Peter Dengate Thrush:

… At-Large, we're exploring as we said on a couple of occasions ways of working better with the community. And for a number of reasons, the Board's kind of got the view that breakfast is not the most effective way of having the kind of exchange, so we're creating a different sort of a schedule; and we're been trying that on constituency day with the GNSO constituents and it worked very well, and the feedback we got from people was enough to make us think that we ought to continue. So this is a way of the whole of the counsel to meet with the whole of the Board, as much as possible.

What we asked was your three hot topics, and we were going to tell you the three things that were occupying our time, but because of the time available, what we're decided and what we found with the others is we haven't bothered telling you what we've been doing, because what we've been doing is pretty visible. And what we'd much rather spend the available time on is talking to you about what your topics are, and you've given us three; I think they may be up on the board, and we're very happy to discuss those.

They are the New gTLD Program, applicant support and the use of the At-Large as a possible outreach tool. So there's two – two aspects to that, the applicant support topic and the outreach of the program.

And then some – the second one is strategic plan, the execution of the plan and the budget.

And then the third one, a very interesting one, the Board's openness I think or not to ALAC initiated policy topics. So I'm looking forward to that last one. I think that's the kind of high level discussion that's very good for a session like this.

As we stated in the sessions yesterday, please let's try and keep this at a Board and counsel level discussion. We've got the lawyers here, and if anybody want to ask about a line in the budget, we've got the – we can get the officials to go down into the weeds and talk about that, but I really hope that we can keep it at a high level principles sort of discussion, because that's where the Board is most effective, and that's the Board's job.

The Board doesn't understand necessarily the minutia of the implementation of some of these plans. It's not that that's not important, it's just that we're not really the best people, and certainly we're not prepared this morning, because we – you know to get into that sort of level. So we can keep it at a principle level and a high level that would be very helpful.

So why don't I hand over to you Olivier, and if you want to make any introductory comments and then we can get into the – into the discussion of the topics. Thanks.

Olivier Crépin-Leblond: Thank you very much, Peter. And welcome to all Board members who have joined us in what we consider as being our VIP Room, with a beautiful view which unfortunately is obscured, but there you go. You can't get everything.

Without spending too much time on introductions, I think we'll first – well, we'll plow directly to the first subject which the New gTLD Program, applicant support and ALAC as an outreach vehicle. And just to give us a quick update on the applicant support part of things, I'll hand over to Evan on my right, Evan Leibovitch who will be able to tell us what is the latest about that. Thank you.

Evan Leibovitch:

Good morning, this is Evan. The really good news about this is there's not really a whole of an introduction that's necessary, as far as I'm concerned. The vote that was done on Tuesday clearly reflected the fact that you've been giving this some thought and the component of the resolution that dealt with applicant support is exactly what was necessary. So there – in terms of progress of where we've been the resolution clearly shows that you know what we need to tell you anyway.

In terms of the work that's been done, we've got a working group that was chartered by both ALAC and GNSO, as you know, it's come up with, I'd like to think, some fairly innovative approaches to handling things. And it's really gratifying to know that the Board has seen this, recognized it, we look forward to your encouragement in the subsequent very intense process of turning the work to date into something concrete between now and the next meeting.

This is going to be something that's going to require a lot of work of the working group, and it's also going to require some resources to turn the output of that into something of sufficient quality to match that of the applicant guidebook, so that applicants that are coming in that need to go through this program, have a clear path that they can take. I'll leave it at that.

Olivier Crépin-Leblond: Thank you very much, Evan. And so now the question is really trying to get some – some feedback from the Board as to where do you see this going, and how do you wish to proceed forward. So the floor is open?

Peter Dengate Thrush: Thanks, Olivier. The sub-question that I've got says what role could the ALAC play providing research, explanations et cetera to give the Board and community confidence in the cost reduction model. And then there's little discussion about the different models, the cost reduction proposal of course comes from the GAC. The GAC just decided by process that we're not privy to that costs should be reduced to 76%, why it wasn't 72 and ¾% or 71% is up the GAC.

On the other hand, the Board had deduced that the thing that the Board can do on its own before this process is finished, is to indicate a willingness to set up a seed fund and put some money into that, and at this stage, the Board has not agreed to a cost reduction approach. There has been considerable discussion

around that, but no formal decision taken. I'm not sure that the Board is opposed to a cost reduction approach, but the Board hasn't made a decision about that.

And much of the discussion to be fair, and I'll invite other Board members to comment obviously around the seed funding approach was really – was really put in a different way, that rather than doing cost reduction, let's do, if you like something, support, and ultimately of course there could be a mix of those, and it may be if we're sophisticated enough and I think we possibly are, we may be able to have both of those operating at the same time for different circumstances, who knows.

Perhaps if I could ask Bruce – I don't want to drop it on you, Bruce, but you've been one of those promoting the concept of the funding support approach, if you want to explain some of your thinking, or some of the proposal that would helpful. Thanks.

Olivier Crépin-Leblond: And if I could just interject, bearing in mind that this is being interpreted and also transcripted, if you please state your – say your name when you start speaking. Thank you.

Bruce Tonkin: Well, firstly I think if you – I think your objectives are really about lowering the barrier to applicants to put in an application. And I know the focus of trying to achieve that has been to try and have a committee of people that are not involved in the budget process

and the finance process at ICANN, come up with scenarios and I guess reasoning behind why the costs could be less.

I don't – I think when you're looking at cost of program, that really is a discussion that needs to engage the financial staff of ICANN and potentially the finance committee of the Board to see is there a way of changing the cost structure or having – I think Avery has spoken to me you know some sort of differential where you might have one class of applicants pay one fee, and another class of applicants pay a second fee.

