
BUENOS AIRES – ccNSO Members Meeting Day 2

Wednesday, June 24, 2015 – 09:00 to 15:30

ICANN – Buenos Aires, Argentina

CHRIS DISSPAIN:

That the timeline that we have, which admittedly can be changed in a perfect world, but the timeline that we have sees us signing off on the final recommendations in Dublin. I would suggest to you it would be perhaps not in the best interests of your own ccTLD and the ccTLD community as a whole to be only reading the CCWG Report for the first time when we all turn up in Dublin, in the hope we might sign off on it.

There's a new one to be read. I think from memory - and Mathieu and Thomas is here as well, thank you for coming - I think there's an intention that another one will come out in August for public comment, or August will encompass a PCP, and then there'll be a final document to be considered. The key is to look at the next one and to make comments on it, because that's the one the final one will be built on.

So the Board's encouraged by that process. I think the Board as a whole is also delighted that we are being welcomed into, and encouraged to participate, in the deliberations of both... We were for the CWG, and are for the CCWG. So that's great. In fact, in respect to the Auction Proceeds Working Group, which there's likely to be a CCWG on the gTLD auction proceeds, the community has made it very clear that they think the Board Members at least are a part of the community.

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Of course we should be involved in that - not necessarily as a Board, in the sense of making Board statements, but as individuals, which I think goes a long way to breaking down what I know, and I think most of you know as cc's; is a false premise that once you get on the Board you suddenly become this weird person. What did Larry say the other night? You go from being a profit to being a pariah, which is quite strange, because I can't understand why some people think that. So that's where we are on that, Byron.

A couple other things just to fill you in. Obviously, Fadi deciding to go is something we'll need to deal with. There will be a meeting tomorrow of the Search Committee and everyone who wants to come tomorrow morning, to talk about we need your input, et cetera. Because I am fed up of saying this to individuals, I'm going to say it to all of you: "No, I am not moving on." We do need your help. A) we need input, and B) we also need people.

If you know people that you think might be interested, or people you think might be good, please encourage them to do that. I think probably most of you know, but Fadi applied for the role because he knew Akram, and Akram suggested to Fadi that it might be something he could consider doing. Sometimes people come from people that we know, so that would be good. I'll shut up now and take questions and discussion, if anyone has any?

BYRON HOLLAND: Any questions for Chris, or comments, or input for Chris to take back to the Board? Nigel?

CHRIS DISSPAIN: I was actually looking for Mike. He arrived at the GAC this morning sweating and not at all well, and said he was coming, but he may have gone to bed. I say he might like to think about it, given that we'd all love to not get the infection that he's got. Go ahead.

NIGEL ROBERTS: Are you still having fun?

CHRIS DISSPAIN: Define "fun"? Yes.

NIGEL ROBERTS: Good.

CHRIS DISSPAIN: Define yes! Look, yes, what this accountability thing has done is to throw up into a very bright light something the Board has been concerned about for some time, which is the trust issues; the fact that there is a real trust problem in this community - not this community, this community - that the community doesn't trust the staff, the Board doesn't trust the community, the staff doesn't trust anybody. Then you get into the GNSO and bits of the GNSO don't trust other bits of the GNSO, and individual ccTLD Managers don't trust... It's extraordinary.

It's not surprising, but when you're trying to build a multistakeholder model it's quite hard. The Board needs to take a leadership role in

fostering trust, and that hasn't happened well, partly because of the origins of ICANN and the defensive position and bunker mentality that it started with, which has gone on and on and on. Partly because if you allow lawyers to tell you how to run things then quite justifiably they will tell you to run them in the least risky way.

Lawyers don't understand that reputational risk is just as important as legal risk. When you say to them, "If we do it this way everyone will think we're doing something wrong," they say, "That doesn't matter, because you aren't doing something wrong," whereas at demonstrations you've come back. I guess you have a comment?

NIGEL ROBERTS:

Actually, yes. I think my little "are you having fun yet?" has provoked quite an interesting discussion, and in the absence of that I'll follow up on that. First of all, I agree with everything you said - that's because I wrote it for you! But one of the things that is required... Trust comes when you know people and rely on people, and while I'm certainly not suggesting that we have one complete end of parties from beginning to end, in fact in a way it's relaxing that there's no gala or music night this week.

Perhaps the Board ought to look at, in future ICANN Meetings, trying to create some kind of... We used to call them team-building exercises, and I actually hate that expression - but activities that are not just drinking, but yet are not the hard work of arguing over...

CHRIS DISSPAIN: I'm sorry, that doesn't compute. What do you mean, "Not drinking"? I don't understand that. How does that work?

NIGEL ROBERTS: I'll give you an example. When I worked for a phone company in England they took the whole department off for a day and made us build a cycle path.

CHRIS DISSPAIN: Maybe we could have an ICANN tree that we could all hug.

NIGEL ROBERTS: The problem is, it's silos. If you don't even meet people in drinking sessions, which...

CHRIS DISSPAIN: Nigel, I completely agree with you. I'm teasing you. The goal of the new meeting strategy for the middle meeting of the year, which will start next year, encompasses a part of that. The idea is that you lose all the pomp and circumstance of the Opening Ceremony and all of that, and everybody comes along, and the goal is to do something like each group - the c's, the g's, et cetera - meet, say, from 9:00 until 15:00 on the three days, and then from 15:00 until 18:00 there's an opportunity for joint sessions. A joint session might be for example a room where everyone who wants to discuss a particular topic in French can go, a room where everybody wants to discuss... So birds of a feather stuff between 15:00 and 18:00.

Then each night a thing, something, happening, that doesn't not just involve... I must admit, it hadn't occurred to me that you could do something without drink, but I'm sure we'll call it the "Roberts" evening, and it will be alcohol free. I appreciate it. You're absolutely right. Any ideas that you... Becky is waving a red flag. No! She doesn't like the name "Roberts evening".

NIGEL ROBERTS: No, I think she doesn't like the no drink bit.

CHRIS DISSPAIN: But if you've got any ideas about what we can do...

NIGEL ROBERTS: This is just an example. If you're mountain climbing and you've got a member of the staff holding the rope above you, you're going to start learning to trust them.

CHRIS DISSPAIN: Okay, that's an interesting idea. Let's climb a mountain. Everyone gets strapped to a staff member, and we're... Jay? Sorry.

JAY DALEY: On the Opening Ceremony the other day, Fadi did a couple of very genuine mea culpas, and that was very honest of him, I thought. One of the main ones there was about not understand the multistakeholder culture when he first started, and trying to hard to fix things as a "fit it"

CEO. How much do you think that has infused the culture of ICANN staff, and what do you think is necessary for us to undo that?

CHRIS DISSPAIN:

That's a really good question, Jay, and actually I don't think that. I think Fadi has been extraordinarily good from a staffing point of view, A) because of the team that he's built, and B) because I think he has been prepared to stand up to the, "Well, we've always done it this way," way that staff often, not just at ICANN, but in generally often are. "Why would we change it? We've always done it this way." I think there have been significant changes to the way that things are managed.

The problem is that often they're very small and people don't necessarily notice them. What tends to happen is you don't notice the stuff that's right, you only notice the stuff that's wrong, because it's the stuff that's wrong that actually annoys you. The other problem this community has generally is we don't all agree on what's wrong. What you think is wrong, somebody else doesn't necessarily think is wrong.

JAY DALEY:

I think we have noticed what's right.

CHRIS DISSPAIN:

Yes. What I'm saying is it's harder to do that. I agree with you that I think the next CEO needs to be... There is a job to do on the culture. There is a specific job to do on the culture, both within the community

and within the staff. I think there are cultural issues for the community as well.

JAY DALEY: Thank you Chris.

BYRON HOLLAND: Can you unpack that a little bit in terms of cultural issues within the staff? Where do you think it is now, versus where it should be?

CHRIS DISSPAIN: I think that there is still work to be done on... I think we come from a position of the safest thing for us to do is to be opaque and become transparent when we need to, rather than what we should be doing is to say, "We are transparent and we will become opaque if we need to." I think that is a significant cultural shift for an organization that has effectively been this way for 15 years.

It's a very, very hard ask, but it is critical, it's essential for ICANN to prosper - I don't mean financially, but to grow as an organization. There's a whole heap of stuff that sits underneath that, Byron, but at the top of the tree, that's what I would say is the key.

BYRON HOLLAND: Dotty?

DOTTY SPARKS DE BLANC: I think that it is completely useless to try to focus on the concept of trust, because trust is a soft deliverable, and it means one thing to one and something else to another. It has no specific deliverables as it is talked about in this context, and therefore it can't be measured in a meaningful way. I believe that the "lack of trust" has centered around the Board having its moments of no visibility, as it has to have as a business, in terms of decision making, but everybody feels that the Board should confide with them in whatever decision it is they're making.

I think that's where the focus of this lack of trust comes from. If we're going to keep using the word "trust" then what we have to do is identify a set of measurable deliverables that represent trust, and once that happens, then you can measure whether or not there is trust. But just to talk about trust in some emotional way is completely ridiculous. It's just never going to happen that anybody gets any comfort from it.

CHRIS DISSPAIN: Have you been listening to our Board Meeting? I agree with you 100 per cent, and that's precisely the discussion that we've had at the Board level, which is that we can talk about it in the amorphous terms of trust, but actually you can't say, "We want to improve trust." You can say it, but the physical act of doing it is a whole heap of little things. For example, being more transparent than being opaque, institutional confidence is what this is actually about.

Right now individual members of the community believe, "If I get this particular measure, that's going to help. If I get this particular

measure, that's going to help." All of that is fine, but you're right Dotty - we need to not specifically talk about it in terms of trust, but we need to do things that should lead to an improvement in the confidence in the institution, and that's basically what we're working on right now.

BYRON HOLLAND: Thanks Chris. Thomas?

THOMAS RICKERT: As you know, I'm the GNSO Council Liaison to this group, and in this capacity I'd like to share with you some thoughts that Fadi shared with us when he came to see us, which went a little bit further than what he said during the Opening Ceremony. In fact, he said that he completely underestimated and misunderstood his role, as well as the role of the Board. When he came in, the first thing he did, as you would, as a CEO, was try to establish a good relationship with the Board.

He thought that would be the body he would be reporting to - to the Board, as well as to individual Board Members. He says the ICANN Board is no classical board, and for his role as CEO he said it's basically three jobs - it's managing the ICANN organization, the classical CEO bit, but then it would be the role of a community facilitator and the role of a politician. This is my personal observation - that rather than trying to artificially forge trust by artificial means, I think what we need to undergo is actually a revision of the job specs for both the CEO as well as the Board, and maybe even use a different terminology.

I think the confrontation between the community and ICANN as a corporation, which we see at times, is stemming from the fact that the community sees them as an ICANN corporation only, and not in their role of serving the community.

CHRIS DISSPAIN:

I agree with that. I think one of the things a number of us on the Board have been pushing for for a while is to work on getting the Board clear about what its role is. There's a very simple, straightforward corporate role, which is easy, it just is, and then there's everything else. I think there's a lack of clarity around that, and because there's a lack of clarity there are clashes all the time with the community about what is our role and what is not.

I said it yesterday in the NCSG - the GAC thinks they gave us public policy advice on the public interest commitment specifications in the contract. You think you gave us public policy advice, which is the reverse of the GAC's advice. We listened to both of you and you're both equally unhappy - therefore we've done our job properly. Because there's constant clashing in the community and with us. You want us to step in to fix something. If we fix something you don't like, you don't want us to step in.

We really need to work this out. it will take some time to do that. But I agree with that. And the CEO role - absolutely 100 per cent. The job specification needs to be played with. It's certainly not going to be the same as it was when we got Fadi.

BYRON HOLLAND: Annabeth?

ANNABETH LANGE: Trust is mainly, in my view, to know each other. When you know your opponents, in a way, if we can call it “opponents” in the different stakeholder groups here, then it’s much easier to know each other. When you know each other, you trust each other more, because you understand the view of the other group much better. In my view, a great improvement has been the CCWG - that we are now much better to work together, instead of that...

The bad example was that new gTLD process as it was that first round. It came too far in one system, in one silo, before the rest of the other stakeholder groups really reacted on what was happening. This time we tried to do it together, and when you work with people that have an opposite view of what you’d like to be the result, it’s much easier to come to a compromise when understanding each other.

I also support Nigel in... I’ve been involved 17 years, something like that. In the beginning of course we were fewer people in the society. It was easier to do cultural things and things we could do together; with soccer games - that really brought us together. We should actually do something that’s fun, and together with the other stakeholder groups. Because now it’s nothing. What happens is that we go out and eat with those people we know from before. That’s very nice, but it doesn’t improve the relationships between the stakeholder groups.

CHRIS DISSPAIN: You're absolutely right. But one of the challenges, I think, is that if we were to put on a series of events, say, two things a night that people could choose to go to, you'd have to make sure that the clumps didn't go together - that you actually found a way of doing it. That issue, that problem, is not a reason not to do it. I agree. Maybe we could have cultural sports depending on where we are. Mind you, that would simply mean soccer everywhere, wouldn't it? Pretty much? Because it's the world game, and we are of course attempting to become FIFA!

BYRON HOLLAND: That's a bad joke!

CHRIS DISSPAIN: I should probably have to apologize, because Twitter will go bananas, because I've insulted FIFA, or...

NIGEL ROBERTS: I want to say on a note of caution, with something that Thomas said, and you agree with, Chris - and I speak from direct experience -, some 20 years ago I was on the Board of a national non-profit in the UK. The board, like the ICANN Board, were directors of the corporation, which was the English equivalent of a non-profit corporation. But they weren't called board members, they were called council members, and the CEO was called the general manager. We had the exact opposite experience.

We had council members who hadn't got a clue about their corporate responsibilities and the legal constraints, and felt they were simply there to represent the interests of the, in this case, the regionally elected constituents. That board spent all its time micro-managing the GM. I don't think the ICANN Board has got it right in this balance, but I'd really hesitate to do what was perhaps suggested, and rename and re-job describe things.

Like a lot of English people I'm a little uncomfortable with the nose-bleed salaries that get paid at the high levels of ICANN, but at the same time you're going to hire people who can do the job. It's a very complex job. All I'm saying is make changes with caution in that regard.

BYRON HOLLAND: Thanks Nigel. Jordi?

JORDI IPARRAGUIRRE: Thank you. I support what has been said regarding trust, regarding teamwork and all that. Some of us, or some of you, may be insiders who've been here since long ago, but we have more and more new people every time, in the different ACs and SOs. Maybe one of the places where it's already helping to [unclear 00:23:29] is the Training Leadership Program, where in a really informal atmosphere you really get to know what other people in other places are doing, and that's really helpful. Doing something similar - sports, whatever, you name it - let the community propose things, and that will really help. Thanks.

BYRON HOLLAND: Thanks Jordi.

CHRIS DISSPAIN: I'm going to go in a second, and I want to say thank you for having me, and apologies from Mike, who really is not well. Before I do go, something I wanted to say was that in the history of the ccNSO, we've come to 150 something Members now. Throughout a lot of that time, there's been one constant in that time, and that's Gabby. I've really enjoyed having Gabby around, and I'm going to miss her. Thanks Gabby. [applause] She's not actually going anywhere of course, but...

BYRON HOLLAND: Okay, and with that we're going to commence our first session on CWG/CCWG-related activities, which Mathieu is going to chair, and Lise, and I believe Jordan and Becky will be the Panelists.

MATHIEU WEILL: Okay everyone, good morning. This session is about a little team-building exercise we're having right now. It's called CCWG on Enhancing ICANN's Accountability. I fully concur with Annabeth - there is nothing like a good CCWG to get to know each other and get to understand everyone's perspective. The goal of this session is going to be to introduce the current status of the CCWG on Accountability.

I am joined by Becky, who is on the CCWG, a GNSO representative, and she has been leading the Work Party related to all the review and

redress aspects. Jordan is a ccNSO Member of the group, and he's the rapporteur of the Working Party that's been dealing with the community powers, as well as various other things. I don't know if I need to introduce Lise, who is joining to discuss the linkage with the CWG Stewardship. She's not even a ccNSO Member.

So, where are we in this process? As I was saying yesterday, the Accountability Group started later. We started in December, because it took a few months to understand that there were wider accountability implications to do the NTIA stewardship transition. We were aware from the start that there would be a certain amount of linkage, inter-relation, inter-dependence, between the accountability work and the CWG stewardship work, so the naming function. So that's certainly something we'll come back to.

The Accountability Group has a Charter. The Charter says that the goal is to deliver proposals that enhance ICANN's accountability towards all stakeholders to a level where the community feels it's safe to proceed with the transition. There's a lot of subjectivity here. We don't have a Charter that says, "You need to reach that level of accountability," because it's just like trust - there is no objective measure of accountability. There is only a number parameters you improve and improve, and it's an everlasting journey.

But there were clear signals through the public comment that the existing level was not satisfactory, so there was a need to improve. Because there had been so much feedback in these public comments, and because there are obviously timeline expectations that did not

enable us to address everything, the structure of the work was divided into two work streams from the start.

Work Stream 1, that has been our focus so far, is focused on the mechanisms that enhance ICANN's accountability, and those mechanisms that must be in place or committed to, within the timeframe of the IANA stewardship transition. So Work Stream 1 is what we have to do before the transition, or at least that need to be committed to before the transition. In Work Stream 2 are the topics where it will still be possible to be enhancing them after the transition.

What our group said very early in the deliberations was basically Work Stream 1 is about ensuring that the community has all in place to make sure the Work Stream 2 items can move forward without any pushback or resistance from anyone. So if the community is really willing to deliver on a Work Stream 2 item, it will have the powers to do so. That was really the [philosophical 00:31:00] we were drawing between the two, but so far our proposals, the ones I'm going to introduce, they're really the Work Stream 1 proposals. They're the focus.

Obviously the dependencies with the CWG are all Work Stream 1. A few statistics about the team. I think we should somehow at least stop speaking about Working Groups in certain instances, and I think if there's one thing I would say on this is there's a great team behind the CCWG on Accountability. The fact that there's diversity in regions, in the stakeholders, does not prevent hot discussions, but also good moments. Do you have fun, Nigel? Sometimes. Not all the time.

When we met in Singapore we introduced these four building blocks, which we've been refining since then. Basically that was the outcome of a face-to-face meeting we had in Frankfurt. We said we were focusing on Work Stream 1 on these four building blocks, which basically say the model we're working on is a model of mutual accountability, whereby within ICANN there's a separation of powers, just like in a constitution that enables ICANN to be more accountable - that's really the analogy we're using.

So it's not an approach where ICANN would be accountable to some external body, whatever it is. That's item number one. The four building blocks are on the bottom left. The principles, it's basically the constitution, the core values, the organization of these four building blocks. If you move up, you have the empowered community - that's the powers that allow the community to take action on a limited number of key decision; if ICANN acts in breach of the principles, and that's also the powers of the community, to set a direction or at least say the direction ICANN is taking is not consistent with the expectations. That's very much the legislative arm in the organization.

The ICANN Board is today, and still will be, the organization in charge of managing and directing the affairs of the corporation, and it still will be, as it is today, selected by the community. That's really the executive. Of course, the President and CEO, we've been discussing earlier with Chris, and the staff, they'll report to the Board. Then on the bottom right side, the fourth building block is an enhanced independent review mechanism, which is the judiciary power in this setup. You'll see what we're proffering to change with that regard.

Very briefly - the changes we suggest, that we're putting on the table, are the changes from initial draft proposals; we went to public comment quickly because we thought it was important to get your feedback, and it's not consensus at this point. But you'll see that what I'm going to describe is getting support, so it's quite stable. Currently, this is what happens at ICANN. There's a Board and there are bylaws.

There's a Board that can decide on a budget after a process of consultation with the community. It decides on the strategic plans, can change the bylaws, and there's an independent appeals mechanism, the IRP, which has a certain number of deficiencies, I would say, but that exists. The community is formalized through the SOs/ACs, but the relationship with the Board is different than the one we're going to describe.

Number one, we're going to empower the community. What does that mean? It means that only on a certain number of key decisions this community group will be able to revoke the budget or the strategic plans, reject standard bylaw changes, or approve fundamental bylaw changes - I'll come back to that later. The community will be empowered to remove individual Board Members - that means we, ccTLD Managers, would be able to remove ccNSO appointed Board Members, and last resort, the ability for the community to recall the whole Board, if it really had to go to that.

That's the empowerment of the community we're talking about. The principles: several key things in there. First thing is we would identify fundamental bylaws - so there would be two types of bylaws - the

standard and the fundamental. The fundamentals would be those that have some form of constitutional impact on ICANN - the balance of powers, the mission and core value, the core commitments of the organization.

We have undertaken a certain number of proposals to review those mission core values and core commitments, in order to ensure that ICANN does not do mission creep. That was basically the key aspect here. The third aspect we're suggesting to change in the bylaws is to incorporate the AOC - the Affirmation of Commitment - review system. You know every three to five years there are reviews on accountability and transparency, there are reviews on consumer trust and choice - there are four reviews.

