
LONDON – Board with ccNSO
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ICANN – London, England

STEVE CROCKER: Welcome, everybody. Byron, this is really your meeting, but speaking personally, I'm energized with this agenda here and I have -- I'm ready to go, so open it up and get us started.

BYRON HOLLAND: Thank you, Steve, and thank you to everybody on the board. We always look forward to this, and I think given the interesting times we're in, there's an opportunity for a good discussion, hopefully, as opposed to just a delivery of information.

We have two agenda items to begin with before there's discussion around the IANA stewardship transition.

First is an update on the framework of interpretation working group with Keith, and then assuming, of course, Roelof finds his way up to this room, we'll have an update from the strategic and operational planning working group.

So to kick it off, I'm going to pass it over to Keith.

MIKE SILBER: Sorry, Keith. Before you start, just for colleagues on the board who may not be aware, this is the most important piece of policy work that's being undertaken by the ccNSO and it has a critical impact going

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forward in terms of the IANA transition because the IANA ultimately is the repository of the data that is the subject of this policy development.

So this is it in terms of ccNSO. If you think new gTLDs for the GNSO, this is the equivalent for the ccNSO.

KEITH DAVIDSON:

Good morning. My name is Keith Davidson, I'm the chair of the FOI working group, and I had promised at our last meeting in Singapore that I would be coming to London with the final framework of interpretation under my arm, hopefully with the GAC's blessing, to present to the ICANN board.

Unfortunately, that hasn't been the case. We had a couple of small hiccups in our final drafting of our executive summary, and we haven't quite yet finished our deliberations on that.

However, I'm confident that on Thursday, when the working group meets here, I will lock the doors and for three hours we'll battle out until we find agreed text.

The framework of interpretation is designed to provide some color and depth to the existing policies and guidelines for the delegations and redelegations of ccTLDs, and as such, contains a portion that's also quite important from an implementation perspective for IANA staff to utilize that color and depth in their measurement of delegation and redelegation issues.

So having the wording very precisely crafted and so there's no double meaning or ambiguity in it is quite important along the way, and I dare

say that for the GAC itself to have a translatable document is probably quite important, too.

So it's in the finessing of the final words that we're -- we've had some holdups, but I think I can slightly more confidently state that we will come to the Los Angeles meeting with the framework finalized and hopefully we will, in the interim, be able to have the GAC give their blessing to the document.

So that's my report. Thank you.

BYRON HOLLAND:

Thanks, Keith.

Are there any questions or comments for Keith?

Steve?

STEVE CROCKER:

I want to echo Mike's comments that this is the centerpiece of -- sort of the most important piece of work, from our perspective, from the ccNSO and am absolutely delighted to see that it's moving along.

It is, in fact, I think -- I'll just speak in a personal capacity. It is, I think, absolutely central to the discussion that you have as a separate topic about the IANA stewardship transition process, and let me jump right into that and stir that pot a little bit and maybe we'll be in strong agreement and maybe not.

The IANA process is something I've been watching very closely for a very long period of time. The board is structurally in the position of having

to approve each and every redelegation, CC redelegation -- delegations, too, but they're less interesting, in a way -- and the board does not want to be and should not be and assiduously actually avoids being in the position of trying to make subject matter decisions about these things.

We try to adhere to the existing policies and make sure procedures are followed.

There is a similar difficulty within the IANA group because historically they have processed all of the redelegation requests. They've put together a very comprehensive report which is published, although there's a delay in the publication because part of the process is kept confidential until it's completed.

There is -- there has not been a natural home for the judgment-oriented parts of the decision process separate from the IANA group, separate from the board, and this is a -- has been an enduring weakness and one which we recognize and need to bolster and find a way for that to be handled.

The framework of interpretation, my expectation is that it will not answer all of the questions but it will provide a big step forward at building that.

And that will be, I think, essential in trying to figure out what the answer to this IANA stewardship transition process is going to be.

And I'm far more interested in the substance of how these decisions get made than in the structures and the -- about all of that.

So this, in my mind, is pivotal and will help inform the rest of the discussion.

