
COPENHAGEN - Joint Meeting: ICANN Board & Contracted Party House (CPH)

Tuesday, March 14, 2017 - 15:15 to 16:45 CET

ICANN58 | Copenhagen, Denmark

BECKY BURR:

All right. Thanks, everybody, for coming. It's a first for me, so I want to thank the contracted parties house for joining us here. We have a bunch of pretty interesting questions. I see you guys didn't take the low "give her an easy intro" course on this one. So let's bring up the questions, please.

They're not on the screens, guys. So unless I'm going to turn around...

One moment.

Okay. Here we go. Do you want to introduce the first question and your questions, and we'll take it from there.

PAUL DIAZ:

Okay. So this is Paul Diaz, chair of the Registry Stakeholder Group. I don't know if the order that these were -- these are up on the screen are necessarily in any priority order on our part. In fact, as we were conversing as contracted parties before we came in here, the first and the third really can be pulled together. So perhaps we should do that.

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A challenge that we recognized or a concern we had is in interacting with the board, it would help us to understand, if the board could articulate its views on the tension that we're recognizing in the first question, we could also apply to the board.

And what I'm getting at is boards necessarily imply a managerial and oversight function. Yet, the ICANN board is often pulled into very detailed discussions about policy and the nitty-gritty. So our concerns, and as we tried to articulate in these questions, is getting at a more fundamental or a more high-level discussion about what does the ICANN board see as its sort of guiding framework, its priorities? And this tension seems to exist between its oversight functions and responsibilities both to ICANN org and for the work of the community as opposed to diving down and getting sometimes quite involved in the policy layer or the policy development work.

So I hope I'm articulating it right. I hope my colleagues jump in and clarify. But, you know, if we join these two, we're really driving at a much broader, higher-level question. And I would hope from directors both new to the board and who have been around a while, we can get -- is there a common sense of that purpose of what is appropriate at the board level. And then how

are we going to see that? What can we expect in terms of the day-to-day moving forward?

BECKY BURR: Great. We did sort of look at them as two distinct questions. But I understand that there's overlaps, and I think it makes sense to sort of pull them together. So I'm going to turn, first, to Maarten Botterman and then to Lousewies on Question 3.

So, Lousewies, we're moving the order around.

And then let's have a bit of a discussion about whether we're thinking about the issue -- whether we've understood your issue.

MAARTEN BOTTERMAN: Yes, thank you.

Thank you, Paul, for the question which is, of course, how are we going to work in this new world with the new bylaws and how are we going to console when there is contradictory advice coming from the community. I guess that's happened already.

Our responsibilities as a board are pretty clear from the bylaws in this, in the policy development. And we are following that. But with that, it's clear that the process is quite complex. And Goran has been working with his people to get more clarity on

how these processes work. And we very much encourage him to make this work more fluently.

Maybe, Goran, you can say a little bit about your hubba bubba layout of -- in your room.

BECKY BURR: That was Maarten speaking Swedish, we think.

GORAN MARBY: "Hubba bubba" is an internationally recognized Swenglish word. And according to Steve, that is now one of the new official languages that doesn't need any translation.

I talked a lot about this, and I'm also very happy for the input I'm getting from the contracted parties.

The board has its role. The bylaws is set up to do things in a certain way, and one of them is that ICANN organization will facilitate a discussion within the community. And then it reaches the board who makes a decision and then tells me to do something.

So I go from the voluntary part into this into I have to do something. And everything is very much depending on the quality of the policy or whatever we have coming in.

So -- and I know that some of you who sits on this panel has been up to my conference room and looked at those -- looked at those flowcharts we're trying to do, that goes under a nickname of hubba bubba, where one of those flowcharts is the DNS.

My only intention in all of this is -- and I don't want that to be misunderstood -- is about to clear out how the processes work. The GNSO has done an excellent job describing how their policies works. But then you have the board, you have the advice, you have the planning process, and you have the -- then at the end the implementation ones. And what we're trying to figure out is if there's any holes in there or things that we don't agree upon.

And I reference to a letter I just received from you, I think that you share the same things when it comes to we have to take care of some of those discussion points. I will not go -- I will not interfere in discussion points, which is very much community in that. But I'm looking forward to going -- learning more, understanding more, and maybe we can all clear up some more things. Thank you.

BECKY BURR:

I'm going to hand it to Lousewies. But just to put a firm point on it, I think there are -- there have been some lessons learned in

connection as we've worked through some of these processes. And we have a sort of renewed focus on making sure that we are being careful to follow the bylaws-prescribed procedures.

Lousewies.

LOUSEWIES VAN DER LAAN: Thank you very much, Becky. I think for the benefit of the newcomers, I would like to expand a little bit, because I was a newcomer myself not that long ago, about the interesting construct that is the role of the ICANN board. Now, part of it is, of course, just a traditional board. ICANN is a U.S.-based, not-for-profit corporation. There's a CEO. He gets his key performance indicators. We have to decide how much he's paid. There's budget. There's staff. Anything you would do with a normal company, we do that as the board just oversight.

Now, then there's this unique thing called the ICANN community, which is a completely different thing, which I've not found anything comparable anywhere in the world so there's nothing that we can compare it to, where we have a role as well.

And what I have found very interesting is that this process, everything that happens, so what processes the board considers, is very interesting. It's so community-driven that the

board's key function is to be a guardian of the process. It is the community that decides the policies. It's the community that decides everything. And we have to make sure the process is followed.

Now, one of the discussions we're having inside the board is, Well, what happens if there's a conflict, a deadlock. Is there a role for us or not? And I think this is really interesting because every now and then it happens that things get completely stuck and people do look to the board. And this is where we then have to decide -- and we haven't -- we don't have a general rule yet -- whether we can help out. Is that about building bridges? Is that about facilitating getting people into the same room? We can't set deadlines. We can't force people to agree. But we can lead the horse to water. I think that's where we're discovering the added value that the board can have.

There's something also that is more and more getting on our radar, and I'm really glad about that because I come from a very frugal, Dutch, Calvinist culture, is that everything we do and we don't do has budget implications. Whether it's deciding to extend Work Stream 2, whether it's to decide to have more languages, whether it's to decide to move a meeting, there are financial implications. And it's becoming more and more apparent that the more we make it clear what the financial

implications are of a decision the community takes, the more that can be weighed along as well. This is really important because budget is limited. And when something new is added, we either have to increase revenues. And I think most people don't like the idea because that's, like, increasing taxes. I have a background as a recovering politician, so that's not something generally that people like.

So then the other question is, well, what do we cut? What do we get rid of? If we're doing something new, who do we fire? Or what project do we stop doing? So these are things that the more we can make it apparent what the budgetary implications are, the more that these choices can be taken in a very inclusive way. I hope that's helpful, Becky.

JEFF ECKHAUS:

Jeff Eckhaus from Rightside. And that was actually one of the points I discussed earlier, in that for the past whatever number -- the registries and registrars are collecting money from registrants. So we're collecting all these fees. We're giving them to ICANN.

The issue that I think that we've seen is that there hasn't been great communication of what is happening with those funds. And sort of that bridge of the traditional board and what you

were saying is this community board, like, what are those budget decisions that are being made? How are they affected? How is that being communicated, I would say, in a broader sense?

Yes, ICANN does have a budget meeting, I think, today from 5:00 to 8:00 where they go through the process. But I think it would be very helpful if ICANN gave sort of a wide -- a broader communication to the community that it collects the funds from of what its doing, what are some of the decisions. I don't necessarily mean the nitty-gritty but, like, here are the five objectives that we're doing this year. This is what we're working on. These are the plans. Maybe these are the things we can't do because we're really focusing on these items.

I don't know if that's communicated to a broader audience than the people in this room. And I think it would behoove ICANN to get some of that more mass communications out there so people really understood and said, Hey, you know what? We're doing Work Stream 2 and we're cutting this. And that's why I'm paying 18 cents, because these are the things that matter and this is important.