So we would incorporate this basically continuous improvement system into the bylaws of ICANN, because why leave it up to a contract with the US Government? If it's something we like, we'll put it into the ICANN Bylaws. That's the key aspect. Finally, last but not least, because it's really the crown jewel, enhance the Independent Review Process. Currently, decisions of this process are not binding on ICANN. They'd become binding, with the caveat that what would become binding is the decision to either approve or ask to redo the decision.

It would not be a panel that would be empowered to just modify a policy or anything like this. Make it more accessible, at a lower cost, and ensure that the decision can be on the merits of the case and not only on procedural aspects. That was also a deficiency that was identified in the current system. This process would be based on a

seven-member panel. It would be a standing panel. Those seven panelists would draw from their experience, from a decision to the other, so that there is consistency across decisions. That's really the key aspect of the proposals.

A part of this was, and still is, a discussion about how the community is empowered. How does it work, this approval of the fundamental bylaws or rejection of the budget? Basically, it would always go like this: there would be a certain number of ACs/SOs who would initiate a petition - for instance, I'm just taking this example, purely assumption, definitely not in the air now, Giovanni has been so fed up with ICANN not providing KPIs.

He's been chairing the SOP for a while now, and Roelof was before, and purely assumption - any coincidence or with mere facts would be totally unfair, but just an assumption - after three years there's still no movement. CcNSO gets fed up. The ccNSO would initiate a petition against the budget for rejection of the budget that would meet the threshold to actually induce a vote from a group of representatives from the SOs and ACs. So in our reference model it was 29 votes - you'll see what changed later.

Everyone from all the community would gather, cast a vote, and in this case, if the vote got more than two-thirds in favor of rejecting the budget, the Board would have to redo the budget, with proper KPIs this time, please. That's the kind of process we were talking about here. You see the group of 29 that we had designed in our reference model was a group of five votes for the ccNSO, five votes for the ASO,

five votes for GNSO, five for At-Large, five for GAC, and we had put two for our SSAC and two for RSSAC, because we felt these animals are of a different nature.

They are expert bodies appointed by the Board and they have limited charters. I can say right now that during discussions this week, they've made clear that they do not want to vote in such a system, so they will probably not be there anymore in the next version of the system, because they want to keep their advisory nature, and they think they're more influential as advisory than they would be less efficient if they were voting. That doesn't really change the system.

That's really the reference model we had on the table. Now I'm going to turn to my fellow Rapporteurs to share a little more about what we heard during the PCP, so you know exactly where we stand. Just to start this, and then Becky will take over for the IRP and the new community model, but this architecture I've described is getting support - there are a lot of discussions on the implementation, some refinements and so on, but the four building blocks seem to be quite okay.

Of course, if you have concerns we are here to listen, but our intent so far is to move that forward. Maybe Becky, you could share the feedback on the mission and core values and the IRP?

BECKY BURR:

Sure. Morning everybody. The comments on the mission and core values were actually very supportive of the approach that was put out

there for comment, which is to say defining a much clearer definition of ICANN’s mission, saying clearly that ICANN’s mission does not involve the regulation of content or the regulation of DNS services, and also stating that the powers ICANN has are enumerated in the sense that if they are not described they are not powers that ICANN has - so the mission statement is not by way of example.

I think there is generally strong support across the community for clear statement of ICANN’s mission. The commitments and core values also were generally supported by the community. As Mathieu has indicated, there was a very clear request for more specificity and more commitment to diversity in all of the areas, and I think that that carries across everything that we’re doing - that the community has said, “Let’s not make this merely aspirational - let’s really put some muscle behind the diversity commitment.”

The notion that some of these bylaws/provisions would be fundamental, which would mean the community would need to approve any changes to them, which would include approving changes to the mission statement, also we didn’t seem to get very much pushback on that at all. I think in terms of the general mission statement, commitments and core values, there are some tweaks in the language to be looked at.

Again, the language we put out there was not the final bylaws language, but really the conceptual provisions of it. There remains work on that, but I think there’s pretty solid consensus on them generally. On the Independent Review, I think that we heard from

most people that the increase in accessibility was an important goal, and there was support from making access from the Independent Review more accessible.

There was strong support for the standing panel approach, which is to say we'd have arbitrators who had substantive skills and over time experience with ICANN, so that their findings could be really informed by what ICANN does and is by the needs of the technical community within ICANN, as well as the non-technical parts of this community, and for the kind of continuity and consistency that you would get from having a standing panel to draw on.

In general there was support for the notion that the decisions of the independent review should be binding, although there was some question about if you only had a one-panel member decision, perhaps that shouldn't be binding or should not have presidential value. There was also a concern expressed, and I think from some members of this community, that we needed some mechanism to look at the independent review results and course correct, so we are thinking about different ways in which we might do so. For example, a three-member panel decision might be appealable to the full panel.

On the issues related to legal enforceability, in general there was significant discomfort, including from the ccNSO community and the cc community in general, for any system that would increase reliance on external judicial functions, particularly the Californian courts. That is something we'll talk about when we get into the model we're kicking around now. I just wanted to say that was something that was heard

loud and clear, and we have a path forward. There is still important community discussions to be had on the approaches and tools we have for doing that.

The diversity of the panel was an issue of great importance and great concern, and in particular this was a theme from the cc community. There was a strong feeling that the panel needed to have language and cultural diversity so that individuals or entities that availed themselves of that could have the possibility of having an arbitrator who was familiar with the language and the culture and the legal traditions from which the particular party was coming from. I think that is something that we have taken to heart.

Clearly getting a sufficiently diverse panel is not going to be something that happens automatically, by just putting an IRP out there. We are going to have to go out and affirmatively solicit participation from skilled practitioners in the various regions. To put it on the table, all of you are potential resources for information about those people that, when it comes time to the implementation, are people we should be reaching out to and asking to participate.

I think there were some specific concerns that this cc community felt quite strongly about. They were not isolated. There were others in the community who felt very strongly about them as well, but they all are good points and points that we will take into consideration and try to accommodate in the next round.

MATHIEU WEILL:

Thank you Becky. That's a perfect transition to Jordan introducing a little bit about where we are in this community model? The one point I said we need to share here is how this would work in practice for the cc members, and probably share where our group stands in terms of the empowerment model. Because Becky has already described the impact. I think that's the only brick we have. Then you can get ready with your questions.

JORDAN CARTER:

Thanks Mathieu. Jordan here. I'll just talk a bit about where we get to at the meeting on Friday, as a entrée to that. In the community empowerment model that we had developed and put out for public comment, there was quite a lot of concern about various aspects of it that was raised in all sorts of ways, and the written comments that came through in the discussions of the CCWG and so on.

They centered around the reference model that was put up, and some of the legal complexities that arose in that, and the consequences flowing - people's concerns about being involved in a membership structure and so on. The meeting on Friday, we had an all-day meeting seven days ago, some blurred time ago. It took another look and developed a new model that we're calling the empowered SO/AC model. Most of the feedback that we received did feel that the existing SO and AC way of organizing community input into ICANN was pretty sound.

If people had inside issues they could come and raise them through these structures. So that was and is the basis of the proposal. The

critical thing we were trying to do was to say that the powers Mathieu described - whether it's dealing with the budget, whether it's approving changes to fundamental bylaws or blocking changes to ordinary bylaws, whether it's from other directives and so on - they should be put in the ICANN Bylaws on the assumption that most of the time the people follow them.

When there's a power set out, like our ccNSO PDP, the election of Board Members and so on gets followed. That is the core of the approach. But I'm going to throw it back to Becky to describe the key shift in the model, because we have to pay tribute I think to Becky's work here in helping us turn the somewhat inchoate concerns about specific elements of the model into the new specific proposal. She gets the language of it better than I do.

BECKY BARR:

Thanks. This is actually the product of a lot of folks trying to find a middle ground here. With respect to the fundamental structure of the accountability frame and the structure in which the new community powers would be exercised, there was a continuum of views and one perspective - that as a matter of good governance and real accountability, there had to be some ultimate enforcement mechanism, which would hold the Board's feet to the fire.

It would take the community exercise of its powers out of the merely advisory and into the kind of enforceable balance of powers, and separation of powers, and administrative procedure safeguards that

we all are quite experienced with in our own domestic, regulatory environments.

On the other side of the coin was a concern about a model that strayed too far from the voluntary and cooperative model that we have now, that was too contentious and relied too heavily on access to courts, for example, and that altered the character of the entity too much, or that required complex legal filings, and creations of unincorporated associations under Californian Law, which some members of the community felt they could not do, and many members of the community felt that they were uncomfortable with.

What we tried to do was find a middle way. This empowered SO/AC model essentially provides for ICANN to continue along the voluntary cooperative path for decision-making and for exercising the new community powers under the bylaws, but also provides an easy, non-bureaucratic path to enforceability, if and when it became apparent that the cooperative model that we rely on isn't working. The other virtue of this approach is that there is no need to file anything with the California Attorney General to take on any particular California corporate status whatsoever.

The ACs and SOs can continue to operate exactly as they are now, with no filings, no creations of intermediary bodies or unincorporated associations. If at any time members of the community feel like enforcement authority is necessary, they can avail themselves of that by simply issuing a declaration of intent; for example by a resolution of

council that says, “We intend to come together, to exercise those authorities and powers collectively.”

That provides the legal personhood that is necessary to exercise those laws. It doesn’t require you to become an unincorporated association or anything like that under Californian Law. You just need to articulate the intent to exercise the powers, which in term confirms the legal status that you need. So all the formalities and the tie-in to Californian formal legal requirements are addressed.

Now, we will have to, in drafting this, be careful to ensure - but it’s an absolute goal, and it’s a drafting goal - that in the event that one entity decides to issue that declaration, or for example there is some theory that the ASO already has expressed the necessary intent, that we still revert to the cooperative model, and that all the powers are balanced by the allocation of voting and the requirements for super-majority and for consensus among the community.

So there’s no special power or privilege that any group in the community would get by exercising that power, but it would essentially permit the community and the entire community working in the ways specified in the bylaws, to for example get a binding decision from the IRP and have that be actually enforceable. We very much hope that this addresses the very legitimate concerns we heard, which again I’ll just repeat - there was concern about creating this extra layer of corporate entity and the “who watches the watchers” case in that.

By relying directly on the SOs and ACs we have the accountability that we have now, and that we are more or less comfortable with, depending on the different SOs and ACs. We have gotten rid of any need to file papers or become something formalized under California Law. The Declaration of Intention to Collaborate will do that. We continue to rely for as long as it works - and hopefully that is forever - on the voluntary and cooperative model of enforcement.

MATHIEU WEISS:

Thanks Becky. If you want to add something Jordan... This is the very up-to-date developments of our group. That is an introduction to what's going to be in PCP#2, and where you'll be able to be provided with much more documented support, including graphics. A short one, Jordan? I'm anxious to get to the Q&A.

JORDAN CARTER:

Just a couple of extra points to make. One is that the RSSAC and SSAC have said in their public comments that they would like to remain on the advisory, so they wouldn't necessarily just be participating in this circle of 29 votes you can see on the screen, and the GAC needs to have a discussion internally within itself about whether it wants to avail of those powers or not. The second point I wanted to make was that for us, as a ccNSO, one of the questions we do get is, "What would we have to do to change?" and the answer is we wouldn't have to do anything.

If these new powers are put into the bylaws, the ccNSO, through its Council, can exercise them as it does its other powers today, so that's a

key point. We don't need to build a new structure, we don't need to sign up for any paperwork. That's the point of this; is to maintain the current multistakeholder participatory model, but to add a few reserve accountability powers behind things. It isn't to shake up the ICANN model as it is today.

MATHIEU WEILL:

Thank you very much. The floor is open for questions. Jordan outlined already a couple of items where I think it would be valuable to hear your views as well. We can get questions, we can get comments, we can get objections. The points that we're interested to hear is whether for instance this balance of powers between the GNSO, the ccNSO, ASO - whether you think the ccNSO should have more votes than the GNSO, or less, or whatever. That's the kind of thing we need to hear from you.

We are discussing about the ability to remove the ccNSO appointed Members of the Board. Is that something you're comfortable with? We don't have a process for that right now. There's also a question about how we would vote as the ccNSO. If the ccNSO would get the vote, how do we associate the non-Member to that process is something we as the ccNSO and the ccTLD community should be looking at. They're the kind of topics I'm throwing at you, so that our Q&As can be as much dialogue as possible. I see Staffan has the honor of leading the questions. Go ahead.

STAFFAN JONSON: Thank you. Staffan Jonson. I [unclear 01:05:55] what used to be .se, as in Sweden. Mathieu, you started with describing the four building blocks and what is in consensus, and then we had the description of what happened last Friday. My question is are there any other major issues within the CCWG, not addressed, that you haven't described? Are there still major open issues? And if so, what are they?

MATHIEU WEILL: It's been touched on by Becky, and it's at the bottom of this slide. Main hurdles we have to come across is about external feedback - feedback from outside ICANN, which tend to be about ICANN not being accountable enough to the external stakeholders. That's what you see on these new issues; some issues about diversity, about AC/SO accountability. We're empowering the ACs/SOs. People say, "Who watches the watchers?"

So that's the new issues we haven't fully developed yet where we need to exactly position ourselves how we're managing this, and then obviously there's a big question in the air right now, which is will the governments want to be in the community body or stay in advisory capacity? That's going to be a tricky decision for them to make. Our group is open to that so far, but that's one of the key points that's still outlying here.

STAFFAN JONSON: Thank you. Yes, I saw that. I was just trying to estimate to what degree are they a showstopper and not...

MATHIEU WEILL: It's difficult to know. My personal feeling is that with the model that's currently being developed, the road to Dublin is achievable, to be very clear on the timeline. It is achievable. It won't be easy.

EBERHARD LISSE: I'm an appointed Member to the CCWG. I don't have a question, I just want to make an observation or comment. I don't want to increase the entertainment value. We had our "Kumbaya" in the Board Meeting this morning - in the meeting with the Board representative. We must be very clear that none of this proposal or whatever you call it has anything in it for individual ccTLD Managers. It's only for the ccNSO, if at all. My personal view is if we didn't have ICANN we wouldn't have to deal with this, but we would still have IANA function. Somebody, somehow would do this.

What we, as a ccTLD Manager, needs is name servers and WHOIS servers - nothing more, nothing less. All the other things is who gets what, who gets to vote and so on. It's just internal administration of an organization that I personally do not need. I just want to make very clear that I don't want to bring the internal friction and discussion we have on the CCWG. I'm a fully dedicated party there. I don't really need to bring that in here.

But I just want to point out it's very clear this does not have anything in there for single ccTLD Managers, and I for one am absolutely unwilling, given the history and the lack of trust that is there with good reason, to

wait for the Work Stream 2 to sign everything away and hope that Work Stream 2 gives me something.

MATHIEU WEILL:

I think that was a comment to... Do you want to answer? You can make a counter-comment if you want Becky?

BECKY BURR:

Okay, counter-comment. I just want to remind everybody that this community in particular has spent years working on the Framework of Interpretation as a critical piece of our protection in this environment, and we have been told that the Board will adopt that as a formal statement of what RFC 1591 means. We now have, once the Board action is there, an interpretation that helps us enforce the RFC 1591 standard as individual ccTLDs.

Many people here will have rights that as a result of the delegation that are not addressed by 1591, and nothing here can strain those rights. But the more accessible Independent Review is a tool that individual ccTLD Members will have available to enforce their rights under RFC 1591. So there is not nothing for individual ccTLDs here, and I think it's really important. There is a provision in the CCWG that talks about the ccNSO developing its own appeals process for our group, if it wants to. That does not cut out the fact that the individual cc operator may avail themselves of the IRP.

EBERHARD LISSE: I was purely talking about CCWG Accountability - CCWG Stewardship with the FOI is a separate issue. I was purely talking about the CCWG, which is what we're dealing with now.

MATHIEU WEILL: So that's where we have a misunderstanding, but we'll probably clear it off elsewhere. Nigel?

NIGEL ROBERTS: I actually had a particular point based on the slide that's up on the screen, but seeing as Becky has made a particular comment, I have, along with Becky, Eberhard, Keith and others, grown old together with the production of the FOI. It is a significant step forward. We need to make sure that both the CCWG and the CWG language and focus is updated to take account of what we all confidently expect to happen tomorrow. I'll just make that in passing.

The point I wanted to deal with was point two on your slide, which is the principle of fundamental bylaws. Again, I think we're in danger of using California concepts and things that are foreign even to other English speakers. I'm extremely in favor of legitimacy and an entrenched constitution - something that individual decisions of individual boards, and we don't know what the Board is going to look like in 20 years' time, are bound by. Just the way that President Obama is bound today by what some 18th Century scribes wrote or misinterpreted in respect of carrying guns and things like that.

So entrenchment is a very important thing. But I'm a little bit concerned about the mechanism of this, because it's all very well have bylaws, and we know that the ICANN Board can change the bylaws any time they want. They don't have a membership to report to, it's just the 15 or 20 people can just say, "We're going to do something different this week." Having a difficulty, a hurdle to jump over, before you can change the fundamental nature of the organization, is fundamental to a non-profit organization in my book.

The difficulty is standing. How on earth will any individual ccTLD Manager in this room, or even anybody else in the ICANN process, be able to compel the ICANN Board if they feel there's a breach of a fundamental bylaw? We need to design in processes here, whereby you've got effective redress, not just, "They'll be an IRP process," and then you find it costs £3m and takes three years. We need to make sure we design in processes that work.

MATHIEU WEILL: Thanks. That is indeed our requirement. Becky?

BECKY BURR: The accountability to the IRP was actually one of the most important pieces of reform and moving to a standing panel with financial and legal assistance to members who invoke that. Individual members who are harmed by something always have the right to invoke the IRP. More importantly, the community will have the right to invoke an IRP over breach of a bylaw provision, and it requires some consensus

among the community that that is something that the community wants to do - so no individual stakeholder group can rush to an independent review as a group, and without needing to show the kind of immediate material harm without some support.

But basically, both individually and collectively, the IRP is a vehicle for that, and the other provision is that there's a consultation process built in beforehand, so the kind of stealth bylaw change that we saw a year and a half ago should not happen.

MATHIEU WEILL: Thanks Becky. Roelof?

ROELOF MEIJER: Thank you very much. I have two points. The first one is an addition to Becky's counter comment. I'm going to address the room. Just checking if you're all awake? Can those who represent a ccTLD that is not a Member of the ccNSO, and that feels that their input is not taken into consideration, and that their opinion is not taken into consideration by the ccNSO Council when they take a certain position, can you raise your hand? Has Eberhard gone? No, he's at the back.

So even he agrees that the position of non-Members is taken into account by the ccNSO and the ccNSO Council. I think that in this whole process, when the ccNSO takes a position, when it starts to vote, also non-Members will have their input. For every ccTLD there is something in this mechanism, being a Member of the ccNSO or not. My second point is... Sorry? Yes, he is a Member. Yes, I am aware of that.

My second point is I'm a bit concerned if we make clear enough that this is a multi-layered system. For instance on the budget, the first thing that happens is community comments, public comment rounds. If that doesn't work, then like Mathieu gave as an example, we as the ccNSO could start a procedure. Then we vote. If there are enough votes, if 70 per cent of the votes are cast in favor, then we would be formally blocking the budget. If the Board would not accept us blocking the budget, and us then being the whole community, that's when we have to do something else.

That's when the issue that Staffan mentioned, of will the GAC actually be part of that or not, comes up. They will still have the choice then. They won't have to choose now. I think we should make that very clear - that it is only in the utmost extreme case that ICANN is not following the outcome of this process after the community has used the power, then we need to do something else. I think by then everything is so broken that we will not be seeking for a court of the IRP to force the Board not to adopt that budget. We will be seeking a mechanism to remove the Board, because all trust will be gone.

In the end I think that's the only power that we'd need to be able to enforce - getting rid of the Board. All the other ones, I cannot imagine how it would work. We'd block the Strategic Plan, we'd tell them not to change the bylaws, we go through this whole process and then we force them through the court or through the IRP to not change the bylaws. Then it's, "Okay, you're right, we won't do that." "Okay, fine, now we all trust each other again and we just carry on." I think it's a crazy scenario.

There will be no trust left. So I think we have to make that clear as well to the people in the room, that in the end, this is the most unlikely scenario that we can think of, and if it ever comes to life, the whole thing will be very broken. Thank you.

MATHIEU WEILL: Thank you. That is indeed, all of these are last resort scenarios.

EBERHARD LISSE: Could I please just respond? I did not raise my hand for several reasons - first of all, the compound, or loaded question. Second, .na is a Member of the ccNSO, and what we believe whether the ccNSO Council hears non-Members is not the issue here.

MATHIEU WEILL: Jörg?

JÖRG SCHWEIGER: Jörg Schweiger with .de NIC. Just a question for my personal clarification: is there such a thing as a veto mechanism for any constituency within the 29 voting circle? Right. Is there anything like a veto for an impacted group of one of those?

MATHIEU WEILL: Can you clarify...? I'm sure you have a scenario in your mind, and you're not sharing it right now.

JÖRG SCHWEIGER: For example, as we all do know any kind of delegation or re-delegation issues should stay within the respective countries, for us as the ccNSO or a ccTLD, but nevertheless it could come to, say, the GNSO's mind that it would be a good idea to raise a petition to change that. The GNSO may have some support from the ASO, from the GAC and so forth. So what could take place is that a certain group will only be affected by a petition but can't do anything against because the majority seems to be just not in favor for them.