The concern that we've had with that approach when you start to try and divide applicants into classes, is you start creating a commercial incentive to appear to be in one class, but really you're in the other. And we have people in the community that are very good at doing that. And so then our issue then becomes partly one of scaling. Because we might find gee you know we thought we had 500 – we had a budget based on 500 applications of everyone paying the same amount, but we come up with a discount scheme and it's like 50% off if you show you're in this category, and the next day we have 500 applications for people in that category and none for the full fee. Because of course everyone needs – is worthy of support.

So I guess my thinking around this was one of scaling, and that was to say look let's assume this is a starting assumption that the way the staff have come up with is a total budget for the program and that worked out if they had a certain number of applications, you know what that total program budget would be. What we've

sort of said is we'll set up a fund of – starting at two million, but we've also – I've certainly spoken to people in the community that would like to contribute to that fund. And you know we certainly heard from members of developing countries in the GAC that how concerned they are about helping developing countries. So we're assuming we'll be able to ask them to contribute resources.

But you know without being facetious I think you know genuinely there are people in the commercial community that would be willing to contribute to a fund, and that would be some larger number.

So then I think the opportunity is if you're – or one opportunity because as Peter says, and I think we're discounting the idea of playing around with a cost model, but that is the discussion that needs to be had with a few people in your community and the finance staff at ICANN and the finance committee. I think that's probably about the smaller working group that might look at that one topic.

But if you take the general topic, if you're looking at reducing the barriers and you look at the sum budget to do so, there is a couple of approaches you can take. You could take one approach and I'm just going to give alternatives –

Peter Dengate Thrush: Bruce, can I ask you to do it a little bit more quickly. We're running out of time, we've got three topics and about 30 people who want to talk. Thanks.

Bruce Tonkin:	Okay, so I'll just explain the extremes, so one extreme is you basically say, we could take two million dollars and actually build a registry and operate it solely for the developing country community, and we can do something in that area.
	Another approach is you could say we're going to create micro-grants of $1,000 each, and we're going to be able to support you know several thousand applicants that want some support; so you can – we're not constraining you in any way about how you might use a foundation, and it's not constrained to only be used for paying ICANN application fees. So as I say, you could spend the funds on building a registry infrastructure if you wanted to. So we're really encouraging you to think outside the square of the best use of those funds.
Peter Dengate Thrush:	Thanks for your time. Sorry to – that was very thorough, thanks, and a good platform.
	Just the question is actually slightly more sophisticated than we've got to yet. Recognizing that the working group is still working and we don't want to – discuss anything today that assumes anything about that. The question really is can the ALAC help the Board sort of support the concept of cost reduction and give the Board confidence that if the JAS working group recommends that, so the Board won't immediately say, oh, no, we've gone another way.

So if we could have some help from the ALAC around what you think you might be able to do, and then perhaps the Board could indicate some thinking on that – on that cost reduction kind of approach. Would that be helpful?

Olivier Crépin-Leblond: I would definitely – Evan wanted to just respond to some of Bruce's comments. Evan Leibovitch.

Evan Leibovitch: Hi Bruce. What you're saying is absolutely germane, and I just wanted to let you know that the working group has been addressing a number of these issues; specifically the gaming one is absolutely crystal clear to us. We're quite aware that if there is any regime that's in place that allows somebody to come in cheaper than somebody else, there's somebody that will – there's somebody that will try and do it for a non needs qualified thing. We have a huge challenge in front of us to make sure that doesn't happen.

Regarding your comment about the alternative registry, that also is actually on the table of the working group and is being looked at. So in fact many of the models you're talking about are being looked at and considered. So I hope that's some comfort to let you know that all of these things are the table are being looked at and we're welcoming any input on an ongoing basis on how to build these into the final – the final recommendations.

Olivier Crépin-Leblond:	Thank you very much Evan. Next is Carlton, Carlton Samuels.
Carlton Samuels:	Thank you, Chair; just responding to Bruce on the matter of the alternative – the two alternatives. I'm responding to Bruce on the matter of the alternatives.
	The first one, would it be useful – I think to be useful it you would have the working group to delve deeper into the issue of the micro-grant approach and the minutes in the group, there is a sense that if you take that approach, you would set up a kind of crabs in a barrel situation for applicants and I personally as the co-chair of the group would love to probably meet with you or get some time to talk to you about that, thanks.
Olivier Crépin-Leblond:	Thank you very much Carlton. Next is Alan Greenberg.
Alan Greenberg:	Thank you, as Bruce implied there are certainly a lot of different options. One could simply take the cost reduction and the seed fund and combine them together exactly, just divide one number by another and you can support a maximum of N applicants.
	There are some people in the group, and I think there is a general feeling at this point that need is not the only issue effectively without trying to craft the words quality of the application has

some merit. Just because you're poor doesn't mean we should fund a stupid idea to be blunt.

And that's going to involve judgment calls, it's subjective, I understand the difficulty of it, but we really want to make sure that we putting our money into something reasonable and so I think there's a lot of alternatives; we have ways of looking at this. What we're going to need is interaction in a very informal way with some interested Board members along the way.

There is no point in us coming to a conclusion, tossing it over the wall to you, and you saying no, that's not something we really want. That's not the direction we were hoping you were going to go in. So I think we need you know not people speaking on behalf of the Board, but people on the Board who care about this, have maybe some sense of what the informal directions have been within the Board, and what's likely to be amenable and what isn't. It's going to be immensely helpful, and probably without it, we cannot do anything in a reasonable timeframe that will be useful.