And also, like, myself as a registry, we have 40 TLDs. We're paying, you know, whatever it is, 25,000 per TLD. It's like, what

is that money going for? But what are those fees going for? What are we getting out of it? Versus, you know, for a lot of people they say, It's going into this black hole. And I know it is not, but I think we need to get some communication out to this - - further to this group and the broader community. And I don't mean the ICANN community, I mean Internet users, to explain what is happening.

So, hopefully, it's something I hear -- I have been hearing that is on the agenda for this year. And I believe Cherine put some slides up on Saturday of what are the objectives for ICANN for 2017. I would love to see that communicated more broadly. And, hopefully, there is a plan to do that. Thank you.

BECKY BURR: Thanks. Asha and Steve have comments on this.

ASHA HEMRAJANI: Thank you for that question and those comments. The information -- Oh, sorry. This is -- my name is Asha Hemrajani, and I'm chairing the Board Finance Committee on the ICANN board.

So the information you asked for, it's already provided. We do tell -- we do share what we spend the money on. We do share

how much -- what our projections are for the revenue. And we do share about some of the areas we don't -- we're not able to do because we have to make trade-offs. So thank you for mentioning -- I don't know where you went. Oops, hello.

Thank you for mentioning the board workshop today. Excellent dinner provided, by the way, and wine from 5:00 to 8:00. And we will have another session on Thursday, which is for the community.

The one today is an ad hoc workshop with members of the -- it is a workshop with members of the ad hoc budget community that come together every year to help us and the finance team on the budget. But we're going to have a general session for everyone where we talk about these challenges that we're facing and the trade-offs that we have to make. I really would encourage you to come. The more inputs we get from you and the more -- the more we know about what information you would like to see that we're not providing, the better. Okay? Thank you.

BECKY BURR:

Steve.

STEVE CROCKER: Thank you. Asha's basically said much of what I wanted to say, but let me put it in slightly different words.

We provide a lot of information, so it's not for lack of trying. But I take from your question genuine discomfort that it isn't in a form or packaged the right way or whatever. So I'm puzzled but not resisting.

JEFF ECKHAUS: Yeah, no. It's Jeff Eckhaus again. You are 100% right. I don't want to infer or make any sort of feeling that the information is hidden. I don't want -- that is not where I'm going to.

What I was saying is, it's -- it's more of a push versus pull on the information. And I think we need to somehow get the information out there to a broader audience. And it's -- there's a lot of -- I mean, this is going back to sort of -- I won't say the fatigue issue, but there's information overload. And I would love maybe if it's condensed but in a more consumable form for people to understand. I think it would be really helpful. I think it would help all of us in the long run.

But there is no -- there is no sort of feeling that any of the information is hidden and any of these meetings are closed and

people don't have input into it. I don't want anybody to think that that's what I was referring to.

STEVE CROCKER: We -- as a U.S. corporation, we have grown up following the same principles that the U.S. Congress uses in making the budget clear. So I don't see what your problem is at all.

[Laughter]

JEFF ECKHAUS: That's exactly it.

BECKY BURR: Emily.

EMILY TAYLOR: Thanks. I just wanted to come back to a point that Louise was making about what should be the board's role when policy gets stuck. And it's really interesting to hear you talking about the various options and also the various pitfalls and hazards of getting involved and not getting involved.

And, perhaps, you know, it's good to raise this and it's good to be thinking about it because we all want good policy outcomes,

right? And I think people do look to the board to help when things get stuck. So possibly ideas to feed into your thinking might be around -- it being -- whatever happens it being very transparent that the board is intervening or taking some sort of role because the behind-closed-doors thing doesn't really serve very well but also that it is taking a neutral and impartial role. It is there as a facilitator, as a mediator in order to encourage people to reflect, to think about the public interest, to think about different -- you know, mediators can also test different ideas. But it's going back to the community to encourage them to help break deadlock.

And I think that might be something that the board could usefully think about as long as it's done in a very transparent manner. And we all know that actions in this space are very easy to misinterpret, so...

Just thought I'd throw that in.

BECKY BARR: Thank you. Anybody on the board have a comment? Oh, Cherine.

CHERINE CHALABY: I'm going to learn one day.

Thank you very much with that last comment. I think it is absolutely right that the board has to follow the process laid in the bylaw. There's no doubt about that.

Policy is developed through the PDPs. Advice comes from the advisory committees. The board does not develop policy, and the board does not make policy.

So when there is an impasse, which we talked about -- this is my personal view -- is that it is the board responsibility to facilitate a way of resolving that impasse. It isn't the board responsibility to actually fix the problem and fix whatever issue is there. It is the board responsibility to facilitate the process for the impasse to be resolved.

And I think your point about transparency is very key. We should say what the impasse is and what is the proposed way forward for the process to be advanced. And I am really grateful for your comment, and it is something that we would follow and it is something we believe in. Thank you.

BECKY BURR:

Jeff -- oh, wait. Donna, do you have a comment on that?

DONNA AUSTIN: I want to go back to the budget, so if Jeff wants to respond to that.

JEFF NEUMAN: Thanks. This is Jeff Neuman. I agree as a community board, when there's an impasse, the role is to try to facilitate a solution. But I think as contracted parties to try to bring it back to registries and registrars, we also have a contract. And that contract requires action at some point, whether it's to approve a recommendation or to not approve it. We have bylaws that govern the policy development process.

And when the GNSO calls -- or sends a policy to the board, there is at some point -- or there needs to be some point where the board takes action, either in favor or against, and then sends it back to the GNSO and follows that process. So I think there needs to be a balance between being the community board but also following the contracts that we have where there's an expectation for action.

BECKY BURR: James, did you just step on Donna?

JAMES BLADEL: Donna allowed me to --

BECKY BURR: And is this in response to this topic? So I'm going to go to James and then Cherine.

JAMES BLADEL: Thank you. And I'm going to back up because this is very loud up here. So James Bladel speaking. I am agreeing with Jeff. I'm disagreeing, to some extent, with Cherine's comment that it's not the board's role. It is the board's role. You have processes to accept or reject GNSO or an SO recommendations. You have a process to accept or reject advice from an advisory committee. It is your decision, and we are expecting a decision. And I can appreciate that you want to, you know, take a light touch and minimize that type of interventionist, but ultimately the buck has to stop somewhere because this community will kick it around for -- you know, indefinitely. And I think we're doing the right thing. We're -- we are working through some of our processes. We made progress, but, you know, we didn't knock them all down and we are going to at some point come to you and say you have to choose. And you have to make the right choice based on who you believe or which organization you

believe is most consistent with the mission of ICANN and, you know, the legal vision of the board.

Now obviously I have a particular issue in mind, but I'm thinking in general that this can't be a decision deferral machine. We have to ultimately work ourselves to an outcome.

BECKY BURR: Okay. This is generating a lot of interest here. So Cherine, Chris, and then Steve.

CHERINE CHALABY: James -- James.

CHRIS DISSPAIN: James.

CHERINE CHALABY: Sorry. I think probably --

STEVE CROCKER: Get Donna a chair.

CHERINE CHALABY: -- I didn't express myself well or you may have misunderstood me. I said it is the board responsibility to sort out the impasse, and the process is with the board. It's not with the GNSO or the advisory committee. I agree with you. But what I wanted to stress, it is not for us to make the policy or change the policy. It is for us either to accept or reject or propose a way for resolving the impasse, but it is our responsibility.

JAMES BLADEL: Correct.

CHERINE CHALABY: (indiscernible).

JAMES BLADEL: Yes.

CHERINE CHALABY: Okay. So we are in agreement.

JAMES BLADEL: And it may not have come across the first time.

CHERINE CHALABY: Thank you.

JAMES BLADEL: But we're in agreement now.

CHERINE CHALABY: Thank you for the opportunity to --

CHRIS DISSPAIN: James, James, don't go away, please.

JAMES BLADEL: You notice Donna just keeps taking more and more steps back.

