

SAN JUAN – ccNSO Members Day 1, Part 1
Tuesday, March 13, 2018 – 09:00 to 10:15 AST
ICANN61 | San Juan, Puerto Rico

UNKNOWN SPEAKER: ccNSO Members Day 1, Part 1. Tuesday March 13, 2018. Room 209 BC from nine o'clock in the morning to 10:15. This is ICANN 61, San Juan, Puerto Rico. [AUDIO BREAK]

Hey, hey, check one two. Hey, hey. [AUDIO BREAK]

KATRINA SATAKI: Good morning, dear colleagues -- we're starting in one minute. Please take your seats, prepare yourselves. [AUDIO BREAK]

So good morning dear friends, fellow ccTLDs, ccNSO members, non-members, guests, everyone who came here today to enjoy ccNSO Members Meeting Day. And I'm especially happy to welcome you here in Puerto Rico, and later we will hear some welcoming words from our host, .pr.

And you all know how important it was for our friends from ccTLD.pr to welcome us here -- that we come here and we stand next to our friends. And when I was thinking about what to say during the opening -- or welcome speech, I found a very nice Puerto Rican proverb I like very much, and I must say that now, it turns out that this proverb has another meaning as well.

Note: The following is the output resulting from transcribing an audio file into a word/text document. Although the transcription is largely accurate, in some cases may be incomplete or inaccurate due to inaudible passages and grammatical corrections. It is posted as an aid to the original audio file, but should not be treated as an authoritative record.

Because, as you know on Friday, one of our fellow colleagues unfortunately passed away -- it was Ben Fuller, from .na. He was a silent contributor who maybe didn't speak much, but was -- whenever it was necessary, he was with us, participated in the work, and therefore in recognition of our fallen colleague and friend, let's pause for a moment of silence. Thank you very much. And if you want to share your light, and honor the memory of our friend, please find Nigel Roberts so you can do that.

And now, let's move forward -- another, when I'm thinking about Puerto Rico, PR, I found another -- a nice quote, by Bill Gates, just to show the importance of PR. So, let's remember that and by remembering that, let me give floor to our host, Pablo Rodriguez for his presentation.

PABLO RODRIGUEZ:

Thank you. Thank you very much. It is a great honor and a great pleasure to be before you. I'd like to take this opportunity to thank every single one of you for your support -- for your continued support. We have a song from Hector Lavoe -- he sings, it's called "Mi Gente" -- my people. And this song says, "I called you, and you all came."

And we did that, and we called you. And we asked you to come help us. Just by being here, you're helping us. Just by the simple fact that you're spending money here. The smallest, to the biggest item you can purchase here, you're helping us. Thank you, from the bottom of our hearts. We need that help. At the time when I continue to tell everyone, I remember getting prepared, and the day after the hurricane, when we came out and saw the destruction, all I was able to say was "Oh, my God. How am I going to pull this off? How am I going to convince the community that we will be able to rebuild, and to be ready, and to provide you with a decent stay where you can have a productive meeting, and at the same time be able to do this?"

But when I went to Abu Dhabi and I presented, and I began speaking to the community, I realized the tremendous support we were receiving from the entire community. I did not find one person that would tell me, "No, we don't want to go. No, that place is so destroyed that we want no part of that." It was all the countries. It was all the countries. The support, the love, the acceptance that we received was amazing! And it was quite emotive.

I continue to tell my wife, at the time, "I am so proud of being a member of this community." Because every single one of you was so effusive when you saw me, and the support that was

advocated was amazing. I remember Chris Disspain sending emails and asking, “Where are you? How are you?” And emails from everyone in this community. It was amazing.

Words cannot explain the love that I received from every single one of you. And to see you all here today is proof of that commitment -- is proof of that sincere commitment. So from the bottom of our hearts, from the bottom of our hearts, thank you, thank you, thank you. Welcome to Puerto Rico, this is your land too. This is your adopted country as well. You are loved here, you’re welcome here. Thank you.

I’d like to share with some of you -- with all of you, I should say, some of our experiences. There were bittersweet experiences -- we certainly have learned quite a lot from this. And I would like to begin by telling you -- by sharing with you what we have done throughout the years with our community. We have very much involving -- and you have seen some of the slides already. This is what we have done, we have been in shopping centers, speaking to people about the internet, speaking about ICANN, speaking about why this is important; why is it important to adopt internet technologies and to take advantage of them? We have talked from the housewife, to the teacher, to the student, to the entrepreneurs.

This is Plaza Las Americas, if you would like to take a trip by, you will find lots of good stuff there. These are students -- where we were involved with robotics, the robotics program. And virtually [inaudible] is a program by the Organization of American States, and we took advantage of that while they were in Puerto Rico. And we brought NASA, and we began to share with them the robotics clubs that we had throughout the island, and what we were doing throughout the island with our students to integrate them in what is called STEM. The acronym stands for, “Science, Technology, Engineering, and Math.”