Olivier Crépin-Leblond: Thank you, Alan and just one more thing. The Charter of the JAS working group do prevent it to speak directly to the Board, and to the GAC. However, the ALAC is ready to act as a liaison between the working group and the – well the GAC and the Board basically, or any other organization. So I just want to make that clear for the process.

Alan Greenberg:	If I may point out the Charter doesn't forbid what people do talking to each other.
Olivier Crépin-Leblond:	People can do whatever they want. I guess there's freedom there yes. We just have one more comment from Eric Brunner-Williams.
Eric Brunner-Williams:	Thank you, Eric Brunner-Williams for the transcript record. Responding to both Peter's request for guidance on policy and the specifics of the policy mentioned by Bruce, I want to go back to the early part – the first half of the previous decade, a period in which various private claims were made on what ICANN could and could not allocate, the first one of course was the private claim of – for dot web; but in general these were alternate root claims on what ICANN could and could not do, that if it were to allocate a particular string and an alternate root claim was made previously on that string that ICANN had to allocate the string to that alternate root applicant.

Those claims did not become ICANN policy; that is, ICANN was able to say no, it actually had a different – it was the author of its own policy, the alternate root advocates were not the authors of ICANN's policy about the allocation of strings. On this issue, we have the possibility; well in fact the certainty, that speculative applicants will be gaming the process. We have assumed this all

throughout the development of the applicant guidebook. There are numerous places where we test for good acts and bad acts.

So the question that we face here in the characterization you've offered, Bruce, it leads us to ask who is making ICANN policy on the existence or non-existence of types of applicants. Is the Board making this policy? Or are these speculative gamers making this policy?

And I think there is only one really good answer to that question, which is that we must be able to take the risk of creating type and detecting gaming of that type and policing it. Normally, I prepare my remarks in writing, so I think they're usually more coherent than I've been just now. Thank you for your time.

Olivier Crépin-Leblond: Thank you very much, Eric.

Peter Dengate Thrush: Bruce, you had a quick reply and then I want to try and avoid is a second guessing the work of the JAS working group. I would actually like to spend some time if we can, on how we can assist that to come to a conclusion, Bruce.

Bruce Tonkin: Yeah, well I think there's two aspects of it. So in terms of what the Board can do, I recommend you identify there's different skill sets on the Board. So if you're going to have a discussion about

costs that might be even a subset of that working group is able to meet with perhaps some finance staff and some skilled finance people on the Board, but you know that's quite a constrained topic.

If you're talking about you know how you can deal with how to provide support in a wider sense, there's a different set of people on the Board that have experience. You have people like George and Steve, have all run programs or have been involved in granting programs, so I think you know there is expertise on the Board in that area as well.

Also the other comment, Olivier, you're saying ALAC is willing to offer as some kind of translator between the Board and the GAC. That's not what we need –

Cheryl Langdon-Orr: No, no, no. That's not what he said.

Bruce Tonkin: Okay, well let me put it, I won't say what I – what I suggest you do is work really closely with the GNSO and the GAC, not – in terms of getting a community consensus, it's actually your role in actually getting the community, being the – especially the gTLD community, but others as well and GAC and trying to have that dialogue at that line, because it's not sort of – I want to discourage this idea that there is some negotiation with the Board. You know make sure you really get the support, you know really work with

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the GNSO, and – because the best for the Board is to have something that ALAC and the GNSO and the GAC support.

Olivier Crépin-Leblond: Thanks, Rita.

Rita Rodin Johnston: Thank you. That was actually what I was going to say is that don't forget that there's been a little bit, I don't know if I would say tension, but you know the way the JAS Group has sent the report to the Board, try to, before you start thinking about talking to the Board directly, I think to try to get the GNSO in and bubble something up.

The other principle is, there are all these things, you know how would you judge what one person thinks is stupid in the United States versus what one person thinks is stupid to use Alan's words in, you know Africa; it's a very different standard. So I would just say as part of the principle maybe to get this working group to fruition is definitely outreach, make sure all the you know constituencies are on board, but also don't worry about making it perfect. You don't have to have the one "Here's exactly what we want," and you don't have to have it fully baked in terms of you know a micro-finance, you know rubric – that is what [keva.org] uses or something.

What we do with the New gTLD Program right is have extensive consultation with the community over a period a long years, and it

got finally tuned to a point. Maybe give some options, you know and then if the Board says okay, we like some of these, then explore them further that can be sort of an interim step as opposed to you all in the JAS Group feeling like I need to have this perfectly baked solution.

Olivier Crépin-Leblond: Thank you Rita, and thank you Bruce. Points are taken. I think with regards to the liaising part, I meant between the JAS Group and the Board, and the JAS Group and the GAC. Not of course between the Board and the GAC who do whatever they wish to with each other, or not perhaps.

With regards to Rita's comments and I guess yours as well, Bruce, the ALAC has demonstrated a lot of flexibility in trying to get that report as quickly as possible to the Board, and yes the two co-charging organizations are the GNSO and the ALAC. The fact though is that the GNSO does have to follow a process which sometimes makes it a lot longer than what the ALAC process is and had the ALAC not acted as it did, this subject would not even be on the agenda in this meeting, and politically speaking, it would have been an absolutely catastrophe for ICANN. So this is why we really have pushed for it. Thank you.

Peter Dengate Thrush: Thanks Olivier. Cherine, and then Katim and then Rod, and then we're perhaps ready to move on. Cherine.

Cherine Chalaby: Very quickly, this is Cherine Chalaby. I echo Rita's comment about not fine tuning it to the maximum. It is my gut feeling that prioritizing, avoiding gaming would be a very important thing to start working on, because I think as we go forward, now, credibility of execution is important, and whether you give 75% or 50% or this, that's not important. What's important it is that it's credible, and gaming is the one thing that will remove the credibility from this so I would say focus on that as one of the priorities and don't leave it to the end and worry too much about the detail up front. Focus on gaming, because that is the credibility of the program.

