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SINGAPORE - ccNSO Members Meeting Day 1  
Tuesday, February 10, 2015 – 09:00 to 18:00  
ICANN – Singapore, Singapore

BYRON HOLLAND: Good morning, everybody. It's a couple of minutes past 9:00. If I could ask everybody to take their seats and get organized, we're going to get going very shortly. Yes, Jay, that includes you.

Okay, let's get started. Good morning, everybody. Welcome, all members, to the start of our ICANN 52 ccNSO Members Meeting. Now I'm going to get more lively because – thank you, fine sir. Thank you, [Mark].

Anyway, good morning, everybody. Welcome to Singapore, our third time here in recent memory. It feels like we just left here, but I think it's safe to say, incredible what a year can deliver. Who would have thought a year ago in Singapore that we'd have had the year that we've had?

We have a very full agenda, as usual. There's a couple of, maybe, minor changes. We will be visiting with the board and the GAC this morning, or near this morning. So it's a bit of a change from the regular schedule. We do also have, as usual, a couple of very, very interesting main sessions on the key hot topics around CWG and accountability, so those should be very interesting, given what a fluid situation both of those are right now. We will also have some of the work by the SOP, who's done some great work recently and has been reporting out. Giovanni will be doing that, and I'm sure he'll be doing it with the GAC and the board and here. So it's going to be all Giovanni, all the time over the next couple of days. Anyway, we look forward to that.

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*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.*

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So with that, this is certainly an important meeting. As we all know, the work of the CWG in accountability have significant impact on our lives, as ccTLD managers and operators. So it's very important that we are well versed, understand the possible options in front us and the key issues, and participate actively in providing feedback and input into the processes and to your members, your cc members of those respective working groups. And over the next couple of days, we'll have a good opportunity to talk about it, question it, provide feedback and input, because most of them are here in the room and listening. And that helps provide guidance to them, as they go about their work in their respective working groups.

And with that, I am going to pass it over to Katrina, who is going to talk to us from a program working group perspective and then also roll into some thoughts around engagement. Thank you. Katrina?

KATRINA SATAKI:

Thank you very much, Byron. Good morning, everyone. I am very happy to welcome you here in Singapore again, a year later, just as Byron noted. So we have two days of very intense and very packed agenda.

First thing I really would like to draw your attention to, today we have a panel discussion on IANA stewardship transition. We'll have different views presented. I really expect very hot discussions on this subject. And Lise, who is leading the working group, who is the main representative, co-chair from our community, she's just nodding, "Yes." The discussion will be very, very hot. The discussion will be moderated by Keith. And while I hope that this means that we won't see any bloodshed, because

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Keith is very, very considerate and will try to take the heat off the discussion. But this is really, again, very important issue, the most important perhaps today.

Another discussion we have scheduled for tomorrow will be on ICANN accountability, another hot topic. Eberhard should also be on this. I had a feeling that we're missing somebody. Really, I will update it just before the discussion panel. And actually, I must tell you that I've never seen – well, I am chair of program [inaudible] for, I don't know, two, maybe three years. I've never seen such a heated discussion on how to get audience involved as this group of people discussed over e-mail, with different suggestions, different ideas. They were ready to do anything to brief you on this issue and to ensure that you get the whole picture and you participate in this discussion.

And they actually want to use the colored cards you have. So keep them close, because during these two days, you'll get asked a lot of questions. And actually, first exercise will come really soon.

Also, we have another interesting sessions, for example on marketing today, legal issues, and ccTLD news. If you check agenda, you see who is presenting. I'm sure that these presentations will be valuable for your daily work, especially – well, actually, all of them. I can't even say that any of them is better than the others. Every presentation will be very interesting.

Another very important event is, of course, ccNSO Cocktail. We have it tonight from 7:00-9:00 PM. I'm not going to pronounce the name of the place. I'll keep it close. And [Prevay], I think, is more or less the correct



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assumption. [Chimus]? It's really close, I think, to the venue, 100-150 meters. Yesterday I had a remote look, and I say the place looks wonderful. And for that, we have to thank our generous sponsors, .nz, .nl, .eu, .sg, and .br. And of course, thanks to local guys who helped to organize this event. Thank you very much. I hope we'll have two very nice meeting days and an excellent cocktail tonight. So everyone from the ccTLD community is welcome.

And just let's get started. In fact, I will ask [Kristina] to upload the second presentation. So I'll give you a short background to the next presentation. Oh, I'm sorry, Eberhard had a question. Yes?

EBERHARD LISSE: In the interim, I just saw the accountability panel. Until now, I was under the impression – and the agent reflects it – that I was on—

KATRINA SATAKI: Yes –

EBERHARD LISSE: Let me finish, that I was on the accountability panel. Do you need a photo from me, or can I go shopping?

KATRINA SATAKI: Actually, now that you mention it, yes, thank you very much. Send me a photo. I have it, but I have it on my desktop computer in my office. So I would search it [inaudible]. But, yes, if you could send me a photo,



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please do so. And I already apologized for not having you on that picture, because you definitely must be there, and I'm sure you will be there. This will make discussion livelier and more interesting.

EBERHARD LISSE: [inaudible]

KATRINA SATAKI: Absolutely, yes. Thank you, Eberhard. And please send me your picture.

The next presentation is "Getting Engaged in the ccNSO?" This is an issue raised by some of councilors during one of the council calls. We really need feedback from the community. And unfortunately, community, at the moment, I understand that you're very tired with all those endless discussions on transitions, accountabilities, financial issues, and so on, so on. But please do understand that you are the most important part of our work, our lives. Therefore, your involvement, your engagement, your contributions are very important.

The council actually wants to set a good example. And we'll start by setting up some accountability for councilors as well. So just on Sunday, during the council workshop, councilors agreed to be, well, more engaging. And probably Byron will tell you a little bit more later. I will just try to concentrate on the engagement of you, ccTLDs.

First of all, I'd like to start with one thing. What are the main barriers that keep you – sorry. My remote control just stopped working. Sorry, I'll move to the presentation.



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I don't know if any of you remember. It was not so long time ago. In 2008, there was a participation working group, and this group looked into the main barriers that do not allow the community be more active and participate more actively in the work. So I tried to think of possible obstacles in your way that do not let you to engage fully.

So one of the excuses – not excuses. “Excuses” is not the right word. But sometimes people say, “I’m not a ccNSO member. How can I participate?” It’s so wrong. It’s really, really wrong.

So who changed the slide? Oh, no. No one.

So it’s really, really wrong. And I don’t have to look for any other example. I just would like to point to Lise. She is not a ccNSO member, but the heavyweight lifting she does for the community on this CWG working group, it’s really tremendous work. And she works with the community, and she is not a ccNSO member. You do not have to be a ccNSO member to participate. Just join. Of course, you can become a ccNSO. We are open for any ccTLD. But if you don’t want to or anything held you back from joining ccNSO, participate anyway.

Then another argument people are using, “Oh, I come from a small registry. I can’t do anything.” Again, that’s wrong. This is wrong. Anyone can do that. And actually, I must tell you that one of my first experiences as a councilor, when I was chairing one of the working groups, we came up with the observation that maybe it’s not fair that large – actually, huge – registries have the same number of votes as small registries. And we raised this issue during council meeting. And,



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you know, all the big registries on the councils, they just said, “Well, it’s fair.” And they really did not understand what we were talking about.

It does not matter if you are a big registry or small registry. You can have an impact. If you are ready to dedicate your time and energy, you’re welcome. Well, I come from a small registry, so I know what I’m talking about.

Another issue is, again, many of you think, “Well, I’m not a native English speaker.” Again, I am not a native English speaker. And this should not hold you back from participating. Because, first of all, most of us are not natives. But how many here in the room are native speakers? Not so many. Not so many. And one just left. It was [Nigel]. So most of us are not native English speakers. And in any case, English we use here in ICANN, it differs from the one you would use if you wanted to participate in, I don’t know, debate in congress. So this is real-life English, and anyone can do that. And we do not expect you to be a native speaker to participate.

Of course, chances are that at first you might not grab everything. It really takes time. And for me, for example, again, I’m not a native English speaker. When I heard about orphans with issues, that’s a picture I had in my mind. What is that, orphan issue? Straw man still looks like a monster to me. So why do we need his proposal? I have no idea.

Then again, a lot of abbreviations, like CWG. Then you wonder, “Is CCWG same as CWG, just misspelled, or what?” Then we have really

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many, many, many different abbreviations. It takes time. It's not easy to grab it at first. But it's doable. Believe me, it is doable.

And I'll say that if you decide to join, you just can watch others in our community. And I've noticed that we choose different approaches. And I tried to categorize these approaches people take. And I will use some well-known characters to illustrate that.

Well, first one is a Winnie-the-Pooh approach. Not just that Winnie-the-Pooh is nice and a really helpful bear, but why I chose Winnie-the-Pooh, because if you remember the book and Winnie-the-Pooh had the conversation with Owl, or other way around, and Owl was talking, talking, talking and expecting feedback. So Pooh said, "Yes," and, "No," in turn. So on the first question Owl asked, he said, "Yes." Next question, "No." Next question, "Yes, indeed." Next question, "No, not at all." So this is one of the strategies you can adopt.

Then, of course, you can adopt strategy of an owl. And I don't mean sleeping. I mean that you can be wise. And because owl is really wise and always is ready and willing to share its wisdom with anyone. And if you ask an owl, owl always knows how to get to the target, to the destination.

Then of course there's another way, like, "I'm an ogre." Deep inside, these people are soft and very caring, but they try to be aggressive just to be heard in the community, perhaps. And it works! This is one of the strategies you can adopt.





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Then another character from this movie, it's Puss in the Boots. And not that. I mean you can be elegant, intelligent. You can be real gentleman. You can just show your value in a style.

Why do you think you'll be this character? I have no idea. You don't have to be, and you won't be. You can choose any character of your own and just follow this strategy.

So how can you get more engaged in the work of ccTLD community in general? So there are many working groups, currently active working groups. Well, these working groups are constantly seeking for new members. You can join any of these working groups. And regularly, there are a call for volunteers on a mailing list. So you can join these groups. For example, Meeting Program Working Group just got three new members, and we are very happy to have them on board. They are active and really willing to participate. I'm very happy about that. So other working groups are here.

This is one of the ways. There are other ways, as well. For example, you can give feedback. You can give feedback, for example, to the survey we are going to send out after these meeting days.

Another thing, you can act as a mentor for newcomers. If you see somebody who is new at the meeting, you can just grab his or her hand and, "I'll show you what to do." This is another how you can help people to be more engaged in our activities.

You can always come up and propose new initiatives, for example, for new working groups. It's really up to you.



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You can ask questions. You can ask questions during sessions, during and after presentations, during discussions. You can actively participate in discussions.

And, of course, you can also get nominated and elected into the ccNSO council. It really would be great to have you on board.

So the question actually is, how can we help you? How can we help you to get more engaged? For example, would turning off Wi-Fi during meetings help? Just a question to check if you are listening. I see a red card there. At least one person objects. Others are, perhaps, in favor of this proposal.

In 2008, the Participation Working Group ran a survey. And in this survey, they asked for barriers that keep people away from more active engagement. Then we just ran through questions asked by the survey and the answers we received at that time. And, well, we certainly hope that most of those barriers are not barriers anymore. For example, not enough information about ccNSO. I really hope that if you visit the ccNSO website, you can find a lot of useful information there, including information how to join ccNSO. And it's really simple. Don't have to invest much time or research into joining ccNSO. But again, this is not a necessary step to be more active.

What is in it for you if you decide to participate? Again, there are different benefits to that. For example, you think that perhaps you're not the best presenter in the world and you would like to practice. So whenever there is a call for presentation, just step up and say, "Yes, we are ready to give presentation." And then you'll have an opportunity to



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present to people you know, people who are friendly, and people who are really helpful. So this is a very nice way to do some more practice.

You want to be a manager? You want to be a CEO? You want to learn how to do the teamwork? Again, ccNSO is great opportunity to do that. Join working groups, work in a team, just to understand what it is. You don't want to do that, or maybe you don't have time to do that yourselves. You have people in your organizations – young people, active people – who are willing to learn. And actually if you look around, so you see people coming from same registries, because if you have somebody already involved, it's much easier for new people, for younger people. They do not have to be younger, but new people from your registry to get involved. Again, you don't have to be a big registry. You still have people, and they are still ready to share the workload.

So if somebody has an idea, for example, you think, "Oh, there's something that ccNSO council, or any other member, could do to help me get involved," so speak up. Any questions right now?

Who would like to get involved? Please raise your green card. Oh, I am glad. I'm sorry I didn't ask this question in the beginning.

BYRON HOLLAND:

Quickly, [Gabby], take a picture! Take a picture! Quickly!

KATRINA SATAKI:

I'm glad to see that we are so active here today. And I really believe that nothing – many of us have implemented DNSSEC in their registries.



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Come on, if you can do that, nothing can stop you. Nothing can stop you from participating.

Yes, please?

PABLO RODRIGUEZ: Yes, rather than a question, it's more a comment.

BYRON HOLLAND: Can I just ask – excuse me for one moment – just because we do have remote participants and transcript, and this is for everybody, remember to state your name when you're going to make a comment, please. Thank you.

PABLO RODRIGUEZ: Hi, good morning. This is Pablo Rodriguez, from the registry .pr, Puerto Rico. And more than a question is a comment. What I personally find a little bit holding me back is the fact that many conversations are already ongoing. So when I step in, it's like, "What are we talking about, and how can I help?"

So I need some help trying to catch up to understand what are we talking about before I can say, "Yes, I am more than willing to participate, more than willing to help." But I need to get some kind of feedback of what is the conversation on the different topics where we can possibly help. And I believe that that could possibly an obstacle that is holding some people back, that they have the interest in helping, but



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they're just walking in the middle of a conversation. How can I possibly help you that way? Thank you.

KATRINA SATAKI:

Thank you very much. I think that's a very legitimate comment. Yes, this is a problem. I understand that very well, because, again, I did that myself. And it really takes time and effort to get through the loads of documents. And, of course, in many cases you don't know the history what's behind. But if you do not try, it won't work. Anyway, so, Byron?

BYRON HOLLAND:

Actually, I think that's an excellent observation. And in the work that I get involved in with the other SO and AC chairs, one of the issues that we've been talking about is engagement overall within ICANN. And one of the primary pieces of feedback was exactly the same as you just gave, which was, how do you get involved in a conversation that's already been ongoing, or a work effort or a working group or whatever, that's been ongoing for some time? It's very difficult to step into the middle of it. So that's an acknowledged challenge across ICANN. And there were a couple of things that came out of that.

One was related to some hard data on research that ICANN had done. And personally, I'm a believer in fact-based decision making. So one of the things that was interesting was that when mentors were used, the stickiness or the ongoing participation of a given person was much higher when they had a mentor. And we tend to think of mentors, often, for new people coming into the community. But mentors are also people in existing working groups who can help on-board somebody.



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So my sense is that the chairs of most working groups – and this is not to put more work on them, but most of them would be quite happy, I think, to act as a mentor for new folks who would be willing to come in and continue to help do work on any given working group.

That would have to be informal at this stage, certainly. But I would imagine that chairs of working groups, most are always looking for committed, passionate workers. And if that means a little bit of mentoring to get going, I would imagine most chairs – and I see Giovanni just nodding – would be happy to act in that capacity, to bring you up to speed quickly.