BYRON HOLLAND:

Thanks, Steve, and I think you've brought up an absolutely critical point, and if sometimes the CC community perhaps seems very sensitive to this stewardship discussion and the accountability discussion, you've gone right to the root of one of the central causes for that.

I know Ray had a question, and then I want to go back to Keith and then Chris.

Ray?

RAY PLZAK:

Thanks. The -- two points. Let me do the second one first, and let me echo Steve's concern in terms of finding the home.

I have a very strong opinion where that home should be and I know it's not the board, and I'm not going to go into any depth about it right here. Just to say -- just to let you know that I probably am in empathy with most of you as far as where it probably should be.

In regard to your presentation, Keith, you mentioned hiccups. Would you care to -- or have the time to expand a little bit about the nature of those hiccups?

KEITH DAVIDSON:

I think not. It's crafting of the English language, so I don't think I'd want to distract the room with getting into definitional language.

But if I could respond to Steve's comments, and perhaps a little bit more clarification which might help you as well, yes, we are hoping that the framework will provide what it can, in terms of interpreting existing policies and guidelines, and so that the ICANN board can produce more predictable decisions based on that framework, but we have already recognized there are several things that are not covered within this framework where policy development processes are required.

For instance, retirement of ccTLDs where there is no reference in RFC-1591 or the GAC principles as to how a ccTLD should be retired.

So there is some longer-term work to cover all of the bases of all things, but we think the framework covers off most deliberately those aspects of RFC-1591 that perhaps were cloudy at the time.

And so again, just what we want is a clean statement that is unambiguous and readily transferable and translatable into various languages, and we saw some points of ambiguity in the text that we had drafted on the table.

So it's just finessing and we're very close and nobody will be allowed to leave London from the working group until we have signed in blood.

Thank you.

BYRON HOLLAND:

Thanks, Keith. You're spending the summer here, then, right?

Chris?

CHRIS DISSPAIN: Good morning, everyone.

MIKE SILBER: It's Tuesday to Thursday is summer.

[Laughter]

CHRIS DISSPAIN: I just wanted to pick up on what Steve said, and actually, Steve, maybe pass a message to you.

This is very, very important, and it obviously needs -- in order to be genuinely useful, it needs to have -- the FOI working group work needs to have buy-in from the GAC, from the government -- from the governments.

I think it would be very useful for -- if you -- for you as the chair of the board to tell the GAC, perhaps when we meet with them this afternoon, how important you think -- we think this work is, or the board thinks this work is.

Hearing it from the ccTLD community and nouseam doesn't necessarily hold quite the same weight as it does if the board tells them.

So I think we'd appreciate it, speaking as a ccTLD manager, if you could impress upon the GAC to need to finalize this work.

They're struggling slightly because they don't have a methodology for how they would endorse or otherwise, but we'll work with them on that, but I think the delivery of the import would be most helpful.

STEVE CROCKER: Let me just ask for clarity.

Where is the GAC in the process of engaging on the FOI?

CHRIS DISSPAIN: They have been involved from the very beginning, but Keith, you go ahead and --

KEITH DAVIDSON: Yes. There are two or three members of the GAC who have been on the working group since its inception. We do have a slight problem inasmuch as Frank March, from New Zealand government, has been taking the lead for the GAC on it and he has essentially retired and this is his last ICANN meeting, so in a way it's a shame that we couldn't quite push through to get it resolved here in London, and the GAC will be seeking to replace him with somebody, I guess, but that could be a very difficult "ask" on someone to catch up on six years of work in the next three months.

So I'm seconding Chris' comments. It would be very, very useful if you could stress the import that you feel, Steve, to the GAC. That would be much appreciated.

STEVE CROCKER: Thank you.

BYRON HOLLAND: Mike, you had a question?

MIKE SILBER: Thanks. I made the suggestion, but let me repeat it.

I really think it would be useful for more in the community to understand what's contained in the report, and I have a feeling that other than those who are intimately involved or affected, others may know of its existence but don't know of its content and the impact.

So can I ask that the ccNSO staff and the FOI working group coordinate with board support to provide us either with an update session at the next board workshop or a telephonic update, but I think the board needs to actually understand some of the detail and I think that the -- the work is at a stage where you can present.