CHRIS DISSPAIN: She's fine. She's absolutely fine. She's standing behind you protected. It's all okay.

[Laughter]

I want to acknowledge what you said. I think that's absolutely right. And it's actually great to hear, you know, acknowledgment that that -- the board -- at least the buck stops at the board. I'm fine with this. The only thing I would ask you is I assume -- sorry, would you accept that it would be best -- I got

your point about this thing could go on forever. But would it not be best, it is best, is it not, for the board to at least make some -- before making a rigid decision, to make some efforts to facilitate the parties coming together. Because one of the things that could be said from what you said originally was, we've reached an impasse, you make a decision. My response would be, you say you've reached an impasse. Let us test that, see if we can -- if that once tested is actually an impasse, then we'll make a decision. Is that okay?

JAMES BLADEL:

Yeah. Two thoughts on that. One is so long as it's within the constraints of the process, of the model, so that we're not coloring outside the lines and creating new precedent. And then the second one is, so long as it is done in such a way that whomever's advice or recommendations you are rejecting you are giving them guidance on why it was rejected with a rationale and what needs to be narrowly revisited as opposed to just kind of silently setting it aside. Thanks.

BECKY BURR:

Steve.

STEVE CROCKER:

Thank you. I think we're -- we're homing in on the essence of it, and so I'll cover essentially the same things that both Cherine and Chris said and that you've actually alluded to and just come at it from a slightly different perspective.

You point out that there's a set of rules and we're -- and our job is to accept or reject. And that if we delay then we're not doing either of those and so you want some certainty and definite action out of that. Fair enough. The natural question is, then what? Assuming we reject. I mean, if we accept and you're happy and maybe somebody else is unhappy but suppose we just reject. That's not the end of it. It isn't as simple as the buck stops here, we made a decision and it's over. That only sends it back for -- I mean, that's an unresolved issue because you -- so the common sense of it -- so there's two levels here. There's following the rules and then there's a question of trying to be effective in using those rules and working within the rules to get somewhere. So sure enough we could -- we could just put, you know, stamp reject, send it back and then stop thinking about it. That is not real helpful, not real helpful to you, not real helpful to the community and so forth. So that's -- that by itself is not sufficient.

Also not sufficient is for us to say, yeah, we see what's going on here. Let us propose the following way forward and we'll write

this. That puts us into the middle of making the policy decisions and brings us right down onto the same playing field that everybody else is operating in and therefore contaminates our role as a process steward. No doubt that we know better than everybody else how to do it. No doubt that we have all of that experience. We could probably in, you know, a couple of hours sort all of that out, once. And then the game would be over.

So what you touched on at the -- at the -- you know, your last words there, if we have to exercise the reject as a matter of form, it should be clear that that's what we're doing and that it is not a final answer but it is a -- a process oriented step in order to get past the impasse and that we -- we have to find something that is constructive after that. And that's not written down anywhere. That's not -- the bylaws don't say, and here's how you solve the problem. Then we have to go to work and actually be creative and understand enough about the issues and bring the parties together somehow. And that's open territory. Now, that is just not all written down. And it depends quite a bit on what the specifics are. Is it a knotty technical issue that just doesn't have a solution, is it a personality issue, or is it a difference in objectives that are going to be a kind of economic zero sum game that has to be -- somewhere in that spectrum have to sort out and then choose a path forward.

JAMES BLADEL: So just a response real quickly. I agree with you that any rejection, as I mentioned to Cherine and Chris, needs to be accompanied by a rationale in an effort to guide the revisiting or the do-over for that particular group. But also, and something I say quite a bit during the context of a PDP is that, you know, we work on consensus. Failure to reach consensus is not a process failure. It simply means that the status quo is somehow given supremacy over the proposals. And I don't think that -- in the abstract, I think that some issues need to be compared against the status quo and say, well, if you can't decide, then maybe the status quo is the decision.

STEVE CROCKER: Yeah. And in some cases a problem that's unresolved is a problem unresolved and has to be -- it's not good enough to leave it like that. The other thing, which is implicit in all of the things we've said is, given the understanding that the ultimate action in -- according to the rules is that we -- is that we reject, it's everybody's advantage to try to head that off earlier rather than later. And so a lot of what you'll hear from us and a lot of what you'll hear from the staff and everybody else is, to what extent can you see these things coming, can we all see these things coming, and get parties together, identify issues and so forth, without necessarily trying to substitute ourselves but, you

know, you can see the wall and you're speeding toward it. It's not absolutely necessary to document the crash and then pick up the pieces.

BECKY BARR: All right. We have Donna and Jeff and Elliot in the queue. We have no time for Donna, Chris says.

[Laughter]

He said it. And I just want to suggest that at some point in here we might want to layer on the contractual issue because I think it's an element of this. So assuming we're all -- the discussion is linked, we'll go to Donna and then Jeff and then Elliot.

DONNA AUSTIN: So my --

BECKY BARR: State your name for the record.

DONNA AUSTIN: Sorry, Donna Austin. My comment is actually related to a conversation that was going on before this one started. So it's back to the budget. So if you want to finish the policy one I'll --

BECKY BURR: We'll call you up first.

ELLIOT NOSS: And if you are strictly going through these orders, I have something that's outside of this that I wanted to do. So I'll defer to your comments.

BECKY BURR: Okay. So why don't we go to Jeff, and then if there are no more immediate comments we'll go to question number 2, take it from there, and then go.

JEFF NEUMAN: Thanks. This is Jeff Neuman. I feel like we just rewrote the bylaws up here. And the reason I'm saying that, and I'm getting a strange look, the GNSO PDP process is very clear on what happens. It's very clear that once the GNSO passes a policy by a consensus it goes to the board. And then it says the board must either accept and then there's thresholds or reject and there's a threshold. And if it rejects, it then sends it back to the GNSO with its comments as to why it rejected it. The GNSO then has a decision to make. Do we respond back to the board and send it back to the board with our response or do we the GNSO just let it drop. There's no requirement that the GNSO has to send it back.

Remember, this is a policy development process that started with the GNSO.

So what I heard is -- and by the way, there's no mention of, and the GAC gets to provide advice, although that's inherent in the board taking action. And there's no mention in the GNSO policy development process that if there's an impasse we try to resolve it. Not that I think that's a bad idea. I'm not saying it's a bad idea. I'm just saying that's not what's currently in the bylaws.

So what's in the -- but -- and I think this is important. If we want to revise the bylaws, we can do that. We can revise the policy development process. But at this point what I'm hearing is that if the GNSO sends a policy up to the board, the board then can get advice from anyone -- from the advisory committees. And if an advisory committee provides advice that is different than the GNSO policy, then the board can facilitate some cooperative engagement process to try to get some sort of resolution, which I don't know how that feeds back in to the policy working group, which already has been pretty much disbanded by now because the GNSO has voted to approve the policy. And somehow facilitate a conversation to get a change, and then ultimately if they decide no, there's an impasse, there's no resolution, then the board has to vote to accept or reject, which again might be

an acceptable process, but I think then we need to work on maybe revising the bylaws at that point.

BECKY BURR:

Okay. So Jeff, I understand where you're going, but you sort of skipped the step where the policy recommendation comes and the next day the GAC exercises its authority to provide advice. And we then must engage with the GAC and all that. So if you solve that problem, you need to go to Goran's room and eliminate one of those red boxes where we -- you know, the world -- but I take your point. There is a process. We have to act on the GAC advice, we have to accept or reject and provide reasons for it.

The question is, do we do that mechanically or do we go to the GAC and the GNSO and say, did you -- is this where you want -- is this where you want the discussion to stop? If so, then yeah, okay. We'll move forward on it and take some step. But -- but the way you laid out that process, it just sort of skipped the part where at the -- you know, at the moment we're about to act we get GAC advice. Now, there's a problem with the timing that we have to deal with. There are a bunch of those things that I acknowledge are there, but with respect, I think just sort of like - - I mean, if that's really what the GNSO is saying is when you get

a -- advice from the GAC, if you decide -- you must then decide whether to accept or reject it. Don't talk to us, just do it. Because I don't think that's what you're saying. Steve.