KATRINA SATAKI:

Danny, please?

DANNY AERTS:

Hi, my name is Danny, .se. When I look at the change in pace and workload and the amount of hours and mails that is coming, for me, it's rather frightening to get involved. You have the feeling that you have to be willing to become an ICANN professional. Okay, you come on. And how many hours do you spend, engagement?

KATRINA SATAKI:

Fair question, again. But, first of all, somebody has to do it. And for those people who are doing it, getting extra help and possibility to share the workload would mean a lot, believe me. So you don't have to do all the heavy lifting yourself. But sharing is really important.



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BYRON HOLLAND: And with that, I think we'll have to bring this session to a close, because we do have to go to the meeting with the ICANN board. It starts at 9:45, so in about ten minutes. And after that meeting, we will have a short coffee break from 10:45-11:00 and then go straight to the GAC from 11:00-12:00. And the meeting with the board is in what room, Katrina?

KATRINA SATAKI: What room? It was Padang or something. And all I just want to finish with, to say don't be afraid, because we are all a nice and friendly ccTLD family.

BYRON HOLLAND: Thank you, Katrina. What room do we go to?

KATRINA SATAKI: I think [Padang].

BYRON HOLLAND: Thank you. And the GAC is in Collyer.

[BREAK]

KATRINA SATAKI: Ondrej, please join us on the stage.

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So, glad to see so many of you back to our room. And I think that we just start, because we're running out of time. Those of you who are lucky enough to be Giovanni's Facebook friends probably have noticed his unusual activity lately. This year alone, he posted twice. And today he will tell us more about social media strategies this year—

GIOVANNI SEPPIA: This year, yes, true.

KATRINA SATAKI: This year, that's what I'm saying. This year, yeah. So he will tell us more about social media strategy for .eu. So what are the plans? What are you doing?

GIOVANNI SEPPIA: Thank you, Katrina. I was lucky enough to have an official photographer last night to allow me to post the picture of my face when I was coping with the dinner we were served in his box, and we didn't know where to start from in the box, I mean. So where's my presentation? Somewhere in the—

KATRINA SATAKI: It is.

GIOVANNI SEPPIA: Thank you. That was the only animation of this presentation, so I moved from one chair to another. And so let's speak about what we have been





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experiencing regarding the social media revolution that was have done at EURid. And those eventually . . . Okay. It seems that there is – okay, let me see here. Okay, good.

Those are the points I'd like to cover in the presentation. First of all, how it started, how we got so much involved into social media. Second point is the year when it was a turning point for us in our social media strategy. Our presence on three major social media channels: Facebook, Twitter, and YouTube. The future of our social media strategy, and some conclusions regarding the social media presence.

So let's start immediately with a question to animate a bit the audience. How many Europeans do you think that there've been on social media at least once in the past year? Okay, Europeans, out of 700 million, how many have been at least once on social media in 2014? How many?

UNIDENTIFIED MALE: 300.

GIOVANNI SEPPIA: 300. Who say more? Who say less? Like [inaudible]? More? More. I'm sorry to say, but you all must have read a good statistic, because in fact the social media usage was about 300 million Europeans were at least once on social media in 2014. And about 200 million European accessed the social media via a mobile device.

And I don't know why, but there are some cuts in the presentation. Okay. Those are some statistics regarding the distribution of social media against the population for some European countries. And as you

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can see, in some European Union countries, the usage of social media is quite incredible.

That said, what we have thought? We have thought that it was somehow necessary not to be present on social media as amateurs, but to be there professionally. And again, it's really sort of a profession to be present in social media, because it has an impact on your marketing. It has an impact on the CEO. And it has an impact on the way people look at you and your company and your product.

So we were already on social media. We were tweeting from time to time. We were posting on Facebook from time to time. But we attended an incredibly valuable training, and we were told that what we were doing was really crap, that we were really – nobody at social media level. That we had to upgrade ourselves, that there were some techniques to make sure that our social media presence was valuable for us, for the company, and for the product that we wanted to market.

And so we decided to go everywhere social media. So not only Twitter, Facebook, but Google+, LinkedIn, YouTube. The more you put there, the more we wanted to go on social media. And, in fact, the 2014 was for us the turning year for being on social media.

And so we not only expanded our presence on several possible social media channels, but also we made sure that our social media strategy was sort of sound strategy that we plan in advance, and therefore, it's not something that you do from time to time, but there is a regularity. There is a flow in what you're doing in social media.



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What we are going to analyze now is our social media presence on three channels: Facebook, Twitter, and YouTube. So what we have done for Facebook, as well as for Twitter, is let's say at the end of the first quarter of 2014 we have produced an editorial plan, which means that we have made sure that every week there was a certain number of posts about what we were doing, about events we were participating, meetings we were attending. And that included pictures and more information, depending on the social media channel, about what we were doing.

What we have seen is that, thanks to this more structured approach, we have seen our number of Facebook fans increase in the past year, and this has been a consistent growth over 2014. We have seen that we were particularly successful, in terms of our posts on Facebook, whenever we were having live coverage of events where we were participating. And a successful presence on Facebook is measured by number of likes that you receive when you post something on Facebook, according to the Facebook statistics.

So in 2014, we had over 66 million impressions, which is the number of times a Facebook user may have seen a content relating to a post that you have made on Facebook. The source of those statistics is SproutSocial, which is a quite common tool to measure your social media presence nowadays.

You can also see that, thanks to Sprout Social, that in 2014 we have created over 32,000 stories. And a story, again, is created when somebody likes what you have posted and answer a question that you



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might posted on Facebook or mention one of your posts in their Facebook page.

We could also see, thanks to this account, SproutSocial, that we had a high percentage of followers, and impressions by more male population than female population. There is also the impressions by location. As you can see, the top countries were mostly northern countries, and that's because there were some joint campaigns that were conducted on Facebook by us and some of our northern registrars.

What was mostly liked? First of all, we had a great impact whenever we were posting a video with one of our testimonials. So we were doing that. And we could see that the number of likes was quite high. We had an incredibly successful post regarding the "Domain Names for Dummies," which is this booklet that we produced during the ICANN London meeting in the second quarter of 2014, and we have distributed it. And, again, we have seen that whenever there is good content associated, including videos or materials like those booklets, the number of likes and the number of followers increases exponentially.

As for Twitter, we have seen for the kind of messages we distribute, Twitter is the best social media tool. And even for Twitter, we have started to produce at the end of Q1 2014 an editorial plan. With Twitter, you may program all the tweets you like to post during a week, during a month. You may, of course, add more tweets whenever there is something new coming up.

But to make sure that there is a regular presence, most of these classes that are currently ongoing regarding how you should announce your



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social media presence, they are telling you that you must have at least three daily tweets to make sure that the outreach is good and you are visible on Twitter and Facebook. So we have made sure there are three regular tweets a day, even more. And thanks to the fact that we provide support in all the languages of the European Union, we have also made sure that those tweets were in several EU languages.

As I said, Twitter has proven to be most effective social media channel for EURid content marketing. There are still some key indicators that show that in the case of Twitter, the demographics, for instance, show that, like a bit for Facebook, the number of male followers is higher than the female followers. And we have seen that the level of the engagement is quite constant through the time we started to be regularly present on Twitter.

The most retweeted and favorite tweets have been those relating to one of our testimonials, the tennis player. Whenever she has played with our logo, we have tweeted about her, about her defeats or victories. She was quite happy, because she has quite a big fan club. And so our tweets were retweeted several times.

Concerning our YouTube, what we have done, again, even for YouTube is to structure a bit more our presence. So before, we were posting from time to time our YouTube testimonial videos on our YouTube channel. And what we have done is a more YouTube [cut] testimonial style. So we have reduced the length of the videos we were posting on YouTube, which was before around three minutes, down to one minute, 30 seconds; one minute, 15 seconds depending on the testimonial. And we have seen a dramatic increase of views, and we are about to celebrate



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the 1 million views of our YouTube videos, which accounts for over 660,000 minutes that our videos have been seen on our YouTube channel.

Okay. Sorry. [Kristina], I have an issue. Okay, let's see if I get it. No.

UNIDENTIFIED FEMALE: Where is your video now?

GIOVANNI SEPPIA: Where is my presentation? I don't know.

UNIDENTIFIED FEMALE: Oh, the presentation.

GIOVANNI SEPPIA: Yeah. Okay, Adobe Connect has crashed. Yeah, [Kristina] was just telling me that there might have been [inaudible] for Adobe Connect, and that was during my presentation. So I'm just going through the last slides by heart. And that's okay. That's okay, I can do that. No, no, it's okay. As you like, really, because I was about to approach the conclusions.

And the conclusions, for us, is that in many cases, the social media presence has well supported our marketing efforts, which were done in a more traditional way, like billboards in airports or towns, like Google Display campaigns and more. And whenever we have done a social media action in partnership together at the same time with these



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marketing efforts, the social media has proven to be a valid supporter for what we were doing at marketing level.

The second point in this conclusion is that, again, we have learned that we should be present at social media level in a professional way. Before, we were probably underestimating that. We have started doing that in a more professional way, with the help of some people who are just doing that in their lives. So helping companies to be present at social media level in a professional way. And we have seen incredibly good results, I must say. And we have seen that also social media were a way to reach out to our registrars and also to the end users whenever there was a need. And whenever there was, for instance, a crisis and we had to reach out to some registrars, that was also a good way to reach out to our registrars.

So it's a positive experience we had so far, and we'll continue to work on that. It's work in progress. When we all started, there were no social media, and this is something that you learn. You should be open to learn, because even at first we were a bit skeptical. We now realize that it's really a world to discover.

I'm happy to answer any questions. Thank you.

KATRINA SATAKI:

Thank you, Giovanni. Are there any questions from the audience? Oh, yes, please, Carolina. Come up to the mic.

Meanwhile, a quick one. Are there any dos and don'ts specific for our industry?



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GIOVANNI SEPPIA: What we have tried to do is try to avoid sensitivities whenever we were posting any message on Twitter and Facebook, which means that even if we participate in an event and there's something that you can express a strong opinion about, we try to skip that. Because we have seen that even really minor things might be misinterpreted, probably more easily than when they are published on standard sites.

[CAROLINA AGUIRRE]: Yes, sorry, Giovanni, maybe you mentioned it at the beginning. Do you have a dedicated team, an in-house EURid team, or are you also getting consulting advice from external experts? Thank you.

GIOVANNI SEPPIA: We have two people, internal people, who are part of the communication team who are looking at the editorial plan, which is something that is done on a quarterly basis and weekly basis. And there is an external company that is helping us in literally shaping the text of the messages we are posting, because again, that's also good for the CEO of the company and the positioning of our website in the search engines. But from the way you shape, you cut certain words in the messages you post that can help you to improve your positioning. So that is done externally.

KATRINA SATAKI: Thank you very much, Giovanni. So our next presentation is hopefully online, or will be at least on our screens. So our next presenter – actually I must say, very good addition to our Meeting Program Working





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Group. She's actually one of the examples for volunteering to do the work, and I'm very happy to welcome her. Today she's going to present us some... Very experienced. Experience in .il. I think all the registries that we all have seen that our growth numbers decline. And today Dina will tell us how they dealt with this issue in .il, Israel.

Okay, so maybe then we'll move to .cz presentation. Can we? Hello? Can we move to .cz presentation?

Okay, so Ondrej will tell us more about recent marketing activities in Czech registry. And if I have to talk about marketing – actually, I would say that one of the masterpieces of how to market, how to advertise DNSSEC was done by the Czech registry. If you're interested, check those videos. They're really hilarious.

UNIDENTIFIED MALE: [inaudible] I do my presentation?

KATRINA SATAKI: Yes. Could we go back to Giovanni? Okay. Go back to Dina.

UNIDENTIFIED FEMALE: Next time we will bring our laptops.

KATRINA SATAKI: Yeah, that's apparently thanks to unexpected change in Adobe Connect. So getting back to Dina and .il and how to deal with—



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DINA BEER: So in the meanwhile – that’s it.

UNIDENTIFIED FEMALE: Is that okay?

DINA BEER: Yeah. So one of the worst things that you have to do is, when you are a ccTLD, you have to manage all the discussions and all the disputes that you have around you. And you have to take care of the ccNSO as well. One of the troubles that we have that we were in [public scrutiny] for the last five or six years in Israel, and we had to decide what we are and what we do.

So the first thing to understand, why we have this [scrutiny], let me tell you a little bit about us. We are a ccTLD, as all of us in here. But besides is we are not-profit organization (NGO) as well. We are an authority that has the duty to serve our community, but we are not recognized by our government. We are a trustee of the top-level domain in Israel and in the global Internet community. We are the only ones that represent Israel in the global community. I am here, as well as I am the GAC representative as well.

We have to ensure a global neutral, open, secure, and safe Internet in Israel because if we don’t do that, the public will kill us. And we have to enrich the professional knowledge, because besides being a ccNSO, we are a community organization. And we manage the Israeli Internet



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eXchange. So we have the ISPs as well against us. So it's a very nice place to be.

But besides that, we are the Internet promotion and regulation body in Israel. We are the ISOC as well. We are not just ICANN. We are ISOC as well. So we have to represent the chapter in the Internet Society. We promote the Internet with the Israeli society. So we raise awareness of Internet technology and the importance of its integration. So I can tell you that we have been [called] against and with the ISPs more than three times in the last [two] years.

We developed the knowledge on an entire population. We pool resources in order to promote common objectives. We narrowed the digital gaps in Israel. We have to go to our government and tell them, "People, you have to take care of this or that." And they ask us, "Who are you to tell us what to do?" But we have to do that. And we are members in public and parliamentary committees. So we go against and against our friends.

So what were the difficulties that we have to take care of? First of all, we have no governmental recognition. Every time that we say something, they ask, "Who told you that you can tell us? Who told you that you are allowed to tell? Who are you at all?"

We are a non-profit organization that has money. We don't need money from anybody. We have enough money to promote ourselves. So we're telling the public, will ask, "Why the domain names are so expensive?" But they are not expensive. "What do you do with our money? It's our money. It's not your money."



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We have resistance from our natural partners, the registrars. When I start working in 2013 in the registry, the registrars weren't allowed to visit me in the office. They couldn't come to the office. That was the point of view. They are not our partners. They are someone that we work with. They gave a service, but that's all.

We are a very small country. If you don't know somebody, you know somebody that knows somebody. And if he hates you, all his family will hate you and all his friends will hate you. We are very, very strong on hating.

We manage a critical infrastructure. .il, gov.il, idf.il, and everything that has to do with security, health service, anything that has to do with services, we manage. We have competition with the gTLDs, and the new gTLDs now. It's great. "Why is .il better than .com? Maybe we should close it. Why we have to pay for it?"

And you remember how Giovanni was talking about how good the social networks are? I can tell you that they almost kill us. We learned to work with them. I have to tell you. We work with them. Today, we are part of it. I, online, once a month run one-hour answering questions in Facebook, and I can tell you that I hate Facebook. But any question that is asked, it will get it.

And the only income is .il. So everything that we do is supported on .il.

So that was challenges. Now what our advantages and what we used in the last two years?



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We are a neutral body. Anything that the government says and we don't like, we can say it against. Everything that the ISP say and we don't like, we can say. We always have our neutrality.