Because there are some implementation steps and there is an impact in terms of how things are happening at the moment, and particularly around IANA transition, and I really don't want us to go through IANA transition and then to say, "Ah, but now we need to incorporate some of the ideas and concepts that are captured in the FOI working group," but in the meantime we've gone through an entire system redesign for IANA without taking this into account.

BYRON HOLLAND: Thank you. Are there any final questions or comments on the work of the FOI specifically?

So I know there's a lot of interest in getting to the final bullet points on the agenda, but first, I'm going to pass it over to Roelof, who as you all know is chair of the strategic and operational planning working group.

ROELOF MEIJER:

Okay. Thank you, Byron.

Yeah, our working group filed comments on both the strategic plan and the operational plan and budget of FY15.

Possibly uncharacteristically, I'll start off on a positive note.

We consider both plans to be a huge improvement in relation to the previous plans that we've been commenting upon over the years.

The strategic plan has a clear structure, is easy to read, and has a good presentation; and the operational plan -- and Fadi has been promising us this and delivers on that. There's a very strong relationship between the goals, the objectives, projects, and budgets allocated to those projects.

So it's pretty clear where money is being spent on.

Having said that, our high-level comments on the strategic plan are that, first of all, there are two things that we think should be in the strategic plan and that are not, and one is the impact of the IANA stewardship transition and the other one is the trends in the global sales of domain names. And when I say "trends," I mean declining growth rates.

Also, we think that if you look at the vision in the strategic plan, that this is still a work in progress, because it very much describes the actual

situation and we feel that the vision should describe a goal that an organization wants to reach in the end, so to speak.

Considering the operational plan and budget, also there we miss both the impacts of the IANA stewardship transition. I am sure -- we are sure that costs are going to be incurred in that process and they are so far not budgeted.

We miss the trends in the domain name market and the impact they might have on ICANN's budget, and in fact, we see something that we consider to be pretty dangerous -- sorry.

Xavier? You want me to carry on or you want me to --

XAVIER CALVEZ: I want you to carry on but then I have a comment.

ROELOF MEIJER: Ah, okay. I'll make sure that there's no time for that.

[Laughter]

XAVIER CALVEZ: You're learning from me, then.

[Laughter]

ROELOF MEIJER:

So we see a kind of a contradiction that reinforces the other aspect in a negative way, and that is, we see there is a very strong increase in the expenses, operational expenses, a 27% increase.

There's a very -- in our opinion, a very optimistic projection of new gTLD domain sales. 33 million in the year 2015. We don't see any indicators that that is a realistic number. And it means that there's a potential risk that costs grow quickly and revenues don't grow in the same way.

So we recommend, especially here, that the board pay some attention to that.

I think, yeah, those are our main comments, so I think Xavier, you still have some time.

XAVIER CALVEZ:

Just a quick comment on the -- the earlier point that you made on the USG Transition Project costs.

There are costs included in the budget for that purpose, and if need be I can explain further to the SOP working group where those are and point it out to them.

There's 4.7 million currently included in the budget for that purpose.

ROELOF MEIJER:

Does that include the transparency -- ICANN transparency improvement project?

XAVIER CALVEZ: It is aimed at covering the four tracks of the overall project.

ROELOF MEIJER: Okay. Thank you.

BYRON HOLLAND: Are there any thoughts or comments for Roelof?

STEVE CROCKER: This is Steve Crocker. With respect to the other aspects of trying to forecast what the domain market is going to look like and as a consequence, what our revenue -- what impact that will have on our revenue, that is a topic that we have taken up seriously. There's -- we've tried to be somewhat conservative in our projections. There is a delicacy involved here in that, let's take as an extreme example, that we develop our own forecast of what the domain market is going to look like and we publish that, that would be an awkward thing for ICANN to do because it will be seen as possibly predicting what the fortunes of these other companies are going to be. And we need to be in a much more reticent and neutral position.