We understand, and we strongly believe, that to step out of poverty, and to develop a productive and competitive country, we have to integrate those skills and that knowledge in our community. So we began going through to different schools and we began to collaborate with NASA, and going to different schools, and training teachers. We developed capacity workshops for our teachers, and also for students. And we continue to do that.

And no one is excluded -- from kindergarten to universities, the idea is as follows. We have a program called “CS for All”, which stands for “Computer Science for All”, and the idea is that in the same manner that we teach mathematics in the school -- and we do not pretend to make everyone a mathematician, but you

need to have a basic, minimum knowledge of mathematics to thrive in your life -- in the same fashion, in this day and age, you need to know a minimum, basic knowledge of computer science. How this computer works? And how does a program work? And how does an algorithm work? Can we teach our children that? Minimum basic knowledge, to turn our population into a computer literate population.

And so, in the same way that great efforts have been dedicated to eradicate illiteracy, we want to do the same thing to eradicate computer illiteracy. So, here's an example of a conversation with engineers at NASA, and we were doing a remote video exchange there.

We are also involved with the Photonics Institute. We are taking -- the photonics technology has come to the point where we can teach it to people that have a minimum knowledge of algebra. And then, once they get certified, they can work at companies that are involved in laser technology to do all sorts of things. Specifically in Puerto Rico, they're using a pacemaker -- a heart pacemaker, and they use laser technology for quality control to make sure that the dimensions of the device are the appropriate ones, and the correct ones.

And so, this is one of those graduates who we -- also won a raspberry pi. And we have given more than 200 raspberry pis

throughout the island to teachers, students, and other people who can take advantage of them to do all sorts of different projects. From a server, to a robot -- you can use them to develop video games, and so on. This is one of the workshops, the capacitation workshop for teachers, in which we were involved. We trained over 500 teachers in four days, in four different points throughout the island. Those were all science students -- math and science teachers.

Here, you can see some examples of the robotics clubs. In this particular case, this is [inaudible] Robotics. We have also been involved with the Boy Scouts of America throughout Puerto Rico. And again, on, and on, and on, and on. And we are especially proud of this team, because on the far right, that's my son. But not only am I proud for that team, but they also won first and second place at nationals. So, coast to coast in the United States, we competed with the best schools there was, and we won. So, we're really proud about that.

So let me move on to talk about some of the things you already know. I know Europe is ahead of the game with this. But for those of us that have wondered, if that is the case or not, climate change, it's a reality for us. I know that in some areas in the world, might not be as simple or as easy to see it, but for us, it's a reality.

As you know, the greenhouse effect is the increased accumulation, saturation, of carbon dioxide in the atmosphere. And that serves as a greenhouse, which is nothing more than a layer that allows the sun rays -- the energy of the sun rays to enter the atmosphere, but it doesn't allow it to bounce back into space.

Therefore, the atmosphere begins to heat up. Likewise, because our mother planet has security devices, the oceans absorb a great deal of that CO² and what it does is a two-fold effect; the oceans become warmer because the gas is warm, but in addition to that, it becomes acidic! As our oceans become acidic, some of our very, extremely delicate species will die. In this case, the coral reef.

You see, very much like miners used to take canaries into the mine shaft to determine whether there was a poisonous gas there, coral serves as an alarm system to let us know if our oceans are too acidic -- or if there's something there, some type of poison. They are extremely sensitive and if that balance is not perfect, they will die. And, for those of you who have salt water aquariums, you have experienced how difficult it is to maintain a salt water aquarium.

Now imagine an entire ocean. So, when you have a combination of an extremely hot atmosphere and an extremely hot ocean,

now you have a perfect combination for hurricanes. And those hurricanes will come -- hurricanes have always been here. This is not like we just invented hurricanes. It's just a fact that they're severe. The severity of hurricanes have increased exponentially. In the past, we would have a hurricane season, and we would get maybe eight hurricanes, and some of the -- the severity would be category two, category three, and maybe one four.

Now, we're having hurricane seasons of 15, 17 hurricanes of which five, eight of them are category fours, and five. Now, that is a big problem. That is a big problem. And I'll show you why that is a big problem. Imagine that in seconds a hurricane passes by you, and your world is turned around. And honestly, you cannot recognize where you're standing. It doesn't look anything like what you knew. It's simply not there. Kim, can you help me with that?

VIDEO PLAYING:

“President Trump declared an emergency today in Puerto Rico. Residents were warned to brace for the worst. [Video speaking in different language]. Maria is expected to become a hurricane later on. Its path is actually following the path of Irma. [Video speaking in different language]. There are no lights. It is dark. Entirely dark. And apparently it could take months to get the

power back on. Just think about that for a second in the modern world -- months with no power.”