We have knowledge. Nobody in Israel understands the [ecosystem]. I can tell you that one of my problems that I have to go once a year to the MOC and explain to them what is GAC, what is ICANN, and what ISOC and what does it mean. What is IANA? IANA transition is like Chinese in Israel.

We have a very experienced and professional team, and it's not me. But I have a team that they understand the DNS system and everything that has to do with the Internet. And nobody else in Israel can do it

We understand the needs of the cyber in Israel. You remember, we met the last conference, we talk about cyber-attacks? We understand about it. We know what to do. We defend them.

We have a very technical community. Our community, it's very connected to us. We meet them once a month, and they are very, very technical. They are the fathers of the technology in Israel.

Nobody understands the Internet infrastructure as we do, as I was explaining. We understand the importance of the ccTLD and SEO. We explain that to the public. You know that if you have .il, the search engines will find you easier.

And we have diversification. We have a lot of things that we do.

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But in the last three years, as you can see, we've been going downhill in the registration numbers. We started to go uphill again in 2014. How we did it? Now it's important, that.

First of all, we improve our relationship with the registrars. Now they are our partners. They're [domain] service givers. They are nothing else. They are our partners. We meet once a month for campaigning together. We do marketing together. We search the right persons to go, and we start going. We do everything as partnership.

We have involvement with the different offices of the government: Communications, Foreign Affairs, Education, and Economy. We even represent the Country of Israel around the world. I have a friend here from Azerbaijan. I was there in November representing Israel, not as a ccTLD, as an Israel representative in that country.

We have transparency. Everything about what we do is on the net. We stopped keeping secrets. The only secret that we have is the structure that we have, and that's for security reasons.

We choose three different things to direct an emphasis in the community: the .il, the e-commerce for SMBs, and the safe.org.il. More than everything, we work on PR all the time. Every day, we work on PR. We ask questions. We answer questions. We are all the time in the newspapers, in the TV, and everything and everywhere else.

Our campaign for the public to build, the first thing we do was to motivate the public to build their identity using .il. And I need the movie. How I put it? [Kristina], help. We have a very nice campaign. Besides the usual things – social media, Google, and everything else –



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we used this movie. It's in Hebrew, but I'm sure you will be able to understand what is going on, on it. That's it.

KATRINA SATAKI: While they're getting ready, Giovanni specifically asked me to tell you that we love you.

GIOVANNI SEPPIA: No hate.

KATRINA SATAKI: No hate. No hate. We love you.

DINA BEER: You're not Israelis.

KATRINA SATAKI: That's true, but . . .

GIOVANNI SEPPIA: Just in case.

KATRINA SATAKI: Just in case.



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DINA BEER: Thank you very much. Now I feel better.

GIOVANNI SEPPIA: It's a prevention principle.

UNIDENTIFIED FEMALE: So who need help? Because there is supposed to be audio, right?

DINA BEER: Yeah, but I think that it's in Hebrew, so only way you can put it and everybody will understand by watching on it.

The first thing that we did is to choose the people in Israel, how important is to have a .il. You know Waze. Everybody knows Waze. Waze is an Israeli company. And first of all, it was Waz.co.il before it was Waze.com. So one of the things that we wanted them to know is how good is to be an Israeli company, especially to be a startup.

Just play it. It doesn't matter if it has the sound.

For whom who didn't understand what they are saying, it's, "You wanted to open a lemonade place. You tried to register your domain name. You have a website. Everything was ready. Now you want the domain name. Lemons is taken, so you now you have paint all your lemons from orange."

Now I have to get back. I'm a Windows person. You're going to kill me here. Linux, Windows [inaudible]. Thank you. I'm sorry for that.





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UNIDENTIFIED FEMALE: No problem.

DINA BEER: So first of all, why .il? We became a technological expert, upgraded all our system. The last two years, we upgraded all our systems. We became the consultants and leaders in the cyber-security. The Government of Israel consults with us about cyber-security.

We became a treasure of information. We are partners with the relevant official bodies. We became the experts. We provide relevant information in private in the business world. We provide accurate, unbiased in the Internet of Israel.

We become a leader. We have a registrars' forum. They don't hate us anymore. They love us. We have roundtables every month about different kind of issues.

What we do with the SMBs? We lead a national process, including training practices to promote e-commerce. We have more than 200 participants in each meeting. We teach them how to do e-commerce. We have cooperation with successful e-commerce companies in Israel: high tech, electronics, and tourism companies. And we have free meetings with the best e-commerce trainers. They come to our offices, and they train people that want to be trained. That gave us the power to be the experts as well.



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No worries. I won't show you the movie, because it will be too complicated. But one of the things that we believe is that the Internet should be not just secure. She should be safe as well for our children.

So the Net Challenge was to be sure that we have the privacy, the net [inaudible], and the cyber behavior. And we took these three issues to our attention.

The statistics in Israel says that one of three children suffers from cyber-bullying and 25% of the teenagers exposed by provocative picture in the Internet. Only 66% of the surfers reported cyber-bullying; 40% of the adults feel safe on the Internet.

Anyway, we have a Safe center that you can call 24 hours a day and tell us if you have problems with Facebooks. You have a picture that you need to download and everything else. We have a direct contact with Facebook, YouTube, Secret, and [What's Up]. And everything you don't want there, we will help you to take off.

What we do? We train the trainers. We train ambassadors in their immediate Net Zone for Safe Browsing. We have a hotline, as I was saying. And we have cooperation with Facebook, YouTube, Google, Twitter, and Secret.

That's it. Fast enough?

KATRINA SATAKI:

Thank you very much. Any questions from the audience?



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Then very quick question from me. So how does this Safe – your involvement in safety and education, how does it help you to increase the numbers of registrations?

DINA BEER:

Because they see us as an important part of the community. They believe that giving their money to .il, they're helping the Internet safety as well. So that's the way it helps. The point is that you have to understand that when you register .il, you just don't only take care of yourself. You take care of the Internet as well.

KATRINA SATAKI:

Okay, fair enough. So still no questions? And thank you very much. We'll move to our next speaker I already introduced, Ondrej, .cz.

ONDREJ FILIP:

Okay. So hello, everybody. My name is Ondrej Filip. I am from .cz, from Czech Republic.

DINA BEERI:

In the meanwhile, while they having the technical solutions, I want to tell to the new people that think that it's complicated to be involved that it's not. You just have to ask. And tell me, they will teach you anything you need.

KATRINA SATAKI:

Thank you very much, yes.



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ONDREJ FILIP:                               Excellent.

KATRINA SATAKI:                         And I'm glad to see that – well, I think that no other community, except technical community, ever has technical issues. It just works for them.

Ondrej, the floor is yours.

ONDREJ FILIP:                               Okay, so I'm ready. I apologize for the delay. Due to shortest straw, I am the last one between the program and the lunch. And we have very strict chairman, so I will be quite quick.

Again, my name is Ondrej Filip from .cz. And although we are in the marketing session, I will not be telling you stories about marketing. Because, honestly, we don't do much marketing in the classical sense. We don't have billboards saying, "Buy .cz domain." We don't do that. And we have two good reasons for that.

First of all, we cover 80% of the Czech market with domains, so we have really very good penetration in the Czech market. And it would be very tough to have a higher one. We have roughly the same number of domains like countries that have the same population as we, like for example Austria or Sweden. And those countries have stronger economies. So if you take into account that number of domains is just a function of liberalization, number of people, and the economy, we are probably on quite optimal, or close to optimal, levels.



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So we really don't do much marketing. I don't say we don't do anything, but basically we more concentrate on raising public awareness on education to the public. And also it's part of our mission statement. So we are not a company that is for profit. It's main driven by selling domains. We have very different function and roles, and one of them is to raise public awareness or to educate public.

We have three ways how we do that. First is the Learning Center. It's a physical facility in our headquarters. We run several courses for people there. So it's really training, class, classroom full of people that get some trainings. We have very technical, practical courses for techies, teaching DNS, IPv6, DNSSEC, BGP, all those highly technical things.

Then we also do some courses for specialized group, like school teachers for example. They are very popular. We have during summer, during vacation period. The teachers come to our offices and they try to learn something about the new trends on the Internet.

Also we do some specialized courses for police or law-enforcement agencies in general. And also we do some courses for general public with a little bit lighter topics, like open data, social networks, maybe 3D printing. It's quite a popular topic. For this year, we plan about 100 courses. So it's actually two courses a week. So the team that is preparing those things is pretty busy.

And more than that, we do those courses in three places, so in three biggest cities in the Czech Republic, which Prague, Brno, and Ostrava. So that keeps this team really, really busy.



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Another part or form how we fulfil this mission is that we print a lot of books. We try either to translate or write books that are relevant to this topic. So currently, we have nine publications. Some of them are highly technical, like IPv6 or Python programming and stuff like that. There are also some books about the legal issues, the legal problematics on the Internet. And we also have some books for young people, to sort of try to educate them that Internet is fine, but there are some threats, something they need to be aware of, which is a translation of English book, [“Own your Space”], for example.

So those books are in Czech or Slavic, of course, in our country, and they are all issued under free license. We translate them or write them, cover all the costs for this, and then we give them free for download on our website. Or if somebody likes the printed version, we will sell those printed versions just for the cost of the printing. So not cover author and translation, but just the printing itself. And also even more, there is some small discount for those that are able order that book through IPv6. So that’s another tiny thing, how we motivate people to adopt IPv6 protocol.

And the third part, and the most visible part, is our TV production. We do some cooperation with the national Czech TV, the public-owned TV. Basically, they introduce a special format. Because in the channel of state TV, no commercials are allowed. But there are allowed so-called sponsored educational shows that the format is this. You have two minutes for some short message how to educate people. There can’t be any commercials inside these two minutes. And in the beginning and at the end, there is five seconds of your logo, something about you. So it’s really just a sponsor’s greetings and stuff like that.

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So that is format we started to use. What we wanted to do is to create some new format, very modern designed, with some good actors, somebody would be very sympathetic for the people. We wanted to find a light and very entertaining, some fresh form, how to transfer those simple message through to the people. And also the actor to explain some problems and there is a very short summary at the end of every episode.

It covers all the sort of topics we believe are important for the Internet: technical, legal. It's also targeted for people that are afraid or that are scared of the Internet. So it also says, "Yeah, there is plenty of great things you can do on the Internet." For old people, you can watch your daughter that is studying abroad, for example, and stuff like that. So the purpose is to educate and also to bring some new people to the Internet, people that never thought of using Internet or never thought that Internet can be good for them, for example. So that a mixture of topics that we try to cover.

We chose a very good actor. It was a very big process to choose an actor, because we wanted somebody who is not too young to be trustworthy for the people and also not too old, because those people wouldn't trust that he's an expert. Because experts in this field are usually a little bit younger people. So I think we chose a good one. He is famous actor from TV family series, so is quite popular and people like him. In the series, because he's just a lone actor there, he has to change his costumes very often. And he plays all the roles, not just men, but also women. So you can see this beautiful lady in the middle in pink suit, she's really beautiful. It's also him. He plays more than 200 roles in those TV series, so it was quite fun watching him doing this.



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We started in 2012, with roughly 40 episodes and we broadcasted those episodes during autumn in the primetime. So just in the time before the main TV show starts. We repeated the same in the next, in 2014, but we added five more episodes. And again, we used the same time. Last year we a little bit changed the strategy. We didn't produce so much episodes. We rather saved some money for broadcasting them.

So all the old episode plus the new 15 ones were broadcasted the whole year in different times, five times a week. So it was almost everywhere, not just in the main channel, but also in sporting channel and another channel that is for kids and stuff like that. So it was really spread [well wide]. And together, it's 100. And this year we would like to repeat it again, and we plan to produce some more of it. So we will produce a second hundred, or we are at the beginning of it.

So it's not just TV show. We also created portal. The URL is quite complicated for you, I understand. It's called "Jak na Internet," which means, "Internet How-to," or, "How to Use the Internet." And with every episode, there is also the video, which you can download. But there is also educational material for teachers, because some teachers use these videos as the beginning the teaching class, as an opening video to entertain the students. So this is quite well used and we like it. And we also distributed those videos for free to cooperating schools, which was about 2,000 of them. And of course, we also follow all the topics in the CZ.NIC Academy, which I discussed earlier.

So this is how the portal looks. And this is the number of outputs. Last year, together in the history, it had like 100 million views on TV, and we also ran independent research in the population. So we know that





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almost a quarter of Czech population is aware of this show and knows it. A majority people likes it and feels that it's an educational one. So it's really a quite popular thing.

And not just that, but it is very interesting output, because we started this kind of TV series, many people start to follow us and copy our concept. So that was the proof that we do the same. And many similar educational videos on different topics, not the Internet, appear later on. So we felt proud that we started some new wave.

Well, because one picture is worth a thousand words, and I think one video is worth a thousand slides, I will show you a short video, how this TV series looks like. And I hope you will like it. It's in Czech, but it has subtitles, so I hope you will be able to read it.

[video in Czech language]

Okay, so you saw a very short overview, how this actually looked like and how funny it was. This really was popular by people, especially some of them said that they have no interest in the Internet but they like Roman's act, so they at least look this person and they became educated.

I am not sure if I can find my slides, because I have one more thing to say. If not, then I will take it just without slides.

This is not the last attempt to make some TV show. We also started a completely new thing, which are TV shows for kids. Last year, we also cooperated one TV show called "The Mystery Hunters." It's a story of two scientists. One is young and asks, and one is older who explains for



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kids, that tries to explain some scientific problems. And one of the show was about Internet. So we also joined this program. It was quite funny for me, because I personally played in this series. And it's really great if somebody who is very antisocial, very quiet person and [quite a techie] person tries to be in an actor in a TV show for kids. But I learned me a lot. So we will continue this, because it was quite successful. So some more to come this year.

Thank you very much.

KATRINA SATAKI:

Thank you very much, Ondrej. Are there any questions from the audience? Yes, please? Could you come up to the mic?

So we saw one-tenth of all the episodes?

ONDREJ FILIP:

No, no, even less.

KATRINA SATAKI:

Even less than, okay.

SLOBODAN MARKOVIC:

Hello.

KATRINA SATAKI:

Yes.



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SLOBODAN MARKOVIC: I'm Slobodan, from .rs. Thanks, Ondrej, for this wonderful presentation. It's really amazing what you did. Just could you please clarify one thing? I think I saw the saw slide that you made a survey about the awareness of people.

ONDREJ FILIP: Who made the survey about it?

SLOBODAN MARKOVIC: No, I mean, this is amazing.

ONDREJ FILIP: Yeah.

SLOBODAN MARKOVIC: This is just amazing. I just wanted to see it once more. And I wanted to ask you if you could perhaps share with us a bit more about how did you do the production? Did you hire some constructor to do that? And perhaps if you could talk about the associated costs of the production [and that kind of stuff].

ONDREJ FILIP: Sure, no problem. We are quite open. Well, the production was done by a professional company, as you saw, and all the stuff was done in professional studio. The production costs of one of two-minute show is



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roughly \$10,000. So we spend roughly \$500,000 a year. Some money are for production, and the rest is for broadcasting in TV. Because you know every minute in TV is quite costly. So again, we spend roughly a half-million dollars each year for this education.

KATRINA SATAKI: Marta?