So there's a balance between trying to be clueful and knowledgeable for our own planning purposes and at the same time, a limit to how forthcoming we can be and so that then cuts into the transparency question. It's one that we've wrestled with before. So -- and I see Cherine raising his hand, chair of our Finance Committee.

Rescue me from whatever mistakes I've already made.

CHERINE CHALABY: No, you haven't made any mistakes. I just wanted to make a -- I'm sure you would agree, there is no sales per such for new gTLDs. You mentioned 33 million.

The revenue is not really revenue. It is a revenue recognition, and it's an accounting principle related to the cost. So whatever the cost is per certain year, there is a revenue that we recognize for that year.

There are no new sales per se. So I think we don't sit there and predict the number of sales. We calculate the cost of the operation for next year. And as a result, there is an accounting formula that then recognizes the revenue based on the money that we collected a couple years ago.

BYRON HOLLAND: Exactly.

Xavier had his hand up.

Do you want to respond to that exactly?

ROELOF MEIJER: Yeah.

BYRON HOLLAND: Okay, the response and then Xavier.

ROELOF MEIJER: If I understand you correctly, there is a difference between revenues for ICANN from domain name transactions and the application fees. So in the whole budgeting of the new gTLD, the application process, this is true. Costs are -- and revenues are budgeted there while they actually occur. But there is a clear statement in the budget that an assumption in the budget is that there are 33 million new gTLD domain names registered. And there is a revenue specially budgeted for that.

BYRON HOLLAND: Xavier?

XAVIER CALVEZ: So neither Steve nor Cherine nor Roelof have made any mistake. Everyone is right. Cherine was referring effectively to the new gTLD program revenues that are effectively recognized in accordance to his statement. And Roelof is right as well, that there is an assumption that for operational revenues of ICANN resulting from the new registries having been delegated into the root. In FY15, there is an assumption of 33 million registrations driving the per-transaction, per-registration fees that ICANN charges in addition to the fixed fee for the registries.

STEVE CROCKER: One of the disciplines that I've been touting, and I think is generally shared, is to be quite forthright about comparing what we expect to happen versus what did happen and have that feedback cycle so that we develop some experience and some discipline in making forward-looking projections and an accounting for them.

So we'll see how that goes.

And, Fadi?

FADI CHEHADE:

Yeah. I'd like to focus us on what matters here, if I could. We have published for the first time a detailed operating plan. Let's please study that and come back to us and tell us as a community if we're spending your money in the right place. No one has ever done this at ICANN, and I suspect, frankly, in many organizations.

We have published now according to our four objectives, 16 goals, 53 portfolios, 300 projects down to the dollar where the money's going. Please study it and give us feedback.

If we spend time arguing about how we predicted our revenue, that's weeks of work that go into this. And for those of you who deal with people on the revenue side, you know that this is not only a science, it is a bit of an art so we can spend days arguing about that. We should have a separate session maybe to discuss how we come up with these formulas.

But, more importantly, we've done something on the way to be more transparent and to be more open and responsible with your money. Please help us through that. I think we need your input. You are all operators, especially in this room. You run operations. You understand what "operating plans" means frankly better than most in our community. So we need your input on that, and we'd appreciate it.

STEVE CROCKER:

I've been watching this process over many years and more importantly over multiple CEOs. And, Roelof, I know you have been intimately involved in trying to study the budget over multiple CEOs as well.

I think we're in qualitatively different state here of being -- of dissecting and reporting the budget in ways that allow us to answer many, many different kinds of questions that the community has in mind. And I hope you agree.

But I'm vividly remembering some interactions in which the results have been far less satisfactory, and I think we're now at a point where at least we have some real data to work with.

ROELOF MEIJER:

Yeah, Steve, I do agree.

And, Fadi, you shouldn't see this as an attempt to raise a discussion about how you forecast your revenues. It's more a warning on the fact that this is a forecast; and if we look at the budgeted costs, there's a risk that the cost increases faster than the revenues. That was the message that I wanted to get across.

FADI CHEHADE:

If I may, Steve?