Katim Touray: Thanks Peter, along the – just in response to the –

Olivier Crépin-Leblond: Katim, please introduce yourself, sorry, it's for the transcript otherwise the – both interpretation and transcript doesn't follow after that.

Katim Touray: Do you want me to speak louder?

Olivier Crépin-Leblond: No, no, your name.

Katim Touray: Oh, yeah, I'm sorry, yeah.

Olivier Crépin-Leblond: Sorry, otherwise it just sounds like someone is totally schizophrenic.

Katim Touray: You are absolutely right.

Olivier Crépin-Leblond: And speaking to themselves.

Katim Touray: You are totally very right, I truly – I heard you say that but I just forgot to introduce myself. For the scribes this is Katim Touray, ICANN Board Member. And I was just going to say that – just to follow up on the interventions by Cherine and Rita, with all due respect I want to disagree with them.

I think it will ill advised to not worry about being as specific and as detailed as you possibly can, for the simple reason that I suspect that if you just give us a half-baked work, it's going to be perfect excuse for the Board to throw it back at you and say this is not specific, what can we do with it, number one.

Otherwise, the other alternative would be that they will say well this is not completely realistic and back to the community, and

what's going to happen, we are going back to square one, and the process is going to be delayed. I'm not going to say that – I'm not saying that you're going to be able to do a perfect job, but whatever specifics you can provide, however much detail you can provide, please do so, because at the end of the day, it can only help us move the process forward. Thank you.

Rod Beckstrom: Great, first congratulations to you on adding your two most recent ALAC chapters and growing up to 134, that's really amazing – oh, Rod Beckstrom, thank you Carlton, very much and for your NOI submission by the way, which we also very much appreciated the ALAC NOI submission, it was very valuable and I know that took a lot of work to pull the consensus views together, so we salute you for that.

I know Cheryl worked hard to build this group, and I know Olivier is really putting in an outstanding effort leading it, and it's a pleasure to work with him.

Just one thing to leave with you, since we're not going to discuss it now, but I think you might want to think about how to advise the Board, or just give some thoughts on how should the Board consider any recommendations from the JAS working group, and maybe different recommendations from the GAC ALAC working team I think is the term, and other ideas that might come in, but there's no one synthesized process, there doesn't have to be, but then the Board is going to have to do synthesis. Point number one.

Point number two, I think there's only roughly ten weeks between the Dakar meeting and program, application opening on January the 12th. I believe this program needs to be fully formed and clearly announced by January 12th. Ten weeks is not very much time to create a formal program to responsibly disperse the equivalent of up to $2 million and so I just want to ask for A, your help to come up with simple and clear implementable programs that when the Board makes a decision, and then they hand it off to a CEO and staff, that we can execute it in that tight time window. And of course this is piled on top of already the largest program in ICANN's history that we're gearing up for. So I hope you'll give consideration to that.

I don't think any program can be perfect; it doesn't have to be perfect. It needs to help the objective, right of helping needy applicants and serving the global public interest. But it does need to be implementable. I hear the comments on judgment from Alan, and of course we all agree, but judgment is a tricky thing as well, and I would hope as much as possible is based on some clear metrics, so we don't have to debate and litigate what decisions get made ultimately by the Board on where those funds go, and who qualifies.

So – or maybe someone will propose an external body to make all those determinations. I don't know, but again I will do my best. I'm very excited about this program. I'm very pleased that we will be doing something. I think it's important for ICANN, and I think it's important for our relationship with the world, and of course

expanding our efforts and relationships in developing countries, where you're very much out there at the forefront with your At-Large Structures anyway, so thank you.

Peter Dengate Thrush: Thanks, we lost audio here. Peter Dengate Thrush again, I think really to move on, I think it's been a very helpful discussion, and can continue in a number of ways, including informally and along the lines slightly more formally that Bruce has – Bruce has suggested.

Can we go to the next topic then which is about the strategic plan execution and the budget? And again, if we can keep these at a high level, rather than dropping down to see what particular lines are in the budget, the substance as I understand the question is about allocation to the At-Large and their execution of the strategic plan.

And I can ask that sort of question, what's behind the question? What would you really like to ask us, and how can we really get down to the issue that's driving this? What's the problem, Olivier?

Olivier Crépin-Leblond: I'm not working on this microphone as well. We're all going to end up like a happy family on one microphone.

Peter Dengate Thrush: Get Evan's.

Olivier Crépin-Leblond: It doesn't work either.

Peter Dengate Thrush: Well, you can certainly have this one.

[background conversation]

Olivier Crépin-Leblond: Hello, hello, this does not work.

[background conversation]

Peter Dengate Thrush: A vote of thanks to Sebastien for – so can we get to the bottom. What's the problem with the budget and the ALAC involvement in the budget, and the ALAC representation in the budget and the strategic plan?

Olivier Crépin-Leblond: All right, thank you Peter. If I may just say a few words about how the budget proposals were made in the ALAC. The ALAC asked for the regions to come up with projects that would effectively be promoting the ALAC in their region and specifically for outreach to try and get more participants – more new ALSs and

so on to participate in the ALAC process; but also for in-reach as well, because it is extremely difficult to keep volunteers interested in the processes of ICANN without having face to face meetings from time to time.

Conference calls are great, but in some regions of the world, they're very hard to run, there are constantly logistical issues, the call being cut and so on. And then some participants do find that it's extremely hard for them to stay up at four o'clock in the morning, because the world is a round thing and unfortunately the majority of participants are still from Europe and from the American continent. So it is difficult for local participants to take part continually in processes without seeing each other face to face.