MARTA DIAS: Sorry, that was my question. It was very interesting to know. But in Portugal, it is very expensive to use the TV for that advertising. So that was my question.

ONDREJ FILIP: Well, I don't think it's so expensive really. It's just a few programmers. So it depends where are your priorities, whether you hire more legal staff or programmers, or whether you invest in such things.

MARTA DIAS: Yeah.

ONDREJ FILIP: So it's really just about priorities. And it's roughly less than one-tenth of our budget, so it's not so big a deal.

MARTA DIAS: Yeah, if you have a good income with it, yeah. Yeah, thanks.



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KATRINA SATAKI: So thank you very much, Ondrej. Thank you very much, Dina. Thank you very much, Giovanni. Sorry, we run a little bit over the hour. We started later because of those heated discussion in GAC.

So now we have a lunch break, and we reconvene at 2:00, in 45 minutes. Sorry to say that, but we have to be back.

[BREAK]

BYRON HOLLAND: Good afternoon, everybody. Hello. If I could ask everybody to get organized and take their seats, we're going to start the afternoon session in a minute or two.

Okay, everybody, if I could ask you to take your seats. We have the technology ready. And our first session is going to be from the SECIR Working Group, and Cristian is going to be providing us an update. Over to you.

CRISTIAN HESSELMAN: Thank you, Byron. Okay, so good afternoon, everybody. I'm going to give you an update on the work of the SECIR Working Group. "SECIR" stands for "Secure E-mail Communication for ccTLD Incident Response."

BYRON HOLLAND: Cristian, could I interrupt for a minute? Gentlemen – [Bernie], [Chris], Keith, folks, could I ask you to sit down, please? Who let [Chris] back in here, anyway? Disrupting the place already. Thank you very much.



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CRISTIAN HESSELMAN: Okay. So the update of the SECIR Working Group. My name is Cristian Hesselman. I'm with SIDN, the registry for .nl, Netherlands.

So – oops, this is a bit off. Here we go. Oops, I shouldn't do that.

Okay. So the objectives of the working group are to implement a first version of a contact repository for ccTLDs, so as to enable the folks responsible for the security and stability of a particular ccTLD to contact their peers in a quick and easy way, thus improving the handling of large-scale security incidents on the Internet, such as malfunctions of registration systems, DNS outages, and that sort of thing.

So that's the primary goal. And as part of that, we also focus on exchanging rudimentary incident messages with actual incident information in there. But the focus is on the contact repository functionality.

Our approach is based on a mailing list, actually for several reasons. So mailing list is globally accessible and also easy to use. It's something that we can provide at near-zero costs for ccTLDs. And this is an important requirement, because that came out of the survey that the previous working group conducted this year, the CRI Working Group conducted in late 2013. And the mailing list also provides the possibility to interface with similar systems, so similar mailing lists, at regional organizations, such as CENTR and LACTLD.

So the expected impact of this contact repository is improved handling of security instability incidents at a global level. Okay. And the contact



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repository is also explicitly open to non-ccNSO members. Whoops. What happened there? I'm not touching it, but it's doing something. I'll try to scroll back up there. All right. Got it. Thank you. Okay.

So the mailing list is called TLD-OPS. The address is listed up there on the slide. It was actually set up already in 2004, so that's over ten years ago, for similar purposes. But it had actually never been used, or very little. So what we did is we purged the list and started to use it for our purposes, and the purpose being getting the Security and Stability Contacts of ccTLDs on that list. So that's also one of the key terms that we're using within the working group, the "Security and Stability Contact" of a ccTLD, which is persons responsible for the overall security and stability of their ccTLD.

We add people to the list by authenticating them through the IANA admin contact of a particular ccTLD. And as I pointed out before, we would also like to provide a facility for rudimentary exchange of incident information. And this is something that you can do with the list. But actually, we would recommend to minimize the use of the list in that way, because it's unencrypted. So the main purpose of the list is to act as a contact repository, rather than as a communications channel.

Okay. So the administrator of the list is ccNSO Secretariat. And the server is being hosted, let's say, on neutral ground by DNS-OARC.

So this is how it works. There is actually three typical usages of the mailing list. The first one – I need to – oh, I shouldn't have done that. I wanted to point out something.



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So the first usage of the mailing list is what you can see at the top of this figure, which is that the Security and Stability Contact of a ccTLD just sends out a message on the list saying, “Hey, I’m Person A, and I’m looking for the contact details of the Security and Stability Contact of ccTLD B.” And these folks can then contact each other offline through a phone call, for example, or instant-messaging session. So that’s the thick arrow up there.

The second use of the mailing list is that SSCs can send a mailman command, which is an e-mail, to the mailman server to ask for the list of people who are on the list. And the mailman server will then return an e-mail with the e-mail addresses of all subscribers of the mailing list, including their mobile phone numbers and first and last names. So that’s the middle part of this figure. And then again, the SSCs can contact each other off list.

And the final use of the mailing list is that we modify the mailman server a little bit. We added a script to it, which generates an e-mail every month. And this e-mail contains the current list of members of the mailing list, including contact details like first and last name, e-mail address, and phone number. Okay.

So the way we get people on the list is through their IANA admin contact. So what’s happening in this figure here is that the subscription procedure that we designed is being initiated by the ccNSO Secretariat. They send an e-mail to the IANA admin contact of a particular ccTLD asking for the security and stability contacts of that ccTLD. And then the admin contact will need to return that information, including the name and phone numbers and email addresses of those people. And then the





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Secretariat will simply add those people to the list. And once that's done, they will also send an email on the list itself saying that new people have been added to the list. And finally, which is step four in the figure on the slide, the ccNSO Secretariat will add the newly joined ccTLD to a public list of ccTLDs who are on the list. So this is not the information of the actual persons on the list, but only which ccTLDs are on the list.

There is a similar procedure for Security and Stability Contacts. They can use the mailman server main webpage to request a subscription to the mailing list.

Our current status is that we added the ccTLDs who are in the working group to the list, at least most of them. So that's Brazil, Canada, Denmark, Netherlands, and Tanzania. And we invited a set of additional ccTLDs to evaluate the subscription procedure with us to see if there's any issues with it. So far, we haven't encountered any yet. So it seems to be working quite well. And of that group, we have .co, Columbia, on the list, and .jp pending at this point. And the other ones have been invited.

At the same time, we also put up information on the ccNSO website. So there is a separate dedicated page for this list on the ccNSO site under "Resources," and then "Cyber-crime and Security," I think. And that's when you end up at the TLD-OPS list. And it contains a description of what the list is and how you can get on it. So by all means, do check it out.



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So the next steps of the working group are, of course, to invite the rest of the community. And this is particularly important for the IANA admins in the room. So expect a message from the ccNSO Secretariat in the coming weeks to add your Security and Stability Contacts to the TLD-OPS list.

One other thing we're going to work on is to detail the interaction with similar lists at regional organizations. And we're going to plan and execute outreach activities in the next few months.

Also, we're working on a roadmap. So like I mentioned at the beginning, this is version 1 of this contact repository. And we also envision a version 2, which we think will be based on the OPS-Trust system, which was developed by Paul Vixie and is also being widely used in the [DNS-OARC] community. But this will take more time, as it will also require software development and will require funding.

And around May, we plan to carry out an evaluation of the current mailing list, of the TLD-OPS mailing list, in terms of how many ccTLDs subscribe to it and what is the perceived added value of the list.

And finally, there is of course the write-up of the final report and hopefully a closing of the working group by the next ICANN meeting.

So these are the folks on the working group, support [by Gabby]. And if there's any questions, I'm glad to take them.

BYRON HOLLAND:

Can we get the floor mic turned on?



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[STEVEN ERIC]: We've got it. [Steven Eric], .as. I thought of this question after you presented at Tech Day on this. Do you guys have a plan for follow-up after the contact of the admins in the IANA database falls on deaf ears and your response rate is maybe 20-30%?

CRISTIAN HESSELMAN: To be honest, we don't at this point. But we held a survey back in 2013. So that was something that the previous working group did. And it turned out that 80% of the respondents thought that a system like this, or a mailing list like this, would have an added value. So we actually expect quite a high response rate.

BYRON HOLLAND: Okay, thank you, Cristian. Appreciate the work that's happening in this working group. [applause]

And now I'm going to ask the members of the coming panel discussion to come to the front. You know who you are. And I am going to preface it by saying clearly this is a very important discussion for this community, and we hope to have a lot of participation by the members and a full and frank discussion. We have our co-chair of the CWG here, and she will be listening and challenging, I'm sure. So let her know your opinion.

Also, because of the importance of this subject matter, we made arrangements with the following presentation panelists, who are mostly ICANN staffers – and I'm referring to those after the coffee break – that



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we may encroach on their time if we need it here. So we wanted to make sure that the panel here had enough time to convey their information and that we, as a group, could have as much conversation as required. And therefore, it can extend after the coffee break. And we will rejig the schedule accordingly, if need be.

And with that, I will turn it over to Keith, who is chairing this session.

KEITH DAVIDSON:

Thank you, Byron. And good afternoon, everybody. It's good to see a full room after lunch too. It's not like this room to be so well attended.

This session, as Byron has said, could last a little longer than scheduled, and we are late starting. So in recognition of that, I'm going to keep the introduction very, very brief. And I think everyone will have already read what this session is about. It's about the IANA transition and the progress on the CWG.

The first part of the discussion, we will have a presentation from Lise to give us the progress. And then the second part will be a discussion around some of the emerging models or structures, and so on.

So, Lise, you have about ten minutes to give us a complete rundown on the entire history of the CWG's work today. Thank you.

LISE FUHR:

Thank you, Keith. And now I'll thank you for giving me this opportunity to get feedback, because it is of utmost importance that we get the feedback from this community. We are a very diverse community, and



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it's very important that we find a solution, a compromise, whatever, very soon on which model to go with.

I would like to get a sense of the room. I would like to ask you first, how many have participated in a session regarding the IANA stewardship transition? Could you please make a show of hands? Okay. That gives me a good sense of not starting from Adam and Eve on this.

Okay. So I have a slide deck on 40 pages, and I'm not going to walk through all of those. But I'm going to do a very, very quick walkthrough some of the backgrounds, because I still think it's important to realize or to understand why we are here. Do I have the control of the slides, or? Because I want to start on the slide number 13. How do I . . . It seems there are not – I'll start talking while we're getting the slides started.

Well, the working group is 134 people, and we are nine members and 115 participants. Those participants are equally as a member, so you're participating on the same level as the members.

Well, we've had some face-to-face meeting. We had – I'm on 13. Okay. There's been a face-to-face meeting in Frankfurt, and we're also going to have a face-to-face meeting tomorrow here in Singapore.

We've had a lot of phone calls, and we have actually divided the group into subgroups because the request for proposal that's been sent to us from the ICG, the coordination committee, was requesting six issues, [well] a description of the community's use of the IANA function. And that has been done.



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And RFP 2, that's existing pre-transition arrangements, policy sources. And that has also been completed. And I think this is very important, because this is a description of what is the IANA functions. What do we use it for, and what rules are complying to the IANA functions?

Then we have RFP 3. That's a proposed post-transition oversight and accountability. And this is where the meat is. This is where all the difficult work is, because that is the actual – it's still on this slide. Sorry.

Then we have RFP 4, 5, and 6, where RFP 4 is the transition implications. This is ongoing, but this is also a very important part because this is how do we implement this, and what are the implications? And this is some of the issues that I hear is being raised by the NTIA. You have to stress test whatever proposal you're bringing forward. So this is going to be a very important part of our work.

I would like to go to slide 15 now. So we sent the first proposal out for public consultation. And I think we got some very good feedback. There was a very strong support for keeping IANA as the current operator and it was fine to have the IANA function within ICANN. Furthermore, there was response that the transition should not take place without the adoption from the accountability mechanisms and the CCWG group. And there was strong support also for a customer standing committee and the independent appeals panel.

But the last, and the worst, was a lot of comments found that the proposal were far too complex and we needed to have more details in order to actually properly evaluate it. But also there was some



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resistance to the way the proposal was [built], the external-to-ICANN solution. Next slide, please.

Given this, we had a work weekend where the chairs and the coordinators sat working, and we had four meetings with the CWG as a whole. And, well, the result of this was that we should have alternative solutions. So we needed to do some more work on that.

Well, some of the key issues, like Contract Co. and others could only actually be assessed properly if we had some legal advice to give us guidance on what are the actual implications of the Contract Co. and the internal to ICANN. So a strong request for legal advice.

We had a misalignment, unfortunate, with the IANA accountability group. And we need to have a coordination with their timeline and their development of their proposal. So, well, we found out that we couldn't meet the timeline, and it has been extended, as you might know.

So what have we done to date? Next slide, please. That is, we have a group now that discuss and develop another option that's internal to ICANN. There is a client committee that is developing a list of legal questions, together with the group. But we send out a scoping document to legal companies around the world. And we are focusing very much on getting this done very soon. Maarten Simon, who's here, and I are a member of this group. Furthermore, we have Greg Shatan and Jonathan Robinson who are in this client committee.

And we have done a revised timeline. I'm going to show you. The timeline is not very easy to read, but I'll show it very quick. We have improved the coordination of the work with the CCWG, and we have



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also published a discussion document and sent out prior to this meeting here in Singapore.

So I would like to go to slide 21, please. As you can see, it's very difficult to see. But we hope to actually have a proposal in late May. We do have some risk factors in this, and some of the risk factors is actually getting the legal advice in a timely manner. Another one is, do we get consensus on a proposal? A third one is, do we have the chartering organizations? That's the ccNSO. That's the ALAC. That's the GAC. That's the GNSO and the SSAC. Do we get those to sign off [for] proposal within 21 days? And we hope we can accomplish this by keeping close coordination and contact with all the chartering organizations, because we would really like to meet this timeline, even though it's a best case. But we believe in miracles.

Okay. Slide 25, please. Well, the purpose of the discussion document, as you might have read, is actually to inform you about the work and the progress to date. Furthermore, it's also to seek input from you in order to assist us in our further deliberations.

Next slide, 27, please. So we have these fine young men that are going to introduce us to the actual proposals. But before that, I would like to underline that we have an internal and we have an external option. Well, the fundamental difference is who replaces NTIA as the body responsible for overseeing the performance of the IANA functions, where the internal, the replacement entity cannot be ICANN, but ICANN would be granted the contract for the IANA function post-transition of this entity. And the internal, the NTIA would transition its functions, including the right to determine who performs the IANA functions to



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ICANN, which continued to operate the IANA function without a contract.

Common features for both of them is the separability is derived from the principles of the CWG. We have a set of principles where separability is one of them.

It's important to understand, when we talk about separability in this context, it's not that IANA should be removed from ICANN. It's the possibility to, at one point, to remove IANA. And this, some like to call it a nuclear option. And it is very important to underline that this is seen as the last resort if anything goes wrong. So it's not that if IANA is not complying and then they try to redo whatever they did wrong, no. It's if no one is listening, if the ICANN board is not listening, if anything goes wrong, we can have this opportunity of removing the IANA function. Next slide, please.

So as I've heard many of you also mentioning, we have a lot of common points in the two proposals. And actually, the CWG is also very aware of this. And where we see we have common points is actually we have a kind of a multi-stakeholder review team. It might look different if it's an internal solution [contra] external solution. We have a customer standing committee that might be very alike in both cases. And this is supposed to be a small group of individuals that's responsible for overseeing the IANA performance.