STEVE CROCKER:

Yeah. Thank you, Becky. Becky gave you a friendly, constructive reasonable response. I'm going to give you one that is phrased in the words that you started out with about did we change the bylaws. The bylaws do not say that we cannot talk to you. They do not say that we cannot get advice from you. They do not say - - there are a whole bunch of things that are not said in the bylaws. The fact that the bylaws don't say that we should go consult doesn't mean that we can't do that. So it's the -- the thing that got my attention full out is the implication that you were saying that we're changing the bylaws because we're not doing only these specified things in there and that's not a sensible position for any of us to be in. There's a lot of room for us to bring intelligence and constructive behavior into the process. So that's what's causing me to react a bit sharply to the words that you were using, because it -- it sends a message that the board is exceeding its authority. Not so at all. The board is trying to act within its authority in a constructive and -- fashion and -- but no set of bylaws, not for us and not for anybody else, are ever written in a way that only give very, very narrow actions.

If they did, then we wouldn't have to be here. You could automate it and send it in.

BECKY BURR: Okay. So with that, I also think that you heard very clearly from the members of the board, Cherine, and James, that discussion, that doesn't entitle the board to make up new processes that are outside of the bylaws. It entitles the board to have a conversation. It doesn't entitle the board to make policy. So we get that and we've been recently made very clearly aware of the dangers of doing that. I bet you have something to say on this.

JAMES BLADEL: Just very carefully want to emphasize for the record that this is the registry/registrar dialogue with the board and that Jeff and Jeff and myself are not speaking for the GNSO. We're just speaking to you as members of the registry/registrar community. Thanks.

BECKY BURR: Okay.

CHERINE CHALABY: Becky. Sorry.

BECKY BURR: Yeah.

CHERINE CHALABY: But you may want to clarify a point because I think I heard something from Jeff that we haven't responded to. What he is saying is, and correct me if I misheard you, he's saying okay, fine. So there is an impasse and you get us together and we talk about it and let's say we come to some agreement. The GNSO doesn't have a policy to then reject its own process. So the board still needs, after that, to reject the policy and go back to them and say, there's the agreement, there's the thinking, think about it again. Is that what you're saying, Jeff?

JEFF NEUMAN: That's correct. This is Jeff. There's nothing then at that point where the -- since the working group has been disbanded, the policy development process has technically ended all the preceding steps. If there's a discussion between the council leaders and even the leaders of the working group, then they say okay, that sounds reasonable. At that point, there's a hole. We've got to fix that hole.

CHERINE CHALABY: Exactly. So there is that final step. Can you -- yeah.

BECKY BURR: And we learned that very clearly this week. Goran.

GORAN MARBY: I just want to make one more comment which is to say, I truly understand your -- your wish and need for have predictability in the system, and I think that that is something we can work on together, how to be more predictable, so everybody knows, the group here and everybody else knows, what's going to happen next. And that's again one of the reasons why we're doing those, writing down how the process is supposed to work. And I hope to engage with you. I know we're going to do a special outreach with you where you're going to get your input at one of your meeting as well so really we can understand what's going to happen. I think that's going to be very, very important. Because you mentioned the predictability of the system is going to be even more important going forward. Thank you.

STEPHANE VAN GELDER: Thanks. This is Stephane van Gelder. Just picking up on one thing you said, Goran. I think predictability is also a factor of time, and knowing what's going to happen next in a process that's pretty well-defined as far as PDP goes is one thing but there's also the predictability of time, which we don't seem to be so good at handling here at ICANN. So I think that's another

thing that generates frustration, some of the frustration that you may be seeing in this discussion. Thanks.

GORAN MARBY: Noted.

BECKY BURR: So the question 2, going back to that, I -- this question provoked a quiz when the board was discussing it, and I offered to have anybody else on the board but me answer it and there were no takers, so, this is a very interesting -- this arises at a very interesting time. The specification one, the consensus policy -- policy process has been part of ICANN from day one. It is, in fact, the fundamental basis of our bargain with the contracted parties that says yes, we will accept the imposition of obligations on us outside of a contractual negotiation, so long as those -- those things meet a set of criteria that are specified in the contract. As part of the bylaws accountability process, we moved specification 1 in the Registry Agreement and specification 4 in the Registrar Agreement into the bylaws. So there's now a -- an even clearer and frankly closes a loophole in terms of what the ability to change specification -- and controls on changing specification 1 in a way that I think we all should be comfortable with.

And so as part of the bylaws implementation process, we really need to think carefully, and we are, all -- in all parts of the community, thinking carefully about what needs to be implemented, what procedures need to be in place, what kinds of education do we have to do amongst -- among the community and between different groups. And it does occur to me -- I'm sure that Chuck Gomes is in the room someplace -- that this is one of those instances where we have to have the periodic Becky and Chuck show about what the picket fence is. I think it would probably -- it's one of those times where we might -- we might need to think about putting that on the agenda in Johannesburg just to remind people. But the picket fence, I know people sort of groan about it, but it's a -- for the -- for the members of the board who are not familiar with it, it really is the fundamental basis of the bargain between ICANN and the contracted parties around the room and it's a critical piece to understand and incorporate. But yes, we are going to raise awareness. I know that the staff is painfully aware of it, but I think we need to raise awareness among the community so that it's -- it's understood and not kind of a dirty word.

Questions, comments on that? All right.

PAUL DIAZ: I guess I have one, Becky. It's Paul Diaz. You said in Johannesburg, but we won't have an opportunity like this. How do you guys recommend we have that exchange, given the structure of the policy forum?

BECKY BURR: So I think we probably need to take it back and think about it. Maybe it's not in Johannesburg. I mean, we could -- you know, it could be some -- it could be a topic on the -- at the GDD summit except that's really us talking to each other. I'm not sure it get -- accomplishes the broader point.

So I think we need to go back and look at our opportunities to bring it to the -- to the community but it's clearly time.

Any other comments? Donna?

DONNA AUSTIN: Thanks, Becky. Donna Austin.

I actually think it could be an excellent discussion for the policy forum, given it's critical to policy development and given we will have hopefully not so many conflicted sessions so people might be forced to actually go there to have something to do, so it might be a perfect opportunity.

CHRIS DISSPAIN: Let's fence it off as a session and --

DONNA AUSTIN: Bring your own picket fence?

CHRIS DISSPAIN: Yes, exactly.

DONNA AUSTIN: Yeah. Okay.

BECKY BURR: This is the new edition of a low-interest topic.

[Laughter]

Any other comments on this?

Elliot, would you like to -- he's gone?

CHRIS DISSPAIN: I just said, "Oh, God no."

[Laughter]

BECKY BURR: No. Look at that. Incredible.

Okay. Going to the sharing thoughts on how to improve communication between the contracted parties house and the board beyond the face-to-face sessions that we have, I think that our designated initial respondent is not here, so I think --

>> (Off microphone.)

BECKY BURR: No. Oh. It is. It is Ron. I didn't see you. Please join us.

And then I think in this conversation let's really have an exchange. How do you think we could improve communications?

RON DA SILVA: I think the easy answer is some examples that are working.

One is, there was a work -- DNA had a virtual town hall that some of the board members were engaged in.

We have the GDD that we're looking to participate in again. I think that was a success in the past.

And if we look at -- this kind of discussion has come up with some of the other parts of the community as well, and this morning we started off with the ASO, and the conversation with them really was reinforcing a similar principle, which is, when -- when you are having activities, invite us and we will come. If we have a board member that is adjacent to that activity, then we will encourage each other to participate and, you know, we're not looking to ship each other all over the world. That's not the goal here. But if, for example, there's something in D.C. or New York, you know, there are five of us that are right there on the East Coast of the U.S. between, you know, Becky, George, Ram, Steve, myself.

So, I mean, there -- we have options. If there's something there, we can send one of us there and participate. I think that will go a long way at creating goodwill between the board and the community.