Now several of the amounts or of the proposals from the regions, I'm translating from French, and I don't know why actually, but – several of the proposals from the regions involve a general assembly which is effectively having a localized meeting of the At-Large Structures that usually would take place during an ICANN meeting, so that the logistics and just in order to sort of cut down on logistics and so on, but that would involve flying them over to the location and effectively having them housed in the hotel. That costs money and so three regions have asked for a general assembly to take place with about 30, 35 participants.

The amount that was given for this was somehow smaller and allowed for six participants to take place, and six participants does not a general assembly make. So at that point it's just not worth

actually even having an assembly, it's a case of just boosting up a few numbers.

And we'd just like to hear perhaps if there would be a way for the ALAC to discuss this directly with maybe a smaller group and the Board, perhaps the Board finance committee and – well get your feedback on that. We know that funds are limited at this stage, and that everyone wants more, and finance has to try and do a balancing act, but you know we need to find a solution to this, because without outreach, without in-reach, ALAC is not going to go anywhere. Tijani might have a few words? Tijani Ben Jemaa.

Tijani Ben Jemaa: Merci – thank you very much. Thank you, please use your headsets, I'm going to speak in French. Okay, can you hear me? Very good. Very well.

So as you know we in the past already did some financing request for certain project for regional structures of At-Large, and it didn't work, because we were told that it was not scheduled at the financial level. This year we were told that if we start early, we would get the opportunity to present in advance our project and thus financial department would help us. We did everything they asked us to do, and we did present projects that were no luxury projects. We were not looking for luxury.

We are trying to find participation of the entire At-Large community in the regions to have them participate in the development of ICANN policies. And in certain areas and regions

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– the regional structures just cannot afford it, because they have an understanding problem, they have also – how can I say that, adaptation issue, they don't know much about ICANN. They don't know how it works. That's why we need to train them. We need some training sessions.

We need to give them the opportunity to have the minimum of understanding of the ICANN process so that they can participate in the development of ICANN policies and procedures, and we also asked for participation in international events that would enable ICANN to get more credibility since the members of the community would participate in those events substantial events, substantive events, international events like IGF, like the forum about internet communication and the information communication society, what we heard is that there was no money, there were no funds available.

And instead of doing the training session for regions we were told that we could get six extra trips, six extra trips for general assembly, that's what we were told, and that's not a project. That doesn't allow us to do much. We were asking to have financing of very specific goals and actions and projects, we were not asking for funds for any other reasons. And the At-Large community was quite disappointed by this suggestion and doesn't see how we can improve the participation of final users, final internet users in the ICANN process. Therefore, in general that's the issue. That's the general idea. I'm not going to go into details.

Olivier Crépin-Leblond: Thank you, Tijani. Alan Greenberg.

Alan Greenberg: Thank you. I just want to be – be clear, at this point we understand that there is a budget, and there may not be any deviants from this budget, at this point. But what we do – what we would appreciate is some flexibility in how the allocated budget was used at least, within the overall parameters.

In other words, if the budget has allowed six people to travel from three regions, there's actually – the budget doesn't show six people from three regions, the budget shows N dollars, okay. If we have the flexibility of using that and which I think is $25,000 or $30,000 per region, and perhaps grouping it together and used it in some other way that is similar in principle but not divided by N people, we can do interesting things. You know for instance in some regions the cost of travel are low enough, that if we say we can take the $25,000, give up $1,000 of support per person, we might be able to move 25 people. That's an example, that's not necessarily saying that's what we'll do.

And the answer we got back, it would have been nice if there would be an iteration in preparing the budget, so that we could have given some guidance as to how the money could best be used. And so far we've been told well, maybe we can readjust how the dollars are used, you know we haven't gotten a lot of flexibility at this point; it's up to the finance committee and to the Board to make a final decision real soon.

We would like to make sure that when the money finally becomes available to us, it's available to us in a way we can use effectively, there's no point in giving this and that case $75,000 which we can either waste frivolously or not use at all. Neither of those serves all of our purposes, thank you.

Olivier Crépin-Leblond: Thanks, Alan. Sebastien and then Ramaraj.

Sebastien Bachollet: Thank you. Well, I think that what Tijani said was absolutely – absolutely true, Tijani was right. When you ask to an organization to come up with the projects and that the return is – we have some very small, very small parts of something which doesn't consist of the project, that doesn't work. I think at that level, there is an issue in the process. The process didn't work in that case.

Secondly, what is important for everybody is that this debate, this topic has been on the table since Mexico City, since the summit of Mexico where so much work was done and produced, and we still get results from the Mexico meeting of the ALAC. So we know that a face to face meeting is much more efficient than a conference call over the phone, especially when you talk about a general assembly in a region, those general assembly are scheduled between different RALOs and ICANN.

And we do sign some MoUs for each region, I'm not going to give you the finance committee going to review, since he's going to

speak after me, but I – what I think is that – it's not because I'm calling from ALAC, but when I looked at all the projects that were going to come and be put together, the only one that was really, I would say not satisfied and didn't get any answer was ALAC.

That's why ALAC is not happy about it, and that why I want to do something about it. I talked with staff, I talked with ALAC, I talked with finance committee to try to find a solution that would accommodate not only the budget, the finance aspect, but also and it's even more important the needs of the community that are very important at the ALAC level.

Olivier Crépin-Leblond: So, Sebastien, Ramaraj.

R. Ramaraj: One thing I think the budget has done is not just make ALAC unhappy but everybody. So I think you made everybody equally read into the budget. Alan, we are looking at how within the dollar is there some way that initiators could get focused on, and that's somewhat that's going on, and I think the finance team is meeting with ALAC to see how that could be worked on.