PABLO RODRIGUEZ:

“Think about that for a second -- months with no power.” So what does that mean? So you don’t have lights? Well, that’s only the -- that’s the first symptom, right? That’s what you would notice immediately. But if you don’t have electricity, you don’t have power to run your water treatment plants. And guess what? All of a sudden, that water continues to come. And now starts to spill over. And spills all over everywhere, waste waters, going into your waterways.

And so we had people that immediately went to the rivers to get water. But they don’t know that further up that stream, there is a filtering plant that is spewing waste waters in that river. And within hours, you have people poisoned, you have people who are dying, and they don’t know why. And we didn’t know why! Because, guess what? There are no phones. There is no TV. There is no radio. And I tell you, I have been sharing with some of the people an interesting story.

Hours after the hurricane, I turned on the radio. We were all told to have battery radios, turn them on, that’s how you can get information. I turned on my radio, and I got a baseball game!

And I said, “What the heck? Who’s playing baseball?” I mean, we love baseball, I understood. But who in the world would be playing baseball? Little did we know, as we could hear the Spanish they were speaking, we realized that’s not Puerto Rican. What is that?

We were catching a baseball game in Venezuela. Our radio spectrum was empty. There was nothing. We had no radio stations -- they were gone. No TV stations, no radio stations, no telephones, no electricity, no water, how about food? We import 85 to 90% of our food. We made a decision at some point -- because we are so small, and our topography is so complex, that we put our money on technology. So we have Microsoft here, we have Boeing, we have aerospace and robotics, and medical technology. And that’s where -- pharmaceuticals.

So we’re very strong in technology. Guess what? You cannot eat that. You need to have food. Where’s the food? Whatever little bits of food we have from our farmers throughout the island who insist to thrive as much as they can, that was destroyed too. That was gone. Now what? What do you do? No gas, no diesel. What the PR do in the face of that -- we knew we were getting a hurricane. And we knew it was gonna be bad. So what we did is that we will always have TICO locations. One of them is a bunker at AT&T.

And so we kept all of our systems there -- we had two mirror systems, and it helped us create a form of an ISP kind of thing, where we were exchanging DNS between one and the other. So throughout the island we kept that DNS going. But in addition to that, we have also -- we also kept a similar copy at AT&T in the mainland US. In the event that something would happen, we could be ready. So that helped us to avoid losing our DNS.

Now let me share with you this picture. The picture on the top is Puerto Rico before the hurricanes -- you can see the most lighted area within that map is the metropolitan area, where we are. And you may have noticed when you walk around, some people have told me, but it's very imperceptible to see, that there was -- that a hurricane passed by here. Well the metropolitan area is the most newest, strongest infrastructure, therefore experienced -- suffered the least amount of damage. But when you go to the majority of the island -- when you go to the center of the island, you will find the severity of the destruction.

Now, look at Puerto Rico now. That picture was taken a week ago, when a probe landed in Kazakhstan, among them -- the cosmonauts, was an astronaut from Puerto Rican descent, who had taken pictures of Puerto Rico. And that's what Puerto Rico looks like now. We are no longer that bright bulb in the middle of the Caribbean.

So, that said, I like to show you out of the 1600 and change, telecommunications towers, we lost about, nearly 1500 of them. And the ones that were remaining there, were so damaged that you could find groups of people throughout the avenues looking for some kind of signal, because some of them were still operational. Even though they were mangled -- like you see them here.

So, what are the lessons learned? That Latin American and Caribbean regions are highly vulnerable to natural disasters. For example, Mexico, less than 24 hours before Maria came by, and we had already experienced that, we had -- Mexico had suffered an earthquake. Lessons learned? Japan, 2011. We learned very quickly from our Japanese brothers, that they lost communications, they lost forms of letting us registries know that they needed to renew their domain names. So, that -- all that said, what we tried to do was allow our users -- we extended their registration -- their renewal date, so that they could not lose their cyber real estate. Thank you.

KATRINA SATAKI:

Thank you very much Pablo. Please note that tomorrow morning we're talking about lessons learned once more, and will discuss what else can we do to be better prepared the next time. I'm going to say that when I learned about what hurricanes Irma

and Maria did to the island, the only thing I was glad about was that it wasn't hurricane Katrina, otherwise I would've been -- but, yes, you are absolutely right. This is going to happen more and more, and we have to be prepared. Please be here tomorrow morning for the session on disasters, and how to address them. Now I'd like to give the floor to Alejandra for some highlights on member meetings this week.

ALEJANDRA REYNOSO:

Thank you very much Katrina. Good morning everyone, and welcome. Here is the team that is responsible for building the agenda for this meeting, so if you see any one of us, please do not hesitate to contact us if you have any suggestions, recommendations, comments, on the meeting. We are here to improve it, and to make it fit for all of you, so here we are.