MATHIEU WEILL: What I should remind you here is that this system here is only in place for a very limited number of decisions, which are the budget approvals, the bylaw changes, the Board recall. Selection of a gTLD backend, approval of a policy, the ccTLD delegation revocation policies... They're out of our scope. They're explicit, not within our scope. Even if there was one ever, or it was applying the FOI Working Group an individual decision, that's not going here, never.

JÖRG SCHWEIGER: Okay, so the scope of the petitions is really clearly identified?

MATHIEU WEILL: Yes, it's only on certain... There's a limited number of decisions. It's enumeration, which is this one here on the upper right of this slide; review, revoke budget, strategic plans and bylaws; recall the Board.

Because removal of individual Board Members is going through the ccNSO itself. That's it - no other sharing of decisions. It's a limited number. It's strictly enumerated.

JÖRG SCHWEIGER: Thanks. I'm fine with that then.

MATHIEU WEILL: Thanks for helping us clarify. I see Stephen?

STEPHEN DEERHAKE: Is the current notion of GAC advice to the Board, which is enshrined in the bylaws, expected to survive into what I would term here ICANN 3.0?

MATHIEU WEILL: Well, we have a GAC Meeting right after this one, so I'll tell you more. No, so the proposal on the table does not change the advisory role of the GAC in terms of advising the Board. There is a specific stress test, which suggests a slight change in the bylaws that would require the GAC advice to the Board, so that it gets the due [differ 01:24:47] - the Board cannot go against until they went into a specific procedure, to be only for GAC advice based on consensus. But it's not defining consensus. That's still for GAC operating principles. That's a key discussion taking place with the GAC.

But the GAC still gets its advisory powers to the Board, and the key question that is also raised with the GAC is whether they want to be

part of this 29 who are now 25, and who might be 20 - if they want to stay advisory only or if they're able to vote. That's one of the key outstanding questions with them. But there is no proposal at this point, and I don't think it would be acceptable to the GAC anyway, that they would lose their advisory power as they have it now.

BECKY BURR:

Can I just add one more thing, which is the bylaws provision that says that ICANN defers to GAC advice; that in the commitments and core values it's advice that is consistent with international law and the bylaws themselves? I think that's inherent in the current setting, but it is clarified in the proposed bylaws.

MATHIEU WEILL:

Sébastien, I have no idea whether you were here before or after or anything, however I'll just close the queue for a moment, because there's a last point I want to address before we close this session, which is the dependency with the CWG. I think that's extra important. Jay?

JAY DALEY:

On Sunday, Larry Strickling gave a talk, and at the end of it he says he wasn't going to give his views about accountability and then gave us some of his views, which I thought was entertaining, but at the end of it he said something. Unfortunately the transcript is not ready, so I can't quote this very accurately, but it was along the lines of, "If you don't like the way that the Board makes decisions, why don't you tell the

Board as a community that they need to work in a different way?”
Almost suggesting that we reset the relationship or expectations of what the Board has. Can I ask your views on that?

MATHIEU WEILL:

Yes, you can. Indeed, Larry made this very clear. He has some views on that. It actually echoes some of the discussion we’ve had with Chris Disspain this very morning about the role of the Board. Where is this role described? I personally tend to agree that most of the trust issues with the Board stem from the lack of clarity about what a Board Member within ICANN is supposed to do - all this stuff about fiduciary duty and whatever - this is just legal bullshit. This has to be clarified at some point.

I don’t know whether it’s in the scope of our group, or actually whether the Board itself should start thinking about what our own role is and discuss with the community, but that’s one of the topics that based on Larry’s input, and others’, we may be working on it in the CCWG, but I don’t know yet because it’s a discussion that’s only starting. Contributions on that point, any ideas we can get on that in terms of our own proposal would be that the role of the Board would be this and that, are welcomed.

I know Sébastien has been saying for a while the only thing we have to do is just fix the Board. I don’t think it’s very easy to fix the Board, but that’s a discussion point in our group obviously. But we are also being accused of focusing too much on the Board and not enough on the rest.

JAY DALEY: You have a choice - either you leave the Board to rewrite their job description, or we the community rewrite their job description. I believe that we, the community, should write their job description. But whether your group is the right way to do that is a very different question. Did other panelists have any view on that?

JORDAN CARTER: Just really briefly I wanted to refer back... I can't remember if it was Steve or Fadi who said in the Opening Ceremony that the job was like being the president of a country without a flag. I've always thought that really the role of the ICANN CEO and Board is a bit like a glorified secretariat. In terms of affirming community consensus is the core of the role, that's something that sits quite well with me - better than presidents on planes and so on.

But it isn't a core part of our proposal to do that rewrite, although I think it would be fair to say it isn't out of scope. The chances of us introducing significant new chunks in the next public comment report is a bit tricky because of the timeframe.

SPEAKER: Thank you. [Better than we have 01:30:12] Work Stream 2.

MATHIEU WEILL: Peter?

PETER VAN ROSTE: Thank you. Peter Van Roste from CENTR. There are two different timelines. The timeline for the work of this group to complete - and you mentioned Dublin and you confirmed that you're confident that you're on track, and I think from everything we see, and with the upcoming second version and PCP, that indeed seems to be the case, so congratulations on that, by the way.

Then there is the other timeline, and the other timeline is linked to one of your first slides where you said Work Stream 1 elements must be in place or committed to within the timeframe of the IANA stewardship transition. By having that “or” in there you buy yourself some time, but which essential elements do you think can reasonably be expected to be in place by the time of transition, which will hopefully be about a year from now, given the time that it takes for instance to make bylaw changes?

Quite a bit of your recommendations depend on that. Is it reasonable to expect the community to see these changes in place by then?

MATHIEU WEILL: Excellent question again, Peter. If you were at the Opening Ceremony, Fadi introduced a three-phase outline of the transition, and [unclear 01:31:48] being approved right now in the US Congress that says that the bylaw changes are part of the approval process, certifying process. So basically most of what we're doing is implemented through bylaw changes, and these bylaw changes will have to be ready in November.

That's one of the big, critical issues that we've had - to take the things already in our proposal and almost ready, and start drafting the bylaws - because it's a rush. Then there will be a few months later that gives us a bit of leeway on things like the IRP; hiring panelists will be in three weeks. A lot of work is to be done on the Rules of Proceedings, which are not the bylaws, but are very important as well. That will take a few more months.

So in our initial draft report there is a timeline estimate that mentioned we think most of it should be ready about mid-next year. We still have to review that based on the feedback and assessments that we have, and probably mid-next year you wouldn't see the first cases of the new IRP, but hopefully we'd have the Rules of Procedure and be very engaged in the selection process, something like this. We've been very careful in selecting items in Work Stream 1 where the lead-time is short, because we're aware of these timing constraints.

So we'll try to provide more details on that in the second version. I know that was one of the CENTR requests in the comments, but that's certainly one aspect we need to be very careful about.

PETER VAN ROSTE:

Yes, so good luck with that. There is also the part of where the ccNSO needs to start filling in blanks, and that will take some time too - just the procedure to recall any of our beloved Board Members, to get them back in our own community, that could take a considerable amount of time and discussion.

MATHIEU WEILL: Yes, it's a great idea, to call it a "claim back" procedure. It's more positive.

PETER VAN ROSTE: We're claiming back whoever.

MATHIEU WEILL: Sébastian?

SÉBASTIAN BACHOLLET: Hello, Sébastian Bachollet, Member of the CCWG from At-Large. I just came to the mic because I heard a few times the same expression about "they want to keep their advisory role". I'm not sure that's what will happen, because if ALAC decide to be part of this 29-Member organization, they will keep their advisory role. They will just add to that advisory role, to the Board, another function, which is to be part of this community. I'd like you to try to get that right in your expression please.

MATHIEU WEILL: I think, Sébastian, this is a very good point, but this is actually what RSSAC and SSAC are saying. We discussed it with them yesterday, so I'll share a little bit more. They are saying they want to stick with their advisory role and their advisory role only. One of the reasons given by SSAC, which was very good, was, "We're an expert committee. We

want to hire experts and experts only, and if we have votes we are afraid people will want to join SSAC because of the powers associated with the vote and not because they have technical expertise.” That’s SSAC and RSSAC only.

SÉBASTIAN BACHOLLET: I can understand that, but the way you say it, you say that ALAC will abide this advisory role if they become part of the community.

MATHIEU WEILL: No-no, that’s not what I’m...

JORDAN CARTER: Can I...? Thank you Sébastien, because that’s what I suddenly leapt to when you were speaking - that we were somehow implying that by taking up these powers, ALAC might be saying, “We don’t want to advise anymore.” That’s definitely not the case. It’s an addition, not a subtraction.

MATHIEU WEILL: Okay. So last part of this meeting is the reason why Lise is here. It’s what does the CWG need from the CCWG?

LISE FUHR: Thank you Mathieu. Well, as I said yesterday, and I’d like to repeat it today, our proposal from the IANA Stewardship Transition Group has made it explicitly conditional upon the outcomes of the Accountability

Group. This means that if it doesn't meet the requirements, our proposal doesn't stand anymore. This is very important to know, because trying to have this approved by today, and not having the accountability measures completely in place, it's important to know that an approval today is conditional on meeting the requirements.

What are those requirements? As you see on the slide, one is the ICANN budget. We need to ensure that there are sufficient and adequate funding of the IANA function. That is why it's important for us that the community has some powers in relation to the ICANN budget. Furthermore, there's the ICANN Board. What is our take on that?

Well, we have the PTI in the model, and that's a fully owned and controlled subsidiary of ICANN, and that's why it's really important for us to add accountability measures in place in relation to the Board - because the ICANN Board is going to have the control or be accountable for the IANA subsidiary too.

Well, we have two functions that we'd like to have incorporated into the bylaws - those are the IANA Function Review, and the other one is the Customer Standing Committee. We find it's essential that those are built in as part of the bylaws, and those are made fundamental bylaws. Furthermore, number five, it says Independent Review Panel. It's actually the appeal mechanisms where we, as cc's said we would not be a part of this.

As we have spoke about before, there are differences between the g's and the c's, and here the gTLDs would like to ensure that there is an

appeal mechanism so that the Independent Review Panel has to be applicable to the gTLD Managers. We would work on the part of the c's later. As you can see, the CWG proposal is not valid without these measures being met, and this empowers us to take a decision today on submitting the proposal to the ICG, because we can trust that if this is not met the proposal falls. Thank you.

MATHIEU WEILL:

Thanks. We can still take a couple of questions on that, but based on what we described earlier, I think you can see that because of the different powers we were mentioning, and the feedback we've got from the public comment, we are encouraged into thinking that once we've finalized the proposals, those six items will be there, and those six conditions will be met.

Obviously the approval of the CWG Stewardship will still be under condition, but it's not just conditions like crossing fingers and hopefully things will come into play. It's just confirming that the path we're on is achieved - so that's sound precautions, but not a dream at all, as this is the path that we're taking right now.

LISE FUHR:

Thank you Mathieu. As I see it, and as also expressed by the Accountability Working Group, none of our requirements has been seen as controversial. It's important to underline we're in close coordination about meeting those requirements. The Co Chairs of the IANA Stewardship Group, we've had calls on a weekly basis. I don't

think we need them that often anymore, but we'll continue to work together and ensure this is going to be met. It's not a thing that we drop now. It's continuously about coordination and cooperation and meeting these requirements.

MATHIEU WEILL:

I don't know if there are any questions on the requirements and dependencies? If not, as Lise said, I'll say we've had continuous discussions. I know in the communities there have been a lot of concerns about the relationship between the two groups and the ability to coordinate. If you've ever coordinated a CCWG you know that adding another group is not that more difficult. I'd just like to say that, with Lise, I will miss our calls if we stop them. It's been a great experience.

I'll just say here it takes two to tango! We've been 156 and the two groups have worked extraordinarily well, and we look forward to doing this with the ICG as well now, as we move forward. Thank you for the extremely useful questions during this session. Byron, is there a break now? Off for coffee. I think you deserve it. Thank you very much.

BYRON HOLLAND:

We have about a ten-minute break. If you could be back about as close to the top of the hour as possible please? At the top of the hour.

[Meeting commences 01:53:43]

ALEJANDRA REYNOSO: Good morning. Can I ask the ccTLD Views presenters to come forward please? Good morning everyone. My name is Alejandra Reynoso from .gt, and we are having our ccTLD Views Session now. While the slides are uploading I'll present our first presenter. It's Bruno Duarte from .py. He's presenting about the deployment of the second-level domain names for the ccTLD, .py.

BRUNO DUARTE: Good morning to everyone. My name is Bruno Duarte. I'm from the National Computer Center of Paraguay. We also operate the ccTLD of Paraguay, .py. Paraguay is in the heart of South America. People tend to confuse it with Uruguay. It sounds like it, but it's not. This is something I want to clarify because people tend to confuse it a little bit. We're in the middle. The National Computer Center is part of the campus of the Universidad Nacional de Asuncion.

On the next slide we can see that we operate as an Internet provider for the entire campus. We have more than 12 institutions where we provide for their Internet, connectivity and everything related to technology and IT support. Here you can see a little information about what our behavior is as a ccTLD. We had 70,000 active domains by May, so they are segregated into those types of domains. Also, we can see that we have around 300 new domains per month. We also have 243 domains that are being eliminated or are expiring, so we have are growing maybe 10 per cent per year.

On the next slide you can see we're trying to go for the second-level, and for that matter we are in the plan of enhancing all the registrations of domains, and we have two types of scenarios where a user or client can apply for the second-level. One of them is the new user, who goes directly for the second-level, and on the other hand we have existing users that already have active domains. We are going to be focusing on the existing users. This is the strategy we're planning today.

You can see over here that we need to first clarify what are eligible domains and non-eligible domains. As you know, if we have more than one name already registered, it might be an issue if you have to provide to them the second-level directly. The non-eligible domains are those that have, for the same name, more than one type. On the other hand, the eligible domains are those that have only one type active at the moment.

On the next slide we have an arrow. The idea is that we're going to select a particular date and we're going to apply a process to try and copy the ownership of all those eligible domains that we can recognize for those that only have one type, and they're going to be copying their contact details for this. It would be administrative, technical and billing information. On the next slide we can see there will be a period of times - those dates that are on the top, estimated dates, where we can see that we'll have this name reserved, to try to ask for them.

They won't be registered already, but if they paid they would be already active. I don't know if I've made myself clear about this. We are going. On the next slide, we can see another deployment strategy

that arose; and it's for the dispute of second or third-level domains. We're planning to establish an agreement with WIPO to try to delegate these kinds of issues. We also expect that in Paraguay there are many organizations that don't want to be identified with the third-level domains, so this will allow them to have a more general way to present to the public.

In the other way, we also have some services that are arising in Paraguay, like open government and things related to that, so it would be nice to have a second-level domain to try and identify this kind of service. That's the expected outcome. That's pretty much it about the effort we're having. In the next slide we have also [unclear 02:00:19] that we are working on to try to deploy IPv6 and DNS resolution, or IPv6. That's pretty much the news that I have here to share with you.

One last thought that I want to share is that I was speaking to Mr [Demi 02:00:37] and he said something that actually I didn't consider - for example the idea of trying to reserve or try to put a constraint on the names of second-levels that are more than four characters; to try and reserve some of the possible second-level domains that we might want to explore commercially. I didn't have this idea or thought before, so it may be a good idea to reconsider this as a weight of deployment. Thank you very much.

ALEJANDRA REYNOSO:

Thank you very much Bruno. Any questions? Okay, then we'll pass to our next presenter, Miguel Ignacio Estrada, from .ar. He will talk about the experience from a communication perspective.

MIGUEL IGNACIO ESTRADA: Good morning. I wanted to talk to you about our evolution from a communications perspective, from 2012 to 2015. When I started working at .ar in NIC Argentina, it was at the end of 2011. I was a heavy user. I knew the processes and stuff and all communication materials, and when the National Directory for Domain Registrations was created, and NIC Argentina was helped by it, I started working there.

[video plays]

ACTOR: [phone ringing] [laughter] Hello, IT? Have you tried turning it off an on again? The button on the side, is it glowing? Yes, you need to turn it on. The button turns it on. Yes. You do know how a button works, don't you?

ACTOR 2: Hello, IT? Have you tried forcing an unexpected reboot?

ACTOR: No, there you go. I just heard it come on. No, that's the music you hear when it comes on. I'm sorry, are you from the past?

[end of video]

MIGUEL IGNACIO ESTRADA: When I started working there, before I started working in .ar, I thought that was happening inside. When I started working there, I noticed that it wasn't like that. It was just a communication problem. So we started working on communications. That was the site in 2011. It looked like a site from the 90's. So we saw that it was like abandoned from a communications perspective, so we had a lot to do.

We started asking what was happening, and we started researching the social networks and we started listening. We did our research in social networks, blogs, and all kinds of published stuff. We investigated it, we found out a lot of things - that they were talking about us. We didn't have any social network profiles or anything. So when we were checking the results, we saw mostly there were two big issues - one was our website, our registration system. It was really old and not responsive and other things, and it was described by our users as old, boring, obsolete and all kinds of things.

The other thing was the CAPTCHA. We had a CAPTCHA that didn't work at all, didn't work well. The characters were all equals, the zeros and naughts were the same, so this was a huge problem. They dedicated Tumblrs for our CAPTCHA - a Tumblr page. I'm not going to translate the CAPTCHA, but maybe Spanish speakers can understand that. We also noticed that everybody was talking about the fax was a problem.

We were having our forms received mostly by fax, and we were in 2012, it was not okay. The personal attention time was really narrow, and of course our users were complaining about that. We were looking like

this, when we could look like this, or users could be working with us like this, from their homes, and from wherever they were. So we had to take a decision and we decided to communicate. We started with a communication plan and we started listening again.

We had to find who our users were. To find them, we said, “Let’s ask our database.” Then we found Superman, Batman, all the Justice League was inside our database, and also Dragon Ball and also Pokémon. Those were our users. Our data was really dirty. That’s when we decided to go back to social networks. We created our profiles on Facebook, Twitter, and set an official venue on Foursquare, and started checking again. We used these free tools in order to monitor and then compile useful elements from profiles and stuff.

We started listening again. We tried to engage more users in order to define the profile of our target user. We did some promotions to gain more users in our profiles. We had big results. There were a lot of re-Tweets on Twitter and the followers grew a lot. We got more than 10,000 followers in two months. Then we analyzed this data and found out that our average user was an Argentinian, a man, a young adult from 24-35 years old, mostly freelancers and small company employees, “techies”, IT managers, programmers, mostly multi-taskers.

From the companies’ perspective, it was kind of the same - small companies, and mostly technological. As I think you know, we are a state organization, a government organization. There was a government organization trying to communicate to a boy, a man, a

young adult. We found that we should be like that - a mix between technology, innovation, experience and security. Then we set our communication plan. We set a new image for the organization, a new registration system.

We had to define the way we were looking to our users and the way we were going to speak to them, the things we were going to talk about and how we were going to engage with the community. We said our change should be our website, our email, Facebook, Twitter, LinkedIn, Google+, YouTube, and we started by creating a contest that had two targets. One was defining the new logo for .ar and engaging with the community - starting giving them participation in our definitions.

Also, we asked them for what they were expecting from our new system. We had a lot of input, more than 8,000 messages. We started reaching our zones, like the second-level domains, as products. We started marketing them as products, as separate products. We created a lot of materials, mostly based on our target, and we got really good results. Right now we are over 20,000 Facebook likes, 11,000 followers on Twitter, and all the others. We're doing really well compared with other ccTLDs on social networks.

We also noticed that people were complaining a lot about the way that we were dealing with them, and our contact center was just receiving phone calls, so it was really hard for them to speak with us. Since Argentina is a really large country we should base our attention in a digital way, and we were not doing that. We started with a contact

center - not a call center - because we used also all our profiles on social networks and also email and telephone.

We needed a tool to convert everything as a ticket in a way that we can manage all of it. We started using Zendesk, and I think you might know that tool. When we started using that, we were receiving more than 1,500 tickets a day. It was really huge. We launched our new website and registration system in August 2013 and in April 2015 we had our first community event - it's called Internet Recorre, or IR. It's like the translation "to go" or it's like an Internet roadmap.

At the first event we had Rodrigo de la Parra as a guest. He gave us a lot of support and a lot of social media, security and privacy recognized specialists there too. That's everything for now. Thank you very much.

ALEJANDRA REYNOSO: Thank you very much for your presentation. Any questions? I see we have a question. Please, to the microphone?

SPEAKER: The question for the last presentation, was the bottom line on all your communication, has it improved uptake? Did you do some analysis to see whether that communication changed your bottom line in terms of uptake? Thank you.

MIGUEL IGNACIO ESTRADA: Well, I didn't mention that inside all of these materials we developed, we did some really good tutorials and in the middle of all of this conversion we changed our registration system, and we started changing the way the user registered. That changed a lot of the user registrations, so the tickets that started at 1,500 grew to 2,000, and on the last month, a year after we started charging for the domains, the tickets went down to about 500 a day right now.