Part of the challenge of the finance committee is to see that creep doesn't happen. We started at ICANN funding a small group of people to attend ICANN meetings, it's currently at about 250. If we start allowing some of this general assembly to happen in the

way it has been proposed, that will be become another 130, and as ALAC does it's work better, that number is only going to increase.

So suddenly from 250 it's going to become nearly 400 plus. So how do we make sure that while the ALAC objectives do get met of meeting face to face or using technology better, how do we make sure that within that budget this doesn't become a permanent travel support for activities for almost half the people who attend the meetings? That's really the concern, and within that is why we trying to see how to prioritize and make sure this doesn't become a regularly fixed cost.

So prioritizing and trying to see within the dollar how to accommodate this initiative in their financial budget, and see if there is any way with your help to prevent it from becoming an additional fixed cost. That's the challenge.

Peter Dengate Thrush: Okay, I'd like to change the level and tone of this conversation relatively completely and move it to a much more important philosophical point, which is not to say that the issue of regional assemblies for the At-Large is not important.

I think the multi-stakeholder model has just been through an extraordinary validating test in relation to one of its most important aspects, and that's policy making. I think historians will look back on the New gTLD Program and see for the first time the complete use of the multi-stakeholder model for policy development, including the opportunity for disagreeing with GAC advice, which

was previously a provision in the bylaws that hasn't been tested. Now we can see that the whole mechanism of multi-stakeholder policy making has been exercised.

The next evolutionary stake for the multi-stakeholder model in my view is going to be administrative, and it's to solve this particular problem. And it's the question of resource allocation within the multi-stakeholder model, administration of the resources, and budgetary approval. And it's time I think for some serious thinking in long term structural way about how to build this into the multi-stakeholder model.

At the moment we operate on a kind of spoke and wheel bases where the individuality – because we had this very discussion for all of the constituencies that we've met with, the processes coming into the staff with some supervision from the Board and then going out again. That has to stop.

The resource allocation dispute has to be between the entire – all of the elements of the multi-stakeholder model. You have a very different need. We heard contrary to what I think Bertrand or someone said – all of the groups are wanting more – and I don't want to miss… Somebody said all the groups are wanting more. They're not. We heard very clearly from the ccNSO yesterday they want us to do less, and they particularly want us to do less that's been allocated to them and for which they get charged, and what their focus is much more efficiency, okay.

EN

Your group has a very different view. You think that – you're aware of millions – billions of users with needs that need to be – and an outreach program and need to reach out, a completely different approach. On the other hand, we have the GNSO currently contributing 92% of their revenue and somebody has to – the money has to come from somewhere, who has a very distinct view about how that money ought to be allocated according to its views.

So we need to work on a model that brings all that resource allocation discussion, let's not call it a dispute together, so that you're not persuading the staff of the merits of your application, or even the Board, you need to persuade the multi-stakeholder model of the merits, so that the people who are providing the money, the people who are spending it, the people who need it, everyone gets a chance to have effectively the resource allocation discussion.

So I would encourage you to be working on how is that going to happen in the future. What are the mechanisms for multi-stakeholder discussions about the resource allocations? Thanks.

Olivier Crépin-Leblond: Thank you, Peter, and if I could just answer one of the statements that you've just made, which I'm afraid is one of the big fibs of ICANN, that GNSO does not provide revenue. The GNSO collects the money from us, the users, and that's something which I really want to make clear. Registrants, users, people that register domain names and the – so the GNSO is just a tax collector in a

way. That's just one point. But the rest obviously mistaken, thank you. Chris.

Chris Disspain: Thanks Olivier. It's a – not is not the good time to have the discussion, but I think it's important to make a distinction, you are correct, the revenue comes from the registrants, but it's important to remember that it actually goes to the registries and the registrars. It is their money. They are charging for a service. They are not a conduit to a government, they are a business. And they charge for a service, they get paid for that service, they – they have an obligation to pay through another contract, but it's not a tax system, it's a different – it's a different way, the result might be the same, but it's not a tax system.

Peter Dengate Thrush: I completely understand that the money originates from the registrants, there's no question about that. I'm talking about – I'm talking about the structural places of ICANN through which things flow. I actually do understand that it's not the GNSO that writes out a check of its own money. Thank you.

Maybe we can continue with the next subject perhaps, again, a very high level one. The Board's and I hope we can hear from all Board members on this, the Board's openness and I think as I say to At-Large initiated policy topics. The At-Large recently created a future challenger working group led by a former Board member to allow At-Large to participate in ICANN's policy work. The

Board feels in the past the Board has resisted considering ALAC policy initiatives that are not in sync with current Board work. Can the ICANN, CEO and Board indicate their openness or lack therefor to user initiated policy topics? What does the ICANN see and Board consider to be the positives and negatives of ALAC's policy work currently?

So I think that's an excellent topic to have in an open session like this. How would you like to proceed?

Olivier Crépin-Leblond: Thank you, Peter. I was just going to give the floor to Evan for a few more words, because that is actually part of the future of At-Large working group which has just been started, and which is chaired by Jean-Jacques Subrenat, who unfortunately is not able to join us today. So Evan. Oh you're co-chair, okay so Evan is co-chair as well. Evan.

Evan Leibovitch: Hi there, this is Evan Leibovitch for the transcript. I just want to sort of give you a little bit of background behind what you've just seen in that issue, and that is there seems to be a frustration that every – that so much of what we do is simply reactive. Something happens, we react. A public comment process comes out; we're asked to make a statement. You know this whole stimulus response thing, that we're always one step behind policy work.