Also, these are the people who will actually make it happen. This is the ccNSO secretariat. If you don't know them by now, here are their faces so you can also approach them with any questions you may have. [Inaudible]. So, please also don't hesitate to go to them if you have any suggestions.

Welcome, welcome everyone, and I wanted to know if there is any newcomer, or someone who is the first time in this room, in this meeting. Is it? Please stand up so we can see you.

Welcome! Hello! For you -- please sit down -- for you, let me please say that we have some material to introduce you to the ccNSO. There is the ccNSO Quick Guide. Kim, could you please - - there, here.

So if you please would come either to the front, to Kim, or to Jelena, where are you? There, she's just standing up. She's our community mentor for the onboarding program, so any questions you might have, this is your first source. And everyone else that didn't stand up also. So, please, welcome, and we expect to see you here from now on.

Here is the summary of how you may find information to our meeting. The presentations, the agenda, you also have it printed in front of you. The remote participation, and the google calendar, and the wiki. These presentations, it's already uploaded. Right Kim? Yes, it's already uploaded to the ICANN schedule, so you can download it and have it handy to see our meetings. And this is a brief summary of what's going to be our members meeting day one.

So, today, we will have working group updates, and ICANN updates. Also a session and the ccNSO as a decisional participant. ccNSO meeting strategy review, and a PTI session. Later, we will have a meeting with the ICANN board that will be in this very room. So they will come here, we are not moving,

until later in the afternoon when we do need to change rooms. We have a meeting with GAC, it's in ballroom B, it's on the third level, so take note of that.

And today, at the end of the day, we have our ccNSO cocktail, sponsored very dearly by .us, .pr and neustar. It will be in the Antiguo Casino, and we will have some printed invitations if you have not received the link to RSVP. Then, later, Kim will have them with her, so look for her to have your printed invitation, if you did not RSVP. Otherwise, don't worry about getting a printed invitation, unless of course you want it for yourself.

Tomorrow, this is the summary of our sessions. We will have, as Katrina already mentioned, a session on the impact of natural disasters on ccTLDs, we'll have a policy session, accountability sessions, and ccTLD news session. Then, we will continue with a legal session, then end the day with a cc -- a consultation with the ICANN nominating committee, and then we end the day with a ccNSO council meeting face-to-face.

On Thursday, these are some of the relevant events that are outside the ccNSO members meeting. It's the PDP working group on retirement of ccTLDs, it's meeting in room 202. There's public forum two in ballroom A, also on the third floor, and the public ICANN board meeting. For us it's very, very important to know your opinion and to know how the members meeting day

is going, so please send us your feedback through the online survey that will be online tomorrow. We appreciate all your input.

And don't forget that we are not only meeting here now, we can keep in touch, so we have our Facebook, Twitter, our website and the ccNSO secretariat email, so you can keep in touch with us. And welcome to the ccNSO!

KATRINA SATAKI:

Thank you very much Alejandra! Thank you, and with that, let's consider our members meeting days open, and that I pass the chairmanship of the session to Alejandra, for our next session, which are ccNSO working group updates.

ALEJANDRA REYNOSO:

Thank you very much. May I ask please, Jaques, Giovanni, Peter to come forward? And we will start with Jaques.

JAQUES LATOUR:

Good morning. My name is Jaques, I'm with .ca. So today, I'll give the status update on our TLD OPS standing committee. So, most of you know what TLD OPS, but I'll go through what it is. So it's a — what we decided to do as the outcome of the secure working group is to create a community of security —

operational security people, and linked all these people on a single mailing list so that all ccTLD can share and collaborate together from a security perspective — from a secure operational security contacts point of view. And, right now we have about 345 people who are on the mailing list from 193 ccTLD, which is a little bit more than what the ccNSO has, so I guess we're the recruiting arm for the ccNSO.

The goal is to build a repository of all the contacts and share that with the members on a regular basis, and that has been functional. And then the idea is that the mailing list is there to supplement the operation team; it's not there to replace the ccTLD security team. But if you're under duress, your security people can reach out and get help from the mailing list, or the participant on the mailing list. And a lot of people are willing to help there, so that aspect is functional to date.

This is a sample of the repository email. So we send this; it includes name, mobile phone number, the ccTLD that the person is affiliated with, primary email and secondary email addresses. So we added support for secondary email at the last ICANN meeting since then. And the idea is that, it happened once, there was a ccTLD that was under DDOS and they were using their gmail addresses to reach out, and we weren't sure who they were or how to validate, so with this process we can

actually validate that. At least this email address is coming from this person and it's affiliated to this cc.