At first people were really angry, and right now, if you want to check them on our profiles, we had a lot of good comments and much less people speaking bad about us. There are a lot of people speaking good things about us. I don't know if that answered your question.

ALEJANDRA REYNOSO: Now I have a question. How many people do you have in charge of your social media and your communication center?

MIGUEL IGNACIO ESTRADA: There are two separate teams - one is the contact center. That has around 25 persons, and my team, the communications team, has seven persons.

ALEJANDRA REYNOSO: Any other questions? Okay, thank you very much Miguel. Now we'll go to our next presenter. Our next presenter is Debbie Monahan and David Morrison from .nz. They are going to talk about introducing second-level registrations into .nz.

DEBBIE MONAHAN:

Right, well, just like the project, this presentation is going to be a collaborative event as well. Debbie Monahan, the Domain Name Commission for .nz, and also David Morrison, who's from the registry. What you'll hear about when the slides come up, because my memory is not that good these days, is about how we changed the face of .nz to move from third-level to allowing second-level registrations as well.

I'll give a bit more background. I'm well aware, having spoken a couple of years ago now, about what we were looking at doing, that a significant number of registries, all the gTLDs and a significant number of ccTLDs, don't actually have anything other than second-level registrations. In .nz we had a situation where we had 15 second-level domains, like .co.nz, .org.nz, and we went out to actually say, "Should we also allow and introduce an option to allow registrations directly at the second-level?"

What we're going to talk about is the change, a lot like Bruno was talking about with Paraguay as well. We're in a similar situation. We'll walk through the policy, what we actually did, how it all went, and what we're doing in the future. Why the change? As I was just talking about, we were in the minority of registries that were operated using third-level registrations and relying on a range of second-levels. People were actually forced to pick which was the most appropriate one if they wanted a .nz domain name.

One of the interesting things is when we introduced a new second-level domain of .kiwi.nz, the number of unique registrants who chose to

register in that was actually very high, and when you actually asked them why, it was because they're not an organization, so they didn't want .org, they're not a company, didn't want .co. When .kiwi.nz was offered, they actually felt that was a space they could register in. But by allowing registrations at the second-level, what we've said is we're enabling greater choice.

We don't have to make people pick which little cubbyhole they want to go into, and where is best to register. We've basically taken steps to make sure that .nz remains relevant for New Zealanders to want to register domain names in. Next slide. What we did is... You'll find this was not a quick process. The first public consultation went out in May 2012, and that data is key because that became our date when we started using for allowing priority registrations.

We then followed up with two further consultations. One of them, prior to it being approved, and the second where we actually went out with our final policy approach. A number of you are aware of the wonderful, complex .nz structure, where the .nz delegation is held by Internet New Zealand. They have two fully owned subsidiaries that actually run .nz for them. So the policy and regulatory company, which I head, Domain Name Commission Limited, and the registry company which Jay Daley leads.

The DNCL board, which does the policy, we did the consultations, we got all the feedback, we made a recommendation to Council that this should proceed. They accepted it. What we did then was formally adopt the policy, incorporating a large number of things that actually

came out of the consultation process. The key features is that what we did is we gave preferential rights to those that had domain names registered at the time that we actually put out the first consultation paper.

Anyone that had a name by itself at that particular point had preferential choice to register or reserve, free for up to two years, the version of their name at the second-level. They had six months to do this. What we also did though, we were well aware that by this time we were in 2014 and it was quite a long period of time that had lapsed since we went out and made 2012. In the final policy thing we went out and extended the pool of names that were eligible for preferential registration to those that were unique registrations undertaken since we first went out to the current go-live date.

If it sounds complicated, it is complicated, and if anybody has any questions about how we did this, please come to me offline. What we actually did, unlike other people who turn around and say, “You can reserve for free,” we actually said that it was a requirement that the names that were reserved or were registered at the second-level had to match the registrant data at the third-level. So it was the existing registrant that had the rights.

The thing is, when you’ve got six months to take this specific action using your priority rights, it’s important that you actually know you have those rights and you need to do it. As part of our policy framework, we actually put in there a requirement that registrars had to go out and advise the affected customers what their rights were and

what steps they had to take. We actually monitored and made sure that the registrars went out. For some, they asked us to go out on their behalf.

For a couple of registrars, they didn't ask us to go out, but we went out because we were aware that they hadn't done any consultation. We actually took active steps to make sure that existing registrants were advised of the change. The problem is that when you've got 15 second-level domains, and you've got around 550,000 to 600,000 domain names sitting in your registry, you're going to have conflicts. You're going to have a number of same names registered and more than one second-level domain.

We call these conflicted names, and we decided that in this situation we weren't going to give any second-level a greater right - for us or our second-levels. All the names are equal, there is no such thing as a greater right. What we did was say conflicted registrants could take part in a process whereby they tried to get agreement as to who could actually have the name. We set up a website at anyname.nz, which was set up by the Domain Name Commission. Through this site we handle the conflicted names process.

Just to note - this is where we also did the reservations through, so if you wanted to reserve your .nz name for free, you did that through anyname.nz as well. What that meant was that the Domain Name Commission had the costs and did all the administration for the non-income generating things of handling conflicts and reservations.

Unlike the preferential registrations and reservations, there is no timeframe for resolving conflicts. So as long as a conflict remains, nobody can register that name at the second-level, and if there is no agreement as to who can get the name, then that name will stay at this particular point forever not registered at the second-level. The general timeline shows how it all works. We had our first consultation, then a second on.

After that we took what the submissions were and put a proposal to the council that it should be proceeded, but then use some of those things like being able to reserve a name into our actual final policy, which we then consulted on. Then a significant amount of joint work by both the Domain Name Commission and actually bringing this over the line, and also significantly by the registry, because the thing is that you've got the policy and all those issues, but you also have quite a significant technical side.

So you actually had the two entities working very closely together to make sure that the technical solution implemented by the registry was matching the policy framework introduced by the Domain Name Commission. As you can see from the 1pm on the 30th of September, everything went live at that date - the same time that the reservations and registrations could start for those that had priority rights, we also started the any names that were available, people could register on a first-come, first-served basis at the same time. So now I'll pass over to David, who can give you all the good numbers.

DAVID MORRISON:

Thanks Debbie. I'll just run you through some of the numbers for the project. We started with just over 550,000 names, as at 30th September at 1pm, when we launched on GoLive. Eight months later we were at 644,000. We ended up with a total growth in names of 92,000 and it's continued to grow a little since then. Overall, 16.8 per cent net growth for the eight months, so a reasonably significant increase given that the previous year we had about 4.8 per cent growth, so it was quite a bit jump for us.

In terms of reservations that Debbie referred to, we had a total number of reserved names of just over 20,000. That number has now reduced to around 18,000 through either attrition or people registering or choosing to register the reserve name. It's expected that by the 30th of September 2016 that they should be registered, but it's not compulsory currently in the policy. In terms of conflicts, as at 25th of May there were 44,600 conflicts, which equated to 19,000 conflict sets - so 19,000 groups of conflicted names. That's the ongoing work happening with the Domain Name Commission for resolution.

In terms of the second-level activity, I'll run you through some of what the creates look like. I'll just talk briefly to some of the creates. The slides will be up afterwards. We normally do around 8,000 - 10,000 creates a month. Throughout the launch period of the six months we didn't really see a massive difference in registrations at the third-level. What we did see was some significant spikes in registrations at the start, so we peaked on the last day of September at over 25,000 registrations in total at the second-level. Over half of those were second-level registrations versus third.

Then throughout October we peaked at over 30,000 registrations and reservations. For the following four months, things slowed down and we ended up with between 10,000 - 12,000 names being registered a month. Then at the end of March, which was the end of our preferential period, we saw a large spike and ended up with about 37,000 names being registered, and then a further about 10,000 - 12,000 names being reserved, so it was quite a busy period at the end of March.

In terms of the buckets of activity that we did, it really was a big collaborative effort. The success of the overall project came down to our registrars communicating with their impacted registrants. A lot of time was spent supporting that channel and encouraging them to get out and communicate. A big part of that support was a communications pack that was developed by the Domain Name Commission, and then we spent a lot of time working with registrars to encourage them to adopt the templates and language within that. We'll show you some examples shortly.

At the start of this year we also launched Registrar Portal, and we're using that to deliver ongoing information and guides to the registrars. There's also a large piece of work with public outreach, the communications lead for the Domain Name Commission spent a lot of time reaching out to industry organizations, chambers of commerce, providing content for newsletters and getting messages out that way.

Both organizations also did advertising. We had independent advertising campaigns with slightly different focus areas. For the

registry we're very much focusing around awareness with the general public about the change, and with the Domain Name Commission focusing on advising existing registrants of the impact to them. To support that, there was the Anyname website that Debbie mentioned, and then for the general awareness we had getyourselfonline.co.nz, which had a landing page that our advertising linked through to.

If you click through every second or so, there is a whole range of different examples of registrar pages. These are landing pages where registrars have picked up and used the communications material. It was quite wide and varies in terms of how they got the message out there, but the key thing was they were able to leverage and use the brand and the content.

In terms of successful registrars, there were some key things for registrars that made it truly successful. They used the content that they were provided. They had the opportunity to use the .nz brand, and they did. Quite importantly, the registrars that were very successful took the time and effort to tailor their systems and control panels for customers, so there were some registrars that made it extremely easy for an existing registrant to automatically register a name at the second-level, and that produced some significant results for them.

Another key point was they went beyond the policy requirement. The policy required that they communicated out to their customers that they had been impacted by this, but the policy requirement was just that they make contact. So a number of registrars just did one

communication out to their registrants, but the ones that saw this as a commercial opportunity ran multiple contact campaigns and received a much greater share of the action.

If you can click through a number of these as well? These are just some examples of public coverage, with published stories, advertising. It was just a small sample, but we did get a lot of coverage across the New Zealand landscape. These are some advertising examples on the left hand side - some examples of the registry advertising, really just on a black and white message: “There’s a new [choice 02:38:07] coming soon,” encouraging people to turn on the new .nz domain.

On the right hand side, Domain Name Commission’s advertising, encouraging existing registrants to take up their rights. That was also the first time we’d ever done any offline advertising. We went on the back of buses for the first time, which was quite interesting. It did generate some increased traffic for the website. There’s a few charts that have decided not to show up. We ran some independent measurement with a research company, during the launch. Around December last year, it was about 48 per cent of the general public had awareness of the change.

While we had a target of 275,000 registrants, about 48 per cent of our 4.5 million residents in New Zealand had a general awareness of the change. For us, that was fantastic. That we took snapshots again in February and April, and they were both around 42 and 41 per cent, respectfully. Again, that awareness stayed quite high throughout the period. With our key target of registrants, we went directly through

registrars and then indirectly through a lot of paid and earned media channels. We also had Christmas during that time and our summer holidays, so overall we were pretty happy with the overall result.

In terms of ongoing activity, Debbie talked about the resolution of conflicts. That's an ongoing, significant piece of work, and there will be a policy review two years from go live, which will be around September next year. Registrar Portal, we've enabled some daily updated lists, so registrars can access lists of names that are available at the second-level where their customer has a registration at the third-level, so effectively it's a direct sales or upsell list, and some registrars are quite interested by that.

As names are resolved from the conflict, registrars also have access to that, so they can convert those resolved names into a registered name. They also have access to a conflicts guide, which is template material that they can provide to the customers. For registrars, a big part of my job is encouraging the inclusion of .nz with the .co.nz search results, so when people are looking for available names with a particular registrar, not all of our registrars are yet showing availability at the second-level.

One of the key challenges is that re-sellers are not necessarily being encouraged to make that change. So really encouraging registrars with large reseller networks to push that message a lot further. Then pretty much we're looking to continue driving awareness of .nz. All our advertising just focuses on .nz and we don't mention much around the

existing second-levels. We're not making any changes to them, but it just makes it much easier from a brand perspective.

We've also launched a brand website called wemovedto.nz. That will be growing and evolving over the coming year, and the aim is to list any and all organizations that are choosing to use second-level names for their web hosting. So that's us. Any questions?

ALEJANDRA REYNOSO: Any questions?

DAVID MORRISON: I just wanted to point out there were a few charts there that didn't appear on the slide deck. We'll work to make sure that they're up on and available after the session as well.

ALEJANDRA REYNOSO: I see one coming to the microphone.

SPEAKER: Sorry if I missed... Did you change your pricing between the .co.nz and the .nz? Did you change the pricing, and did you give preferences to do the owners of the top-level - give them the first right of choice, then if they didn't take it up you opened it up?

DEBBIE MONAHAN: The first one on price, it was our policy decision right from the start that a name at the second-level should be treated exactly the same as a name at the third-level, including the wholesale price - so they were at the same price. Yes, they only had preferential rights if they were registered at the time that we did the first consultation. If you had those preferential rights and you weren't conflicted, you had six months to choose whether you wanted to register or reserve your name, and if you didn't do it then the name became available on a first-come, first-served basis.

DAVID MORRISON: Just on some of the numbers, at the start of the preferential period there were about 450,000 names that had a unique right to the name at the second-level. At the end of the six-month period we effectively made available or released about 330,000 names on the 30th of March, so if they hadn't taken up the right to register or reserve them, we had 92,000 take that up, then the remaining 330,000 were released and made available, first-come, first-served.

ALEJANDRA REYNOSO: Any other questions? If not, can I ask...

SPEAKER: I'm going to ask what she asked me before - how many are in your marketing department?

DAVID MORRISON: Our marketing department for the registry consists of me. So it was just myself. With the Domain Name Commission, a communications lead. So effectively there were two of us, from a comms and marketing perspective, working on the project. So it was busy.

ALEJANDRA REYNOSO: Congratulations on your hard work. Can I ask for a round of applause for our presenters? [applause] Now our next presenter is from .fi, Sanna Sahlman. Her presentation is on dispute resolution in the .fi registry.

SANNA SAHLMAN: Thank you. Ladies and gentlemen, dear friends, dear country codes, it's my pleasure to be here, sit here and give this presentation to you. It's going to be something completely different to what we've been into recent days, so even though there's a bit of legal stuff I hope it's refreshing for you. My voice is very bad because of yesterday, so that was my mistake. Next please.

Okay, at first a few words about Finland, because now we're here in Argentina, very far away from my home country, I just had to show where it is, and in my opinion we are at the top of the world. Finland is placed in Northern Europe and our neighbor countries are Sweden, Norway, Russia and Estonia. We are quite a bit country, but we are only 5.7 million people there, and we've been a member state of the European Union since 1995. 20 years already.

Finland is very close to nature. We have a lot of lakes and a lot of islands, half a million summer cottages and over two million saunas. At this time of the year, the sun doesn't go down at all. Yesterday was the longest day of the year, but on the other side, the winter months, which are November, December, January, are completely dark there. The sun rarely comes up, only for a few hours. We have four seasons, and in my opinion the [unclear 02:48:48]. That's a subject that I've been arguing with many other countries, but I had to say it here now I've got the chance.

Finland is driven on technology and creativity. We have nearly 10 million mobile subscriptions, more than three million broadband subscriptions, a computer in 90 per cent of all households, and you may know us better from Angry Birds and Clash of Clans.

The country code is the registry of .fi and is called FICORA, Finnish Communication Regulatory Authority. It is a non-profit public agency under the Ministry of Transport and Communications. We have seven divisions and approximately 240 specialists; lawyers, economics, engineers. So it's much more than only the country code registry. But nevertheless, FICORA is responsible for administration of .fi domain names, .fi root services, granting the domains, and now we are getting closer to my presentation, revoking the unlawful, illegal .fi domain names.

We grant domain names both directly and to the customers, and we are registrars also. That's going to change in one year's time now. Next year, next autumn 2016, the registration will be possible only via

registrars. At this time, we have more than 1,000 registrars, which is a bit of a problem, but we love them all. Hopefully they love us as well. There are 370,000 domain names under .fi, and approximately 82 per cent are registered by companies.

Regulation is close to my heart. We have a law, we have the Domain Name Act. Next year we will call it Information Society Code. But the things that won't change, even though the law changed completely, is that at the time of the registration, a domain name shall not be based on a protected name or trademark owned by another party, unless the holder can present a good, acceptable reason for registering the domain, or the domain name should not be similar to a protected name or trademark owned by another party, if the clear intent of registering the domain name is to benefit from it or to cause damage.

It is the registrant's own responsibility to check that the domain name he or she is going to register is not based on anyone else's rights. The registrant should at least, in my opinion, check on the internet the names that are in the Finnish Trade Registry, and the trademarks that are entered into the Finnish or European Trademark Register. Now it's in FICORA. We can withdraw the domain names that have been registered against the Domain Name Act.

It's not any court case or any panel or anything, it's just us, the lawyers, working there. It's more or less about IPRs. We do the decisions, we give the rulings, but nevertheless the legislation of the Domain Name Act does not authorize us to assess the lawfulness of website content

itself. We can't order anyone to remove any content or close any websites, it's all about domain names only, as we all know.

What is a protected trademark then? It's the trademark that's valid in Finland, which means it's either national or an EU community trademark. If there is for example a Norwegian trademark that's not registered in Finland, nor in EU Community Trademark Registry, then it doesn't violate the .fi domains.

There are two kinds of trademarks - they are either words or they are figurative. The word trademark enjoys better protection than figurative, according to our law, because figurative trademarks, such as figures or text types or colors can't be included in a domain name, and that's why it's the trademark that's registered as a word trademark is considered as an exact match with a domain name. We also protect the trade names, which are registered in the Finnish Trade Registry, and also the names of associations, foundations, political parties - they are all registered in that same registry.

Also until next year, September, the combination of Finnish private persons, first and last name is protected. That will change, but today it still is like that. When we then received claims from people or companies, the claims can be divided into two categories - they are either exact matches or derivatives. The exact match is where the domain name is identical with the protected name or trademark. When we consider if it's an exact match or not, we don't care about the symbol of organizations, nor space characters, hyphens, nor native

language characters, which are either in a word trademark or trade name.

When the claim then comes in, the domain name holder is able to present an acceptable reason for his or her right, even if the domain name would be the same as someone's trademark. I'm not going to tell you what those acceptable reasons are, because then this presentation would be far too long. I'm happy to give another one some day about that topic. A derivative trademark domain name is a domain name that's similar to a protected name, for example.

There are a few examples where you can see if the trademark is, for example, cat or cot. The derivative domain name would be, for example Cat or Cat and Mouse, and if the trade name is House Factory, that's LTD, in Finnish the derivative domain name could be only one word of that trade name. If the trade name is more than one word, then the derivative domain name is one word from them. It's a little more complicated if the domain name is derivative, because then the domain name must have been registered with the obvious intention of obtaining benefit or harming someone else, and the claiming party must then give the reasons for us, why they think that has happened.

Then the domain name holder has the possibility to tell his or her clarifications and purposes in which they registered the specific domain name. Again, if the holder gives us an acceptable reason for his or her rights, it's completely okay and the domain name will not be revoked, and in our decisions, the revocations of domain name, it has always required a strong proof of violation. They are very complicated

cases, and it's all about the intentions. Someone says, "That's harming me," and the other one says, "No, it's not." That's a lot of work then.

In our Domain Name Law there are also other grounds for revocation, which are for example only the storage of domain names, if the name servers are not working we can revoke the domain name, if the holder doesn't exist anymore, or if the domain name is insulting. We wanted to make it a little more simple for us, so we removed them from the legislation, and next year those grounds will not be in force any more.

Only the holder of a protected name or trademark can request a revocation. There is a rule called the time priority rule, which means that the trademark or name must have been registered prior to that domain name, and if the trademark is registered after the domain name, it of course hasn't violated the domain name in the time of the registration. The claim has to be written, and then it's completely free of charge. We do not have any handling fees or anything, so that maybe encourages people to do the claims, but anyway, that's completely free. The claiming party can also request for a transfer for that domain name if the decision is that we revoke it.

Once the revocation claim comes, the domain name status will be changed to be frozen, which means that no more changes can be done to that domain name, and then we ask for clarification from the domain name holder, what they've done and why and everything, and they have to give the clarification in two weeks' time. It's pretty short, but apparently it works. Then, if it's complicating, we do as many hearings as possible. It's all written, and at some point it's the time for

decision and then the decision is given by FICORA and it can be appealed to the Market Court.

A few statistics. We have three and a half legal councils there, working in .fi, who are dealing with these claims. There's approximately 100 cases pending every year, and we try to resolve as many every year. Also, the average handling time is a difficult question, but if I had to say something I would say it's less than four months. There you can see the statistics from last year - 59 per cent of the claims ended up that we revoked the domain name.

In 23 per cent, the parties reached a settlement by themselves, and in 80 per cent of those claims there was no reason to revoke the domain name; the holder presented an acceptable reason. In my idea, it's pretty high, the revoked process, when it's more than half of the claims. Yes, and that's it. Thank you.

ALEJANDRA REYNOSO: Are there any questions?

SANNA SAHLMAN: No other legal questions about the IPRs?

SPEAKER: Thank you Sanna. You had one slide on which you briefly mentioned five other grounds for revoking domains, and then you mentioned that you're no longer using those grounds? But they're still there? They could be used by third-party...

SANNA SAHLMAN: For one more year, yes. It's still the pending legislation, but after September 5th next year, those grounds are no more in the law.