And then I think in addition to that, and certainly if there are some specific issues or questions that you want to raise, you can always drop an email or official letter or whatever. That's another good mechanism for communication. But perhaps sometimes it's -- that's slow.

So I find definitely if there are opportunities to be in the same room, the same venue, the same city where there can be some more less formal interaction between the board or specific members of the board and the community. That -- that goes a long way.

So back to you, I would ask: What do you have going on that we aren't aware of and that we can, you know, participate in and be a part of? And not as a full board, but, like I said, in part.

What else. Was there something else on this? Ram?

RAM MOHAN:

This is Ram.

If I could just add a couple of things. I think right now there is a -
- a consultation that is underway on the budget and finance. Ron, do you want to speak briefly to that as well? And then I have another point that I'd like to make after that.

RON DA SILVA:

Yeah, that's a good idea. I mean, the last question about what specifically can we engage on with the board at the GDD? Well, the GDD is scheduled for May, I believe, and we have a new proposed budget that is -- should be available to each of you

and we're looking for feedback on that by the end of May. So certainly a good topic to have some engagement at the GDD would be around finances.

You know, the organization has a finite amount of resources and it seems like every one of these engagements we're having today, there's invariably -- or even if you look at the content of the open forum, there's invariably somebody who is asking for "We want to do more, we want to have more travel resources or have more meetings or more activities." All those things -- "or more translation." All those things cost money, and what I would say would be a great topic to have in certainly a more discussion format, which is totally doable in the GDD, is let's talk about priorities and, you know, we can't create more money unless we raise, you know, fees and we get more revenue and I don't think anybody wants to go down that path. So if we have a finite amount of resources available. We have to do tradeoffs. We have to prioritize. We can do A, B, and C this year and maybe D, E, and F have to go to the next year. We have to think about that, I think, as a community and look at strong financial responsibility about not spending more than we have and kind of keeping our -- our expenditures and our priorities aligned in a good way. So that's a good -- good -- good poke there. Thanks, Ram.

RAM MOHAN: Thanks. One quick add-on to that. Typically the focus -- or at least traditionally the focus has been on when there are new projects coming up or new line items that come up in budgets that there is feedback that comes through from -- especially from the contracted parties house, but in many ways, the contracted parties house is on the, so to speak, receiving end of regular interactions, compliance types of things, et cetera, and specific examples, specific feedback on what is helpful, what is not helpful, what can be improved, I think that is effective for the board to understand.

I know that there are conversations that already happen between the contracted parties house and the ICANN org, but adding that level of understanding for board members as well I think is extremely helpful.

BECKY BURR: Donna?

DONNA AUSTIN: Thanks. Donna Austin from NeuStar.

Since we're talking about the budget again, the point I wanted to make earlier is, Ron, you talk about, you know, we have to make tradeoffs or we have to prioritize efforts, but do we

actually review the value of the efforts that we've undertaken? So, you know, we -- we have these meetings three times a year. I understand the last one in Hyderabad cost on the order of \$4 million.

What's the value? You know, where -- what have we moved the needle on, you know, and what were the objectives going in?

So, you know, we -- we have a pattern of these meetings that we haven't changed a lot over the years except that we've added on and added on and added on.

We did a mini-strategy working group and we kind of discussed around the edges about how we could improve on the manner in which, you know, we did scheduling and things like that, but, you know, perhaps a conversation about what's the value of what we're doing and are there -- there ways to improve it and do it more efficiently. So, you know, I think there would be -- it would be helpful to have that as a community discussion because I'm -- you know, one of the conversations we had earlier was we heard the non-contracted parties, the NCSG, all received funding to go to Iceland and we're only getting funded for four people for the GDD, so we're saying, "Well, we want the same."

And, I mean, that's not really responsible in terms of ICANN's budget, and I think as a community, we need to think about it. Is

that -- how can we be responsible as a community when we look at the budget, rather than saying, "We want parity with them."

So I just would like to see us review the value in what we're doing.

BECKY BURR: Goran.

GORAN MARBY: Hi, Donna. Thank you very much for bringing it up and I don't know if you could actually see the smiling faces of the board members.

ASHA HEMRAJANI: Especially mine.

[Laughter]

GORAN MARBY: Because you pointed to a discussion we have now started to address and it's much more than just travel support somewhere. It actually goes down to the basic of what ICANN is supposed to fund.

There is -- when we talk about ICANN and what we do, there's one thing that I think is important to make clear.

It's that yes, we, for instance, have money in an auction fund, we have money in different funds that doesn't go for operations. So when we speak about the cost for translation or anything, we have to talk about the money we have just for operations, which is different. The auction funds is, for instance, handled by the community.

And I think that going forward with the funding we're having -- and I'm using the word "funding" instead "revenue" for a reason. The money that we take in should be used for something with a value.

The five-year strategic plan sets up a direction for us all -- it's not only for the ICANN organization -- about globalization and where to go and how to do things and we are engaging right now in a discussion within my own organization, within the board, but also how to bring that to the community to have that discussion going forward. I think it's an essential one and it has to be done in a very transparent way, very inclusive way, which is a word I want to add to the "transparency" to make sure that we do this in a way that people will be satisfied with it. I'm looking forward

to it, and I -- with the charming faces of the board, which I can see, we all agree. Thank you, actually, for bringing it up.

ASHA HEMRAJANI:

I just want to add very quickly -- where are you, Donna? Oh, there you are. Donna, I couldn't -- I didn't pay you to say that, did I. No. Thank you for that. That's excellent. That is something after my own heart. I'm very, very concerned about outcomes, about value, about demonstrating the value of what we spend on. So any ideas and thoughts, further ideas and thoughts you have on that -- in that space about how we can work better to reflect that value, that would be highly appreciated. I cannot express to you how much a big fan I am of those ideas. So thanks.

BECKY BURR:

Elliot?

ELLIOT NOSS:

Thank you, Becky. Elliot Noss from Tucows.

I made a very brief comment at the close of the board/GNSO joint session where, as Goran had, you know, observed some of the structural challenges, I pointed out one in particular which

was a structural imbalance in ICANN where you have the non-contracted parties rightly always on the side of requesting things and the contracted parties always on the side of providing things, and somebody came up to me with a metaphor after that, you know, as if there was one car that only had a gas pedal and another that only had a brake. And so that structural imbalance is just part of this system.

Goran rightly said to me, "But what are you going to do about it?" You know, "you" the community. I didn't feel he was directing me to personally solve that problem.

Yesterday, we had one of the best sessions that I've been in at an ICANN meeting in many years where we had privacy commissioners, mostly from the E.U., E.U. countries, the E.U. itself, the U.N., who were really present and participating in a meaningful way for the first time in the ICANN process.

So it was as if the answer to Goran's question to me was presenting itself right there.

So we have an opportunity, both as a community -- and I'd urge you to think about this at a board and senior staff level -- to rectify some of the imbalance we currently have, and we can do that in two ways.

On the soft side, by strongly encouraging further participation with privacy commissioners and privacy interests wherever we meet. You know, it's been shared with me that Europeans happen to be here because this meeting is in Europe but they may not be willing to continue traveling, you know, outside of the jurisdiction.

Fair enough.

Wherever we meet, I'd urge you to try and do everything you can to have those regional privacy interests present at the ICANN meeting.

And more importantly and more meaningfully, I would urge the ICANN board and Goran, in his executive role, to form a privacy office inside of ICANN. Start, as these things should be started, with a privacy officer.

The privacy needs of this community are global in nature, not national. The challenges that we face as an organization and a community from a privacy perspective are global. They are unique. We cannot expect national or regional privacy commissioners to solve our unique problems.

So I urge you to strongly think about and consider this to provide some necessary further structural balances that will

help us all, the whole community, to more effectively get to resolution with a number of the thorny problems we face.

Thank you.

BECKY BARR: Thank you, Elliot.

Jonathan? Does anybody want to --

JONATHAN ROBINSON: No responses or anything for Elliot?