Then we have the independent appeals panel in both solutions. And this is a key issue, actually, to the cc community. And this is here. We are going to discuss what is the wishes for an independent appeals panel



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from the cc community, because it's very different from the Gs, because the Gs, their procedures and everything is very well described.

And last, we have the separability, which is also a common point. That's very important to remember. This was my initial introduction of what we've been doing. I will let – yeah. Sorry.

KEITH DAVIDSON:

I think maybe at this stage, Lise, if we could, if people have questions about what's been discussed so far. Don't preempt what's later on the agenda. But is there any question around clarification of what has been discussed? And do we have a roving mic, or is it all at the stand here?

And there are people online and participating in the Adobe room. So I'm connected. So if you want to ask questions on the Adobe Connect room, please mark them in the chat as a question so that I can then put it. And please, people, introduce yourselves so that online participants know who you are as well. Thank you. Peter?

PETER VAN ROSTE:

Thank you, Keith. My name is Peter Van Roste from CENTR. Just a matter of process. Lise, you mentioned that the chartering organizations will have to approve the model. Is that the ccNSO Council, the ccNSO? Or how will that work in practice? Thanks.

LISE FUHR:

Well, that is the ccNSO. And if it's the ccNSO Council, all the ccNSO as a whole, I'm not aware of. But as a non-ccNSO member, I know that it can



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appear strange that the ccNSO is going to sign off for the whole ccTLD community. But we're cc members of the CWG. I find that we are very responsible of gathering any input regarding the non-ccNSO members and bring that on to the ccNSO Council. I don't know if that answered your question, but maybe.

KEITH DAVIDSON: He's asking, who can?

LISE FUHR: Is it the council or the members?

KEITH DAVIDSON: Either, I think. There could be a members vote. There could be a council resolution. Neither encapsulates the ccTLDs who are not members of the ccNSO, but the end proposal must come from the IANA transition group, so it must encapsulate the ICANN community. Of course we've always said that should also be [inaudible] the ccTLD community as well. Is that clear enough or do you want to decide now who is going to make the decision?

Bart, do you have a clarification of the [inaudible]?

BART BOSWINKEL: [inaudible] of the session this afternoon to have a fulsome discussion around specifically your question of how the ccNSO decision-making process will look like. That's with Byron.



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KEITH DAVIDSON: Okay. Roelof?

ROELOF MEYER: Roelof Meyer, CEO of SIDN, the registry for .nl. I have this feeling of “here I go again.” I’ve been pestering the community with correcting to the right phrasing of the NTIA announcement on this whole issue.

Lise, I saw a slide where you refer to the role of the NTIA is overseeing the performance of the IANA function. Is that the working group’s assessment of what the NTIA is doing, overseeing the performance actively?

LISE FUHR: Well, as far as I’m informed, the NTIA does an evaluation if IANA meets the SLA from NTIA. They do authorization of any transaction and they also do an evaluation of the actual performance, yes.

ROELOF MEYER: Okay. And they do that on their own, do you think, or is there a process for that?

LISE FUHR: I’m going to say . . .



ROELOF MEYER:

Okay. Maybe let's not go in too deep, but my point is that, please, let's take to the phrasing. I've even heard Larry Strickling referring to this whole thing as the transition of IANA. Their communique I think was quite clear and we keep diverging. It's not that I'm just asking everybody to stick to the right terms, but some structures are doing this purpose, and I don't know why. If it is to get us off track or to incorporate all kinds of things that are not really part of the active role of the NTIA, but it has two potentials. One is to derail the whole thing and the other one, slightly less serious, is delay the whole thing.

Now, my other thing is – and that's also I think a word of caution. These days I hear there's two [inaudible] possibilities, internal external. My fear is – and it's also my experience – that if you shout a lot about there are only two options, internal and external, you will divide the people that you're working with and you will not get full support for either of the two options. So you make your life very complicated.

And I think it's better to go back to the essentials of the two options and not stress those two words too much, because you will find people choosing on the basis of the term without knowing the contents. Am I getting my point across?

LISE FUHR:

You are getting it very clear. I see your point. I find it very interesting, but it has been very difficult not to address this because it's been a key point. So it is an issue. Is it within the ICANN or outside?

ROELOF MEYER:

But the problem starts already with "the" because some people think that external means the whole IANA function goes outside. So maybe a



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starting a point is that you make clear every time that you talk about these two options. One option is integrating the role of the NTIA into ICANN and the other one is not doing that. Then at least when you announce it, it's immediately clear what the difference is between the two options and what is not the difference between the options.

LISE FUHR:

But the starting line was that IANA stays within ICANN. That's the premise for all.

ROELOF MEYER:

I was at the discussion at the time when we were talking about internal, external. I think it was about an hour ago, and some people at the table were unclear about what part would be external and what part would be internal.

KEITH DAVIDSON:

I think it's a point well-made. The use of terminology during the discussions, as you rightly point out, should be quite precise. Certainly on our way through the Framework of Interpretation work deciding on terms like the IANA function, the IANA Functions Contract and so on. We labored those points to differentiate specifically what we meant under circumstance. I think the lesson should be for your group as well.

Paul?



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PAUL SCHINDLER:

Paul Schindler from .au for the record. Roelof, I think also – your point is well-taken. I believe that there are a lot of innocent misrepresentations of terminology. I'm quite capable of making an error of statement at 3:00 AM whenever the teleconference is going on, so I think a lot of them aren't necessarily malicious.

Also, the external versus internal duality, something that's just become a gross over-simplification. It's something that's a legacy item in this presentation for the sake of community members who haven't been following this understanding the issues. Certainly within the group and those who have been active, there's an appreciation that there's a continuum there. It is more nuance than that, but I take your point about potential misunderstanding.

KEITH DAVIDSON:

Okay. Thank you, Paul. I think it's time for us to move on. We're coming to a look at the different potential models, which is actually a little bit deeper than just internal and external. I think we have four models from our three panelists here. Also, [Jorg] will have an opportunity to put another model to us with two minutes from the floor as we go ahead.

I would like to start, if we could, with Maarten and the more internal model and we'll work from internal to external along the way. Please, five minutes or briefer if you can.

MAARTEN SIMON:

The five minutes start when the slides are there, is it?



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UNIDENTIFIED MALE: Squeeze out every second.

MAARTEN SIMON: We can skip the first one. That's my name. Maarten Simon, I work for SIDN. I'm a participant to the CWG. Sometimes I try to be active, but it's very hard to do that because that costs you probably all your life and I don't like that all the time.

What I want to present to you is a form of the internal to ICANN, one of the four [ideas that go around] now, and the golden bylaw. Please, could you push them all through? I didn't notice there's more. Yeah, that's it.

The golden bylaw. First, the underlying principles with regard to that option. Maybe some of them count for all options, but I wanted to [inaudible] this here too. First of all, ICANN performs the IANA function well. Second, changing the IANA operator is a risk for the stability of the system and the services, and therefore separability – I don't have to say that too often – is only seen as a nuclear option and it was already in the presentation of Lise.

One of the most simple solutions I would say, and I'm not trying to be an advocate for this one, but it's difficult – every organization is organized by its bylaws and bound by its bylaws. ICANN is that, too.

So why not try to organize the oversight [through the] ICANN bylaws or [inaudible] possibility to separate the IANA functions, because separability is one of the principles, also through the bylaws. And how could that be done? That's the next slide.





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Step one is you have to draft new ICANN bylaws, or at least adapt them. The ICANN bylaws, you already have the ccNSO, you have GNSO, you have the ALAC, you have the GAC. They're all defined in the bylaws. So there is a new entity that could be the MRT to make it simple. The MRT should then become responsible for the long-term availability and continuation of the IANA naming services, satisfying the needs of all involved stakeholders.

How do we do that? Well, first of all, the MRT will set the requirements for the execution by ICANN of the IANA naming functions, and secondly it will review that execution.

There's the separability part. Executing the sole and exclusive power, and thereby excluding the board to decide to transfer the IANA naming functions to another organization.

Secondly, executing the sole and exclusive power, and therefore, again, expressly excluding the board to externally represent ICANN with regards to all steps they feel necessary for the execution of the transfer of the IANA naming service. So that will mean that the board has no role whatsoever in the transfer and that the MRT is able to represent ICANN in this.

Then you have to have all kinds of organizational things. I don't go into that. But then there's the golden bylaw. The golden bylaw states whatever happens, the board is not allowed to change or whatever do with these [new formed] articles or bylaws, [inaudible] bylaws, without the consent of the MRT. So they can't do anything. Next slide, please. So that's the first step.



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The second is to draft an internal document – you can call it an MoU – and take everything out of the current IANA contract, which goes for naming, and put that in that document.

Then there's the very important step that the ICANN board decides to [amend] the bylaws in the way that the plan comes up with.

A very important question: why would the ICANN board do that? Well, simple, because they want to keep the IANA services, the function. NTIA just tells them and they'll have to. [Sounds quite nice.]

So I have the last slide, and my five minutes are gone probably. I have some pros and cons on it, because it's not all good and not all nice. The pros are it's good for the stability of the IANA naming function because it stays in ICANN and the idea is to keep it as much as possible in ICANN. There will be no external organization and it's relatively simple.

Then there are a few [inaudible] also. A number of people find it difficult that everything then will be in one hands. So everything will be internal to ICANN. That's one. Then there's one difficulty and that's a serious one with [inaudible] is at the moment that you want to go to another IANA service provider, you not only have to change providers but you also have to find out new oversight structure, because the oversight is within ICANN. That's a difficulty.

Then there's the uncertainty if this is possible under California law. I'm a lawyer. I have to say that. And I think it would be possible under Dutch law, but Dutch law is quite different from Californian law, so we'll have to see. But that's where we are going to ask advice for.



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KEITH DAVIDSON: Thank you, and I think we'll go through the presentations before questions, if that's all right. Next we have Paul Szyndler on "Internal and an External Trust Model." Is that correct?

PAUL SZYNDLER: I was going to take on internal trust, and then perhaps we can make a little bit more up between ourselves between external because it's a little alien to me, but let's start with internal and see how we go.

KEITH DAVIDSON: And test it. Thank you, Paul.

PAUL SZYNDLER: Hello, everyone. It's Paul Szyndler from .au. I think the agenda said that this would be Chris Disspain, but I'm obviously not him. I haven't lost my [inaudible]. It's been nice working with you.

Just to set the scene for my presentation, this is a proposal about an internal trust model and it's one of two that auDA proposed. We did this as part of the CWG's deliberations [in] their public comment period.

Yes, the concept of an internal trust came along a little later than the initial Contract Co idea. We did this not to be disruptive, but to try and stimulate debate just like this on all the possible alternatives that are facing us. Though, for the time being, I'm here just explaining it, not



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necessarily promoting this as the position of auDA. We see the value in a number of positions. Again, this is simply explanatory.

Before pointing out the differences between the different models, I wanted to note the similarities. We all agree on the need for separability, not necessarily separation – that means, as we [inaudible] with the Contract Co, you make the separation now – but mechanisms by which IANA function can be moved away from ICANN.

We agree on mechanisms to make that happen for the most part. We agree on a great number of the subordinate structures, as Lise has already mentioned with something that may look like a CSC or an independent appeals panel for resolving appeals. And most importantly, we believe that the community – the IANA functions community, the users, the customers – should be empowered under whatever model we use, and that ICANN should be bound to react to their desires and their direction.

Because lower down in the hierarchy, there's a lot of agreement, that's why we propose we slow that a little bit and go back up to the top and look at these four models or five models or however many it would be.

With regards to a trust, it's not a concept that's probably familiar to all of you. It certainly has a basis in law in Australia, Canada, U.K., etc. But essentially, it's designed to deliver a legal solution that's simpler and a little more agile than a contract-based model. Jordan will get to that with Contract Co.

The proposal is that ICANN make a unilateral declaration of trust. They're saying, "This is what we're going to do." But that declaration



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would be developed in coordination with the community and with the NTIA, so in that way, there's a little bit of similarity between how the AOC was arrived. That was no longer a contract. It was no longer an agreement. It's a statement that ICANN made, but it was in consultation with all the relevant stakeholders.

So under this model, ICANN would be only empowered to perform the IANA functions as we identify them as a trustee, and it will do this under strict conditions that are identified in the declaration and they do this on behalf of the community. This is codified in the declaration.

Within the trust document, ICANN will commit to implanting the results of regular reviews and take any steps necessary – and will be obligated to take any steps necessary – to transfer the function to a new trustee where failings in these reviews are not remedied.

When I talk about “on behalf of the community” what's the community? We thought about that as well. Under trust models that [they're unfamiliar] with, there's a concept of a guardian or a protector. You could see these as the beneficiaries to an extent of the trust, and that would be the community.

There may well be room to adopt or adapt the MRT structure as it currently stands. That's supposed to be a cross-community model, which would be within ICANN, sort of, but ultimately it's a representative of the community and it would be the one that would have the power to initiate any transition or transfer or alteration of the trust.



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Now, this mechanism is not intended to deal with – we should be perfectly clear. This is for chronic failing. This is for a systemic failure where reviews have failed to – where problems raised by reviews have failed to be remedied. If an individual ccTLD or gTLD is having problems with their service with IANA, that would go through appeals, as it currently does now.

The guardian itself, even though it's empowered, it has limitations [in] guidance as to how and when it can act. That is the systemic failings I mentioned, out of cycle urgent failings that might be raised by the CSC who are doing the operational stuff lower down, or perhaps even pre-defined levels of community support. Two or three SOs and ACs get together and a pre-defined percentage of their membership all agree that there is a major problem here. So even if the construct that represents the community somehow fails a little bit, the SOs and ACs could still take action themselves.

That essentially is where we're getting to the nuclear options, again. There's an escalation and consultation process. The guardian can't take action by itself. It will initiate it. It will talk to the community. The community will come back to it. Then when it says, "I'm ready to go. We're proposing to do it," that will only happen with the endorsement of the community.

Some of the key issues, just quickly to wrap up, we believe that, as with the family trust models, it will be the beneficiaries that will decide whether the trust services are fit for purpose or not. And the trust itself is not an entity. It doesn't need to exist in a jurisdiction. It can just be that statement or that declaration ICANN made.

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We hope that this gets rid of some of the jurisdiction issues, and also of potential model [bloat] with a whole bunch of structures.

And finally, we believe that – I’m suggesting this as possibly as close as we can get to an external model without actually being external. It’s internal because ICANN is making the declaration of trust, and that’s all it does other than act as a trustee from there on. But that’s it in a nutshell.

KEITH DAVIDSON:

Thank you, Paul. Maybe now I’m getting it right. Jordan, I think you have two external models to describe. And that doesn’t give you ten minutes, so if you could confine yourself to five minutes, that would be great.

JORDAN CARTER:

Thank God for that. The last thing we need is ten minutes on this. Are those slides coming up? My name is Jordan Carter from Internet .nz. I think the reason I got asked to do both externals is that there’s almost no difference between Contract Co and an external trust, in my view – at least not for the important points that we’re going to talk about.