SPEAKER: But at the moment in a dispute, one of the parties could say it has an invalid name server, so the domain names can be taken out?

SANNA SAHLMAN: Yes. Thank you. Oi oi.

SPEAKER: Hello. No, this is easy. It says, "Holder has ceased to exist," is one of the current grounds that you're no longer going to be using after September next year. So after September next year, if a domain name is held by a dead person, or by a company that's been disintegrated, what are you going to do?

SANNA SAHLMAN: A straight answer to the straight question - nothing. It is okay if the domain name is renewed and paid and there is a holder. Of course, if we notice that it's a dead person or the company doesn't exist anymore - but now I'm just guessing because that's the future - but we probably contact the [some 03:05:10] and try to make them transfer the domain, update the current holder information.

SPEAKER: Yes, but if the holder is dead they can't update the information.

SANNA SAHLMAN: Yes, but that's also what happens now also, when people do die.

SPEAKER: Thank you Sanna. Interesting. You know that this is also a subject that is close to my heart. I want to ask you about the storage of domain names, the domain warehousing. We find that really, really difficult to handle, because it's difficult to know when do you say it's warehousing? In Norway we have a quota, so 100 domains per organization. One of the reasons why we do that is because for most organizations, 100 domain names is enough.

The way we feel in Norway is that what they do if they want to warehouse, they establish several companies, to have more domain names. It's always a question of where do you set the limit for what is storage. A lot of organizations need a lot of domain names, and who are you to say that I don't need it, and what are the requisites for taking that decision?

SANNA SAHLMAN: Yes, as you said, that is very complicating to know if it's warehousing or not. We don't even think it's a matter of numbers. Two or five domain names can be registered in a matter of warehousing. In Finland that was also a very complicating thing to think about and make decisions on. What happened in Finland is we tried to revoke

domain names from warehouseers, who were warehouseers in our opinion.

We lost the case in the highest court in Finland, because the holder appealed as long as possible to the very highest Supreme Court. We couldn't show why it was warehousing, and they won. That took the whole ground from us, and that's why we've removed it from the legislation, because you can't deal with that.

SPEAKER: No. It's really difficult. That's my experience as well. Then you say one or two can be storage. But then do you have a condition that you have to use it? It's not enough to have a name server? Because domain names can be used for a lot of things. You don't have to have an email, you don't have to... There are lots of things you can use it for, and it's difficult to prove that should it be a website, or is it enough that it's just left there and used for email or whatever? It's difficult. I wouldn't go into it.

SANNA SAHLMAN: Yes. Don't.

ALEJANDRA REYNOSO: One more question?

MARGARITA VALDEZ: I'm Margarita Valdez, from Chile, .cl. Did you have any complaints from the registrants, because you are the registry at the same time you are the entity that resolves the conflicts?

SANNA SAHLMAN: I am aware of that - that that's one of the big basic rules, that the same shouldn't give and take the same party. But it is written in the law that it's us and our... We are like the first court level, and as we are a public authority and we are public workers, governmental workers, not in a private sector or anything, that's why it's acceptable. But I completely understand what you mean.

MARGARITA VALDEZ: If the registration fails, do they have some appeal entity or how they can appeal the...

SANNA SAHLMAN: Yes, it was actually on one slide. It's the Market Court where you can appeal, which is located in Finland, Helsinki.

ALEJANDRA REYNOSO: I'm sorry, but we need to go. Can you ask the question later? It's okay?

SPEAKER: Hi. I'm [Carlo Lucci 03:10:31] from NIC Argentina. I was wondering, which criteria do you use for insulting domain names for revoking

those insulting domain names? We have the same policies, and it's very difficult for us.

SANNA SAHLMAN:

Thank you. You are asking the difficult questions. That's why we took that out from the legislation as well, because simple as that. That's a difficult question, because it's the right of freedom of speech. That insulting domain name is against that principle also, so that's a very difficult thing, and for now we have still a blacklist where we have the domain names that we once think are not good. But that's an impossible thing, because the English versions, Swedish versions, whatever versions...

SPEAKER:

Can you openly say you have a black list?

SANNA SAHLMAN:

We are. Thank you for wonderful questions.

ALEJANDRA REYNOSO:

Thank you very much Sanna for such a complete presentation. Can we give a round of applause for her please? [applause] Now our next presenters are Carolina Aguerre from LACTLD and Hugo Salgado from .cl talking about the LACTLD Anycast project.

CAROLINA AGUERRE:

Hello everybody. I'm Carolina Aguerre from LACTLD. Some of you might be surprised to see a regional organization sitting in the ccTLD session, and the reason for this is that LACTLD is just the institutional umbrella to help ccTLDs in the region talk to each other more, collaborate more in a specific project that concerns them, that they are involved in, and that they benefit from.

We've started with the idea of this Anycast project two years ago, in June 2013 precisely, and it's taken quite a long while to set up this project. We were thinking of using a technical hands-on project as an excuse to develop our regional capacities and to make ccTLDs talk in a very concrete fashion about something that concerns them. We have this slide to show a definition. The slide deck is quite long, but we won't use the whole slide deck in the presentation; it's just for more information that will be available at the ccNSO website.

I don't know why the title doesn't come up here, but we see the benefits and the way the architecture of this Anycast Cloud project is built around providing the following benefits: increased reliability, load balancing, improved performance, enhancing security, localizing the impact of DDOS attacks and an increased availability of the registries' infrastructures. This is a collaborative project for LACTLD Members, and it is a project that has three layers of structure.

My colleague, Hugo Salgado from .cl, he will be now participating more, and he is in the program with me because he is definitely one of the founding fathers of this project, and will develop more the technical aspects of the project. We envisage this as a three-layered

participation project. We needed a solid base of dedicated managers of the network, so LACTLD bought the IP addresses, the autonomous systems, et cetera. We're doing all the admin and providing the legal support for this.

Actually, the legal bit was the issue that took us the longest, because we had to develop three different terms of use and soft contracts among ourselves. So the management is currently composed of NIC .br, NIC .cl, and recently, last month, LACNIC joined the project as a manager. We are expecting a fourth registry to finally confirm they will be able to become managers of the network as well, but they are going through their own internal processes so unfortunately we cannot announce this at this stage.

But we have three strong management nodes in .br, .cl, and in Montevideo, the Casa de Internet, with LACNIC's technical support. As we were mentioning before, we have three levels of participation - the administrator, manager, the participant and the user. These are the roles of the administrators; to set up, in coordination with the participant, a node, and the administration of the nodes, updates, adding zones and monitoring.

Then we have the participant level, which is comprised of the organizations, the ccTLDs, which will host a node in the DNS server. Hugo, would you like to add something regarding the participant node at this stage? No? And use the user level, which is ccTLDs that would definitely use this service with its zone. We are looking for in order to benefit the most of the community, we need to get our ccTLDs

involved at all levels, but particularly we need them to use this resource at user level.

This is a very important point to clarify - this is a non-profit initiative. It's a best effort initiative. It's not based on quality of service. We have Members in LACTLD that provide Anycast services on a commercial basis as part of their organizational strategic plans. We are doing this on a collaborative effort and as I said before, it's non-profit, and we don't intend or aim to compete with anyone.

In fact, we are always keeping up with the motto that one of our participants in a tech workshop said: "There is never enough Anycast in your zone." So you can never have enough Anycast, and this is what we try to bring in. We are not charging our Members more for this. It is another service that we are aiming to deliver and provide, using a little of the infrastructure of LACTLD, but mostly the infrastructure that already our Members have.

The project has minimal hardware requirements for if you want to become a participant node. These are the requirements. Of course, speaking BGP is essential, and for the really smaller-sized ccTLDs, this is sometimes a challenge. For the user node, this is the technical checklist that we are requiring. This is the current participant map. As I mentioned before, the administrator nodes are based in Santiago, Montevideo and Sao Paulo. NIC Argentina made many announcements last week.

One of them was signing the zone with DNSSEC, and the second one was they had become the first participant node of our Anycast Cloud.

We are very proud of them and we are very happy to have them in the project, and .cr is signing today, maybe this hour, the Terms of Use, to become another participant. This is something that is very new for us. We managed to get our legal definitions sorted out only a month ago, with the different terms of service for the different levels of participation. So we are proud, but we are still in the process of making this happen and become a benefit for this community.

This is the email address about the project. The website should be up any minute, but unfortunately it's not live now. We have it in the Internet agency's designer server, so we have it online. It will be on our website. There will be a section saying Anycast. It's in English and in Spanish, and it will have a very detailed account of the project and the Terms of Use for download, and that's it. I don't know whether you have any questions. Andre?

ANDRE: Great initiative indeed. I really applaud it. I've always thought that Czech Republic is sort of like a Latin American country, but since it hasn't been recognized yet, my question is do you accept participants from the other regions for this project?

CAROLINA AGUERRE: I think we will, yes.

ANDRE: Okay, thanks.

CAROLINA AGUERRE:

Please come over, yes. Yes, actually we had a meeting yesterday to discuss this. We didn't close this. We are very open. The terms are online, you'll see them. We are leaving that a bit open, because we just wanted to see how much we are escalating. Something that we discussed at the meeting in Sao Paulo last year, when the levels of participant and requirements were defined, we talked about an issue regarding what is the security and privacy of the region having all these zone files shared? This will be a completely neutral network.

It cannot even be used for research purposes. Nothing in the traffic will be able to be analyzed. Because we are really not wanting to have any trouble or concerns regarding any intrusion, any privacy, any monitoring, any kinds of surveillance issues with the project. That is also defined in the Terms and Conditions, which I think is also a relevant point. Unfortunately, because it's a Linux OS we are not allowed to project the website and the different sections there, but we will send the link so that you can access it.

ALEJANDRA REYNOSO:

Thank you. [applause] Thank you very much to all the participants. We are right on time. So welcome to the next session.

[Meeting commences 03:28:38]

BYRON HOLLAND:

Hello everybody. If I could ask folks to take their seats, we're going to get the next session going in just a moment. Please take your seats. Okay, welcome back to the world of CWG. This is the first of three separate sessions this afternoon on various topics. This one is focused on PTI, or post-transition IANA, its role and its Board composition, which has been the subject of considerable discussion. It is one of the key topics we wanted to drill down into a little further, so people could get comfortable and better understand why it is has been structured the way it has been.

We have a panel here with me. Lise is going to provide a brief presentation to kick things off. In this instance we have a moderator, Jim Trengrove, who most of you probably know, having seen Jim around ICANN. He is certainly going to be walking around with the mic and acting as moderator. I will chair the session and try to bring together some thoughts and synthesize at the end.

With that, I'm going to pass it over to Lise to kick us off. Just a note before we get going, Mary has a bit of conflict, so she's going to have to leave just a little after 13:00. We're going to let her go first, after Lise. Thanks.

LISE FUHR:

Thank you Byron. These are the slides you saw yesterday. Nothing's really new on that one. I just want to recapture some of the point from yesterday, and that's the reasoning for the PTI. As I said yesterday, the PTI is a legally separated entity. It is an affiliate of ICANN, and the rationale for this legal separation was that we thought it would

enhance the policy and operational parts of ICANN and IANA, it would give a contracting entity.

So it would be possible to have an actual contract between ICANN and IANA -, it's a safeguard against bankruptcy if ICANN goes bankrupt, and it's also a way or ring-fencing the IANA function if in an extreme situation we would have separation of the IANA function. As Byron said, we have had some discussions not as much about the PTI function, but more about the composition of the PTI board.

There was a discussion about should the board be an internal or external board, and what are the differences of an internal versus an external board? Because here you see we envision that the IANA function stays within ICANN. Well, if it is an internal board, all the directors of the board, or the majority of the directors, are employees of ICANN.

So the ICANN Board and ICANN CEO keeps the control of the actual board. If you choose external members, that control will not be possible, and we actually constructed and proposed an internal board in order to take advantage of the accountability and governance mechanisms that already exist within ICANN.

In order to not create more complexity and the need for more accountability measures, we proposed an internal board where you can see the composition is: an ICANN executive responsible for PTI, as such within ICANN; the ICANN CTO; the IANA managing director; and two independent directors.

To have an internal board means that IANA remains within the supervision of ICANN, and this structure, as I said, builds on that it's still possible to hold IANA fully accountable for the community. This subsidiary, as we propose the PTI to be, with an internal board, is tightly bound into the ICANN structure, because it's ICANN employees. We thought it would be good to have independent directors. Those are only two out of five, so the majority is ICANN employees.

We think that they should be appointed by an appropriate mechanism, like the NomCom. It doesn't need to be NomCom, but that's our proposal. Those independent directors could give the flavor of the multistakeholder. It's not a multistakeholder construction - it's very important to note that - but it gives input from other communities and ICANN employees. This is how we envision it. As Byron said, it's been subject to discussion within the CWG, the group as such, but also in the public comments we received a lot of comments regarding this.

But we found that in order to take advantage of the already existing accountability mechanisms that are also going to be further enhanced by the accountability group, we would recommend in the proposal that there is an internal board. Thank you.

BYRON HOLLAND: Thank you Lise.

JIM TRENGROVE: Thank you Lise. This is an opportunity now if you have any questions, I'll come up, and Bart Boswinkle has a microphone as well. If you have

any questions about the PTI, the PTI board, any clarifying questions - we can get into a discussion later on, but this is a good opportunity now, if you have any, before we move onto our other panelists. Just raise your hand and I'll come on over to you. I'll just ask if you'll stand if you could, and give us your name and your association. Thank you.

DEBBIE MONAHAN:

Thank you. Debbie Monahan, .nz. I look at the composition of a board and I don't really see a board. I see staff having the majority of positions rather than experienced governors. I've expressed this concern to a number of people, but I now understand that there's a reason why that is the case. Can you just go into a little bit more detail of why generally three staff are on a board, and it's very internal to ICANN, and it's not really a governance body any more?

LISE FUHR:

One of the reasons to have as small a board as possible was to not overcomplicate this. It's supposed to be a lightweight board, because this is a legal separation, and you only want the board to really do the minimum of required responsibilities. Because the actual reason for having the legal separation was not to create a board, but that's necessary in order to have the legal separation, it was more to have the contract, to ring-fence the IANA function, to create this separation between a policy and operation.

So having a board of internal employees was necessary to remain the control within ICANN, and have that accountability structure

supporting this. Then you'd have two independent directors that could be taking care of the governance issues you might say - it could be a legal expert, it could be an expert in organizations. So we're ensuring that we have the expertise within the IANA functions by having the ICANN CTO, the IANA managing director, and the ICANN executive responsible for PTI.

So that ensures the technical part. You could also add this up with expertise in other areas, with the independent directors. I don't know if that answers your question well enough, Debbie, but...

DEBBIE MONAHAN:

No... I think it's a combination. You actually get technical skills and experience by getting independent directors to head those technical skills as well. It's the combination of having the ICANN staff... The combination of three staff on a governing body, overriding the true governors, the reason that it doesn't really appear to be independent, but from what I understand there was legal advice that actually had a big sway in the composition of this PTI board.

It's trying to understand the reasoning, the thinking, the challenging of that legal opinion - if there was any - and the questions that were asked as to how we actually got to this position.

LISE FUHR:

Well, the premise was that we would like to have the PTI to stay within ICANN, and if you want to be true to that premise, you needed to have an internal board, because you could not ensure that position, if it was

an external board, they could decide to remove the IANA function if possible - and that's why we said this needs to be an internal board that ensures this, because that was one of the main premises of the whole proposal.

DEBBIE MONAHAN: With .nz we actually have the delegation held by a parent company with two subsidiaries. The parent companies got around this by making the constitution of the subsidiary companies that the directors have to act in the best interests of the stakeholder. So they've got an independent board, but have protected their interest by making sure that the constitution covers off on what basis their decisions need to be made.

PAUL SZYNDLER: Maybe I can say something about that, because it's clearly not an independent board. That's the whole point. It's supposed to be a dependent board on ICANN. It's an ICANN board. So there are three members of ICANN staff being on the board, just to make sure that it's not an independent board. That's the whole idea behind it.

JIM TRENGROVE: Thank you Paul. We had a question here?

GIOVANNI SEPPIA: Giovanni Seppia, .eu. I'd just like to ask, regarding this PTI, if there has been an assessment regarding the cost of the new structure? Only

recently, after ten years, we managed to get some sort of overview of IANA cost from ICANN, and this is something the community has been struggling for really over ten years, and only recently Xavier nicely produced an overview of the IANA costs - although the overview shows there are many costs that are still shared costs.

So it's not yet possible to estimate the concrete costs for certain administrative parts of the work of IANA. I'm wondering if there has been a consideration about the costs of this model? Again, if there's any change in the way the model should be funded? Thank you.

LISE FUHR:

Thank you Giovanni. Actually, there has been made an estimate of the cost. I must say, I can't remember if it's in the report, but we have it, so we can find it for you. What we don't have is whether there's going to be an actual separation of the IANA function - that has not been estimated, because we don't know how that would take place. There is a special group working on this, if there should be any move towards a separation. That's not defined.

JIM TRENGROVE:

I don't want to cut anyone off, but I do want to give Mary some time before she needs to leave.

GIOVANNI SEPPIA:

Just a follow up question, because I've not seen this estimate of the costs, do you happen to remember if the estimate is showing an

increase of the cost against the current cost of IANA as shared by ICANN staff? I believe yes, but I would like to hear that.

MARY UDUMA:

Okay. I was part of [DTO 03:45:05] that worked on the budget. Xavier was able to give us what they estimated to be the cost for now, and there's still a lot of work to be done on that. I think it's in the proposal that if there is going to be a total separation, that the cost that is being shown will not... Even the cost for 2016 is not [the base 03:45:45]. I think it's about five times what it would be.

We took that into consideration when we were doing the DTO drafting. It's still very difficult, I think because it's the legacy issue of how ICANN started. So it's still very difficult to separate that this is purely ICANN, and this is purely IANA. So the asset and the... They could estimate overheads, but the assets are not yet done, so it's still a work in progress.

JIM TRENGROVE:

Thank you. If I could ask you just to hold onto your question for a moment, because I do want Mary to finish up and then we can come back to it, because she does need to leave. We want to go back to the second comment period. As you know, we had two comment periods, and there were some concerns expressed coming out of the second comment period. I want to go to Mary first, from .nz. If you'd like to discuss a little bit, just remind people what those concerns were?

MARY UDUMA: Okay. When we were making our comments s .ng, we were looking at the complexities involved between separating ICANN, ICANN policy, ICANN PTI. Our main concern was that if there is a legal separation and ICANN signs the contract with ICANN PTI, will it be enforceable? Again, if ICANN policy is not happy with ICANN PTI, can ICANN policy sack the board of PTI? Sack the staff? So these were our concerns that are not too clear.

Discussions going on since, after the end of the comment period, what we have done for the week, a lot of clarifications have been made. As we say, it's a work in progress, and we are saying that the accountability issues will be done, will be taken care of by CCWG. That's where we are coming from. We also asked whether the two independent directors could be from the other operating communities instead of within ICANN. Those were the concerns we raised.

JIM TRENGROVE: Thank you. I wanted to ask you if you've moved off that mark since the initial comments?

MARY UDUMA: Yes, further clarifications have been made, and the two independent directors could come from anywhere. It's very open, it's fluid, so they could come from anywhere. Since we are not [emphasizing 03:49:02] that PTI will not perform, we believe that PTI can perform. But if it comes to the last resort of separation, that just wants to be taken care of, and with the changes in bylaws I think it will be taken care of.

We supported the five directors and we supported not moving the PTI from ICANN. We supported it, but only the clarification aspect - the [broadness 03:49:39] of the [unclear], the understanding of the relationship between ICANN policy and ICANN PTI. Further clarification has been made. I think we're fine.

JIM TRENGROVE:

Thank you Mary. Thank you. Thank you for your indulgence. Again, if you give us your name and organization?

JAY DALEY:

Jay Daley from .nz following up on Debbie's question, because we still need to push this a bit. I want to understand clearly here - is the reason for a staff board, because that's the only way that you can ensure that ICANN is legally accountable for PTI? Is it the case that if it had an independent board you could not hold ICANN legally accountable? Is that the nature of things? That's the way I've had it explained to me. Or, is there another way that we could have an independent board but still have ICANN legally accountable?

LISE FUHR:

I'd like to have a first go at that one, because to me it's not only the legal accountability, it's the overall accountability. We were advised that if we want to ensure that all the accountability measures that we have in place now, and that will be enhanced, should be available for this board, we need it to be an ICANN employee internal board - so in

order to have that mechanism go all the way through, and not be creating new ones for an independent board.

JAY DALEY: So you could have created new, legally accountable mechanisms for an independent board?

LISE FUHR: Yes, yes, you could, but we were also trying to make a structure that was not complex.

JAY DALEY: Because I have been told that you have been legally advised that you couldn't.

SPEAKER: Maybe I can say something about it. I have to admit, I'm a lawyer, although this is US law and I don't know anything about that. Now, I think the whole idea is that IANA is run by ICANN, and that in the end the proposal remains the same. If you want ICANN to be able to run IANA, it has to have a say - it has to have the last say over IANA and over the PTI as a construct.

JAY DALEY: I hope you're not going to tell me that having staff on the board is the only way it can do that. Because I can point to 100 mechanisms that are very different - a strategic plan that must be agreed by the parent

organization. Sorry if I'm not talking loud enough. There are multiple other mechanisms that would ensure that ICANN has that last say.