BECKY BARR: Well, you know, Elliot speaks for himself and I think he made the point.

JONATHAN ROBINSON: All right. I'll make three much short shorter points, I think.

One is that discussion on the finances has been welcome and if it gets taken forward to the GDD summit and we have a genuine interaction and discussion about the kind of things that have been talked about, I don't -- I won't repeat them. I think it was very, very useful and all the contributions that were made.

There's one other element I'd add to it, and it's -- I guess it may be a question for the board but it's also a suggestion, and that is to -- are you thinking about, and if not, could you think about some form of structural contribution to the reserve fund such that, you know, to the extent that on an annual basis you can make a regular contribution?

Because you have said and you know you have a policy to operate with in the region of one year's operating costs in the reserve fund. We all know it's depleted to below that level. So it would be good to know what your thinking is about that.

And then the one other point I wanted to make, the third point, was back to the communications issue. It was -- I found it very welcome and I've heard from quite a few others that the points that Cherine made about the structured approach you're making to the board's work and how you've divided that up into those three major categories and then the subcategories underneath that, it seems that that was very welcome, it was -- it was transparent, it was communicative, and it seemed like a very structured approach, so thank you for that and I think we should continue to hear from you, perhaps even in some sort of - - you know, how you're getting on with those, but in the first instance, understanding that that's the way you're working was very helpful, so thank you.

BECKY BURR: Thanks.

Asha, do you want to speak to the contribution to the reserve fund or...

ASHA HEMRAJANI: Yeah. Asha Hemrajani, for the record.

Thank you, Jonathan, for that. We are still looking at different ways about topping up or replenishing the reserve fund. As you know, one of the ideas that's been mooted is using the auction proceeds to top up the reserve fund, but it's really premature right now to talk about whether that will happen.

There are multiple things we could do. We are looking now at a -
- putting together a paper on the governance of the reserve fund, as well as the replenishment of the reserve fund, which we want to share with the community. That's in the works. That's what we're planning to do.

So it's a little bit early days right now, but definitely wanted to emphasize to you that's something we're thinking about and we're working on. Thanks.

BECKY BURR: Thanks. I think Ron and then Cherine.

RON DA SILVA: Yeah. Thank you, Becky. Back to -- so I'm human. I'm also the vice chair of the finance committee, so this may be even more comical. I misspoke.

[Laughter]

RON DA SILVA: The feedback on the budget actually needs to be done by the end of April, so it's not going to align with the GDD after all.

And there should be responses to that feedback by the end of May. That's really the end-of-May date.

Nevertheless, I think it's still valuable as a topic to bring together and talk about, because this isn't just a fiscal year '18 issue, this is a long-term issue that we need to address, and replenishing the reserve fund is a piece of that as well.

You know, if -- if you look at the '18 budget, I don't think there's anything really going book into the reserve so it's really a problem that we're pushing to '19 or beyond, or like Asha said, try to find some -- you know, some way to push a significant amount of money back in the reserve, so that needs to be addressed.

But there is a unique opportunity today to provide feedback into the fiscal year '18 proposed budget. There is a session -- Xavier, is that 5:00 to 8:00, I believe, this evening? I don't know where it is. But there's an opportunity to engage with the finance team on the specifics of the budget, and that's, you know, one great opportunity.

But, again, that dialogue, I think, not just for what's in the '18 and some of the questions that may be raised by the end of April, to revisit that at the GDD would be, I think, a great topic to do today, and then more -- more significantly talk about long-term -- you know, the financial projections of how the organization's going to grow or not grow, and how do we -- how do we plan for that and how do we prioritize and how do we make sure that we're addressing the things that are most important with the limited resources that we're going to have.

JONATHAN ROBINSON: Becky, just a very brief response -- it's Jonathan -- to Ron. I don't think you misspoke at all. I think it's very -- I think we can talk in process about the budget work, which we will do and we'll do it at this meeting. But I also think we can talk out of process.

And I think it's something that clearly I have sensed for a long time within the contracted parties house for obvious reasons,

since the funds are channeled through the contracted parties. It's something that people feel passionately about. And we run profitable, successful, commercially oriented organizations and we'd love to work with you on that. So in process or out of process. Thank you.

CHERINE CHALABY:

Jonathan, so you made a point, I think, which we addressed partially but not fully. And the point you made was why don't you plan in such a way that the net surplus every -- every year when you do your budget, you generate a surplus, then gradually over time replenish reserves. That's the point you made, correct?

JONATHAN ROBINSON:

That's correct. That was both my question, why don't you do that, and personally it's my suggestion that you consider doing it.

CHERINE CHALABY:

It is something that -- thank you. Because this is something that we are conscious of, and it's something that Asha mentioned we are currently putting a discussion along those lines to have a board discussion on it at our next retreat when we meet in

Geneva and look at the various option and trade-offs. If you did this, what else would suffer, right? Because it can't be just a one-way traffic. So it is a very, very interesting question, and it's something that is at the top of our mind. And we are definitely between now and our retreat in Geneva framing that issue and looking at way of considering that. Thank you.

BECKY BURR: Rubens.

RUBENS KUHL: Rubens Kuhl, .BR. I would like to comment that replenishing the reserve fund is just one way to make it one year of operating costs. The other way is limiting the expenditures and limiting the costs. So we could look at it both ways.

There is something that many of people in the community express that I would agree with them, that I would like to see a zero-base budget of what we need to expend to fulfill our mission. And then, oh, we need to expend that because what we are doing now is expending everything that we get from revenues. So we are just adjusting what we can do to the revenues.

But do we have to expend that? That's a question that I don't see that we can answer at this point. Thank you.

CHERINE CHALABY:

Sorry. That question as well in discussion with our CEO and Goran is also on the table. The idea is that if you are actually -- if you think about the possibility of generating a surplus to replenish over time the reserve fund, it means that you cannot spend all the money, all the funding to fund operations. So the operation cost has to be less. That's what it means.

So this discussion is going on. I mean, we -- the whole board has not yet been engaged at all in this. And we are framing the issue and we're going to have a discussion, including all of those possibilities that you have mentioned. Thank you.

BECKY BURR:

James, you want to have the last word on this topic?

JAMES BLADEL:

No, I wanted to start the first word on a new topic. So I was waiting --

BECKY BURR: I just want to make sure we save a little bit of time for at least one of the board's questions. So -- but go ahead. I think we have 20 minutes, something like that, 25 minutes.

GRAEME BUNTON: Sorry, this is Graeme from the Registrar Stakeholder Group. I think that's where we are at.

You gave us two questions. One is around accountability Work Stream 2, and the other was just a more general policy interest. And so I think we have got a couple of people who are going to share some of those policy interests, and then we'll see if we get to the Work Stream 2 piece.

JORDYN BUCHANAN: Sorry, Graeme. It's Jordyn again. I wanted to -- I had one other comment not on the budget part but on the actual communications part. I have been waiting for the budget topic to close before we got back to the communications bit.

So just one really quick observation about the topic of communication -- wow, that is loud when you are close to this mic -- which is that in -- where were we last -- Hyderabad, we had quite a fulsome conversation about a number of concerns

that the contract party house had with sort of the engagement model with the staff.

And as you know, we wrote you a letter and sent a follow-up letter. I think we are eager to hear back from you in response to that. And in particular one of the things I think we asked for in that letter is to note that I'm sure the problems in the relationship are bilateral and there's probably things we can be doing better to make the engagement with staff work better and we love to hear back from you soon about that. Thanks.

OWEN DeLONG:

Owen DeLong, Akamai. In terms of policy issues, I jumped into the Registrar Stakeholder Group about three weeks ago with both feet. And one of our very active topics of discussion has been cross-field validation. It's really not practical with the technologies and the data that are available today for a wide variety of reasons. There's really no central database that contains a consistent format of data for doing this kind of validation. The databases that do exist are inaccurate, incorrect, and inadequate as well as incomplete and expensive. The process that could be done today is extraordinarily expensive as it exists and still yields very wrong results. And there's also a lot of question about what problem is actually

intended to solve because at least the perception is this is somehow expected to be a magic bullet for eliminating DNS abuse. And the reality is that the criminals are perfectly capable of coming up with perfectly valid addresses and phone numbers that match a hardware store somewhere in Independence, Philadelphia, or wherever that has nothing to do with them.