So this is working out, the contact repository part of it. Since the last ICANN in Abu Dhabi there were no real security alerts on the mailing lists that was shared, which is a good thing. Obviously we want to have traffic on the mailing list, but that means people are having issues, so it's good not to have traffic but we want to make sure that it's used so that part is difficult to figure out. We added — oh it's not up to date.

So, since the last ICANN meeting, we added three new ccTLD to the list, so that was our target; to add three, per ICANN and we met that. So, I'm not sure which one we — Ecuador, Honduras, Armenia. So we added three more, which is good. We still have an objective of adding three more ccTLD for the next meeting. And there were a few adds and change of contacts. So the committee members have an action attempt to add more ccTLD, more community outreach, like Regis is going to go to the CAR African meeting and try to do some recruiting there, so we're all on the mission to add more ccTLD's to our group. S

o those are examples of alerts that were sent over the mailing list. So some are alerts, like malware that's using DNS, DDOS attack, d0 compromise, latency issue on the TLD, stuff that is security related that is shared among all the people. So that's

what the mailing list is used for. At the Copenhagen meeting and the ICANN -- the Abu Dhabi meeting we had a TLD -- we had DDOS mitigation workshop, so that was an experiment.

So the first time we had about 50 people in the room, and then we collaborated on how to, as a ccTLD to have a focus on ccTLD to mitigate DDOS attack. At the Abu Dhabi meeting, we had a second workshop and we've refined the information from the previous workshop and created a, some sort of a playbook to mitigate a DDOS attack.

So since then we've added an action attempt to take the outcome of the two workshops and create a DDOS mitigation playbook so that we have a draft available today. So at the steering meeting -- the standing meeting on Sunday we agreed that the current version we have is good enough to share with the community.

So, today I'm going to send out the link on the -- it's a Google link to a document. We're going to share that with all the TLD OPS contacts today, so you can tell your security people to expect that document. What we want is, we want the TLD OPS community to review the document, to comment and provide feedback. This is going to be an experiment, because potentially we're going to have 300 and something people update the same

document, so we'll see how that goes. We made a back-up before putting it there.

But I don't -- the issue is that we don't have a lot of engagement with the community to update documents, so that's something we're reaching out for so today we're going to send it; tell your people -- security people, that are on TLD OPS to actually look for it and update, provide comments. And then once the comment is done, we'll finalize the draft and make it available in all ICANN languages on the ICANN website. So that is going to be a template that you fill in the blanks, and it should make you in a position to know what to do in case you're hit by a DDOS attack.

These are the same stats as pretty much last time, we need to focus on recruiting in Africa and lack TLD. So that's the focus we have now. I talked about that, so we're going to share the TLD OPS -- the DDOS mitigation workbook today. If you're on this list, that means you're not on TLD OPS, and I'll let you look at it. So there's a few standing committee members in the room, can you raise your hand? No standing -- and then if you're on this list raise your hand? Because we need to talk to the ones that are on the standing committee. So who's on this list here, now? On the list? This is the missing -- this is the missing ccTLD. That's good, alright.

So the objective we have -- so the objective we had for this ICANN was to add three new TLD so we've done that, to the list, we have the draft playbook. So we met all of the objectives for this ICANN. And that's it! Any questions? So remember, we're going to send that link today for the playbook and you need to look at it and provide comments. Thank you.

ALEJANDRA REYNOSO: Thank you very much, Jaques. Since we don't have any questions, may we please go to the next -- Oh! Peter?

PETER VERGOTE: The link is sent to the list? Or...?

JAQUES LATOUR: The TLD OPS list, yes. The security contacts.

ALEJANDRA REYNOSO: For questions please, next time use the microphone for our remote participants. Thank you. So now we are going to hear from the Strategic and Operational planning committee, from Giovanni.

GIOVANNI SEPPIA:

Thank you, Alejandra. So, I'm very happy to report on duty on this ICANN Puerto Rico meeting. So, trying to go on with the slides -- so the strategic and operational working group of the ccNSO as you may know, was created many years ago in Cairo in 2008, and until November last year it stayed as a working group, and then it was decided to -- it was time to become an adult and become a standing committee of the system itself.

The aim of this committee doesn't change against what was the aim of the working group and the aim is to coordinate, facilitate and increase the participation of the ccTLD managers in ICANN and PTI's strategic and operational planning processes. The committee has become quite important because when we produce comments against ICANN operating plan and budget that is going to be part of the rejection action petition against ICANN and IANA budget. We have called for new volunteers to be members of these committees at the end of last year and we had some confirmation of existing members and new members were added to the committee.

Again, it's a committee; anybody can participate and please, feel free if you'd like to join this committee to contact the ccNSO secretariat. And it's a real pleasure to have new members on board as well as to be able to count on the expertise of the existing members.

What we have done in the recent past, let's say, is that the end of last year we submitted a comment to the ICANN proposal for the reserved fund and this comment was produced by some of the members of the committee and was submitted to ICANN. And one of the, let's say, key points in the comment was to support the reserved fund, which is between -- corresponds to 12 to 17 months of operating expenses of ICANN.