I just wanted to start by re-emphasizing something everyone has said already, which is the similarities between these models are much more important than the differences. Everyone agrees as far as I can tell that IANA is currently performing the services well. Everyone agrees that in the last resort, the community needs the ability to reallocate the IANA functions away from ICANN. Can you go to the next slide, please? I’ll come back to the differences and similarities anyhow.



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The first point about the external model, to follow Maarten's thing, is that the contract provides the framework under which the IANA functions [will be] done well. The fact of the NTIA's role in holding the IANA contract is an underlying reality today that all of the external models seek to preserve in some way or another, and that all of the internal models seek to get rid of.

The underlying principles of [these models] is the same in the sense that the operation only change if operations fail. I don't know anyone who thinks it should be an easy thing to do. I can't read the third point because it's blurred out. Oh, an underlying principle or factor here is that if we ever get to the point where ICANN cannot operate the IANA functions properly, it will be an organization in crisis. It isn't going to be a little bit problematic, because if that was the case, the problems would be fixable.

So the external model, one of the principles, is that you should be ready for that situation should it ever occur. You shouldn't have a system where you have to set something up at the time.

The final underlying principle is that only a structure outside ICANN can guarantee that separability, if needed, is able to be done.

So the external solution is that there would continue to be a contract. Instead of it being between NTIA and ICANN, it would be between an external entity and ICANN, a company or a trust.

The solution has that the entity does what it is told by the multi-stakeholder community. So in the Contract Co model, the multi-stakeholder review team, essentially working with the customer



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services committee, is the entity that directs this company. So the company is the vehicle – the instrument – by which the community makes its decisions. It isn't really an independent player here.

And if the operations fail [inaudible] the others, a process can be triggered leading to the IANA functions being transferred to another operator. Next slide, please.

Common across all, the ability to trigger separation, customer representation, broader multi-stakeholder involvement, and high threshold regulation for escalation. In other words, no one thinks it should be trivial.

It's important to be clear that external models do not involve separation now. I disagree with what Paul said on that fact. There is no separation being done. The separation is whether the IANA functions are going to be operated by ICANN or not. Everyone is saying they should [inaudible] now. That's an important point.

So the distinctive feature of these models is that the stewardship is shared between ICANN and an outside body, that the community doesn't have to rely on a single entity and a single system to be the steward for the DNS, that the role is shared between our ICANN community that we know as the main policy-making body and a small light external body.

The differences between a trust and an external company are a minimal, and I don't want to go into them. There's a bit of an elaboration in the discussion document, the CWG circulated on pages eight and nine. Can we go to the next slide?



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If you talk briefly about the pros and cons – and I should add that, unlike Paul, I haven't been involved in developing any of these models. I've been following the debate from the outside.

The pros of these external models are that they keep stewardship beyond one entity, as it is today. Let's be really clear about that. NTIA is an external party to the system, and anyone who [participated the notice of information] and the redoing of the IANA contract knows that that comes with real responsibilities and real possibilities of shaping the ongoing stewardship of the DNS.

It avoids a huge internal accountability problem. If there's a nice, clean bright line to a limited organization, you don't have to try and overburden the ICANN organization with layer upon layer of internal accountability processes. And because it involves essentially the formation of the company and the [letting] of a contract, there is no question that it's legally workable.

On the con side, if the setup of this external company is wrong, you just risk multiplying the accountability problems. So you could have all of the ICANN accountability problems applying again. I think that the examination of this in the CWG need to work out whether that's an accurate con or not.

Of course, because there is a new entity, there will inevitably be some expenses there that are probably greater than simple bylaw changes. As far as I know, no one has done any financial modeling.

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So I might draw that to a close there, with the reminder that it is a significant difference in one sense, but the way it would work in practice between these two models is quite similar.

KEITH DAVIDSON: Thank you, Jordan. I think the time has come to open the floor. Oh no, firstly to [Jorg], the new and unknown model. I think we are running a little bit behind, so two minutes crisply, if we could.

[JORG]: Okay. So, first of all, thanks very much for the opportunity. Actually, I do have to admit that I'm feeling a little bit more relieved right now after the presentation of the different models, because they seem to be addressing more the way I'm thinking about the transition.

My first impression was we are overloading the whole process and we're making it much too complex. What I was trying to do is just to present or to propose a very narrow and simplistic solution. And that is on the baseline that there are—

Let me say first we are overloading by thinking and speaking and talking about accountability mechanisms. That is what I'm addressing. The baseline for the proposal I'm trying to make is that there are no policy decisions being taken by the IANA function operator. It's just clerical functions. And these clerical functions are being performed by ICANN right now, and ICANN is doing it very good, in my point of view.

Basically, why don't we just leave the IANA function, the operating of the clerical function where they are right now, and that is within ICANN.



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We control those functions by service level agreements. We amend the bylaws to be sure that we can reassign the contract to a third party if the IANA function isn't performed very well, and then we're done.

I'm not too sure whether there's so much difference between what I'm currently proposing and what has been said before. From the slide decks that I read, it's still seems to be too complicated for me.

For example, Independent Appeals Committee, what is that good for? Because if there are no decisions taken, no policy decisions being taken, within the IANA function operators, and that shouldn't be the case. So why would we need an appeals panel? Why do we need different roles and different committees like MRT, CRC? That is way too complicated for me. This is just what I wanted to describe to make it very, very simple, keep it mostly the way we have seen it so far done by ICANN and we're just fine. Thanks.

KEITH DAVIDSON:

Thanks. Well, there's a range of options. I think we'll now enter into quite a detailed discussion on evaluation, discussion about the strengths and weaknesses of the various models and so on. Panelists, please also feel free to debate each other's models if you so choose. First question.

[CHRIS]:

I have the microphone. First, an apology. I hope you'll indulge me. I have a few things that I want to say. I don't want to dump a whole heap of stuff. I just want to say a few things. I can't stay for the whole thing



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and I'm really annoyed about that because I wanted to be here. I'll take probably a few minutes.

I want to go back in time, and then come forward to a conclusion. I want to remind everybody how hard we fought for control. We came here, ccns, and I first turned up, our job was to make sure nothing happened. We went through a huge amount of effort and work. We negotiated. We created the ccNSO. We even got Nigel eventually to join the ccNSO.

There are checks and balances in place. There are specific ccNSO bylaws that protect us and make sure that what we say goes. The concept that having fought for all of that, having established our place in the ICANN community, we would then say let's create a new entity that we have no idea what the accountability mechanism is going to be for. We have no clue who would own it, but what we do know is it will be run by the multi-stakeholder community.

Understand what that means. What I'm about to say is not necessarily going to please a lot of other people outside of this room. But the truth of the matter is the people who care the most about this function are the Cs and the Gs, and I am fed up listening to people telling me that the time has come to leverage the IANA function so that we can get what we want in accountability. That is wrong. [applause]

UNIDENTIFIED MALE:

You are right.



[CHRIS]:

This matters to us. It's what makes us do what we do every day. I cannot believe that we would accept the creation of a new entity that would allow decisions to be made outside of us.

Now, I get that ICANN is not perfect. I get that IANA hasn't necessarily always done its job properly. I get that ICANN's accountability needs to be massively improved. I get that there should be a mechanism to spill the board, and I get that ultimately we should have the right to move the IANA function somewhere else. The key word in there is "we", not some other body. We. We can do that.

Now, we includes the Gs. They have as much right to use IANA. We can do that. We can create a bylaw that says that can happen. And I'll tell you why I know we can do it. Because the current bylaw that governs the ccNSO takes power from the board, because what it says is if after doing a policy development process and the board says no by 66% [inaudible], and then we bounce it backwards and forwards for a little while, the board can still say no to us. But what the board cannot do is make any changes. In other words, the board has to maintain the status quo.

Now, that bylaw is binding on the board and it is equally possible to create another bylaw that is binding on the board, and a golden bylaw which gives the rights for that bylaw to be changed only to another body – to us, the Gs, etc. – is perfectly possible.

Now, the trust model also works – I just want to make it very clear to everybody, because this came out of [inaudible]. I just want to make it very clear. I am personally not particularly fond of the trust model. It's



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complicated. It is, as Paul said, the closest I believe you can get to the external line without stepping over it. And if there is a desire from lots of people to be as close to the external line as that, then so be it. But I actually believe if we do not wake up, start paying attention to what is going on, [inaudible] sorts of thing that [Jorg] is saying is this is about SLAs, this is about service, this is about all that sort of stuff and us having control.

We are in danger of losing everything we spent years in this organization fighting for. Thank you.

KEITH DAVIDSON:

Thank you, Chris. I see Nigel with a hand up. Then Jordan.

NIGEL HICKSON:

Thank you, Keith; and thank you, Chris. Are you actually disappearing now? Okay.

I have a lot of sympathy with what Chris says. I think there are fundamental issues that we have to deal with that we skated over in 1999 and 2000, and have come back to bite us. They're the twin issues of legality and legitimacy of the whole ICANN model. You scratch the surface too deep and you get what a former CEO of ICANN described as the flimsy legal basis.

I'm going to skip over talking about the perhaps necessity that you might want to rebid the IANA for better value or something, as you would in most government bidding organizations. But I want to talk about the external model slightly.



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You mentioned external company and external trust. Both of them have got fundamental legal problems. I'm going to say briefly about the external company, where did you get the contract from? When you look at the trust – and I know a little bit about trust law at this point – what's the trust property that it would hold? That's got to be defined. And who transfers that to you? Who are the beneficiaries? What they call in trust law, the objects, confusingly enough.

You can't say it's the multi-stakeholder community. There is, in most legal jurisdictions, precedent against being able to do that, certainly in the common law jurisdictions I'm aware of.

Finally, just a little throwaway that I found off Wikipedia only yesterday. Everybody says, well, of course the trust will be in California. Well, the trust jurisdiction for the United States for some strange reasons appears to be Massachusetts. I'm just going to throw that in, because if you do go down that road, you want to set up a trust in the most trust-friendly jurisdiction that has the most developed law. You don't want to go into a jurisdiction that has no precedent on the matter, and then you find that you litigate something five years down the road and get a very surprising result.

I actually think whether it's an internal or an external trust, there are fundamental legal issues in creating any form of trust in the circumstances.

KEITH DAVIDSON:

Thank you, Nigel. Can I just ask people to keep your comments as brief and succinct as you can, because we have a lot to get through in not a





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lot of time? Can I just remind online participants, if they want to raise a question, please feel free to raise their hands or ask it in the chat.

We're going to Mary.

[MARY]:

Thank you. My name is Mary [inaudible] for the record. I want to support what you said. I am for keeping it simple. I don't understand what the legal – I mean the California law says. But having been here for some time, I think that since our own community is comprising of those that are part of ccNSO and those that are outside ccNSO, I think we should just have a simple MoU between the each cc says we do our policy ourselves, we go by our national laws, we go by our jurisdictions. We'll do a simple MoU.

Some of us are being operated by government. Government will be willing to do a simple MoU with IANA operator and not go into creating another ICANN.

Let me tell you, we are complaining today about the accountability problem with the board and the rest of them. You create three more entities, you talk about the accountability of such entities, even if it is CSC, there will be a problem with the accountability issues. Because not everybody will be represented. Simple MoU that would relate with IANA operator, and that's for our own community.

We are members of the club, the ccTLD world, and let's have a say in what we do. When you [inaudible] the process, if anybody wants to



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change anything, just publish it and we may comment. From there, we know that there's a change or whatever you want to do with the IANA.

I mean the complication is so much for me to even follow. Please, I want it simple. Thank you. [applause]

KEITH DAVIDSON: Okay. [Matthew]?

[MATTHEW]: I'd like to follow up on Chris's arguments. I have a great respect and sympathy for them, and yet I'm a bit discomforted by the fact that a board member is taking such a strong stance on a multi-stakeholder process taking place. We've been clear about this. So that's a bit of a discomfort to me.

But getting to substance, I think, Chris, you're using the word "we" and it's right. The key issue is who is going to have an influence or being decision makers in the decision that affect the IANA function?

And in this room, we can say we, but we don't even know who's we. Is it the ccNSO and the GNSO? But what of the ccTLDs that are not ccNSO members? That's the first point.

The second point, as much as we love each other, we live in a community. We know that what we're doing and the IANA function affects others, and we must show that we are responsible and we take into account others and respect others to have a say about what we're doing. I can't see any argument being developed about why we are



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more trustworthy for these kind of decisions, apart from expertise which is not an argument – never.

Why are we to be trusted more than, say, the Intellectual Property Constituency? They're very respectable people, and they are lawyers just like you.

I think I would urge our community to come up with proposals not on models – we're lost when we're get to models – but on why we have this pretention that the “we” is better for the general public interest, and not for our interest, for the general public interest. Thank you.

KEITH DAVIDSON: Thank you, [Matthew]. I've got both Jordan who I promised to come back to, and then Paul.

[CHRIS]: May I just briefly respond, Keith? Is that all right? I'm happy wait. It's up to you.

KEITH DAVIDSON: No, please go ahead.

[CHRIS]: Okay, just two things. Maybe three. I want to make it clear I'm talking s a ccTLD manager. I'm not talking about a board member. I am actually able to do that. I understand, but I am very, very specifically talking as a ccTLD manager.

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One of the things I said I would do when I went onto the board is that I would continue to relate to the ccTLD community both as a board member and as a ccTLD manager. So I'm talking as a ccTLD manager.

I want to make it very clear that by "we" I wasn't talking "we" as in the ccNSO. I was talking "we" as in ccTLD managers and I also mean the gTLD managers, too. I think this is an intensely technical issue. I actually think the right people to be involved in it and to make the decisions are the technical managers.

I'm not talking about ICANN. That's different. That's policy, accountability, all that stuff. I'm talking this specific function. And that's why I say it's the customers – us – that should be making the decision.

I also say that, simply put, creating new institutions – even if was a new institution that was just the ccTLD and gTLD managers, [let's have] the same view, which is it's a new institution. We built this one to do this job.

KEITH DAVIDSON:

Thank you. Jordan and then Paul. Then Roelof.

JORDAN CARTER:

Thanks, Keith. I just wanted to respond to a couple of points that Chris made. But first of all, talk about keeping it simple. If we were going to really keep it simple, we would just let the IANA functions contract expire and we would do nothing, because that's the logical outcome of saying that this is a mere clerical role. We can build enough accountability in ICANN to do that.



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But that I think just is naïve in the sense of what it says about the real role having a big external agency looking at these things has done over time. And if you look at ICANN's record over time, broadly as an accountable, useful organization, you see that it has been shaped by the US government. We could keep it really simple, but it's interesting that the people have spent months working on it, no one came up with that model.

The second point I want to respond to is Chris's thought about decisions outside us. I found your speech very razzling. I wanted to grab a pitchfork, Chris, and use it on people outside this room. But then Matthew calmed me down, so that was fine.

The only decision that this entity or bylaws process is being asked to make is a very simple one. It's about the process that would lead to the IANA functions being divested. There is a risk in the way that you presented it that makes it sound like they'd be making interfering decisions in what we do as ccTLDs.

So I just wanted to make it very clear that the only competence that anyone is talking about in respect to the IANA transition is about the IANA transition. If anyone thinks that this hypothetical Contract Co would somehow be a policy body, would somehow be able to tell us what to do in our ccTLDs, that is deeply misleading and wrong. So get that thought out of your heads. I'm not saying that Chris suggested that. I'm saying that could have been taken from the way he presented his point.