BECKY BURR:

Can I just clarify, before we go on, if I'm not misremembering, the requirement in the Registry Agreement turns on a feasibility assessment. And so you're suggesting that there is some difference of opinion between registry -- between contracted parties and staff on feasibility, or are you --

OWEN DeLONG:

That appears to be the case because we are getting this back again from staff that they somehow now seem to think that it's magically feasible. We still think it's not. There's a meeting with staff tomorrow where they're going to present their case and we're going to try and figure out what they're saying. But everything we've looked at leads us to believe that it really, really isn't still feasible and that we don't think it's likely to be feasible in the foreseeable future. And we'd kind of like to just kill it on that basis.

BECKY BURR: Oh, Ram. Go ahead.

RAM MOHAN: Thank you for that. This is Ram.

There was a similar conversation that just happened between some of the ICANN org staff members inside of the SSAC, and that was about identifier technology indicators or health indicators, as it's called. And it's in a similar type of a trend.

I think this is an important topic. And one of the -- and perhaps a topic that should be a starring topic at the GDD Summit because this is something that we have to kind of together figure out because I -- when I speak to staff members, I know this, that they are trying to gather data, make it available in some common interchange accessible format for further use.

And for me personally, I have a problem when that gets classified into health or something like that because that puts a certain categorization to it that may or may not be appropriate. But that's a discussion that we should start and continue because it's not only what you're talking about on WHOIS, but there are other data indicators that I believe ICANN is presenting at several workshops here.

And my suggestion is, from the contracted parties house, you know, they should look at all of those and start to provide specific comments and help guide the direction. Because in my conversations with staff members, the intention, I think, is to bring -- collect datasets and make it available so that we can get to a better ecosystem.

SEBASTIAN DUCOS:

Hi, Sebastien Ducos, talking on behalf of the gTLD group. I would like to raise awareness following on what Elliot was talking about earlier on the GDPR issue.

We are as A contracted party are all involved in this. It is not an European problem. It's a global problem. As soon as and as long as we register European residents, we need to do something about it. We have a year to do something about it. I wasn't part of the discussion yesterday on DPA. I couldn't make it. But I understand that as far as they're concerned, we are already in breach. In a year's time, they will start applying penalties. We need to get a clear understanding as a community. We don't have more time to start looking at it. We need to start looking at it today. We've been already spending a year talking about it with our good friends from .FR who were

the first ones to bring this to the table. We haven't done a thing about it in a year. We need to start moving.

Now, as also Sebastien Ducos, part of NeuStar, I'm a back-end registry operator. I know how long it takes for us technically to implement the solutions that we might come up with as a community. I'm giving us until the end of Abu Dhabi to have a response because, otherwise, I won't be able to implement. The registrars won't be able to implement. The S-corp providers won't be able to implement. And we will all be in breach with penalties hanging over our heads.

BECKY BURR:

So thank you for that. Anybody besides me want to comment? So I will comment.

The board is working very much with Goran and with the organization. We did have a sort of education session at our workshop in Santa Monica. I think the session yesterday raised community awareness. I do -- I share your concerns about timing. I think the current timing for the RDS group is to have a preliminary report by the end of the year or something like that.

And I -- and my response to that was that it's not going to -- that is not going to enable anybody to implement a solution by May

25th of 2018. So I do think we have -- we do have to treat this as something of a -- you know, of a crisis in the sense that we must solve this problem. Now, that's the bad news.

The good news is, you know, our endless discussions about WHOIS have not had -- the incentives have not always been aligned for all of the parties to come to the table and work things out. So I think one of the things we need to talk about and reach agreement on is how we put together an action plan to do a -- anybody involved with IDNs close their ears -- some kind of a fast track on this. So we're aware of it. We need to brainstorm with you. And then we need to have all of the parties to the table.

I was very encouraged by the law enforcement folks who were at the session yesterday. They were -- they were -- they were pleased. They thought the session was substantive. And to me that was a very good sign. Members of the GAC and Thomas Schneider here acknowledged the sort of squeeze that people get into, and Elliot invited them to squeeze some more.

So, I guess my question to the community -- and I think you guys need to help us figure out -- what is -- I mean, look at -- we are probably talking about some very major technology changes that will take time. We need to start, and we need to have a plan

to get there. So I need help -- we need your help to come up with that.

SEBASTIEN DUCOS: Knowing they work in a slightly different environment than us, ccTLDs, European ccTLDs have been working on it already for a number of years; and some have implemented solutions that work. As long as whatever they've done is actually okay with the DPAs, as long as we can work with that, we have a working example and we can start thinking of how long -- about how long it will take us to implement.

What I've seen so far is not revolutionary. It's not that complicated. It consists in giving a -- sorry, a registrant the possibility to say, "Please hide my data."

BECKY BURR: I'm just going to follow up on this. Don't you think we need to have an agreed set of requirements first?

SEBASTIEN DUCOS: Absolutely.

BECKY BURR: I want to plead for everybody to remain open to the requirements development set because I guarantee you, if you go out and say, "Let's just adopt the .NL thing," we'll have another crisis.

SEBASTIEN DUCOS: No, no. I'm not suggesting that at all. I'm just saying that some people have done their homework, and we should look at what it looks like. I'm not saying adopting what they've done. We still need to make it fit into our own framework. But some have already gone a long way on doing their homework on the subject.

BECKY BURR: James.

JAMES BLADEL: So I actually came up for something different, but I want to echo Sebastien's comments. The fees -- my understanding of the fee structure under GDPR is something up around 4% of global turn. You have very large public companies that are going to come out this particular -- particular regulation.

Hypothetically, I would say, you know, given the choice those companies should probably do what they need to do to be compliant with this law and deal with ICANN compliance later. That would be the smart move. And so I would say, you know, if we don't have a solution in place in time for that, we shouldn't be surprised if they start to execute their own compliance plans.

But I had something else I wanted to talk about, so I'll defer to Emily.

EMILY TAYLOR: Just a very quick --

BECKY BURR: Emily, yeah.

EMILY TAYLOR: I just wanted to come up and support what Sebastien was saying about the seriousness of the GDPR in this context and also actually agree with what James said. You know, anybody -- this does affect everybody. It's not just European companies. It's anyone who's processing E.U. data. There are also, as many of you I know are aware, currently a lot of uncertainty about the legality of data transfers, such as our transfer of escrow data

over to the United States, after the Shrems decision which has recently been re-enforced, and the Watson decision. It's going to be even more complex for the U.K. after Brexit, given our surveillance laws. So it is a very rich area. It's not going to get sorted out in five minutes here. It hasn't been sorted out in the last 17 years as far as I'm aware.

So I think James has got the most feasible and most practical advice, which is just get your company compliant and try and hope that ICANN sorts itself out in some way in the next decade.

BECKY BURR:

Well, that's one way of providing incentives.

[Laughter]

James.

JAMES BLADEL:

I guess, are we ready to move to something new? Great. I just wanted to make your aware of a conversation we had in our joint session with the registries and registrars that some of us have been made aware that the IETF is using its RFC process to reserve another string soon. I believe it's .HOMENET.

And this is not necessarily something that would be fair game for a next round of applications, should one of those occur in my career. But it is -- it is concerning, I think, and telling that we have a bit of a lack of coordination between our two organizations.

I know we have a liaison to the IETF. I'm not sure I pronounce your name correctly. Jonne. Okay. We need to do something here. I think there's a concern that as this subsequent procedures PDP continues to work through its issues, that other types of avenues for TLDs, whether that's allocating a TLD or reserving a TLD, might be sought. And some days these strings may collide or overlap with strings that would be interesting fodder for a possible top-level domain in a future round.