SPEAKER: Yes, okay, you can have more probably, but this is the easiest one, and I don't see... The thing is, there was clearly a lot of people - and I was one of them - that didn't want an independent board. We wanted it to be that ICANN has a direct say over what happens with IANA, because they do have a direct say now, and it works perfectly. I don't want to have independent people running IANA, and that's also not what we were asked to do. We do a transition of the oversight. That was...

JAY DALEY: I would disagree with the "working perfectly" because I'm on Design Team A about the SLAs, and actually have evidence I would suggest about that. But one of the biggest issues goes back to Giovanni's question about the funding of IANA. An independent board is a good mechanism for ring-fencing funding for IANA and giving it the full level of resources it needs to do its job with. We could argue this for a while. The only question was whether there is a legal hard line in there or not.

JIM TRENGROVE: Paul?

PAUL SZYNDLER: I'm not a lawyer, so obviously I can't comment on that aspect of the legal advice, but what we've come up with is but a model. It's one

solution, and as far as the group's concerned, I think it's the one that ticks as many of the boxes as possible. You're absolutely right - I bet there is some way the group could have gone through the process to establish an independent board, but it's no surprise to you or anyone else in the room that auDA was with .nl in terms of opposing that as a construct.

That's something that was absorbed by the group, and then they went away and tried to balance accountability, ICANN's accountability, something that was small and agile, something that would hopefully minimize budget implications - and this is the best solution that I'd heard that we came up with. It's the nature of the beast that we have to propose a model, and this is where we've gotten to.

JIM TRENGROVE:

Thank you. Alan, if I can hold off just a minute, I want to give these two other gentlemen some time and then come back to this if we can for more questions. Paul, as long as you've got the microphone, you've been talking... Paul Szyndler from .au domain administration, you two had some concerns coming out that you expressed in the second comment period. Why don't you recap those for us?

PAUL SZYNDLER:

Yes. I'd like to take it back to the Stone Age and start with the first commentary period. I'm surprised we've gotten a day and a half in and nobody yet has mentioned that-which-should-not-be-named "contract co". But in this particular case it's worthwhile doing that, because that

was the genesis of our concern. The CWG in its first efforts acknowledged that generally IANA is doing a good job. Jay can argue it's not perfect, but generally, community consensus was that the job was being done well.

The group also acknowledged that change should be as minimal as possible so as to minimize any risk to the security and stability of operations. Yet, contract co was proposed. AuDA's reaction was that that was like using a sledgehammer to crack a walnut. It will get the job done, but what sort of mess are you going to end up with afterwards. In a way, we played devil's advocate by taking our position to the other extreme: what if you don't have this independent external entity? What if managing these functions internally is something that could be accomplished? What about that as an alternative?

In a way, I think we were one of the first to come up with this idea of a golden bylaw at the time, which have since evolved into fundamental bylaws both for this Working Group and accountability, but the concept was can we build mechanisms internally that are adequate, that will offer the protections that we want, without the need for the creation of any other structures - be they internal or external.

Then to get to your particular question, by the time we got to the second consultation, the position of the CWG had evolved considerably. This is when the PTI and the PTI board constructs were developed. By that time, our concern was more around the fact that this seismic shift in the group's view had allowed it to change its proposal, but not yet flesh out all the detail. If you look at the April

draft, there was half a paragraph on the PTI board that said it should have minimal possible functions and responsibilities, and small and agile and that sort of thing, but there was a lack of detail.

Our views, by version two, had changed to, “This sounds better, absolutely,” and, “We support CSC, we support independent review” - all of that stuff was great. But we’re still not quite there with PTI, and in particular the board. Again, we had another go of being devil’s advocate - after all, it’s a negotiating tactic. We went to the other side again and asked the question, “CWG, have you considered whether the same or better outcomes could be achieved again by maintaining everything internally and relying only on bylaws?”

That’s something that we acknowledged was not necessarily going to be, by that time, a popular position among the community. But it was a question we wanted to ask anyway, and we acknowledged as part of that that we may well be in the minority, but it’s a question that we want answered. That was the evolution of our concerns. It was not detailed at that stage. It was structural, responsibility wise, and it was as part of just establishing this whole construct without getting into the devilish detail.

JIM TRENGROVE:

We’ve moved somewhat from the Stone Age. Thank you. Anyone want to comment at all to Paul’s comments? Giovanni?

GIOVANNI SEPPIA: Just to say that I've been perceiving some sort of animosity, but I think it's just to make the process more constructive. That should be the way we feed comments into this process - comments that have been made since early days. I believe that whatever is going to be proposed and accepted is not something that will stay there for 100 years. It's the first step of a process that may be refined in the future, as the Internet evolved, as our industry will evolve dramatically probably in the next 20 years.

We are proposing something that is a good - I'm not saying perfect, because perfect model is far from existing at this stage - but it's a good model, and again, it might be refined in the future. I believe nobody will ever stop the community from refining a model that's going to be approved in the coming months. Thank you.

JIM TRENGROVE: So there's probably agreement on that, so thank you. Anyone else before we move on? Okay, Maarten Simon from SIDN, and .nl. Once again, you had your SIDN respond in the second comment period. Why don't you recap what those concerns were at the time?

MAARTEN SIMON: Yes, and allow me also to go back to the Stone Age. No, because we come from a background that we said it's a transition of the oversight over the IANA function. If we change the accountability of ICANN, and bring it more under a community oversight, then you already have arranged the oversight transition. So the whole thing with PTI and

whatever, that's details. It's all about the accountability. That's what we stand for from the beginning, but okay, thinking about compromises and getting something done, because that's also important, in the end we feel it's also important that this whole process is a success, because that's geopolitical. It's very important.

Our position was to keep everything within ICANN first, but there were many people who thought, "Okay, the possibility of separation is needed." So then people came up with this hybrid model and we ended up with PTI. For us, I still feel a lot of what we've done is in the end not absolutely necessary, but okay, it might work. The one condition for us is that it's still full control, as it is, IANA, by ICANN. That was the major comment we made at that time, and that's what's in the proposal now, so I'm quite happy with that. But I still say there's a lot of complexity. We seem to need it for a compromise, but...

JIM TRENGROVE:

You used the word "refinement" in your comment. Maybe some refinements have been made, but thanks. Any comments at all? Jordan?

JORDAN CARTER:

Thanks. Jordan Carter, .nz. I'm pretty concerned with the way Maarten just explained that to be honest. I want to explain why I think we find this a livable solution, having been strong supporters of contract co. The reason we were strong supporters of the contract co model was because we wanted to keep ICANN as the operator of the

IANA functions and to have the global Internet community as the steward of the DNS, and the contract co was just a vehicle to be the stewardship legal entity that would allow a contract to be issued to ICANN to operate IANA, and if the community wasn't happy with that, to transfer the operation to someone else.

What's happened in the second version of the proposal and the final is that stewardship isn't transitioned to the global stakeholder community organized through a new body. It's transferred to the global stakeholder community organized through ICANN. So ICANN is the steward, but the community, people like us, a lot of people, wanted there to be a clear separation between the steward and the operator, and that's what PTI is for. PTI is the operating entity. It's the legal entity that is responsible.

It is PTI that is responsible for the quality operation of the IANA services in this model, and it's the PTI that needs to be held to account in delivering that. ICANN's job as the steward is to hold PTI to account. PTI is the legal entity - it has the staff, it has the budget. One of the reasons we have a concern about the composition of that board is because the job of it is not to assure the quality. When you have an arm's length relationship with someone, if you own a subsidiary company, your businesses, there are two ways to it.

Either you can be a micromanager and tell it what to do, and allocating resources and pretending that corporate line doesn't exist, or you can take a governance ownership approach. You can say, "We set out the plan you need to follow. We set out the requirements you need to

deliver, and if you don't do it, we'll fire your board. If you don't do it a lot, we're going to have our broader community tell us we need to find another operator."

So the picture that's drawn up there in a functional, legal sense, can deliver either of those things. But I'll tell you right now - if ICANN spends a lot of time sticking its fingers into the post-transition IANA, this model is going to fall over, and all that will be assured is that post-transition IANA will never succeed as what it needs to be, which is an operator with integrity and quality of the IANA functions. Now, we can live with the board the way it's composed, but it isn't as good as it could be.

Now, different people have different views about this whole proposal - that things are not as good as it could be. But to me, I want to strongly rebut the idea that this is some unnecessary complexity. This is an extremely simple model. ICANN is the steward, and there is a company, which is the operator. If the community or the customers don't like it, through the function review process we can force ICANN to assign it to another body. It is as simple as it can be for a nice, clean, accountability, clear system. Thanks.

JIM TRENGROVE:

Thank you Jordan. Let's go to Lise Fuhr first.

LISE FUHR:

Thank you, and thank you Jordan. I think we need to detail it a little bit more, because I think this is going to be shared stewardship. Where

I find we have a CSC and we have the IANA functions review, those are also going to be overseeing the daily operations, and that should be stewards of how the IANA function is going to work. The IFR of course will have a longer period, when they do their oversight, if you call it that, of stewardship.

For me, we created a more direct way of actually handling the IANA business by having the CSC and the reviews, compared to what we have today. Thank you.

JIM TRENGROVE:

Paul?

PAUL SZYNDLER:

Yes. Just a very high-level observation. As many would be aware, we almost had open antipodean warfare when the process started, between where .nz and New Zealanders were coming from, and where .au was coming from. I think Jordan made some valid points there. Is this the best model we could come up with? Well best is a subjective term. What Jordan means by best still probably wouldn't be exactly what I would describe as best.

However, we've now arrived at a situation where he's able to make positive comments about PTI and the PTI board, and similarly for a stakeholder that said, "We don't need something like this at all," we're also able, because of its agility, because it's small and as simple as possible, that ticks enough boxes for us as well. So that's the victory of the process. That's the nature of compromise and consensus building,

and I will never walk away from this process and defend it for its absolute perfection. Obviously it's not perfect, but in terms of a compromise solution, it's pretty good.

JIM TRENGROVE:

I think if it was perfect, we'd have been having this session a year ago, not here. Anyone else want to comment on any part of the PTI board? You see the graphic there. Again, any clarifying questions or things you don't understand? If you don't, it's certainly understandable because this is all new. Paul?

PAUL SZYNDLER:

In the absence of any other questions coming from the floor, there was one other issue that I neglected to mention earlier, as a point of concern that we had with the second draft. That was this proposal had been developed by the CWG for the naming community, and there was still a lack of clarity, at least from my perspective, as to how this would interact and what the structures and engagement would be, and how this would work with CRISP and IANA plans - so the protocols and the numbering communities.

That level of engagement, interaction was always there. Something that happened between version two and the final report was intense consultation about the fact that yes, this can work for them. That's another thing that pushed us towards a stronger supporting position.

JIM TRENGROVE: Great. Thank you. Paul, Martin, Mary, thank you. Byron, I guess if there are no other questions we'll toss it back to you?

BYRON HOLLAND: Okay. Are we sure there are no other questions?

JIM TRENGROVE: We'll have one more here.

JAY DALEY: If you have two independent directors, based on the point you just said about the numbering and the protocols, what happens if the numbering and the protocols people want to be those two independent directors? Well, the issue then is that you then have two sets of customers on the board, but one set of customers isn't.

PAUL SZYNDLER: But it was my recollection during the discussion of the group that that customer representation was not fundamentally the issue for this small board. Those independent directors were to be drawn based upon they may bring a particular technical expertise, or business or budgetary or some other C-level expertise that adds to the utility and the functionality of the group - not in this particular instance two or three customers, if I could put it that way.

Form the naming perspective, that's what we have CSC for. That's our big customer focus. I never understood the two independent directors, and stand to be corrected, as customer-focused directly.

JIM TRENGROVE: Lise, you were nodding? Just nodding, okay.

BYRON HOLLAND: Okay, thank you. I think that was actually a very good discussion, and certainly some well-articulated and disparate views even among, generally speaking, fellow travellers. I think this points to why this has been such a challenging issue to come to a reasonable conclusion. I heard a number of themes here as I listened to all the various people speak. One that came up very early, and that I think is definitely worth this community focusing on is the difference between a governing board and an operational board.

Both have legitimate roles in different places and different corporate and governance structures, et cetera. Those are two legitimate entities, but they really have different purposes. It would appear that the CWG has effectively created an operating level board, which is subject to the oversight and accountability of the ICANN Board - the strategic board, if you will; the board that in itself is beholden to the community, and where the real community accountability lies.

That in a sense is a matter of philosophy on which one you want to have the PTI be - a strategic board or an operating board. As we heard many times, it's a perspective that one will have, and you can make a

good case for either side, but the CWG had gone, after much discussion and a couple of versions, with an operator-oriented board, who has a higher authority that provides accountability. That fundamentally is because if we as a community want potential separability, then you must have a board, and you have to pick which one it is.

But the CWG was not trying to create separation, but create the possibility for separation. Thus, if that's what you're doing, you don't necessarily need a strategic board, you need an operating board, because if there is separation, you need a whole different kind of structure after the fact anyway. I heard from multiple parties that accountability should really rest at the ICANN layer, at the global multistakeholder layer. We heard the opposite too - that it should be down more in the PTI layer.

One thing that really rang through loud and clear is there are numerous solutions, and depending on one's perspective, each flavor may address their particular concerns better than other flavors, but that said, my sense here was that I did hear that compromises would have to be made on all sides. Paul certainly articulated that notion well. This is a relatively find balancing act, where various perspectives had to find compromise, including two outside directors, three outside directors, what will that look like.

This may not be a perfect solution right now, even if there was such a thing, and I'm certainly not convinced there is and I didn't hear anybody saying there was one, but that this will be a highly satisfactory solution that will allow the IANA functions to continue at

the high level that they are right now, but as we also heard, continue to improve and get to the level that the community is demanding.

So I think overall it was an encouraging discussion there are differences of opinion, still potentially some fine-tuning and challenges within this model, but by and large, even disparate opinions that I heard here could find common ground enough to be supportive of this solution. That's what I heard. I would actually ask at this point if we could just take a temperature of the room, with your cards? Didn't we give them out yesterday? I thought they all got handed out yesterday.

Okay, well, I guess we won't do that. That's too bad. Some people have them. Okay. Some people held onto them and some didn't. Regardless, we won't do that, since we don't have any cards. Can we hum? Can we pull in IETF and just hum? At this point, we're only... I see Keith has his hand up in the back.

KEITH DAVIDSON:

I was just going to say, from the perspective of being one of the ICG Members, it would be really useful to see a show of cards, to help us determine consensus or otherwise on some of these key issues. If we can have the patience to get the cards out, and also could I ask the Chair if he could indicate roughly the proportion of green, versus orange, versus red? Thank you.

BYRON HOLLAND:

We'll just take a moment, get those handed out, and we'll come back to it in a second. Thanks for your indulgence. Okay, are we almost

ready? This is helpful for the ICG, also the CWG, I'm sure. This is also helpful for the ccNSO Council to get a sense here too. The question is around the PTI structure, the governance structure right here, the board structure. That's the first question, and the question is: not is it perfect - is it reasonable, and you could be supportive of it as it stands? Green for it's reasonable, I can live with it and support it. Red, yellow... It's the first question I'm asking. I'm asking about the PTI board as a structure, if you can live with it.

Thank you for that. If you didn't look around, there were a couple of reds and a vast majority of green on that one, which you could see from the back I'm sure as well. Given the session was focused on PTI and the board structure, to me that was the primary question right now. Certainly also we'll be asking further broader questions in the fifth and final session, where we will also be using the cards. Right now the focus was just on what we've talked about here.

We will have the opportunity to show our support or not, either way, red, yellow, green, in the fifth session as well. Have no fear, there's more opportunity there. With that, right on time, I'm going to bring this session to a close. Thank you very much. I think that was extremely helpful for hopefully all of us, but certainly the Council, and I would imagine our ICG Members and CWG Members. Thank you for that fulsome discussion.

We are onto lunch break, at long last. We only have 45 minutes this time. Giovanni, 30 for you. You need to be back early. We come back at 14:15 for the second part of this session. 14:15 please.

[ccNSO-members-2-24jun15]

BYRON HOLLAND: Are we missing a panelist? Paul? He was just here. We'll give him one minute, and get our presentation fired up. Welcome back everybody. This is part two of what we're calling a block four session, where we drill into some of the most talked about issues. Certainly I think we had a good and vigorous discussion on PTI and its composition in the board. In this session we're going to focus on the period reviews and the special period reviews, and drill into those a bit.

Stephanie Duchesneau is going to provide us with a presentation to kick it off, and then as you can see we have several panelists who are going to speak about this issue, some of their perspectives on it. Before we get going, I just wanted to also let everybody know that this is part of a broader set of sessions. There is another session after this where we will be having a more fulsome conversation on any issues, any and all outstanding issues, both pro and con, and also have the opportunity then to have another couple of temperature taking - although it seems to be getting a little hotter in this room again today.

We'll have the opportunity to show support or not for particular, specific issues along the way. Make sure you've got your cards ready to go for the next session. With that, I'll pass it over to Stephanie.

STEPHANIE DUCHESNEAU: Hi everyone. I'm Stephanie Duchesneau and I work at [NuStar/NUSTAR] including on .us, though I often participate in ICANN

on the gTLD side, and I've been participating in the work of the Community Working Group on the IANA Naming Transition, including on the dual Design Team that developed the IANA function review mechanism, including the separation process. This was one of the Design Teams that kicked off pretty late.

I think we only convened about two or three weeks prior to the second comment period being opened up, so you will note that there are pretty significant changes to what we see now from what you might have commented on. I think it's important that we're having this session now, and I'd encourage folks to ask questions, raise comments, because there are pretty significant changes from what you might have seen before, unless you've had a chance to review the final proposal in-depth.

So the IANA function review is one of the accountability mechanisms that was built into the final transition proposal, in addition to the CSC. While it's the CSC's responsibility to conduct regular monitoring, ensure that all of the required reporting is being put forward, that performance is good on a month-to-month basis, the Community Working Group also thought that it was important that there was a more holistic way to also review the performance of the IANA naming functions.

To look at it in wider points of time, to see whether performance was stable, performance was improving, and also to assess on a regular basis whether communities' needs had changed, whether the customers' needs had changed, and to provide a way that this could be

addressed. This also opens it up, whereas the CSC is a pretty narrowly defined and customer-focused body, where representation is extremely heavily registries.

The IANA function review is, though there is still weighted representation by the registries as the direct customers, it's meant as an opportunity for the full community to participate in the review and provide suggestions on ways that they think that the performance of the functions can be reviewed. Some of the goals of the IFR are up here. This includes evaluation of the performance across the period since the last review, against the statement of work.

Also to take a look at the regular oversight structure; so to take a look at the CSC, see how it's performing, see whether it's carrying out everything it needs to be doing, whether any changes need to be made to that structure, and as noted, to take a look at ideas that the community has about how IANA's performance could potentially be made even better, whether there's been any change in needs.

The ultimate goal will be on the basis of these questions, to see whether any changes have to be made to the statement of work, or potentially to something like the CSC charter, to address these needs. The first component of this, there's going to be a calendar-triggered periodic review, and we're proposing that this be built into one of the fundamental bylaws that are being carried through by the CCWG on Enhancing ICANN Accountability.

The recommendation is that the initial one be carried out just two years from the date of transition. It's a big point in change, and we

thought it was important that a review be carried out pretty shortly thereafter to ensure that there was no degradation to IANA's performance, but then thereafter, instead of doing it every two years, to carry out a review every five years, in addition to the CSC, but would still provide a regular enough interval while avoiding constant churn.

We do envision that for participants it would be a pretty heavy responsibility, so we were cautious about balancing regularity with having a constant churn, where reviews were always going on. The trigger is going to be calendar triggered. We tried to keep the composition small and balance this with... It's much smaller than what was proposed in the PCP. Small, but multistakeholder in nature, but balance it out with very broad requirements for openness and transparency by the Review Team.

Here is a breakdown of the composition structure. You'll see that there are two ccNSO representatives, one ccTLD representative that specifically has to come from outside of the ccNSO, and the breakdown for all of the other stakeholder groups and ACs is set forth on the PowerPoint. The Design Team that came up with this, we didn't go too much into the weeds and developing proposals for how they would be implemented.

There are some general guidelines for criteria and questions that the stakeholder groups and ACs or SOs might look to use, but they're going to be appointed by internal procedures by each of these groups, and just a point of clarification that for the ccTLD representative that's coming from outside of the ccNSO, the ccNSO would still be the

appointing body, but it is as requirement that it's from a TLD registry operator that does not participate directly.

We did clear this with some participants in the CWG, who represent ccTLDs but don't participate in the ccNSO, and they were generally supportive of this. Another clarification that came out following the PCP is that we do intend that this Review Team be internal to ICANN, and it's defined within the ICANN Bylaws, rather than within the documentation around the PTI.

This covers what phases we anticipate that a review would cover, and as you can probably note, we're having first consultations with the functions operator, consultations with the CSC, who of course is going to have a lot of operational knowledge, operational experience, a lot of insight into the performance of IANA. There is a requirement to have a public input session with ccTLD and gTLD operators, and we envision that this would probably take place during an ICANN Meeting, and opportunities for public comment.