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The third point is that today decisions about the IANA function are taken outside us. I'm not sure, but I don't think the United States government comes along to the CCs and the Gs and says, "Hey, guys, are you okay with this plan?" What you're proposing is a big change to the status quo. You're saying just ICANN on its own. That's the fundamental difference between the external and internal models is some of us are saying, "Do we really want to create that single point of power?" Do we really want to create that single institution?

The fourth point, if what you are talking about, Chris, is about being told what to do relates to the Independent Review Panel and how that might work – okay, it isn't. He's shaking his head.

I just want to raise then as another point that if we have more policy work to do to fill in any blanks in things like delegations, revocations, transfers and stuff, that's another part of this IANA transition conversation that we need to have at some point. Thank you.

KEITH DAVIDSON:

Thank you, Jordan. I have a long list. Paul, Roelof, Byron, and [Jorg]. Paul?

PAUL SZYNDLER:

Thank you, Keith. With that list, I better make this count. Just quickly go to Nigel's question earlier about what is the property in a trust. We've avoided that conversation to an extent because the answer is the same. What is it that you're empowering Contract Co to do? What role are you giving them? What are going to try to enshrine in bylaw changes?



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Whatever “it” is, it doesn’t matter. That’s what the property would be. That requires a discussion with NTIA, with IANA and making sure we have a clear understanding of what we’re talking about when we’re describing the functions.

Beyond that, I also want to acknowledge that obviously if you do work towards an internal model or a very simple model – sorry, anything that’s slightly internal relies greatly on the work of the accountability CCWG now much more now than an external group.

If you then go to the very simplest end of the range, I think that’s still going to be quite important, because we’ve got to address all those issues of ICANN’s not perfect, the accountability model’s not perfect. It’s just going to mean that the accountability work is going to become so very much more important.

Simple models have been discussed by this group. People are saying, “Why don’t we just do this?” It’s easy as we have longer discussions to try to add more and more onto it, and that’s precisely why we proposed a golden bylaw to start with and then realized that the pushback from those that had already done lots of work within the CWG was quite strong, and that’s why we shifted a little bit towards a trust model.

It’s a continuum. It’s a negotiation. Unless we as a community are very vocal, then we can take it back to that simple perspective. I just want to be clear where the idea of a trust came from.

Finally, the question was, who are we? And Chris answered that and said it’s the customers of the IANA function. And then Jordan talked about it’s not about policy. We don’t care about policy. We may not



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need an [IAP]. At no time do we talk about the trust or the parts underneath it dealing with policy. We've been very clear that this was strictly to do with the operation of the functions as they currently are now.

When you talk about us being customers [inaudible], it's with our hat on as the technical customers. That is what the appeals mechanism would look like. Technical questions, operational problems. No one is ever proposing that anything new would touch the policy, but we, as the customers, are the ones that should be empowered. So it's a range of things I tried to get back on there, but I'll let somebody else speak now.

KEITH DAVIDSON: Thank you, Paul? Roelof? And once again, can we keep it really concise?

ROELOF MEYER: Mr. Chair, I'll hand it over to [Jorg]. We did some arm wrestling about whose cc is larger and he won. I'll come after him.

KEITH DAVIDSON: I'll take that you've relinquished your place in the queue.

[JORG]: No, you understand that wrongly, Mr. Chair.

KEITH DAVIDSON: Okay. [Jorg]?





[JORG]:

It's kind of hard to get back to a red line. Basically, I want to comment on what Nigel said. I personally do think that there isn't anything to fix, not within this process we do have ahead of us. If we would have to fix something, this is why we saw people suggesting to put, for example, net neutrality within our concepts for solutions. What the hell has net neutrality to do with that concept or with that transition? Nothing.

So everybody who's trying to do just that is using this very process as a leverage to get their personal interests done.

What I'm proposing is just keep those political issues out of that, so we do not need any accountability discussions. What we do need is the transfer of a very simple cleric function. That is what we do.

If we are just talking clerical functions, then it's us to control those, because we are the direct customers. We, the ccs and Gs. And nobody else.

So why should we – and I'm actually right on the same page like Chris was, or I am before him, why should we give any control away to any third party when we are the direct customers? We can set up SLAs. If those SLAs are not being performed correctly, well, we remove by golden bylaw this function from the IANA operator and put it somewhere else, period.

KEITH DAVIDSON:

Thank you. Can I just make the observation that the ccTLD world is the only consumer of the IANA database where a decision can be made by



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an external body that affects your delegation, and it's not yours to be certain about. So at any time, any party can apply for a revocation and re-delegation. So there is that aspect of decision-making.

Anyway, we still have a number of speakers, so I'll go back to Roelof. Then I have Byron, and Peter, and Lise then to sum up to briefly and we'll take a break. So I'm rolling a line on the list at that point.

Roelof?

ROELOF MEYER:

Thank you. Maybe just something like a point of order. It's my personal opinion, but if we as a ccNSO select board members from this community, I think that they have the full freedom to come and talk to us as ccTLD managers. And I think we should be careful in every time that they do so, referring back to them that they are a board member and maybe should not state their opinion.

I'm very comfortable with Chris or Mike stating their opinion, as forceful as they want to, as long as they start that statement by saying that they're doing so as a ccTLD manager.

UNIDENTIFIED MALE:

What I said was I don't think it is appropriate for a board member to come in front of this room and plead for a certain solution. I am very inclined to have board members engage and listen and expose, but this was not listening and this was not engaging. This was pleading. That is what I consider.



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[crosstalk]

UNIDENTIFIED MALE: I know what you said, and it's my personal opinion I'm very comfortable with any ccTLD manager coming up to the front of this room and pleading a position.

UNIDENTIFIED MALE: I'm very much in favor of a simple solution. Like Chris, I think we will do best if we build that solution on what we have been building over – what is it ten years or more? – with tears and sweat and frustration. And it still has flaws, so I think there's a very, very small chance that within the next ten years, we can build something external that will perform as good as ICANN is performing now.

On the other hand, I think it's naïve to think that the IANA stewardship transition is only about the IANA function. I think we are all aware by now that it's the ultimate way for the NTIA to enforce something on ICANN. Virtually I think on any decision that ICANN takes. Also decisions that have nothing to do with the IANA function.

So I don't think we should look into a solution that only deals with the IANA function, and I think therefore also we have to be careful with only involving the direct customers of the IANA function in that solution.

There's another question that [Matthew] raised, which I would like to respond to – and it's not to disagree with him. But he asked, "Are we more trustworthy than, for instance, the Intellectual Property Organization?" No, we're not. I think we, with the Gs, we have one thing



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[pleading] for us and that is we have a direct interest, which is fed by the direct interest of our customers. Those customers being registrars, registrants, and Internet users and that direct interest is a perfectly functioning IANA service.

KEITH DAVIDSON:

Thanks, Roelof. I think on that point let's not forget, just while we're on that point, that the Transition Committee have said that they are willing to accept a plan from the names community or from the ccTLDs separately to the gTLDs. We should remember that as we discuss the models.

Byron?

BYRON HOLLAND:

Thank you, Keith. I'm going to make very explicit that I am speaking as a ccTLD manager, and in no way as the chair of the ccNSO – just so we're absolutely clear from where my statements are coming from.

Listening to Ira Magaziner, is it only yesterday morning? Yes, yesterday morning at the opening ceremony. He made what I thought were quite a number of very insightful comments, and much wisdom I think was contained in a number of them, but one of them was that the multi-stakeholder model, like democracy, is messy and it's complicated.

And while I would love a simple solution, as I'm sure everybody in this room would, I think we need to be very careful about the siren song of simplicity. This is a complicated endeavor we're engaged in, without any particular road map, and we should be willing to accept that.



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I'll just raise a couple of points that I think need further consideration. We talked about separability and cases have been for and against it. And even some of the cases against it say, well, there should be an element of separability at the end of the line should ICANN not respond accordingly.

It sounds simple and like an internal solution, but all of the issues associated with separability are still there, even if it's just at the end of the line. So we need to be careful when we listen to arguments like that.

The other thing that I think is important to note is that the oversight piece that we're talking about is absolutely critical, but there's much more in the NTIA contract that directly affects this that we're aren't talking about, such as performance standards.

And if you look at the sections within the NTIA contract (2.8 and 4.2, for example), those speak very specifically to the NTIA's mandate over performance that directly affects us. And if we don't look at anything except the clerical component of it, how do we ensure that we have appropriate performance out of the operator?

That's where something like the CSC Committee that we have heard about comes from. A recognition that we have a significant interest in making sure that IANA performs the way it's supposed to. And yet, as the NTIA goes away, a vacuum is created in that space – performance oversight. So a CSC is a very reasonable and legit response to something that's going away for us.

I am not pleading a case for it, per se, but just to say beware of the siren song of simplicity in a very complicated endeavor. I think we need to



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take into consideration what's in our collective best interest as operators, because at the end of the day, we're providing a service to Internet end users in registrants and we need to make sure that we have a strong robust system that has oversight of the entity and oversight of the performance.

KEITH DAVIDSON:

Thank you, Byron. I see we're already eating into our tea break time. We'll talk during the break about whether we can continue discussion. A number of people are still signaling me that they would like to speak. I drew the line. We have Peter and Lise, and very, very briefly please both of you. Peter, please?

PETER VAN ROSTE:

All right, thanks. Peter from CENTR. First, to Jordan. Yes, the NTIA did indeed ask us what we think about what IANA should be doing. They had an open consultation. Most of that consultation was taken on board and I would strongly recommend that anybody who follows NTIA takes that same model of gathering input from the community that it's supposed to be serving. So they did a really good job and that should be copied.

To Chris, I think it was a very good, eloquent speech. There's a very strong logic in it that if we remain full control of the oversight of the IANA function, then that is the best guarantee that we have for security and stability.



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But that was not the question. The question was not come up with a simple model as possible which you think is the most secure. The question was come up with a model that has the broad support from a multi-stakeholder group.

So I would warn against going too quick down the road of let's only focus on what we want in terms of models. Let's focus on what we want in terms of models. Let's focus on what we want in terms of output. There I am referring to what [Jorg] said. It's about performance. It's about SLAs. It's about automation.

So if, as a group, we can agree on that, then we need to check whatever model results from that and whatever model has the support of a broader stakeholder group, that it checks those criteria. That is important and we should not lose sight of that.

And as a reality check, if you're talking about our own focus, then check with the GAC. Some GAC members cannot understand. You cannot explain to them that in a customer standing committee, there should not be GAC seats.

So there is a world of difference between the speech that Chris gives and which there is a strong logic and what the reality outside of this room tell us. Thanks.

KEITH DAVIDSON:

Thank you. Lise?



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LISE FUHR: Well, I would like thank you for the very, very good input, and I really appreciate that you come forward with different views and wishes to how we should do this. But I would also like to underline that time is of essence here. I think we, as a community, need to find a compromise and find a way that we can accomplish as many needs as possible.

While I was making a little too smart remark regarding that we believed in miracles – and I see somebody tweeted it right away – this is not true. Jonathan and I, we believe in doing this in the right time. We will do our utmost to reach the timeline and actually get this done in a good manner. Thank you.

KEITH DAVIDSON: Thank you. With that, we'll take a break. Panelists, please be prepared to come back on stage, if we are able to have a further discussion on this after the break. Bart, what's the logistics? Can we abbreviate the break? Okay.

[BART]: [inaudible]It depends on what you want to do, [inaudible].

KEITH DAVIDSON: Okay. Thank you. So back in this room at 4:00. Thank you.

[break]

Could I ask everybody to please take their seats? And could I invite the panelists back up to the front of the room. We'll start in one minute.



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UNIDENTIFIED MALE: Can you please take your seats? We want to convene. The session will run on through to 5:00 PM this afternoon. We have two more topics at least – two-and-a-half more topics.

KEITH DAVIDSON: Okay, everybody, could we please take our seats? Bart, Gabby. Okay, we're coming back to session. Thank you, everybody. Those at the back of the room, please take a seat or take the conversation outside. Thank you.

We're reconvening the session, so the agenda [bash] now is that we can take the session through to 5:00 at the very latest. The IANA staff, Elise and Kim, are in the room and have very kindly consented to the time slippage with no later time than that.

What I'd like to do is reopen the discussion we were having before we broke in terms of the discussion on the models, but I'd like to reopen it to people who haven't had the floor at all so far, and I'd like to open it for very, very brief questions for maybe one minute. I'll time it and cut people short at one minute.

I think it's important while we have the knowledge in front of us to continue with this debate, and then after, 10-15 minutes if there are no more questions we'll move to the IAP discussion, which is also quite important.

With that, are there any questions? I've got Young Em at the front here. Did I see Jay with his hand up? Young Em?



YOUNG EM LEE:

Thanks, Keith. Should I stand up? No, I'll just sit down. Young Em Lee, .kr. Basically, what everyone seems to be saying is that we want simple. We want to keep the status quo in everything. I think there is a lot of agreement about that, especially with what Chris has said.

But so far, the way everything is, it's fine, but when we think about things like the 2,000 new gTLDs coming on, and occasionally the US government making a statement that seems to have influenced the process because of their influence on the IANA stuff.

I think that's something that we need to take into consideration in that it is not just simple stewardship that the US government has been saying.

The reason I say that is because in the use of country names and territories group, there is talk of opening up two-letter domains. Of course, currently there is no possibility of that. But if that comes up, we don't know what's going to happen to that. From a cc point of view, I don't think that's something we would like to have happen.

KEITH DAVIDSON:

Okay. Thank you, Young Em. I've got Jay.

JAY DALEY:

Thank you. I was confused by some of the suggestions that we can simplify things further made in the last session. I spoke to [Jorg] and Mary to understand more about their views about these things.



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I think that what I'm hearing from some people there is that we, as registries, and the gTLDs as customers, have a legitimacy in oversight of IANA. So something such as the CSC is a valuable way for us to have that oversight whether it's internal or external. But there is a view that for GAC, ALAC or any others to have that same oversight of IANA is not – well, isn't really any of their business.

My question is what the panel thinks about that point of view, whether in the suggestion about an MRT and broadening for multi-stakeholder oversight of IANA to bring the other stakeholders into it, whether that is legitimizing something that shouldn't be legitimized or whether actually we should legitimately recognize that every stakeholder has a legitimate view in the oversight of IANA.

KEITH DAVIDSON:

Thank you, Jay. [inaudible]. I think we can hold the question panelists and answer collectively at the end.

[ANNABETH LANGE]:

Annabeth Lange, .no, Norwegian registry. Actually, I would like to ask the same as Jay. I think that is a very relevant question and I would like to hear the panel answer that. Also, I would like to thank the presentation here. It's much more clear for me now when I saw the shortened presentation instead of the [inaudible] different slides. It's very difficult for all of us to follow all the details.

So you've done a very good job in this presentation. That's the main thing, to get all of us to understand what this is really about, and the



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small differences and trying not to make too hard in this discussion. We should stand together here. In the future, we will be quite few compared to all the new gTLDs coming on. We have to be aware of that. Thank you.

KEITH DAVIDSON: Thank you, Annabeth. K

EDUARDO SANTOYO: Thank you. Eduardo Santoyo from .co. I am [inaudible], thanks to the presentation that you did today because it's now more clear from me, all the things that we have been discussing.