And at present, ICANN has produced and published a proposal for the replenishment of the reserved fund, and this proposal is up to public comment until almost the end of April on the ICANN site. And that full of decision of the ICANN board, at the beginning of February to indeed move forward with the replenishment of the reserved fund, to make the reserved fund able to cope with operating expenses for up to one year.

So the working group, the committee, sorry -- in their meeting last Sunday, decided that we will also participate in the public comment and produce a comment against this proposal of ICANN to replenish the reserved fund, and the way ICANN is proposing to replenish such fund.

Now, most importantly what we have done is also to produce our comment against the ICANN fiscal year 19, operating plan and budget was a public comment a peer did on the eighth of March. And here, I produce the slide that summarizes some of

the key comments or key points that we have put forward to ICANN’s attention over the past three fiscal years, operating plan and budget.

And as you may see, there’s a lot of common points including, and most importantly, the fact that the reading of the operating plan and budget is not so easy, as there is a lack of consistency among the different sections of the plan, and recently with a fiscal year 19 that has become even more problematic because the information is scattered across six documents, before it was just one document, and one of the key points that we have highlighted in the comments that we have produced for fiscal year operating plan and budget is that there are some key elements that should be together with -- for instance, the goals and the actions like the metrics and the accountability indicators, and those are reported in a different document so it’s difficult to put all the information together and go through the information.

Another key comment that we have been sending to ICANN for the past at least three years is to be more prudent when it comes to budget estimates. And this is something that, as a matter of fact, has been acknowledged by the ICANN CEO and the ICANN board chair in the preamble of the first introductory document to the ICANN fiscal year 19 operating plan and budget because

they indeed acknowledged that the plan in process, especially the long-term plan in process needs a better structure and a better management.

So, let's say that those are the key comments of the past three years. As you can see, again, there's a lot of common points we keep reiterating and at some point we were happy that some of them were taken on board, like one of the major achievements of this committee has been that, indeed, ICANN has improved a lot in terms of including more metrics and accountability indicators against different goals and actions of the plan.

If you look at the fiscal year 19 budget, what you can see is that the funding is expected to be \$138 million -- yes, dollars, and, as you can see, that is lower than the adopted budget for fiscal year 18, but is more in line with the actuals of fiscal year 18. So, let's say, ICANN is somehow admitted a knowledge that they were a bit more optimistic against the possible funding. And indeed, that caused ICANN to review several parts of the operating plan for fiscal year 18. And this is a, let's say, a detailed projection about the fiscal year 19 budget and the act of, for fiscal year 17, the fiscal year 18 adopted and the fiscal year 18 forecast.

For the new comers, ICANN fiscal year starts on the first of July and ends on the 30 of June, so it doesn't correspond to the calendar year, but it starts in the middle of a calendar year and

finishes at the end of June the following year. So most of the, let's say, increases -- or at least, the highest increase for the fiscal year 19 operating plan and budget is for personnel that continues to increase.

So this committee has highlighted to ICANN that we would like to understand rationale between a continuous head count increases against budget cuts that are pushing in several other areas. And we would also like to understand if those budget cuts are the outcome of assessment of the value of those actions or are just cuts proposed by the different departments without having proper assessment of the impact of those actions.

The ICANN finance department, during the meeting we had last Sunday, stated that they are not in the position yet to comment and provide feedback to us. They have taken on board our comments and they will produce, in due time, the feedback and publish it on the ICANN.org site. But again, some of the key points that we also highlighted in the preamble of the culling fiscal year 18, and those are statements, they are quite important and statements that are made in the letters that precede the fiscal year 19 draft operating plan and budget.

The first one is from the ICANN steel, it says, "ICANN org could have done better in its long-term financial planning." This is something, and again, this committee has been highlighting for

many years. The second one, it's the most important one, and the most important one because ICANN will soon start to process and produce the strategy plan for 2021 until 2026. The current strategy plan, the current objectives, were approved in 2015 and they covered 2016 to 2020.

And now, ICANN is in the process of starting the production of the strategy plan for the coming five years, 2021 to 2026. It's quite important, this second point, because again, this community has been given the sort of beauty to come up and say what we want, what we expect from ICANN in the coming strategy plan. And so, we had a sort of exchange of views with ICANN during the meeting last Sunday, and we were informed that ICANN will soon start the process of collecting input, collecting wishes, from the community, and that will start in the coming months.

So it will be quite important to see how ICANN is planning to get engaged with the different contingencies and stakeholders, to make sure that the different voices are heard, and they can take into account when the strategy plan is produced. That said, I'd like to finish here. I'm happy to answer any questions. You've seen the working group members. I'll see if I can go back.