Absolutely. That point is well-taken. And just to be clear, I have frozen the budgets of all departments of ICANN effective June 30th for the entire next year except the three areas that convinced me we need to invest a little more because we have invest -- frankly, we have a deficit

of investment: I.T., compliance, and the new GDD division that has to grow with the growth of the new gTLDs.

But everything else has been frozen: Engagement, every other area. Legal wanted -- everybody wanted more. We froze it. It is completely frozen. So the spend level they have on June 30th, zero dollar increase past June 30th for the next fiscal year.

So I am cognizant -- someone yesterday said, I think we had to grow ICANN to deliver a certain level of services. But it's time to start curbing that growth, partly to deal with uncertainty in revenues. We don't want to have a rosy picture of revenues and find ourselves in a difficult place.

So keenly aware of that. And I really appreciate it because I think as CEOs, we certainly should not fall into the trap of seeing the cost line continue to go up based especially on uncertainties on the revenue side.

So you have my commitment to watch for that. I'm already starting the curbing across most departments and will continue to do that next year.

BYRON HOLLAND:

Thanks. We can close on that. I'm just going to make a comment, as the SOP chair prior to Roelof, having worked with a couple of CEOs on this subject, I can say that we have seen dramatic improvement over the years vis-a-vis to where we are today even three, four and certainly five years ago. So that's a testament to the work of the finance team, et cetera.

Like Roelof, as a CEO of a registry, we look at domains in terms of forecasting and I think it's safe to say all we're offering is a cautionary

note based on the forecasting that we see, so it is encouraging, Fadi, to hear your comments just now. That's relatively new news, so it is certainly encouraging for us.

As for the comments you made about the details and we should look to the details, our actual statement or our comments, we speak very specifically to operational elements. So I'd also encourage folks to look at our submission which does get into the more operational elements.

And with that, I think we'll -- and being somewhat cognizant of the time, we'll move on to the next item on the agenda which is around the stewardship transition process and the accountability processes in terms of next steps and concerns. And just wanted to provide some updates on where the ccNSO is at on this subject. We have provided council comment, and that's an important note, to both of the processes. One of the -- well, there are a couple of challenges that I just want to surface and perhaps we can have some discussion about them, is the timing and also the numerous interrelated elements here.

And I'm sure you've already heard the commentary about volunteer fatigue. When we look at the various threads here, be it the steering group, whatever the final shape of the accountability process looks like, there's currently also a separate but related cross-community working group on Internet governance. There is a cross-community working group on the IANA transition taking shape right now.

And then, of course, there's selection processes and selection committees of some sort to actually get people to those various working groups. And there is also potentially a cross-community working group on the accountability side, depending what shape that ends up taking.

If we take the September '15 date as a moderately firm date or at least a desired end goal, there are a lot of work streams for the volunteer base to have to deal with over that 15-month period. So it certainly a concern. I know it is a concern for every community. But just asking -- asking ICANN to be -- to recognize that and to do everything that ICANN can to try to mitigate volunteer fatigue.

I also just wanted to note that there is a cross-community working group that is actually formulating around the IANA transition. A drafting team has come together just in the past few days and will be working through a charter to constructively engage in the coordinating committee process. And the genesis of it was around the directly affected parties of root operators, root zone maintainer, G registries, CC registries and making sure -- stepping back a month or a number of months, that the voices of the directly affected parties had a path into the process.

So that was the genesis of where the cross-community working group came from. And as it evolved, it also became apparent that we should open that invitation up to the other SOs and ACs which has happened. And I know ALAC and SSAC have already volunteered some folks for that cross-community working group.

So the goal there is to constructively bring the various communities into that dialogue and feed into the coordinating committee in some constructive way, although, of course, that is still a work in progress. So those are some of the key elements in terms of what we see around work streams and process.

One of the challenges that we have, which we have noted in submission, is timing. Clearly, the ccNSO understands the importance of this subject matter and wants to be constructively engaged and helpful in terms of finding resolution here.

And the challenge, as I started with, is the comments made are only council comments. The reason they are only council comments is our process to have a fully engaged membership comment takes longer than the processes allow for at this time. I know we've made that comment already. I understand there's some work being done around that.