And I'm asking: What is the ICANN board doing to ensure that it has visibility or even close coordination with the IETF on these special use strings?

BECKY BURR: Thanks. Jonne.

JONNE SOININEN: Yeah, hi. Jonne Soininen. I'm the IETF liaison. So, first of all, it's true, IETF is looking at -- IETF has this process or it has a registry

which is called special use names registry, which is used for top-level names that are used for something than DNS for technical use, just for people who are not quite aware of this.

There are a few names there like .LOCALHOST, .LOCAL, .EXAMPLE, .ONION. And now there's been a discussion about .HOMENET that would be used in a product calling defined by the IETF.

IETF has actually has been known for some time looking at the policies on how to -- or be kind of like procedures on how to -- these names should be allocated and when they started this process there was actually a liaison statement sent from the IETF to the ICANN board and the GNSO. Sadly that happened in a time of transition, so that was a little bit put in the back burner. But it's not too late yet. So there is -- these discussions are ongoing there.

We actually have had, you know, some initial discussions on the board about this, so what should we do, and we basically come to the same conclusion as you, we should have more coordination, more discussion between the different communities. So exactly with the IETF community and the ICANN community and especially maybe there the GNSO community on these things.

We actually had -- with Goran we met Jari Arkko who is still currently the IETF chair for a couple of weeks just on Sunday about this and started to kick off some ideas how to do that. Not on the discussion of the board level or not discussion on the CEO and IETF chair level, but how do we -- could really improve the discussion between the communities to solve some of these issues.

So let's see what we can get out of that, but good ideas would be very, very welcome.

GORAN MARBY: May I?

JONNE SOININEN: No, you can't. Oh, okay. You will anyway.

GORAN MARBY: And I want to give a compliment to the GNSO because in this discussion the format you came up with a discussion about the Red Cross is a very good format where you tried to define a problem together, and that is the kind of avenue that we and IETF is talking about, so the relevant people can come into the room and discuss the problem from the beginning, so to speak.

So, sorry for giving you a compliment. You seem you don't to want to have that compliment and I liked it.

JAMES BLADEL:

I think that -- so I accept the compliment. I'm just acknowledging that if we -- if we start to reference the session with the Red Cross in the future as a model on things that should happen going forward, I will be run out of this community, I think, on a rail.

Just -- thank you for your response, and thank you for providing the context. Just a couple of points. Clearly more visibility and communication is necessary because I'm finding out from this from people in my company that participate in the IETF, I know that there's some overlap in the community but a lot of times we're just kind of counting on internal mailing lists and word of mouth. So clearly it's not getting out through the official channels because it's all kind of happening around water coolers virtually.

And then the second thing is I -- I would hope that ICANN would be in a position to go to the IETF and say, here's some definitional criteria that we'd like you to consider when someone comes to you with a really great idea for a special used string building -- you know, that will lay the foundation for a new

protocol and how you could engage and say, wait a minute, that looks like something that's more fodder for a TLD application round. Let's go talk it over with ICANN. Let's make sure that they're aware and that there's a trigger process, there's a notification process, and that we would even put something like that out for public comment so that our community could weigh in on those strings before the IETF takes action on allowing them to be reserved from the DNS. And this one -- as I said, this one is probably not going to raise any alarm bells, but one of them will some day.

JONNE SOININEN:

Yeah, I'm like -- but the thing is, what you raise is very true. And I'm like this is exactly why I think that communication, coordination between the organizations would be very good.

I would like to reiterate what I said. IETF is actually looking at now the procedures how to -- kind of like looking at the problem statement of actually reserving these kind of names. So this is the right time to get involved. And, of course, as you know it, IETF is also a community like ICANN, an open community, anybody can join. So it is very -- it is the DNS op working group that is discussing that. So there is a possibility to get involved in that. And I can give you pointers on that.

When you say ICANN should get involved, I'm not sure kind of what you mean because this, of course, would -- how I would see this, this is a discussion from community to community, and in the IETF process it's in a way it's not a representative process. You go as an individual, but, of course, you can come with your point of view.

But the thing is basically that yes, discussion should be there. There might be problems in the future, and therefore we should have more coordination. And like I said, there was an attempt, but it was around an unfortunate time when IETF actually sent a liaison statement to the GNSO when they started doing this. Luckily this hasn't quite progressed that quickly, so there is still time, ample time, to actually get into this.

BECKY BURR:

Okay. We now have a queue and we're out of time, so I'm going to ask everybody to be very, very brief. I've got Jon and Ram and Chris -- Chris, sorry, and Steve in the queue, and David seems to have given up.

RAM MOHAN:

I just wanted to respond to that particular topic.

JON NEVETT: As do I.

RAM MOHAN: Okay. Go ahead. I'll wait until after you.

JON NEVETT: I just want to say this is not a theoretical issue so I strongly encourage you guys to work it out. You know, we have an IETF liaison to the ICANN board. Maybe we need an ICANN GNSO liaison to the IETF or something like that. Because well, you know, there are a number with companies with the name .HOMENET. There's Homenet Automotive, Homenet Systems, yadda, yadda, yadda, there's a whole bunch. And you said that this might be a problem in the future. It's a problem right now. There are three applications that have been sitting there for five years in a holding pattern, .HOME, .CORP, and .MAIL, that we have this problem because they weren't on the reserve list when ICANN accepted applications.

So for the next round, let's try to work this out in advance so we don't find ourselves in this problem and we could -- we could make an easier application process for both sides. Thank you.

RAM MOHAN:

Thanks. I just wanted to point out to James and others, the SSAC has a little bit this problem and has provided some comments and some recommendations on it. SAC 90 is the particular document that speaks about -- the document itself is entitled advisory on the stability of the domain name space and it addresses exactly this issue. So it's inside of our -- of the ICANN community, so to speak. There is some attention to this. And, you know, it's a public document with specific recommendations to the board. And those sets of recommendations is actually what prompted or helped prompt the board to start the work that Jonne was talking about. So it's -- it's, in my -- my perspective, it's hardly an opaque topic at this point.

STEVE CROCKER:

Thanks. I've been following this, and I'm going to offer an opinion that is not an official opinion of the board, not an official opinion of ICANN, but just an observation about -- from having lived in both the IETF world and SSAC and here.

The -- my observation of the IETF side of things is that they have a limited list of reserve names, but that's not, from our point of view, sufficient. It's not definitive. It's only a starting kit. So I would say that our default position is, yes, we respect whatever

they put on their list and we go and pay attention to any other names that are conflicted or already basically in use already. That would lead very naturally to a simple statement that we won't ever delegate what's on the reserve -- on the IETF reserve list. We won't delegate .ONION, we won't delegate .HOMENET, and we won't delegate .MAIL, .CORP and what's the other one? .HOME. .HOMENET I said but .MAIL, .CORP, and .HOME. Some may view this as provocative, and I would fully agree that we would want to back up any policy or any position that we take on this with some documentation about what the damage might be if these things were -- were delegated. But I don't think we're under any obligation whatsoever to delegate names just because somebody wants them. We have -- we have the right and we have, I think, the responsibility to keep problematic names out of service. And if there's groups that want to use names that get conflicted or get confused with the Domain Name System for other protocols, and these things are not kept clean, I think part of our job is to be kind of weary about trying to complicate the situation. So, you know, the .ONION situation, for example, was not an IETF protocol. It was a bunch of people who said we're going to go do this and they did not run it through the standards process of the IETF and then -- so the IETF then has a problem. And so I think from where we're sitting,

saying that we're going to go coordinate with the IETF isn't a complete solution because the IETF does not have and does not exercise the kind of control over the namespace that we exercise over the delegation of names into the root.

BECKY BURR:

Okay. Now we're really out of time. Thank you all for joining us. I think it was a lively discussion. And we'll be speaking again. Paul, any -- Graeme.

Thank you.

[Applause]

[END OF TRANSCRIPT]