: Thank you, Madam Chair. And thank you all for your presentation, especially Byron and Roelof. I am completely ignorant of financial matters so this is probably going to sound like a completely stupid question or -- if they are not using this thing called the EAG, what are they using? And then if I am to build on what Lesley has said, can you turn this into a positive by offering them an alternative tool? I'll just leave it at that because that's the limit of my terminological expertise in this area.

BYRON HOLLAND: Well, maybe I'll take a stab at that. They're not offering anything to replace the EAG, which is a reporting or analytical tool. They don't have one. And Xavier did not give us any line of sight on what they might do in order to replace that. That said, an organization of this complexity, and as Roelof says about to become that much larger, will certainly need something. Xavier is a competent finance person and recognizes that and is -- is in a rebuild stage. I mean, there's clear awareness

within the finance function at ICANN that work needs to be done and, they are doing that. They don't have a tool yet. They don't have line of sight on what that analytical tool will look like, and as a result they can't provide the reporting that we're looking for, that they're looking for, too, at this time. And they were not able to provide us with any insight in terms of timeline on when that might happen.

As far as us having a tool, that's not really our role or function. I could make some suggestions, but we don't. It's not -- it's not our role here.

CHAIR DRYDEN:

Thank you. Next I have Denmark, then Netherlands and UK.

DENMARK:

Thank you, Madam Chair. Thank you to the ccNSOs for this very interesting presentation about all your obstacles in finding answers to your very relevant questions.

I have been well briefed about your work from the Danish Internet Forum in the capacity of Lise Fuhr and we have discussed this during -- over the years when you have actually worked on this for a very long time. Basically I think this is a question about transparency and maybe it would be a relevant theme for the next accountability and transparency review, to look at financial transparency and tracking expenses. That is just a suggestion. But thank you.

CHAIR DRYDEN:

Thank you, Denmark. Netherlands, please.

NETHERLANDS: Thank you. My questions were already asked by Suzanne and answered by you. So thank you very much.

CHAIR DRYDEN: UK.

UNITED KINGDOM: Yes, thanks very much. And I -- well, this is quite an alarming development certainly. I think we're all rather stunned at this -- at this pulling of that critical tool and the fact that you've also now answered the question I had as well, you know, what's going to happen now. You know, what is the -- the CFO able to say on that. And, well, nothing. No option. No -- nothing to take this forward. And all the work you've done is totally set back by this. So that's -- and yeah, I agree with Denmark, this is a question about transparency with regard to the finances and who's paying for what and who's getting what for their contributions. So I think this is, you know, very disturbing and the GAC, I think, ought to reflect on this quite seriously in -- and consider what statement we might make about this. So please keep us posted, and I expect you'll have further discussions here and keep us -- keep us informed of that progress. And thank you.

CHAIR DRYDEN: Thank you, UK. Are there any other requests? Ah, Singapore, you're right. Yes. Please, Singapore.

SINGAPORE: Thank you, Chair. I believe the contribution by ccNSO members are mostly voluntary in nature except some who have signed contract with ICANN. Now, with this stoppage of use of EAG tools, I just want to know whether there's any impact on those contributions from ccNSO members, whether they are voluntary or mandatory. Thank you.

BYRON HOLLAND: The significant majority of contributions are voluntary. The model that we use right now is a banded model based on domains under management within the registry. That continues to be the case, regardless of the validity or not of the reporting tool, and continues on without question regarding the EAG itself.

LESLEY COWLEY: And just to end on a slightly more positive note, this morning the ccNSO has been discussing the situation. The working group has a commitment from the ccNSO members in the room to taking forward its work, in spite of this news, and to developing a way forward. So certainly I very much hope we can come back to you in Toronto with a slightly more positive news story. And certainly in spite of the lack of that information, we also have a commitment to working with the CFO to assist in trying to find a way forward and that, I think, is the right way and a way that's supported by the ccNSO so far.

CHAIR DRYDEN: Thank you very much. So -- Norway, did you want to add something?

NORWAY:

Yes. Thank you, Madam Chair. We also want to thank very much Byron and Roelof for their presentations, and this shows, I think, also the important relationship between the GAC and the ccNSO and that you have this relationship with ICANN. You are not sort of, in that respect, sort of -- your finances are not depending on sort of ICANN, and you can be that actor that can go through with scrutiny and be critical and so on. So this shows sort of the real sort of beneficial relationship that we can have. And you can have to pose these questions and do that on those topics that we from in the GAC I think are also very interested in. So I think this shows that it is -- it is important to continue this good relationship and cooperation on this specific issue. So thank you very much for that.

CHAIR DRYDEN:

Thank you. In building on that, I know there was an outreach event held by the ccNSO inviting those GAC members, particularly those that did not have a ccNSO participant to work together and to conduct that outreach and to support greater participation in, I think, both the ccNSO and the GAC, in fact. And I see that session went very well. So thank you for that invitation, and I was there for a few moments and saw a number of GAC members in attendance. So I think that's very positive.

I see a few more requests for the floor, so I have Pakistan, Switzerland, and Argentina. Pakistan, please.