So feel free to approach any of us these days, or in the coming months, especially when ICANN will come up with a strategy

plan draft and we will be happy to listen to you and make sure that some of your wishes or needs are channeled via the SOP committee. Thank you, again!

ALEJANDRA REYNOSO: Thank you very much, Giovanni. Any questions? Yes, we have one question? Hi there.

BYRON HOLLAND: Hi, Giovanni and team. First off, I just want to say you guys continue to do excellent work, so thank you for doing that on our behalf. My question is, regarding some of the comments that Joern has made about the number of reviews that are happening in the coming year, nine reviews in all of the effort and resources, which at the end of the day means money, that goes along with all of those reviews, and there seems to be a bit of a drum beat to maybe pace those reviews out a little bit more, and I'm wondering if your committee has had any discussions, or you have any thoughts on, the merits of that? Or is that more smokescreen? Or do you think there's validity in having a conversation about pacing those reviews out a little more? Recognizing some of them are bylaw driven, some of them have some more flexibility.

GIOVANNI SEPPIA: Thank you, Byron. We didn't have any specific discussion on reviews, but it's a good point, especially after having heard what IANA said during the opening ceremony, and we may take this into account in the future, let's say, discussions of the committee.

BYRON HOLLAND: Thank you.

ALEJANDRA REYNOSO: Thank you very much, and thank you very much Giovanni. We now continue with CCWG new gTLD auction proceeds with Peter.

PETER VERGOTE: Thanks, Alejandra. Good morning everyone. I'm taking the place here for [inaudible] who couldn't make it to this meeting, and who is used to doing the reporting on our behalf although that he is no longer appointed member to the board, but he continues to serve for the auction proceeds working group.

So, I would like to take this opportunity to do a brief recap, because we have been busy with this working group since a little

more than one year now has been, its activities have started January 2017. So that might provide us with a good opportunity to have a quick look back.

So basically, what has it's—is the meaning of this working group? Well, it all is linked with the new gTLD program, as you know, that has been rolled out a couple of years ago. So basically, if you have within the new gTLD program, if you had competing applications, meaning that there was a contention on the level of the string that was applied for. The applicant guide book provided us with a so-called last resort mechanism to solve the contention. If there was no agreement between the various applicants, then the last resort was to organize an auction.

An auction, classical auction that provides proceeds -- auction proceeds. Those auction proceeds are not part of ICANN's operating or normal funds that it can use for its activities, so they are in segregated accounts. So -- thank you. To be clear, it's only about auction proceeds. There has been some hesitation in the past that this should also deal with applicant fees, evaluation fees, and even, there were suggestions to create a mechanism in redistributing applicant fees to the original applicants but basically, and that's the most important thing, is we're dealing with an examination, and to come up with

suggestions for allocation or distribution of the net auction proceeds.

Currently, because this is not a final figure, we are over \$233 million of US dollars. But there is still about eight or nine contention sets, so this number can actually still grow in the future. And also, it's accruing interest, so even in the coming months or years it will still become a bit larger. So what happened? In March 2015, there was a call where there was interest between the AC's and SO's to come up with a cross-community working group, to explore ways how to deal with the auction proceeds. It took a considerable time to get everything on track, and finally at the ICANN meeting in Helsinki a draft charter was presented. It was subsequently adopted during the meeting in Hyderabad and the auction proceeds cross-community working group kicked off its activities in January 2017.

Now, it's quite a large group, which is good, all SO's and AC's are involved in it, so we currently have 26 members, 49 participants, and 30 observers. And, as I said, the most important goal and objectives are to develop proposals on the mechanisms that can be used to allocate new gTLD auction proceeds. It's not about finding projects and allocating funds to projects, it's more high

level doing suggestions about the mechanisms that could be used to achieve this.

So, we are expected to review the scope of fund allocation. We need to be sure that the usage of the funds is done in a proper way, and in an accountable way, and what has been stressed since the very beginning of the activities of the working group by the ICANN board is that conflicts of interest are lurking behind corners and should be avoided at any cost.

Other things that we need to keep in mind with our work is that everything needs to be in consistence, of course, with ICANN's missions — with ICANN's mission and the bylaws. There are a number of things that, from my perspective, seem to be very logic, but that we need to keep in mind as well. ICANN cannot use funds to the private benefit of individuals. It cannot be used for political activities and it cannot be used for lobbying activities.

As I said, conflict of interest considerations are something that is very key for the ICANN board. And there are, of course, procedural and financial fiduciary concerns that are linked with the ICANN org as a corporation and should be kept on board as well.

So what's the plan, the working plan? The first phases were to run through the questions that were identified in the charter. I'm not going in detail of those questions, but they are listed in this slide deck, so if you're interested you can go through them. It's questions about what mechanism -- what framework could -- should be used, how to avoid conflicts of interest, what kind of organization would you need, should it be in or outside ICANN, what are the control mechanisms to make sure that the funds are used in a proper way, etcetera, etcetera.