But our caution here is, if the process, and in this case the timing, doesn't allow for full community comment, then the process may in the end be where we are challenged. And our comments around this issue are really just trying to ensure the highest probability of success at the end.

So those are some of the issues that we see and some of the challenges I know we all face. But we are certainly committed to engaging in this discussion in a constructive and, as I'm sure you know, a forthright way.

Steve?

STEVE CROCKER:

I'm going to probe a little bit this timeline issue about comments and so forth. Certainly with the hierarchical structure that you've described, it takes time for questions to be distributed down, for comments to be coalesced at each level and put back together.

Is it necessary to use only that mechanism, or might it be possible to open things up so that comments can come from any part of the ccNSO and go directly into public responses? What is the -- is there a necessity to have a single coordinated response from the ccNSO? And that's kind of a double-edged question because one could ask, you know, what would be wrong with having multiple comments come.

And the other side of that is: What is the value of having a single response? How much weight is that intended to carry versus how that fits into the overall process? So I wanted to stir the pot a little bit about all that.

BYRON HOLLAND:

Maybe I'll just take a stab at answering that, and then Mike.

Every one of our members is free to submit their own comment as many have and many will, I'm sure. The regional organizations do the same, and we certainly share membership. And they will bring a particular regional perspective, I would assume.

And the council itself, you know, we are elected by our community members. So to some degree, we should be representative -- or reflect the thoughts of the community, although we don't represent them per se.

Those are all different ways that CC operators or CC managers can feed into the process. But as the ICANN structure representing CCs, I think we would want to have the comment of that ICANN structure, of that community, and the weight that it brings as part of the solution set to this larger problem.

So I do believe it's very important to have a full membership comment, though there are certainly other ways for CCs to engage, of which I am sure they will.

Mike?

MIKE SILBER:

If I can add to that. I think where a rough consensus-driven comment coming through indicates areas where the community has been able to compromise and reach a common understanding. And rather than our staff having to achieve a synthesis of all of the comments -- disparate comments and try to pull together some sort of common understanding, it is incredibly helpful when an organization like the ccNSO can give us a common position -- and, yes, as Byron said, regional organizations, individual CC managers may put in and say, "While the CC has formed a rough approach along the following lines, we on the, on the other hand, have a way-out-there suggestion." But at least we have an understanding of what the common concerns and the common principles are across this community. And to me it is very encouraging when the ccNSO is going to take the time to develop that.

And I think we need to pay significant attention because if there are concerns expressed by one party, we can possibly say it's a particular interest and we move on. But if it is an entire community, which is very disparate and very widespread and they are able to come together on specific issues, we really need to set up and take notice on those. But also the compromised deals have been done on half the issues.

STEVE CROCKER: Yes.

BYRON HOLLAND: Chris?

CHRIS DISSPAIN: Yeah. Just want to make sure, so we're clear, all we are talking about here is process. I don't mean to denigrate it. We are not talking about you coming with at consensus view on the transition of stewardship. We're talking about a view on the process. Is that right?

BYRON HOLLAND: I think that's what we're talking about. I was just making the comments about timing, and timing doesn't allow the entire community to put a community comment in.

Are there any thoughts or concerns or questions? Everybody looking down?

[Laughter]

On this topic, there must be a question or concern.

Becky?

BECKY BURR: I take your point, Chris, that the question was about process. But at some level, process is very fundamental here. And I think that we were all very encouraged with the response -- the responsiveness of the ICANN to the comments on the IANA transition with respect to allowing

the community itself to pick, to designate folks for the coordination board, and for the -- really, it seemed to me, commitment to kind of turn it over and let the community drive that process.

So when we say we're just talking about process, that actually goes to a really, really fundamental aspect of what has to go forward here. And although time has gone by and, you know, we haven't moved the ball substantively forward at a certain level, I feel like we're in a much better place to move that forward.

We do continue to have some concerns about the scope of the IANA transition, and I think there are two aspects of it. One, I would just like to raise because I think it's not -- it is surprising to me if we disagree on this, which is there is a reference in the scoping document to sort of the operations of IANA. And I think it's important to realize that one of the things that the community has done through the IANA functions contract process is work very closely to have a voice in establishing service levels, those kinds of things.