PAKISTAN:

Thanks to ccNSO for the useful updates on the matter and the discussion. My question with the member of the ccNSO who is dealing

with strategic planning. ccNSO activities are critical in nature and almost ongoing activities which are mandated for the successful domain name systems and also leads to achieve the objective of the ICANN. ccNSO maybe -- may update the GAC about the de-cert (phonetic) and development projects, will be -- which will be executed by the academy on ccNSO from the project plan already in the execution stage.

CHAIR DRYDEN: Thank you, Pakistan. Switzerland, you are next, please.

SWITZERLAND: Thank you. Just a short comment. I think you all agree that transparency and accountability are fundamental to this model and therefore we actually welcome the suggestion made by Denmark that this could be the subject of -- the financial situation could be the subject of the next ATRT work. Thank you.

CHAIR DRYDEN: Thank you. Next I have Argentina then EU Commission.

ARGENTINA: Thank you very much, Madam Chair. I didn't request the floor but I use the opportunity to talk. Thank you very much for the ccNSO for visiting us and for the nice presentation about financial issues. I would like to rise on a different issue.

Argentina has concern about gTLD, brand gTLD dot Patagonia and I would very much welcome ideas from ccNSO that may find some TLDs

that could be controversial as well to find ways to rise the concerns of countries and communities in new gTLDs processes. Thank you very much.

CHAIR DRYDEN: Thank you, Argentina. I have EU Commission and Sweden.

EUROPEAN COMMISSION: Thank you, Madam Chair. In fact, I wanted to ask a question on a different agenda point. I wanted to intervene just to make sure we would have -- as I believe other participants may want to remain on this point -- I just wanted to signal that I would like to ask a question after the round of intervention on a different agenda point which concerns the letter from Elise Gerich, the vice president of ICANN for IANA that was sent to the ccNSO and the response of the ccNSO on that letter. Thank you.

CHAIR DRYDEN: Thank you, EU Commission. Okay. So Sweden, you are next, please.

SWEDEN: Thank you, Madam Chair. I don't need to repeat myself because I have - - my colleagues have pretty much expressed the concern as well as I feel, and I want to thank you, ccNSO, for the very good presentation, even though the information you gave is a bit alarming. And I would just endorse the proposal from Denmark that we could work with the transparency thing and could do something with that in Toronto. Thank you.

CHAIR DRYDEN: Thank you very much, Sweden. So to the question from the EU Commission, we're actually going to be discussing this issue next in the GAC, so we haven't had a discussion about it yet. But this concerns a letter that was sent by Elise Gerich, the VP for IANA, to the GAC, and so EU Commission, would you like to ask your question now?

EUROPEAN COMMISSION: Thank you, Madam Chair. Indeed, as our Chair said, this has not been discussed in the GAC yet so I'm asking this question only on behalf of the European Commission for our own clarification. So as you're very well aware, Elise Gerich, vice president of ICANN for IANA functions, has sent a letter both to the GAC and to the ccNSO. Unfortunately -- and I think this was very unfortunate -- the letter -- neither of the two letters mentioned that the copy of that letter had been sent to the other one, which meant probably neither the GAC nor the ccNSO knew that we were working on the same thing and this did not have communication. This is quite bad practice, at least in our experience, when we send letters to different people. But in any case, you're aware of the -- you and the ccNSO are aware of the content of that letter which concerned the difficulties that a number of public administration and government have encountered in the application for IDN ccTLDs including the European Commission for (indiscernible) dot EU. This is public information. This is becoming extremely frustrating for us. We will discuss this in the GAC. I don't want to have this discussion now, but the response to the ccNSO seemed to us -- and us is the European Commission here -- seemed to us to be, if I may simplify a little bit, like well, everything is all right. Continue the way you have been doing things, which is certainly not the perspective of the European

Commission. And since, quite frankly, the problem that we are having, in particular with the dot EU domain but there are other ccTLDs that are having very similar problems, are or should have been well-known in the ccNSO community. We were a bit surprised by the response. So we started to feel that maybe we misinterpreted the response, we misinterpreted the response as being more in accordance with the current status quo than it actually is. So at the commission we would appreciate clarification from the ccNSO, what is your actual position? Of course, we have no interest in entering into fragmented position between the GAC and the ccNSO, as has been mentioned by my colleagues. We have a kind of -- with full respect for your autonomy, but we have a very good relationship and we should continue with that good relationship. So I would appreciate any clarification from the ccNSO on this.

LESLEY COWLEY:

Thank you. So we're now all aware that this was sent to the GAC. And, as you all would have seen, that the ccNSO has made a formal response to that letter. That letter is transparent, is established on the ccNSO and ICANN Web sites. We do, of course, have an interest in the GAC response to that letter. And I suggest that, when the GAC response the letter is made public, we will look at that letter and review its content. And we look forward to further conversations on this matter, which we hear is very important to you.

CHAIR DRYDEN: Okay. So thank you very much for meeting with us again today to the ccNSO. As usual, we've had a good exchange and a number of items where we need to continue, I think, the discussion. So thank you.

LESLEY COWLEY: Thank you, Heather.

CHAIR DRYDEN: For the GAC, we now have a coffee break. And then we will reconvene to discuss the IDN letter.