Whereas there's a huge amount of creativity of innovation going on within At-Large, but we need to be confident that there's a way of saying if we come to the Board with something that is totally off of the current agenda, that is something that we believe is important to the At-Large community, what is the process, what is the willingness to go – you know off schedule and to consider things that may not have been considered before, that is not a matter of reaction, but is a matter of At-Large being proactive in a true bottom up fashion.

Olivier Crépin-Leblond: Thank you, Evan. And Ray, Ray Plzak.

Ray Plzak: Thank you Olivier, Ray Plzak. First of all we have to start with the premise that there are three policy forums in ICANN. And that's the three supporting organizations. And that's where all policy originates and starts and actually floats from those bottoms up to the Board as appropriate. So when there is a particular policy need inside the ALAC, it's going to relate to one or more of those areas. And so while this may seem difficult to discuss in a rather general way, the fact of the matter is if you want to get involved in a bottom up policy process, you have to participate in the appropriate policy forum.

Now I can speak from experience having been the President and CEO of Aaron, that when we were able to persuade people from civil society to participate in the policy process in the Aaron region

to get policies made with addressing pertaining to a particular interest of theirs, they were shocked that A, there were a lot of people willing to help them draft a policy and sponsor it; and B, the policy actually went through the process, and was adopted in that regional forum.

So I think it's well worthwhile for ALAC to explore ways of being able to effectively enter into those policy processes. And whether or not it is a specific request from ALAC for example to one of the three supporting organizations that says, we think that there should be a policy in this area, or find somehow or other a request for policy development, or actually participate, I think that those are the options that need to be explored. Quite frankly, if the Board is presented with a policy idea, my vote would be put it into the appropriate policy forum and let it be developed there. Thank you.

Olivier Crépin-Leblond: Thank you Ray, and Evan wanted to just say one quick word to answer that, and then we've got a cue in operation.

Evan Leibovitch: Ray, the only – sorry this is Evan Leibovitch, the only answer I would give to that, is that my understanding from the bylaws is that ALAC's purview actually goes beyond policy, and so there may in fact be non-policy initiatives that we may want to bring up for which that may or may not be – that may be appropriate but there may be some initiatives that may actually not fit into one of those silos.

Ray Plzak: A quick response. You asked about policy, and that's what I was responding to. If you're talking about other initiatives and so forth, then we need to define what it is and figure what is the appropriate place for that to occur. The Board is not the end all for everything.

Olivier Crépin-Leblond: Thank you and Bruce is that related, and then we have quite a long cue and kind of I have a shuffling –

Bruce Tonkin: Well, if you've got a long cue then –

Olivier Crépin-Leblond: Okay, thanks. George did you want to respond to this directly.

George Sadowsky: Thank you. I support Ray's notion of the structure of the policy process. On the other hand, what you're talking about is not directly policy, but your view of the future. And I think we're faced with a situation – a unique situation, as Peter said, the multi-stakeholder model is working, we have an environment of – of the internet and the domain name system, the identifiers; it's really important that we get the best intellectual input we can with regard to how this evolves. And I would very strongly support the initiative that's been started.

Olivier Crépin-Leblond: Thank you George, here, here, and Eric Brunner-Williams wanted to say something and then I'll have Bertrand after that.

Eric Brunner-Williams: Thank you, for the record Eric Brunner-Williams. Ray thank you for framing the issue so clearly. There are three policy originating organizations under the bylaws. Within the GNSO, the question is where does the constituency or stakeholder structure of the GNSO place the public interest? And I have a follow up question if there's an answer to that.

Okay, so it's an open question with no easy immediate answer. The follow up question goes to the process within the GNSO, a place where I've spent most of ICANN's lifetime engaged. The process by which issues are brought forward within the GNSO is roughly democratic, that it does involve some degree of weighted voting and consensus.

So assuming that there was within the GNSO a constituency or stakeholder organization that was tasked with the public interest, whatever that may be, and no other goal, no other constituency interest such as intellectual property or registries or registrar, the various interests, we would have the problem of how single stakeholder group or constituency group, which has that goal of advancing the public interest could prevail in expressing its interest over the interest of other stakeholders which are acting for whatever reason contrary to whatever that public interest might be.

So the structural problem I see, Ray, is that we have the three supporting organizations within the bylaws, but within them there actually is no place for the public interest as a specific source of public policy, or policy generally.

We have something in the GAC which expresses the public interests of sovereigns and we have something in the ALAC which expresses the public interest of non-sovereigns. But these two are advisory entities which do not originate policy in the model that you have described. They originate advice.

So where does the public interest as a policy originate within the bylaws notion of the three support organizations or specifically within the GNSO as a multi-stakeholder constituency model. Thank you for your patience.

Olivier Crépin-Leblond: Thank you for your comments Ray – sorry, Eric. Ray, I think maybe you wanted to answer that, it's not working, okay. This looks like a good day for us. Well, maybe shall I get Bertrand to intervene in the meantime.

Okay, there we go.

Ray Plzak: By the way, you can only have a certain number of these on at a time, so when you finish speaking turn it off, and I guess these things are relatively delicate so, handle them gently, give them a little TLC.

Since comments were directed towards my comment, let me briefly respond, first of all I – in my notion, I can't see any policy that is in some way or other is not in the public interest. It has to be. Whether it is all of the public interest, or if it is the users, or if it is a particular group of businesses, or it's whatever, at some point in time, it's in the public interest, because the public interest is a broad definition.

In a certain sense, the ALAC, which is representing a broadly defined group, certainly can speak with a voice. There is for example the means by which the ALAC if it wanted a policy in the addressing world could send this to the address council of the ASO. Provisions exist in these policy processes for this to occur.