And so to the extent that you guys didn't modify the scoping document, my view is you left things sufficiently open so that the group can modify the scoping document in that regard.

But I do want to say on the IANA accountability process, assuming that you're hearing the same kind of comments and are intending to take the same kinds of steps to let the community drive this process, I think we will be able to move into substance very quickly.

BYRON HOLLAND: Thanks, Becky. Yeah, and I'd also like to echo Becky's first comment that from the very first published material to where we're at today I think ICANN has listened substantively to the community. I still think there are some opportunities but that ICANN has definitely listened and made significant improvements in the process that will help us all get to a better place at the end. And the comments we continue to make are still in that spirit. Fadi.

FADI CHEHADE: Thank you, Byron, and thank you, Becky, for your constructive help here, through the process, not just now. We are determined to stay out of the decision-making process of this whole set of activities, both the accountability and -- we're determined. I mean, ICANN has to be -- especially on the transition track, we have to be a facilitator at most. And I think you saw that in the new process we published. We need to step back and let you all lead. And I'm delighted to hear that with the leadership of Byron and others you're creating this cross community group. I mean, other parts of the Internet community are doing that. So we should do that. We, as the ICANN community, should do that and feed into that coordinating group, so that we have a voice that -- you know, reflects what we have in mind. So I can assure you and reassure you that ICANN intends to be completely in the background on this. We are privileged and honored that we were selected, but we're also carrying deeply the responsibility of not having -- not even a light hand. We have to be completely transparent to let you all lead this process. You have my assurance of that. And I think our document reflects that.

The second thing I want to say is, I want you to know that there is a very, very, very complicated and fragile balance we're trying to keep in maintaining relative tempo to these processes that is reasonable. That is not fast, that is not slow, that keeps things moving, and I'm sure you know, Becky, what is happening in the background. This is extremely complex. We are sandwiched between not 2 slices of bread but more like 20 slices of bread trying to guide this process calmly, as best we can. It is not an easy role. So when somebody says, you know, slow down on this, we need more time, somebody else says speed up, you're wasting time, you're listening to other interests, and we're -- it's not a simple formula. But we're trying to be, again, as much as possible, letting the community lead. And I appreciate that you know what is going behind the scenes. Theresa has spent an inordinate amount of time talking to members of the community, including many members of your community, members of the other Internet communities, the IETF, the IAB, everybody needs to be involved in this. The U.S. government, other governments, I can -- the list is long. And even within the U.S. government, the multiple parts of the U.S. government and the multiple parties within the U.S. system. Everybody is involved on this. And it's delicate. So thanks for understanding that we're in the middle of this.

The accountability process, one more thing I want to say. I have said before that we cannot make these two processes independent. They have to -- I've already completely embraced that. They are highly interrelated. We have, however, to be careful about the interdependencies. Because there are timings on these things that we are watching very carefully. But they are highly interrelated. If ICANN is not fully accountable in the eyes of its constituencies, how could ICANN

be trusted to ride this bike without the training wheels of the U.S. government? We understand that. Help us move forward on both tracks, but help us appreciate that high levels of interdependencies may cause us to trip, in both places, in fact. So this is delicate. We need help. We are not -- we don't know the answers. We're asking for all of you to help us.

Byron, I also want to reemphasize to your important community here in this discussion that the accountability track process is not, by any means, final. Not even the fact that we need a working group. We just listened to you in Singapore put out a document. This is still all open for change, for modification, for insights, for input. So please give us your input. Unlike the transition track which already now has a second proposal out for how it's moving and will have its first meeting here at this hotel in London on the 17th of July. Like I say, the accountability track, we're still in an open time where we need to hear from you. Sorry for the lengthy comment.

BYRON HOLLAND:

Thanks, Fadi. Young Eum and then Becky.

YOUNG EUM LEE:

Thanks, Byron. Young Eum Lee, .KR. I just wanted basically a clarification of what Becky had just said, that although the scoping document was not changed, what that means is that it is open to future change by the participants, and actually, Fadi just answered my question. Thanks.