This is all part of the work being carried out before recommendations were put forward by the Review Team. Within each of these, you'll see there are a lot of different inputs. The CSC would be also providing information about all of their delegation and redelegation reports that they've been taking a look at, the monthly reporting, the IANA dashboard, customer satisfaction surveys. There are also opportunities for public input, if you have sessions at ICANN Meetings, or whatever you see coming in through the PCP.

All of this is going to be taken into account. We intend this to be a very holistic process. All of these inputs are considered by the Review Team, and they come up with, if necessary, a proposed set of amendments or changes to the CSC Charter. There is also a number of other steps for public consultation after these amendments are proposed, so this would also go through a second PCP and before adoption would require approval by both the ccNSO and the GNSO Councils by a super-majority to go forward.

They would also have to be approved by the ICANN Board. We are suggesting that as a baseline, for the ICANN Board to reject it, it would require the same voting threshold and the same procedures as Board rejection of a PDP that was supported by a super-majority of the GNSO. So it's a pretty high threshold if the Board wants to send back any of these changes. Before I go onto the special IANA function review, which is a bit of a different variant, does anyone have questions about the periodic review?

JIM TRENGROVE: No? Okay Stephanie, thanks.

STEPHANIE DUCHESNEAU: There's also a second way in which one of these reviews can take place, and in our attempt to avoid constant [thrash 00:14:17] of review, we also wanted to make sure that if there were issues or if there was some specific need to conduct a review, that the community could also

do that, even if it was out of cycle. We developed a variant on the IFR, which is the special IANA function review, or the special IFR.

This could be triggered at any point, even if it's outside of the five-year cycle for the periodic reviews. It would have to be triggered by a super-majority vote of both the ccNSO and GNSO Councils. It's a little bit different in scope, because it would be targeted at addressing a specific performance deficiency that was underlying the decision to initiate the special review in the first place.

There's an expectation that prior to using the special IFT, the remedial action procedures that are already built into the IANA function proposal at the CSC level would have to have already been deployed and exhausted and failed to resolve whatever issue was at hand. The composition structure, and the mandatory phases, including public consultation with the direct customers, as well as public comment, are still going to have to be followed. We imagine that it can be a little bit shorter in time frame, just because the issue set is a bit narrower.

The inputs are going to be more targeted to the deficiency at hand, and not necessarily day-to-day performance, but we did think even though there is a specific issue at hand, we didn't want to accelerate the timeline for this so much that we would go against transparency or not get the full range of inputs that we would need.

Another important thing to note about the special IFR is that there is no prescribed outcome. Like any of the periodic reviews, it could potentially propose a change to the scope of work, it could propose that nothing at all has to be changed, or it could go as far as to propose

some sort of transition of the IANA naming function away from ICANN by way of PTI. But there's no expected outcome of it.

That's left for the Review Team to decide, and the expectation and the hope is that especially if it was a decision to transition, that the Review Team would be responsible for developing implementation recommendations for at least at a general level, how that would be carried out. Does anyone have any questions about the special IFR; the triggers around that?

PETER VAN ROSTE:

Thank you Stephanie. It's not specifically about the triggers, but it's some of the elements that you raised in both the regular [scatter 00:18:00] one and the exception one, the out-of-cycle. Is my understanding correct that only during these review cycles, at the end of which the contractual terms and conditions between ICANN and the PTI could be reviewed?

STEPHANIE DUCHESNEAU:

It's the expectation that the statement of work would be reviewed as part of this process, but that's not the only point at which it's expected that registries will be participating in monitoring IANA. The CSC is going to be doing this on a day-in, day-out basis, and there is expected to be communication between individual registries if there were issues. The thought is that if we are going to be taking a look at the statement of work, that this is the process through which we're doing

it, but the special IFR shouldn't be regarded as something that's isolated.

It exists in addition to the CSC and also the other problem resolution procedures that are built into the proposal, and it's part of a gradual escalation - that if there were changes that either were severe enough that they mandated changes to the statement of work, or problems that couldn't be addressed through other mechanisms, that this is what it would run through.

PETER VAN ROSTE:

All right. Because one of the things that in these discussions we often forget, is that IANA not only provides us with a day-to-day service when making root zone or WHOIS database changes, but they are also innovators. They are implementing RDAP, as we learned from Kim yesterday - it seems much longer ago. They are also working on two-factor authentication for the communication between the registries and IANA. So they are doing a lot of work to make the IANA function future proof. I'm wondering, is this special function going to be reviewed by this group as well, or are there other mechanisms?

STEPHANIE DUCHESNEAU:

We did speak to folks on the IANA side about exactly the kind of changes you're talking about. I think communication coming out, following the transition, is expected to improve upon this. On an annual basis, we do want to have consultations with the IANA functions operator about the kind of not necessarily changes to

address deficiencies, but innovations in the space and to see if something...

There is also going to be a more regular engagement directly with IANA during ICANN Meetings that would address the kinds of changes that you're talking about.

PETER VAN ROSTE:

One last point, if you'll allow me. In the composition... It was pointed out by a Member of the Board, Demi... In the composition it is specifically mentioned that there should be a non-ccNSO representative. While as a manager of a regional organization I'm all for that, because not all my members are Members of the ccNSO, a ccNSO Member pointed out correctly that we're actually giving somebody an incentive not to be come part of the ccNSO.

We've seen it in the process that we're almost finalizing these days, that to find non-ccNSO representatives that were well involved in their work, that had the resources and that had the interest of getting involved in this process was not an easy task. We were extremely lucky to have found people like Lise and Paul, and probably quite a few others as well. That group, that pool of skilled people, is going to get smaller, the more successful the ccNSO becomes.

So if we would rethink that rule, would that be now, or would we still have a couple of weeks to come up with an alternative where, for instance, we could say that at least one needs to be from the ccNSO?

That would then leave it open in the future to adapt as the situation would require.

JIM TRENGROVE:

Does anyone want to respond to what Peter just said? Any other comments before we move on? We'll have some time afterwards as well. Paul?

PAUL SZYNDLER:

It's a valid point that Peter raised, and it's something that was discussed, as you know, within the group. I'm simply comfortable with it because it enshrines a role for... We were very aware of the need to ensure some participation for non-ccNSO Members. It was a balancing act - a very careful, intentional process where there would be this guaranteed participation. Flipping what you said, participation in this review process should not be contingent upon your membership of the ccNSO.

Yes, it is a disincentive if you view it that way, but if you flip it the other way, there shouldn't be a requirement that you be a ccNSO Member to participate. Of course, I'm comforted further by the fact that although it's unlikely to be required within two years, this is something that could be reviewed or revised in seven years, for instance. If by that stage our membership is tracking brilliantly, well, then we can refine that.

JIM TRENGROVE: Lise?

LISE FUHR: I think there is a very important signal to the whole Internet community in having non-Members present. We have ccNSO, and of course that's covering a lot of countries, and that's very good. I know that .dk, as a non-Member, are very active in this world, but we have people outside who are not participating in this, and this is a signal for them that they are also a part of this review, and they are also equal participants in the IANA functions, equal customers to it. Thank you.

JIM TRENGROVE: I saw Byron listing incentives for joining the ccNSO. Do you want to go with your...? Sorry.

NIGEL ROBERTS: I just want to say on a note of caution, which has been a little bit problematic, I think, even since the beginning of time when the ccNSO was formed, we still refer to people in this room as being Members of the ccNSO. Can I just remind everybody that not a single person in this room is a Member of the ccNSO. It's the organizations who you work for or represent who are the Members. Everybody who is on any of these Working Groups are non-Members of the ccNSO.

I know it sounds like a very pedantic point, but sometimes, ever so occasionally, this matters. Perhaps we can just bear in mind that it's

organizations that belong to the ccNSO, and people sent by the organizations who work in the groups.

STEPHANIE DUCHESNEAU: So that covers the review processes that are proposed in the transition proposal. One of the other things that, as a Design Team, we wanted to cover, was at a very high-level - because remember there are no outcomes being prescribed by either the special IFR or the regular IFR - how would a separation process, if it was the recommendation of the group and it was approved by both the ccNSO and the GNSO, how would that be managed?

The proposal put forward was that this would be handled through a Separation Community Working Group. Like all of the recommendations that would come out of the special IFR, this would have to be approved by the ccNSO and GNSO Council super-majority, the ICANN Board, and again it's in accordance with the same super-majority supported PDP threshold, and in accordance with those procedures.

There is a dependency here, but the thought is that it would also be approved by whatever community mechanism comes out of the CCWG on Enhancing ICANN Accountability. So this would be a group that in most instances would be responsible for, if the recommendation was that we had to appoint a new operator for the IANA naming functions, it would be responsible for developing the guidelines for the request for proposals, the requirements, soliciting input and participating, reviewing all of the responses.

Then ultimately this Community Working Group would be the body that selected the new operator just for the IANA naming functions. If it was something else, I think that the proposal mentions the possibility of a divestiture. This Community Working Group would also be responsible for managing that process.

BYRON HOLLAND: I'm just going to jump in for a second, Stephanie, because I know Jordan has to go at 15:00. I hate to interrupt you, but I wanted to let Jordan pick up any of the points in general that he wanted to bring up in the panel. I want to respect the fact that you have to leave us a little early.

JORDAN CARTER: Thanks Byron. Most of what I want to say relates to this SCWG, so maybe we could...

STEPHANIE DUCHESNEAU: Run this slide and then turn it over to you? Perfect. The Separation Community Working Group is cross-community in structure, though similar to the IANA CWWG there is a thought that this would be the membership structure, but there could also be participation on the list and participation on calls by folks that weren't directly Members of the SCWG. The composition structure is defined in full, above, but again, on the ccTLD side we have two coming out of the ccNSO and we have one non-ccNSO ccTLD that's going to be represented on the SCWG.

It's quite similar to the IFR. It's appointed in accordance with internal procedures, expected to follow what comes out of ICANN principles for cross-community Working Groups. There is also a recommendation that even though it's structurally similar to the composition of the IFR, that these should be different people ideally, to have a check and balance, to have broader participation.

Also largely, because we think that the skills associated with managing a review process and managing an RFP could actually be quite different. So there might be better representatives for one responsibility versus the other. I'll turn it over to Jordan.

JORDAN CARTER:

Thanks Stephanie. I was asked to be on this panel because we made a submission that doubted a little bit with this. In the submission we said that, very high-level, there is a lack of detail on these reviews, and we weren't the only people who said that. That's from the April version. In particular, the interaction between the IFR and the separation review, including composition of the Review Teams and the role of IANA customers in decision-making.

One of the questions is whether those concerns were addressed. Certainly those concerns have been addressed. There is a lot more detail in the proposals, and it's fleshed out in a way that does describe stuff quite well. Our concern was that unlike the CSC, this had to be the multistakeholder bit in this equation, and I think you can see from the list of people on this slide that it meets that test as well.

If I was going to offer some less supportive comments about it, it would be around the process that might lead to a separation. If we have a problem with the IANA functions operator, the CSC raises that it has to go through the ccNSO and GNSO Councils, and then it goes through the escalation procedures that are set out, and then the complaint procedures - I haven't quite got the language right - but there are two formal processes it goes through before calling a special IFR.

Then there's a special IFT process of recommendations that have to be approved by super-majorities of the ccNSO and GNSO, and then - and this is the point I've really got a problem with - the ICANN Board gets to have a say, in conjunction with the community mechanism. There are super-majorities of eight sorts all over the place before you even get to that point of accepting a recommendation or not.

I'm sure that I've got some of those steps in the wrong order, or wrongly named, but the reason I raise that is that in that number of steps, over that period of time - because you couldn't imagine all that happening in less than a year - if the reason for that being driven is the lack of performance, and/or lack of community confidence in the current operator, ICANN, it provides so many points for the existing staff and establishment to get at the concerns and, on the upside, to resolve them, but on the downside, to foil any efforts to solve the problem.

Everyone has limited time. I wish that the escalation process here had not been so long, or had so many steps in it. We set out some principles in our submission, and one of them that we said was that

the kind of principle of distributed stewardship... This is the second step away from the first model, right? The first model had the stewardship decision happening outside ICANN?

The draft in April had the stewardship being done in ICANN, and so our hope was that if you did the stewardship in ICANN, you wouldn't also give the ICANN Board the final decision. You'd have the multistakeholder bit, the review structure, making the final decision. It sets up a conflict of interest for the ICANN Board and gives it a block point that it's just not appropriate for them to have, in our view.

So I just wanted to set that out there, not because it means that we wish the proposal wouldn't go through, and the transition wouldn't happen, but because it's a serious issue people should know about. That's the comment.

BYRON HOLLAND: Thank you Jordan.

JIM TRENGROVE: Anyone want to pick up on Jordan's comments? Stephanie?

STEPHANIE DUCHESNEAU: I can respond really quickly to Jordan's comment. One of the intentions of this is that firstly, we did think about the question of whether or not it was appropriate for the Board to be approving these recommendations, and it was determined that it is consistent with the other ICANN reviews. It seemed like a requisite step in the process.

It's also meant to interact with the mechanisms that are being proposed by the CCWG on Enhancing ICANN Accountability, so while today that might not be ideal, I think if the mechanisms in Work Stream 1 are implemented, we would be in a better place. This is also supposed to be an exceptional process. The problem resolution procedures that are built in at lower levels are much more rapid, and intended to deal with issues in a very flexible manner.

So the hope is that we wouldn't get here, but that if we did, there is also going to be another set of accountability mechanisms that we can rely upon to ensure that the Board would act appropriately in the circumstances.

JIM TRENGROVE:

Paul?

PAUL SZYNDLER:

To take it back a step to the first part of the comment that Jordan made about the density of the process and the number of steps that there are, I appreciate that that could be perceived as an issue, but I draw some comfort from the fact that each step has consequences. There is significance to each step. If the CSC identifies an issue and confirms there's an issue, the ICANN Board is going to know about that. That's not a good sign.

Then, you get a super-majority of both the ccNSO and the GNSO Councils saying, "Yes, we agree there's a problem. We now need to go towards a review process." The Board would have to be hiding under a

rock to not realize that there's serious community concern and a major problem. So yes, it is dense, yes, it's unlikely that we'd ever get to an SCWG process. But as I said, each step has got consequences, and I think each of those sends a message to ICANN that something needs to be remedied.

I have some confidence that some action, or some negotiation, or some discussion would start outside of this process that would hopefully see us never get to this point. Just quickly, I also wanted to follow up that one of our concerns, auDA's concerns, was the "what if". The review process finds that there's a problem. The 22nd of April document was silent on what would then happen. There is no SCWG in draft two.

One of our questions was yes, so we've confirmed there's a problem, what then? I'm actually very happy with this as the concluding step, and as you acknowledge, the Design Team only came together very late, and I think that's appropriate. Don't interpret that as a flaw of the process. We're dealing with what is now, and the issues we have to deal with. This is where the group had the luxury of looking at step seven of the process, so I don't think anyone should interpret that as a failing of the CWG.

STEPHANIE DUCHESNEAU: I'm wrapped up with my presentation.

JIM TRENGROVE: Thank you Stephanie. Paul, are you good with your comments?

PAUL SZYNDLER:

Aside from the observation that I just made, most of our concerns with the second draft related to detail. I think Jordan said exactly the same thing. We have always, fundamentally, supported a review process; periodic, predictable, well-defined review is absolutely critical. Never had a concern with that. We're very happy with how it's evolved. The lack of detail was our problem before.

The lack of clarity around a super-majority of who and what do we mean by super-majority, and is it one or both - we actually flagged the question of what happens if super-majority of ccNSO says, "Yes, there's a problem," and GNSO says, "No, there isn't." This has all been subsequently resolved. We were concerned about the structure and composition of the IFRT. We thought that there should be a little more direct customer representation.

We were asking on behalf of cc's and also the g community, and we set the bar higher at three of each or something like that. So I was very pleased that we did get the extra cc person. But otherwise, I feel like a bit of a fraud sitting up here, because we're largely happy with where it's gotten to.

JIM TRENGROVE:

That's good to know. Peter Van Roste, do you want to [unclear 00:38:57] top-level domain registries, you issued some comments as well. If you want to review them as well, talk.

PETER VAN ROSTE: Well, like Paul, I'm impressed by the feedback and thought that went into the final proposal, as it is indeed addressed probably every single one of our concerns that we raised in our comments at the end of May. I think on a practical level there are still a couple of questions, which by the way we didn't raise in our comments earlier, because we felt that things might become a bit clearer in the final proposal.

It's really only practicalities of what a separation would mean. But I think that would take us too far into details, so I'm happy to leave it at that. Thanks.

JIM TRENGROVE: Thank you. Anyone want to pick up on any of the comments that were made concerning the periodic review of the special reviews, or the makeup of the SCWG at all? Now's your chance. There we go.

STEPHEN: Stephen [Erhig 00:40:17], .as. Did I understand you correctly that if we went through the 29 steps, or whatever it is, and we ended up with a new function operator, that only the naming portion of this would go across?

STEPHANIE DUCHESNEAU: Yes. This proposal is intended to just be for the names.

STEPHEN: So we could potentially end up at some point down the road with the numbering and protocol stuff being run by organization X and the naming half of it being run by organization Y?

STEPHANIE DUCHESNEAU: That's correct.

STEPHEN: Wow.

PAUL SZYNDLER: Just to add to that, as you can imagine, that was discussed at length, particularly the implications of that were discussed at length - wow is exactly right - but in particular, the consultations that we increased with the protocol and numbering communities to confirm with them that this wasn't a deal-breaker for them.

STEPHANIE DUCHESNEAU: In brief response, it was also defined within the Charter of this group that our responsibility was solely to develop what our proposal would be for the naming function. We had a very clearly defined scope that was limited to this one of the three operational communities. After approval here, it's of course going to go to the ICG that is going to work through any issues of difference across the three proposals.

But we didn't think it was within our mandate, within our responsibility, to look outside and try to define what was going to happen for the other two communities.

NIGEL ROBERTS:

Just to drill down a little bit further from Stephen's comment, it strikes me that one thing that you've potentially overlooked is the possibility of moving the IANA function for the naming function, for the country codes only, and not for the GNSO-controlled domain names.

As the years have gone by, originally g names were controlled by exactly the same policy as the ccTLDs, which was RFC 920, RFC 1591 and the various related RFCs, as the time has gone by, there's a whole raft of complicated contracts and inter-relationships in terms of g names, and we now have some clarity in the cc world, with the framework. It strikes me that it's entirely possible that you could split the function of two-letter codes running on one set of policies from all the other top-level domains running on a different set of policies.

JIM TRENGROVE:

Was that discussed at all, Stephanie?

STEPHANIE DUCHESNEAU:

This circumstance was not specifically discussed, but the type of situation you're describing is why for both of the review processes there are no prescribed outcomes. We didn't want to pre-define what a response would necessarily look like, or what even a separation

process may look like. That would be the responsibility of the Separation Review Team.

JIM TRENGROVE: Peter, you had your hand up first?

PETER VAN ROSTE: It was also a follow up to Stephen's question, and to add to what Stephanie mentioned. This is nothing new. The IETF has had four protocols [that option 00:44:02] to appoint another contractor for years. They haven't used it, but it has been there.

JIM TRENGROVE: Paul?

PAUL SZYNDLER: I think Peter largely covered the point I was going to make, but also again, taking a step back from these potential scenarios, if the concept of having naming heading off to a different organization is hard enough for people to swallow or to comprehend, I can only imagine that a division along the lines of cc's versus g's is actually possibly another step too far. That's an even greater division, as opposed to distinct functional communities, as opposed to within the broader naming community.

So it's an unlikely scenario, but as Stephanie correctly said, not something we discussed in depth, because that's very much a Doomsday scenario, I think.

JIM TRENGROVE: Any other questions here? It seems the closer I stand to people, the more likely it is for them to ask questions. I'll take it over here. Any further comments, or no? All right. Byron, do you want to pick it up?

BYRON HOLLAND: Thank you very much. Thank you Stephanie, that was a very helpful and clear and concise presentation, given the potential for complexity on this issue. I would say the broadest issue... [audio cuts off 00:45:38]

[ccNSO-members-3-24jun15]

BYRON HOLLAND: ...I'm also encouraged by the fact that there is a real effort to reach out to non-ccNSO Members. As we drill down, as it relates to our community in particular, specific effort has been made to include non-ccNSO Member managers, which I think does two things. One, of course, it allows our community at large to have three seats, which I think is important for the overall weighting, but also that it creates hopefully an enticing dynamic for non-ccNSO Members to participate in what has got to be the most important relationship any cc really has. So thank you for that.

Again, as we heard in the last panel, there is that challenge of how much is enough, how high is too high. This is vis-à-vis the bar required to get to an end result. Clearly the kind of end result contemplated here is extraordinarily serious, and thus the bar should be high, and the process should be tough, but how tough and how high is reasonable?

It appears to me, but also what I hear today, is that it will be a significant challenge to get to that very significant decision to separate, but that at every point along the way there is a reasonable escalation, and therefore a reasonable outcome at that point, and that smaller irritants and problems have faster and less resource-intense of processes, and each step you go up, it gets harder and harder. It seems like a reasonable, proportional response to the issues.