So the task of the working group is to consider all of those questions, then look into the possible mechanisms, consult with experts in the field that can guide us, so that we do not lose time in creating our own model if there are already valuable models that are used currently. And then, because it's a bit of a chicken and egg problem, once you have narrowed the list of possibilities for mechanisms you can go back through your list of questions and review them.

So here you see the work plan, it needs to lead to an initial report for public comments, then subsequently final report that will be submitted to the board. In terms of timing, we are a little behind the initial schedule. We have a meeting, I think it's on Thursday? Thursday morning. So I hope to find out more about where we are then exactly with a timeline.

So those are the questions if you want to look into them in detail. Currently, Steve, and Pablo, and myself are the ccNSO appointed members. If you're interested in following the work more closely here you get the links and, of course, feel free to join for the session on coming Thursday. And I think that's about it for me! Thank you!

ALEJANDRA REYNOSO: Thank you very much, Peter. For the sake of time, we are going to pass to our next presenter, and at the end of the session if we have some time we can have some questions. So now please, Katrina, will you tell us about the Guidelines Review Committee?

KATRINA SATAKI: Thank you very much. This is an update from the Guidelines Review Committee and what we've done. Here you can see members and former members of our group. Time from -- since Abu Dhabi have been very difficult for us, we've lost -- three members resigned, and here you still can see Ben as our working group member unfortunately he's -- he won't be a member anymore. So yes, we will need more people, more volunteers, and we'll ask the council to issue a call for volunteers. So if you're interested to join, please do.

So what we've done? We still work on many different guidelines, but we try to concentrate on two things; first one was all the procedures with respect to the community's right to reject specific actions, and draft operating standards. Operating standards -- supposed to be a document that guides specific reviews, as you know we're already in some specific reviews, but there's still no guiding document. The first draft was published at the end of the last year and we prepared a ccNSO council statement on the operating standards and the group itself submitted more detailed comments on the document. And we're also preparing for the ccNSO review -- you know there will be a working party that will work closely with the independent reviewer of the ccNSO.

So, speaking about the procedures or exercise of the EC rights to reject specific actions. What we did in the document, I will talk about it a little bit in more details later today during the next session on the ccNSO as a decisional participant. But the most important things here are that we try to define roles and responsibilities and fit into the tight timelines that are given for - - given us by the bylaws.

As you know, we submitted the draft guideline for you to comment, and we also held two webinars. We really hoped on active participation from the community members. We've got,

in total, 26 participants. Taking into account the fact that some of those participants were the members of Guidelines Review Committee, I'd say that participation was very low.

I don't know what it means, how to interpret it. I'd like to interpret it the way that you trust the Guidelines Review Committee and you trust the council to adopt the right thing; nevertheless, yes, we would really like to hear more from you if you have any comments on the guidelines, you're still welcome to submit them. I hope that the ccNSO council will be able to adopt the document during its call in April, which gives us still some more time.

Operating standards, as I already mentioned, we submitted two documents. One was on behalf of the council. Council prepared a statement and wrote comments from the group. The main essence of the statement -- are that we're very concerned with the large number of reviews that we're supposed to carry and, well, that's basically volunteer work. Volunteers from the community and we struggle with volunteers, as you will also see today a little bit -- or, after lunch break. Nevertheless, there is a need for operating standards in place and we stress that we propose not to start a new review before operating standards have been finalized and adopted.

And, some other general comments. What we're planning to do next, we have to finalize ccNSO council roles and responsibilities. We also submitted guidelines -- draw the guidelines on ccNSO travel funding, to the council receipts, on feedback, now it's back to the group analysis and implementation.

And we'd like to start a discussion on the rules of the ccNSO, there's a document from 2004, which served us well for some time, but probably now it's time to look at the document and maybe initiate -- at least, start a discussion on changing it. Do we need to change it? And if yes then how to proceed? And yes, of course, it's also ccNSO review is supposed to start not later than 31st August this year and it will last at least a year. That is all, if there are any questions, I'll be happy to take them.

ALEJANDRA REYNOSO: Thank you very much, Katrina. Any questions from the audience? Any questions from any of the other working groups or updates? Well, if not, please, let's thank our presenters for giving us such an update. Thank you. Please bear in mind that the heavy duty of the ccNSO is done through the working groups and that two of them that have updated us today are requesting for more volunteers to participate in them. So if you are

interested, do not hesitate to contact them directly, or the ccNSO secretariat, and please do join them.

With this, let me tell you that we are very close to the coffee break and we need to come back here at 10:30 to start with the session of the ccNSO as a decisional participant. Thank you very much!

[END OF TRANSCRIPTION]