BYRON HOLLAND: Thank you, Young Eum. Becky.

BECKY BURR: I just want to say in case anybody is under any misconceptions about this, the CC community is quite aware of the deadline and the need to get this done and those of us who follow American presidential elections know very well why that's critical. I -- and I understand the balance, but I think that you guys have put it in our court. It's now up to us. You guys have to give us the opportunity -- it's going to take some hard work to get this going and to take responsibility for it. But that's what has to happen now. And any chance -- any effort to sort of control the timing is going to backfire.

FADI CHEHADE: Let me be careful. I didn't say we are controlling the timing. I was pointing to the fact that your community is not monolithic on this issue. There are people within your community who would like the transition to never happen. There are people in your community who want to slow it down until it's maybe the Republicans running the U.S. government. There are people in your community who would like it to happen yesterday. So your community is not monolithic on this issue, and therefore, we have to also be careful, as you are coming back to us with varying inputs, that we understand, you know, how to keep this thing balanced with the other communities who will be affected by this transition as well. So this is our role, not as staff but as a coordinating committee by our -- I meant the coordinating committee.

Also, to your earlier comment, Becky, by all means, we need SLAs from the community, but we don't want the community to tell me who to contract with. I don't want the community to be telling me you must be working with VeriSign or HP or Samsung. But the community should tell me how to implement this, what are the SLAs they need, and then we will implement it based on that.

BYRON HOLLAND: Thanks, Fadi. We have two more questions. Kuo-Wei and then Jay. And then we'll probably have to wrap this up.

KUO-WEI WU: Thank you, Chair. I think from the ICANN point of view, I think we definitely need a ccNSO to, you know, help us altogether, particularly how to make a clear definition and scope of the IANA stewardship transitions because I think the ccNSO and the RIR ASO, we fully understand what is the ICANN pro -- IANA office operation and process, but some people else have the scope, they really not understand the operational process. I kind of expect maybe we can work together to make this definition of the transition and the scope is under reasonable -- reasonable scope. In case of some of the people expand the transition, you know, go wide and difficult to control. And I think this is important. It is not only in this process, also during the working group, you know. There is a -- there is a -- I think from ICANN and the ccNSO we should work together to make this really -- it's in the right track to working on.

BYRON HOLLAND: Thank you. Jay, 30 seconds.

JAY DALEY: Okay. I just want to pick up on the point about the nature of our community. To the very best of my knowledge, I don't believe there is any member of our community that does not want this to happen. To the best of my knowledge, I do not believe there's any member of our community that wants to arbitrarily slow this down. I think that if anybody wants it to go slower -- sorry, can y'all hear me?

BYRON HOLLAND: Louder, please.

JAY DALEY: Okay. To start again then -- can you hear? Right. So to start again then, for the very best of my knowledge, there is nobody who in this community wants to stop this from happening. To the best of my knowledge, there is nobody in this community who wants to arbitrarily slow this down. There is plenty of people who want this to be done the right way and are not willing to be pressured into time if it is going to go wrong, given the magnitude of the threat if it goes wrong. Okay?

The only thing about us that is slightly different is that we are a very principled community, but we don't all share the same principles, and that's what's taking the time.

CHRIS DISSPAIN: Byron, can I just clarify? Jay, I understand what you are saying. I think what -- I think what Fadi meant was "the" community as opposed to "this," specifically the ccTLD community. So within the wider community there are people who do not want this to happen. Within the wider community there are people who want to slow it down, speed it up, et cetera. So I think -- I think he said your community. But I think he meant the community generally.

BYRON HOLLAND: Thanks, Chris. Before we wrap this up, I just wanted to offer one final note that I think is probably important for your knowledge and that is that my colleague and friend Roelof is stepping down from being chair of the SOP. I think we can -- we can all agree on the fact that he and that working group have done an excellent job, and I just want to make sure that's known and take the time to say thank you.

[Applause]

He has probably felt like that extra board member and Finance Committee participant, but again, offered in the spirit of constructive input. Thank you very much.

STEVE CROCKER: Thank you, all.

[END OF TRANSCRIPTION]