Again, I'm sure if you asked everybody in this room, everybody would set the bar slightly differently, but what I heard was it's reasonable, which is encouraging. Again, certainly from the panelists, every one of them said that between the first versions and the current version - and correct me if I'm wrong, guys - but I basically heard all substantive issues were address in this particular stream of work? That to me, given the complexity, challenge and seriousness of the issue, was pretty remarkable. I have to say, I was sitting here listening.

I'm somewhat surprised to hear that. I'm not saying everything's perfect, but there was significant agreement there. That's what I heard, so if I misheard something, let me know.

SPEAKER: I don't wish to interrupt your summary, but very quickly, in some places I feel that the group actually went beyond that. For example, we talked about the composition of the IFRT. It's now got a clause underneath that refers to something that materially affects ccTLDs. The minority cc membership of the IFRT, the group will not come up with a decision contrary to that minority group.

Similarly, if it's a gTLD-related issue, the whole group will not come up with a position that's counter to that minor group. I hadn't even commented along those lines, but it's something where I think the group went above and beyond.

STEPHANIE DUCHESNEAU: That came out of a conversation that we had between Members of the CWG, both on the ccTLD side, gTLD side, and also other participants in the community, where we were trying to find the right balance and the right representation on both sides, but understood that to the extent that there are unique issues, that should be recognized and that should be handled as such. Requiring that ccTLD-specific, gTLD-specific issues shouldn't be held in opposition to that group. To me, it's intuitive, it makes a lot of sense, and it allowed us to keep a general level of balance, while also respecting that.

BYRON HOLLAND: Thank you. So given the seriousness of this issue, or the potential seriousness of it, and the complexity of it, I'm pretty encouraged to hear the comments from the panelists. With that I'll wrap up this

session. We have another, our final session, fifth and final session, on these issues, which will start at 15:30, which is in 15 minutes, roughly. We have 15 minutes. Please come back. I know it's warm in here. We're going to ask the guys to cool it down, please, again.

You don't want me to have to take off my clothes, all right? See, there's a threat! Okay, at least you're awake now. That's my red face now. That's where we'll take a look at what's outstanding. What haven't we talked about? What's relevant we haven't talked about? We'll get our cards going on a few issues too. See you in 15 minutes, 15:30. Thanks.

[ccNSO-members-4-24jun15]

BYRON HOLLAND:

Thank you very much. I would also say to this community, who provided lots of input and feedback along the way, comment periods, conversations, meetings, webinars in the middle of the night - all of that stuff that has led us to a place that we just heard in the last session, where initial proposals saw wide gaps and differences, and yet through the hard work of our Members, as well as Members from the other communities, that the proposals have come to a place that are seemingly, relatively reasonable, and have reasonable agreement.

I'm not saying total agreement by any stretch, but reasonable agreement. I think that's a real testament to the folks who worked on it, both ccNSO Members and non-ccNSO Members from our entire

ccTLD community. So thank you very much for doing that. I have one slide. Just to put us in a place: where are we right now? Go right to the bottom. We'll leave it there. I showed you this slide earlier yesterday, and really it's just to highlight where in this process we are with the yellow star.

We are here, and essentially that is where we are looking to hear from the community, so that the Council is in a position to take a decision on whether to recommend support of the CWG proposal being pushed to the next step in the overall process, which is up to or over to the ICG. The real focus of this session is we've had a broad sweep of the issues, the timing, the linkages. We've drilled down into some of the specifics. We've drilled down into some of the most talked about issues.

We've heard from quite a wide range of folks, be they ICG folks, CWG folks, CCWG folks, and just others in our community, be they panelists or from the floor. I think of all the issues I've dealt with as Chair of the ccNSO over the past four-ish years, this one has sustained the most engagement and most substantive conversation of anything I've seen, including how much we pay, which usually gets people's attention. So kudos to the entire community. To be sitting here still at 15:30 after six sessions on this subject, and still involved. Thank you.

What we want to do now is take us back out of the depths of the issues, and have a conversation about the big picture, bigger picture. What have we missed? As we put forward this program for this community, did we miss anything? Are there issues that still need to be addressed, or still any hot topics to be worked through? Anything that you want

your ICG, CWG, CCWG Members to hear, to help guide them in their thinking as they move through their respective processes?

That's what I want to use the next hour for. We have up to an hour. Feedback can be constructive criticism, issues we've missed, hot topics, support and positive. We want to take it all, and hear what the community is thinking, to help our Members guide themselves and their deliberations in these three separate areas. Jim is going to act as a moderator for us, but really we wanted to make this session about you and about comments from the floor.

JIM TRENGROVE:

Thank you Byron. I should say, there are some people who have to leave because there's a CCWG Meeting going on. There's no format to this, but if somebody does make a comment and if you have a comment to make that's associated, it would be nice to group these things together. But for those who do have to leave - and Mathieu I don't know if you'd like to speak first, because you have got the whole hall waiting for you on the other side? Go ahead.

MATHIEU WEILL:

Apologies for using this very poor excuse to take the floor first. That's certainly very inappropriate. I apologize for that. The first comment I'd like to make is that I'm amazed how much time and effort has been put into the process, but also I'd really like to express my gratitude for the organizers of this meeting here in BA, for taking this extremely seriously, making this Agenda clear for a full and comprehensive

review of the proposal. This is probably one of the most important decisions that our community, the ccTLDs have had to make in the past, and hopefully for at least Dublin.

I was very impressed by that, and kudos to Bart, Katrina, you Byron, obviously, for organizing this. I think this is very impressive. As Jim was saying, I will have to leave to go to the CCWG Session, so I won't be there waving my flag, however I just want to express this. The work that's been done by the CWG Stewardship has been amazing. Like you in Singapore, I was a bit concerned, but they've been open-minded, they've listened, they've adjusted, and I think this adjustment is very impressive and a testimony to our model; the one we like.

I would certainly encourage everyone here to express their support. If there's any concern, obviously there's still room for some tiny adjustments if need be, but it was very important for me to say, as a ccNSO Member, as a ccTLD Manager, that I think this is the way forward for the IANA stewardship transition. Thank you.

BYRON HOLLAND:

Thank you Mathieu.

[JUNG LI]:

Thank you. This is [Jung Li], .kr. I would also like to echo what Mathieu has just said, and would like to express my appreciation for all the work and all. I would especially like to note the addition of the SCWG, which allows for the ability for the separation of IANA if something goes wrong. I think that is a possibility that is very well thought out,

and I think it was a very reassuring to most people who are worried that ICANN might be doing this forever.

It may, but then it may not, and that's what people wanted to hear. I think that the addition of that mechanism ensures that, and I'd just like to commend all the work. Thank you.

JIM TRENGROVE:

Thank you. I contradicted my own ground rules by saying those who had to leave should get the mic. I'd like to get to Becky and then Jordan, in that order, and then continue. Thank you for your tolerance on that.

BECKY BURR:

Becky Burr from .us. I want to say that I am extremely pleased with where this proposal's come out. I think like many of you at the very beginning, I was concerned that the proposed solution was quite complicated and it didn't place enough reliance and importance on the needs of the direct users, which is all of us, and other TLDs. That bothered me quite a lot at the beginning. I think the pivot that the CWG has made on this; the simplifying, more focus on the direct users, is highly commendable.

I am among the people that probably would have preferred a little more separability from the beginning, but I think this compromise is quite workable. I support it and I urge everybody else to support it.

JIM TRENGROVE: Jordan, did you want to...?

JORDAN CARTER: Thanks. Jordan Carter, .nz. Look, it's a long way from where we started. It would be fair to say we were happier with where we started in principle than where we are today, but the whole point about a transition that's done by the multistakeholder community is that it's multistakeholder, not .nz stakeholder. As much as it's sometimes nice to get your own way, this is a better solution.

We've flagged our concerns of the PTI board composition, we've flagged a few issues with their views, but overall we'll be [very green 00:10:51] when it comes time to do so. Once again, we'd express, like some others have already, a strong urge for you all to do the same.

JIM TRENGROVE: Thank you.

ANNABETH LANGE: Annabeth Lange from the Norwegian registry, .no. I've not been involved to the same degree as other people here. It's been a long way and very complicated material, but I must say that this meeting has really given the input you need, and the repetition of the meetings and the way you have forwarded the message to us, it's been really excellent. My gratitude to all those who really have put a lot of hours into this - both groups. We support the solution that they've brought forward, even if, as Byron said, it might have some small things still,

but in the time we have had and the way it's been done, it's absolutely impressive what you have got out of it. So full support from us.

NIGEL ROBERTS:

Thank you. Whilst recognizing the immense effort in the CWG, and knowing for certain that this perception is not intentional, it does appear that for some, particularly those outside the group, to be interpretable by some that ICP1 rides again, and is or was binding policy. Like I say, I've worked on this with colleagues for a number of years. I know this is not intentional. In the FOI Working Group we spent I don't know many years examining and documenting the interplay and inter-relationship of ICP1 and the GAC principles, both of which post-date the delegations of most ccTLDs.

The GAC principles, as we know, are advice to the Board, and ICP1 is nothing. This is all carefully set out in the framework, which I'm confident will be adopted by the ICANN Board at the meeting tomorrow. I'm happy to support the CWG proposal, but we need to lose the references to ICP1 in particular and connect up references to the framework, which tomorrow I hope, will be backed by a Board resolution.

BYRON HOLLAND:

I just want to pick up on that. I completely agree with you, but ICP1 is a historical artifact. It's on the shelf, it's of no use, but it is a historical artifact from times gone by. What do you think would be appropriate to do with it? Is it not appropriate to recognize that it is part of our

past, no matter how much we don't want it? Is it appropriate to have it sit there with the parenthesis underneath it that says, "Historical artifact from the mists of time, no longer in use"? Or something like that but that recognizes it's old? Or are you saying there shouldn't even be mention of it anymore? Because I'm curious, but for the CWG and certainly the ICG Members who are listening to this now.

NIGEL ROBERTS:

I think the issue is this - that for somebody in particular reading the CWG document without the context, and seeing this, it gives it an importance that it no longer has - in fact, in my mind never had - but as you say, it's part of our journey. But in the FOI, in the Final Report of the FOI Working Group, we spent not just half an hour, not just two or three meetings, but a long and tortuous road to finally tease out the interpretation of the inter-relationship between what happened when the ICP1, the GAC principles versions 1 and 2...

I think we arrived at a place that both the ccTLDs and the GAC are happy with. Maybe Louis [Tuton 00:15:32] wouldn't be happy with it, if he were still here, but he's not. I think the easiest way is by hyperlinking, as in excise as much of this as possible and replace it with an explanatory link to the work of the FOI. In fact, that's what the framework is for; to assist in this. That would be my recommendation.

BYRON HOLLAND:

That's a good suggestion for those listening, for whom this will be an important contribution. Just so everybody in the room understands

this particular issue, and if you perhaps, in the mists of time, don't remember the text in the CWG proposal relating to this, in the text if you read it, it says very specifically, "ICP1 is not enforced, the ccNSO has never agreed with it," and it's very clear and adamant in the text.

What Nigel appears to is something like a list of relevant documents where it's sitting. So if one was uninformed and read it, you could think, "These are important documents." In a sense it is an important document because it's part of our history, and that's it. I think you make a good point, and hopefully those in the ICG are listening. It should be an easy editorial fix.

PETER VAN ROSTE:

Thank you. Peter Van Roste from CENTR. As I already mentioned half an hour ago on the panel, the final proposal ticks almost every single box that the ccTLD community had signaled in their response to the second proposal in May - almost all, except for one; that one operational thing that ever ccTLD gets in touch with when dealing with IANA, and it's the service levels. I think that quite a few of the ccTLDs might be slightly frustrated that in this stage of the overall proposal there is no clarity yet.

In particular, as a [unclear 00:17:50] roughly, about two years from the start of the transition, until the first review, when they'll have the opportunity to readjust whatever service levels will be put in place. I'm realistic. I realize we're not going to have them today, or tomorrow, or by the end of the week. But could there be at least some strong guidance on when they could be expected?

BYRON HOLLAND: I'm going to let Lise respond to that.

LISE FUHR: Thank you Byron. Actually, we have a commitment from ICANN to do a project plan of the implementation. We have the Working Group that is soon to have the principles of this SLA ready. This is a matter of weeks now. Then we'll have a project plan from ICANN about the implementation. So there is a huge commitment, and that's also public on the CWG list. I'm just bringing it onto this community. Thank you.

BYRON HOLLAND: Right. Patricio?

PATRICIO POBLETE: If I can add something to that? I'm in the DTA. There is ongoing work to try to get the data that's necessary to set up realistic targets, and those targets will never be less than they are now. Actually, what was found when analyzing what's happening is that IANA itself was over-performing quite a bit over the targets set by NTIA. What we want now is to collect data to define more realistic targets, and they'll be much tighter than they are now. I think if that gives you any comfort, that's what I can say.

JIM TRENGROVE: Thank you.

[EDDIE]: Hi. [Eddie Auta 00:20:00] from [.be]. First of all, I was part of the Membership of the ccNSO in the CWG. I am very grateful for that, because it was a very high honor, all the work of that team - many hours. Everything is fine. This proposal is very good in the paper. I'm not against the proposal, I am against maybe one of the consequences in the future, and maybe like the [meet of Cassandra 00:20:37] only said that something will happen in the future, nobody sees or maybe will never happen.

I really believe if we follow this path until the final, we will have two options. We will have the transition, and finally we will have [an agreement 00:21:00] Congress of the United States will say, "It's fine. Continue." Or in some part of the process we'll say this doesn't agree with the principle of not giving more power to any governments. The GAC some days ago said they are interested in having some Liaison in some part of the structure, about that, and having more opportunities and possibilities to participate more.

But discussions inside the GAC about this topic, about re-delegation and delegation, it's clear that this is not part necessarily of the proposal, and is separated all the time. But for some ccTLDs, and maybe in developing countries - I'll try and be more specific: in my country - the relation right now is clear, and the function of the IANA is clear. The proposal will continue that function easily, but some change could affect things, especially inter-relation with our

government, any government. The government are not our enemies; they're only part of the equation.

So this comment is just to put some ideas, it's not against the proposal. The paper [covers 00:22:24] anything. Paul told me some days ago the same. I hope that any governments try to take this proposal and the final resolution, and neither the Government of the United States [who don't] give this opportunity to the community to continue building the process. We need to start with this. What will be the final of the trip, I don't know. I really hope the final of the trip will be a good place.

STEPHEN DEERHAKE:

Stephen Deerhake.as. As a follow on to Nigel's comment, I'd very much like to see the scribes for the ICG document when they go about pulling this stuff together to adopt the terminology of the FOI Working Group, which is delegation, transfer and revocation, and drop the user of delegation and re-delegation in particular.

SPEAKER:

Thank you very much. My name is [Salvados Antonio 00:23:23] from .co Internet, .co registry. Just to say two things. First, one is to express my gratitude to everyone who's been working on this, spending his personal time and sacrificing their family time, or just time to rest or to dedicate to other things, to finally get this proposal ready. The second one is just to mention my full support for the proposal, as we have been seeing during these two days. Thank you very much.

JIM TRENGROVE: It's good to see the names going up in the organizations, whether you support, whether you still have concerns, and this is your chance to go on the record. We've heard from a number of people. Raise your hand.

HIRO HOTTA: Thank you. This is Hiro Hotta from .jp. I also support the proposal. It's well thought out through consultation with the community, including ccTLDs, and through the very heavy load of the discussions. Thank you.

JIM TRENGROVE: Thank you. So you'll all be asked to vote, but here's your chance to go on the record as well. Here we go. Good.

MARY UDUMA: My name is Mary from .ng. I want to say that in spite of all the complexities and difficulties that we initially had in understanding the whole thing, the manager of .ng now gets to know what the process is all about, and the hard work that's been put into it, in as much in it hasn't changed anything - the relationship of NIRA with IANA. So I don't think there's any issue with that, and so for that, we want to thank those that organized this program for this week and also to say that we support the proposal.

PAUL SZYNDLER: Hello from the back of the room. It's Paul Szyndler from .au. Having had the microphone in the past couple of sessions, I need not repeat our position. That should be familiar to all. But for the sake of going on the record and expressing thanks and support on the record, I'd like to record exactly that, and that .au wholeheartedly supports where we've gotten to with the CWG proposal.

MARTIN BOYLE: Martin Boyle from Nominet, the .uk registry. I am one of those people who has been involved through the CWG process. It has been a very fair process, and certainly from the ccTLD engagement in the process it has been very welcoming of inputs from ccTLDs. Like the last speaker, yes, there's not everything in the proposal that I would say, if I was God and designed it all myself it would have read like this, however, I think that it is a very well balanced proposal.

It responds to the concerns the different stakeholder groups have made over the last nine or ten months - it feels much longer. But it has been a very thoughtful, careful process. I think our thanks are very greatly due to the two Co Chairs, who have pushed us to trying to find a consensus document, and no votes were needed in this process. So certainly from Nominet we support the process and we would support the outcome from that process. Thank you.

JIM TRENGROVE: Thank you Martin. Anyone else? Okay, thank you.

STAFFAN JONSON: Staffan Jonson, .se. Since I didn't say it expressively, but since I also have been part of this process I will say it expressively, that .se support this proposal, per se, as it is. This is the best outcome of the given premises from the beginning. Thank you.

SPEAKER: It's [unclear 00:28:55], SIDN. I was quite critical with regard to the proposal, and even version two at least. But in the end I think it's a good proposal that we can support, and that at least will make sure that we have a good functioning and IANA functions, and that we can have the services that we need.

JIM TRENGROVE: Thank you. Anyone else? Just raise your hand. If not, I'm going to turn it over to Lise and I'm going to give you the last word. How's that?

LISE FUHR: Thank you. I must say, it's very interesting to hear both the approvals and the background, and the pros and cons. I'm very happy to get this feedback, because it's important for the CWG to know the reasons behind even an approval. So thank you very much for this. Of course, I support the proposal, I'm very bias, but as a non-ccNSO Member I think it has a very good balance of serving the direct customers and also including the Internet community as a whole, even the Internet community that's not an active part of the ICANN community.

But thank you very much for your support, and even the criticism is great to have, because we all learn from it. Thank you.

JIM TRENGROVE: Thank you Lise.

BYRON HOLLAND: Any other...? I'm going to add one. Obviously in my role as Chair there's a little bit of a delicate balance between being Byron from Canada and Chair, and in my attempt to be as fair as possible have not really articulated our position, but given that it's going on the record as Byron from .ca, I want to strongly support the work of the CWG. In spite of the fact I didn't get what I thought was the perfect solution, I think what has come from it is a very good solution that gets us where we need to go. I thank all the folks for doing that work.

I'll put my Chair hat back on, and I'd like to identify the folks and just ask you to stand up. Lise, Staffan, Vika, Erick? Please. Just for all of us to say thank you for that work. [applause] The other thing I would like to do, and it may seem a little redundant after all we've heard, and I hope everybody's felt totally free to come up and express whatever their opinion is, but at this stage, nothing else for posterity and for the record, I think we should pull out our cards - red, orange and green.

My question to you is: as the ccTLD community, in full, do we support the ccNSO Council adopting a resolution to support the proposal as currently written and send it to the ICG with our support? If you are in support of that, please put up a green card. If not, a red card, or

orange too. If I am not mistaken, from my vantage point, it is unanimous green. Okay, thank you very much. That is exceptionally helpful for the Council.

LISE FUHR:

Sorry, I have to say, you thank the Members, but there have been quite a few participants in the Working Group of the CWG, and those guys have also been very, very active. I would like those to stand up - that's Martin Boyle and Maarten. I don't know if there are others here? Alan as well.

BYRON HOLLAND:

I was remiss. I only mentioned the live people in the room. There's Paul Kane as well. Thank you. This was serious work, one of the most important decisions this community is going to make. I just want to say, having been involved in it from my perspective, in a very in-depth way, the amount of knowledge that's been gained here - people understanding IANA, the thought process behind accountability, in the weeds, corporate governance, multistakeholder governance.

This has been a tough exercise, so far - it's not over - but it's remarkable to me how this community and the folks in this room and outside the room have really stepped up in a serious way to engage in this discussion and find a path from where we started to where we are, which is a very different place. Thank you to all those folks as well. With that, I know the session has run a little short, but that's probably

okay, given all we've subjected you to on these issues over the last couple of days.

We will have a Council Meeting where clearly this resolution will be one of the Agenda Items. We had scheduled a Council meeting for 17:00. I'm going to ask that we reschedule it for 16:30. We're going to check and see if we can do that. Otherwise we're just going to be sitting around for an hour. Given where she lives, I'm sure she would appreciate it. Yes. Everybody else is free to go! Of course, you're also welcome to stay for the Council Meeting and watch this. We will know shortly what the start-time is.

SPEAKER:

Just for those who want to stay, there is a lot of administrative stuff on the Agenda, but it's after Item #3. Item #3 on the Agenda will be the Council decision on whether to support the submission of the CWG proposal to the ICG.

BYRON HOLLAND:

We have confirmed that our one remote Councilor can participate at 16:30. For all our Councilors, we will have the Council Meeting at 16:30.

[END OF TRANSCRIPTION]