The policy processes in the various supporting organizations differ and if they don't necessarily accommodate what you think should be your ability to input into the processes, then you have every right, as a member of the global community to work to change that process. And so – and the best way to change those processes is in a bottom up manner. The more people that understand what your particular notion and problem is, the more likely you are to get it fixed.

So I think trying to find a silver bullet from the Board to fix this problem is not the answer. The answer is it's got to be a community-based problem – solution. And so I realize it is difficult, however I will say right here, right now, that personally I am willing to help anyone who would like to work in this area.

But I'm not going to support an initiative whereby the Board becomes the vehicle for doing things.

Olivier Crépin-Leblond: Thank you very much Ray, and next we have Bertrand de La Chapelle, and if you could again every time say your name when you speak.

Bertrand de La Chapelle: All right for the scribes I am Bertrand de La Chapelle, board member. Two points. The first thing is that we had a discussion yesterday in the interactions we had with the different constituencies, in particular with the registrars regarding the dimension of the picket fence and the field of consensus policies. I won't get into details, what is at stake here is the distinction between what is in the picket fence, however we define it, and what is the purview of consensus policies if it's for GNSO, or policies for the cc or policies for ASO.

And in that case, I want to just quote the article of the bylaws that in the Annex A of the GNSO policy development process for instance allows ALAC to basically as one of the advisory committee to raise an issue and request the preparation of an issue paper. So if there is a policy issue – real policy issue that falls within the purview in particular for the GNSO consensus policy scope, the modalities are there. There is nothing to change.

The key question is the second point which is outside of what this scope is, there are two elements, yeah, there are two elements. One is something is really a policy issue and it's out of the scope and you have to push to force to say this must be addressed, and the answer is no, no, no, it's not in the consensus policy scope, and so we don't want to launch a PDP, and oops if it's – if it's an important topic, it needs to be addressed.

Hence, the key question I believe is actually even broader it's agenda setting. And the question of agenda setting is something that we haven't tackled really and I would like here to make a connection for those of you who are familiar with the IDF. The IDF has two dimensions. It has the main sessions and it has the workshops.

The main sessions are structure, they're organized, there are panels and whatever, I don't get into details. But the workshops are completely proposed by the participants in the community. I think ICANN needs to introduce an element of this in its meetings.

Now, we have less of a burden of policy making because the New gTLD Program is adopted, and so I suggest that the question you're raising is, is there a scope in the preparation of the meeting for any actor in the community to say this should be a topic. Let's have a small one hour workshop on this topic in Room B and anybody interested comes in, and then it bubbles up. I think transforming it to agenda setting is an interesting contribution, and I certainly would support exploring this.

Olivier Crépin-Leblond: Thanks very much Bertrand and next we have Rita Rodin.

Rita Rodin Johnston: Thanks Olivier. I think all these are really important ideas and as you've heard from other Board members, we met with the other SOs yesterday or constituencies and it was interesting everybody has asked the same question about you know how – what do you see as the GAC's role in the latest series of meetings, et cetera, et cetera, and have they somehow surpassed us in this policy making role and what do we do and how do we fix this.

So I sort of see your issue as similar. I think that there has been so much work that's had to be done and to Peter's point this has been a great effort along a long period of time, right having the New gTLD Program with multiple input points, but I think that the organization really almost has matured past what the bylaws say, and I can actually still remember talking with Esther Dyson and Laura Bealand in the hallway about how are we – are we going to be able to get sort of a user constituency form, is that ever going to fly, how do we – you know how do we do that? How does that get validity?

So to think about those days and now see how many really talented people are here is really amazing for me. And I think that – so some of the – whether it's the picket fence or how the ALAC advice is given, or how you participate, you know some of those words maybe are a little bit stale.

So I want to just echo what Bertrand and others have said. I think this is kind of – it's almost like take it up a level and figure out how do we get the most meaningful input from everywhere.

And I think Peter was telling a bunch of the constituencies yesterday that the most comfortable way we were dealing with some of the issues with the GAC and for me it was these wonderful trademark issues, was for me to be able to say you know what the community said X, that was the easiest part of that very lengthy scorecard.

Because we almost didn't even consider them, if there was a community consensus around X, it was just done, because we didn't want to say that one constituency or advisory group was more important than another. So this is kind of a long principle, that I'm just spewing out here early in the morning, but it's not an answer to you guys, but I guess what I'm saying is, every – every aspect of ICANN's multi-stakeholder model is important.

I think if you try to say you know we are really the money from the GNSO, or we start to do some of those types of arguments, that's in my, with all due respect, not helpful, you know because it's never going to – no one is going to succeed in that argument, except in getting other people annoyed.

I think it's more you know – you all have a really meaningful contribution and people recognize that I think. And so it's a way to – yeah, with the GAC, everybody kind of coming together to make the most robust and good policy we can.

EN

Olivier Crépin-Leblond: Back to you, Peter.

Peter Dengate Thrush: Thanks, well I'm going to close very briefly, because we're well over time, but I think that's just an indication of the importance of the topics and the interest that they've generated. I would like to continue this format in the future. I think it's been successful. We'll look if we can I think at scheduling slightly more time, but would you please convey thanks to all of the members, including those that are online. Thank you.

Olivier Crépin-Leblond: Well, thank you very much, Peter and one last point though since this is your last chairmanship and ICANN meeting, we wanted to thank you for all of the work that you have done for ICANN. Thank you.

[Applause.]

Olivier Crépin-Leblond: And before ALAC members run out, we do have a vote so would I ask the ALAC to remain here for a few minutes. Matt is going to go around with a statement on the financial year 12, but – which is due to reach the Board at some point I guess. But this needs to be voted on before it gets given over to the Board.

[End of Transcript]