But it's also, at the same time, a little bit confusing, because as I saw the process started as how are we going to manage the transition of the oversight [inaudible] of the NTIA [inaudible] for IANA. Now we are talking about the transition of IANA to another organization.

This is something that probably I understand that [inaudible] in the process as a last resource consideration, as a nuclear option as you mentioned, but I think it's taking too much time or too much attention to us that maybe [inaudible] option. And we don't have [clear] what we need to be before that [is the things] that we have working since 1998 when we decided to work in a global effort in order to build this organization that we call ICANN in two [estranged] ICANN bodies in order to receive from the Department of Commerce to the international community this responsibility. So, keep it simple. Trying to get within ICANN, trying to [estrangle] ICANN, getting more people participating in



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the institutional framework of ICANN. Then we can do more progress.  
Thank you.

KEITH DAVIDSON: Thank you. Are there any more questions? If not, I think that probably draws the questions to a close. Panelists, do you have responses at all, including yourself, Lise? Paul?

PAUL SZYNDLER: Thank you, Keith. I just had a brief answer – or attempting to make a brief answer – with regard to [Jay’s] question about how can we be talking about MRT, CSE, the construction of them. Are we legitimizing the participation of those that are not direct customers of the IANA function? And, if so, should we just fess up and say that in a very simplistic world, we will say that we will simply have the customers and they will make up. And the intention is at the moment that they would make up the vast majority of the CSE.

But even if we said it’s ccs and Gs only, how do we break that down, 50/50? Do we do it on the number of TLDs there are? Do we do it on funding? Even a simple solution like that is probably . . .

UNIDENTIFIED MALE: Size.

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PAUL SZYNDER:                         Size? Okay. I can imagine that there's going to be a dozen different views on that depending on everyone's individual perspective.

But in all seriousness, this is a negotiation. There's shades of grey here, and obviously a model which explicitly excludes GAC or ALAC or others simply is not going to fly and we need to work with them and talk to them about how we can make it work whilst emphasizing that the customers are the priority. So, again, shades of grey is the best answer I have at the moment.

KEITH DAVIDSON:                     Thank you, Paul. Jordan?

JORDAN CARTER:                     I want to agree with Paul in the sense that – quick qualification – there's a clear public interest I think that [Matthew] said out well in a broad range of stakeholders knowing that the naming function is being done well. There's also a clear imperative on us as registries to have 100% responsive, 100% available, totally reliable IANA functions that do what we want them to all the time. And you can't blend those two things into the same group of people. That's why there's two bodies, not one.

So if, as a matter of principle, you're saying customer concerns have foremost in keeping the operational responsibility for IANA in check and making sure it's doing its job, and that a broader community has an interest in this, I think that that's right and I think that' why all [inaudible] discussion paper have roles for both. We have to get them

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right, and that's where more detailed work is ongoing. That's the only reflection I would offer.

In terms of whether we're – just on the other point that you raised, sir, about are we taking too much time for separation. All of the models deal with it in a way, and we're having a lot of time debating what the best way to do that might be.

So it is entirely possible that we do a transition that says we don't need to worry about this anymore and we're happy to [inaudible] allocate the IANA functions to ICANN forever. And if we need to sort that out, we'll work out how to do that at the time.

But I think if there was a constituency for that, it would have come through in the CWG's work. It would be a feature or a discussion point in one of the models. The fact it isn't probably indicates there's some degree of consensus about the need to be able to answer to how we do that at this point before a transition happens.

KEITH DAVIDSON: Thanks, Jordan. If there's no other comments, to Lise to sum up.

LISE FUHR: Yes. Once again, I'd like to thank you for the remarks. If I could sum up, I hear that we're still not agreeing on the actual model. I hear everyone wants it not to be complex, but there is an understanding that it can't be made totally simple.



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Furthermore, I don't hear anyone objecting to the separability principle, and separability principle meaning IANA being removed as a last resort, the nuclear option if anything goes wrong.

So of course it would have been nice if we could have agreed on an actual model today, but I'm very happy to hear that a lot of people have gained more understanding of the different models. And I think that's the way forward to communicate and try and flesh out what are the implications of the different models. That's what we're doing with the legal committee or the legal advice we're getting from the client committee. I hope that that will give us more light on what are the actual implications. Thank you.

KEITH DAVIDSON:

Thanks so much, Lise. I think, with that, that draws to a conclusion the first panel discussion, and thank you, panelists, for your additional time and so on. In recognition of that, if you do have to dash to other appointments and so on, we should thank you now. Please feel free to leave the stage at any time that's appropriate to you. Thank you very much. Please join me. [applause]

That brings us to the second panel discussion, which is over the Independent Appels Panel. [Stephane] and Allan, do you both have presentations? Just one. So, over to you Stephane.

[STEPHANE VAN GELDER]:

Thank you very much. While waiting for the slides to come up, I'll just urge you to actually exercise your green and red cards today, just for





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making you not fall asleep for the next session, which is also very important as Lise pointed out an hour ago.

We are about to talk about the independent appeals process as it was formulated in last October. So we'll go back to the last ICANN meeting in October in LA where many in the community decided that we need the function of being able to appeal certain decisions within these functions, as has been mentioned. Let's see if we'll have the pictures up soon. Thank you.

I and Allan are trying to challenge the idea of an Independent Appel Panel and especially get your input about what this is and what it should be.

As mentioned before, there is a pre- and post-Frankfurt meeting. It all started in Los Angeles in the last ICANN meeting. In that meeting, we had almost full support for an appeal mechanism. And in a survey made to the ccTLDs, 94% of respondents agreed that this function should be around, a binding appeals process.

As you maybe know or as we already spoke about, the CWG had a meeting in November in Frankfurt and the outcome of that is – a part of the outcome of that mentioning the Independent Appeals Process (or the IAP) is mentioned in these two bullet points saying that decisions and actions affecting the root zone should be subject to an independent and binding panel, and specifically indicated that the mechanism could be used in disputes over the consistency of a ccTLD delegation or re-delegation decisions. So this is a quite far-reaching or stretching idea of an appeals panel and what it should be able to produce.



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After the Frankfurt meeting, there hasn't been very much more elaboration about what this appeals panel actually should mean. What has happened is change [inaudible], and that's the existence of accountability work in the CCWG group, which also is starting to find their solution for this kind of appeals process or something similar to find accountability. So we're starting to see two parallel processes both trying to talk about accountability.

However, the CCWG has specifically said that it has no intention to give accountability mechanisms such decision-making powers when we talk about delegation or re-delegation of the ccTLDs. So the ball is back in our corner to actually have an idea about what this mechanism should do.

Between late December and early January, there was a very informal survey among the CWG members. About 40 people answered. There was some interesting findings from this very loosely held survey saying that there is a strong support. The ccTLDs and gTLDs appeals should be managed differently and that two-thirds of the respondents think that appeals should be addressed by the accountability review.

So during a meeting in one of the working groups this late January, it was noted that the idea of an independent appeals process was originally formulated from the ccTLD. So there are now expectations on our naming community to come up with a better-elaborated idea about what the IAP should be. ccTLD members and participants in CWG need to come up with a consistent proposal in IAP.



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So that's where we are today. That's what I hope we should exercise these. Not as a voting, but just as a feel of the room, as we say nowadays, meaning we want to give some indication of what you think about things.

But there are two main questions I would like to pose to you today. I have even more questions if these aren't enough, because these are really important.

The first one: do you as a community present right now, support the development of such an appeal mechanism, being specific to the ccTLD delegations and re-delegations? Should this mechanism, the IAP, still be around? Could you please exercise your cards?

UNIDENTIFIED MALE: [inaudible]

KEITH DAVIDSON: Just before the cards are shown, did you want to add something, Allan?

ALLAN MACGILLIVRAY: Yes, thank you, Keith. I'm Allan MacGillivray and I've been involved in the CWG and I've been at most of the meetings where this has been discussed. I just want people to understand the context of the question, which is after the meeting in Los Angeles and the vote where the cc wanted a mechanism, I brought that to the Frankfurt meeting, and as a result of that, it came out in the discussion document. In other words, within the community working on this, this was seen to be a cc idea and



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initiative. But in the survey we did ourselves, it became clear that it was ours.

At the meeting we had – I was going to say last Friday, but they really kind of come together – really the CWG more or less said one of the sub-working groups is if the ccTLDs want a mechanism, you're going to have to develop it yourself because it's you who wants it. Many in the CWG will look to the CCWG to deal with a broader appeal mechanism that would apply across many ICANN decisions, not just on IANA related decisions.

Also, [inaudible] can correct me, but the CCWG has said to the CWG that even though they're going to investigate the possibly of such a broad appeal mechanism, it's not their intention to do anything that would apply to ccTLD delegations.

So the question we have before us is it's really up to the ccs themselves to decide do you want one? And as a second question will be, then if you do, then you have to develop it yourself. That's really the context we're in and that's why we're trying to understand where we stand as a community. Thank you.

UNIDENTIFIED MALE: Just one question. Could you please clarify on how this does relate to the Framework of Interpretation?

ALLAN MACGILLVIRAY: I would defer to somebody with some expertise on the Framework of Interpretation. But to answer that, you would have to understand why



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many ccs want this in the first place. So the discussion we're having now is not what it would apply to or whatever, other than it would apply in the context of delegation and re-delegation.

And, yes, there might some interaction with the FOI, but I think that you should assume there is no FOI, for example, enacting because nothing is assured. But I'll ask if Keith wants to correct me. I certainly will let him do that.

KEITH DAVIDSON:

I'm happy to give a very quick answer and I think we need to wrap this up pretty quickly, too. In the Framework of Interpretation, we elaborate on the point that RFC 1591 says there should be an appeals mechanism. If this happens to be the appeals mechanism or it's something that can be used, that's okay. So it could be developed under the 1591 principle. I think Stephane and Allan have pointed that this is something that we need to develop, so we can develop on whatever lines we like.

I think it's a last and very quick question to Roelof.

UNIDENTIFIED MALE:

Sorry, may I just answer your question first? Because it depends on what you expect to appeal, and this the weakness of the whole model we're talking about here, different things to appeal.

We could appeal a, let's say, CSE function, the SLA operational work of things. That is one thing to appeal. It's a very different thing to appeal delegation and re-delegation.



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Having said that and made that difference, whatever our view is on that, we need to have a proposal for it, stemming from the CSE community. So your input is still needed as a group, what is, what should it be. What kind of issues should be possible to appeal? Because if we haven't defined that, we haven't defined anything, actually.

KEITH DAVIDSON:

And because we're so late on time, a quick question and last question from Roelof.

ROELOF MEYER:

My question was what is the card that indicates I find this an impossible question to answer? We have the Framework of Interpretation interpretations. We have the GAC principles. We are working on these other two tracks. And these things influence each other.

I think it's a bad idea to start a fourth thing at this particular time and start working on this because it might be outdated by the time the other issues are resolved.

So I'm very happy in waiting, finishing the other work first, and see if this is necessary. And why? Because exactly for the reason that it is in the RFC and it is still not there. For me, that's an indication that it's virtually impossible that everybody accepts.

[STEPHANE VAN GELDER]:

Okay. May I continue on? Let me be a little [inaudible] here, just to make my point once again. Is there a need for an IAP? Who could



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answer that? You will always have a question about what does it mean? What does the question mean? So you can't answer it. You said it yourself.

So if we pose the question like this instead: what concrete measures and actions are there to appeal? If you define that, you can answer the question. But first, then, you have to do that first, right?

In this case, there are extremes. There's A and the B, implying what I just said about the different things to appeal. But the input needs to come from this community, and that's the message certainly.

KEITH DAVIDSON:

Okay. Allan wanted to add something. Then I think we'll go to you – show of cards.

ALLAN MACGILLIVRAY:

Actually, what I wanted to do was respond to Roelof's point. Roelof, both processes have said we're not going to deal with this. We can wait for them to [inaudible], but they're not going to develop appeal mechanism that would apply to ccTLD re-delegations.

That's why we, as a community, have to decide that if we want it, we're going to have to develop it ourselves.

KEITH DAVIDSON:

So you wish to take the temperature of the room on your final question?



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[STEPHANE VAN GELDER]: Yeah. Last time I posed a question, I had four red, so people weren't prepared to feel their feelings about this.

First of all, if we just try [you] out, is there a need for an IAP? Very few answers.

KEITH DAVIDSON: I see only two answers – three and all red. One orange.

[STEPHANE VAN GELDER]: I would interpret that as confusion. Am I right?

KEITH DAVIDSON: You could hardly say there's a consensus in the room.

[STEPHANE VAN GELDER]: No.

KEITH DAVIDSON: So that's the end of the debate?

BYRON HOLLAND: Maybe we should ask to see – pardon me for interjecting – to see perhaps that middle or orange card. Maybe the question should be framed: do we have enough information to go on? Is there a lack of





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clarity? As opposed to the yes no, is it because we're not there yet in terms of our understanding or desire.

KEITH DAVIDSON:

I think my feeling was that probably we need the level of debate that we applied to the models discussion for this issue as well. So significant look at what the options might be to get people into a position where they can feel more comfortable.

Is that enough forward at this stage? Allan?

ALLAN MACGILLIVRAY:

Keith, I really have to disagree with you. The question before us is whether we should even take the step of developing those models, because there is a lack of consensus. That's really the question. Does this community even want to take the step of assessing and developing those options? That's really the question.

KEITH DAVIDSON:

Okay. We're reopening the floor for a couple of minutes for two questions. I think Annabeth and Martin. Then Nigel and [inaudible].

ANNABETH LANGE:

I find it interesting that the survey you sent out was 94% positive. I don't think we knew what we were answering. My answer is that it's a lot of confusion and it could be interesting to send out the same



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question again and see how many percentage you get this time. I don't think we can answer what you are asking for now.

KEITH DAVIDSON: Okay, we had Martin.

MARTIN BOYLE: Thank you, chair. I'm very concerned with the idea of getting to a point of asking to set up a body before we're very clear about exactly what body can do. Once you've got a body, you've got it and it will do a job.

UNIDENTIFIED MALE: [inaudible].

MARTIN BOYLE: Well, yeah, exactly. All governments. The other point, though, is that when Nominet put its response into the consultation before examples, on this particular issue we're very, very clear that if there is a role for an IAP, it is a very, very limited role.

If we're talking about re-delegation, we all know that contested re-delegation or revocation is actually very, very complicated and it's involved in quite often very finely balanced decisions that should be going on within the country concerned.

So asking third-party organization to step in is actually probably not very helpful, and it certainly wouldn't be very helpful if that were a US-based lawyer dealing with an issue in a European country, for example.



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One of the biggest problems is it brings a third party into a decision-making process, a third party when we're very, very clear that a ccTLD is to serve the local community. So, again, certain [problems].

So, our conclusion was that the only thing that an IAP could do was to identify whether the process steps had been followed and documented. And that was all it could do, and as a result refer it back to the IANA functions operator to make sure that they had then properly documented each of the steps. Thank you.

KEITH DAVIDSON:

Thanks, Martin. I've got Nigel here, then I think [Debbie] next. And I think that's it, Bart, because we'll be at time.

NIGEL HICKSON:

Thank you, Keith. I actually think there are two very similar questions being asked. Some of us want to answer one of them and some want to answer the other.

Should there be an appeal process? That's one question that some of think we're answering. Should we go away and now develop this appeals process is another question which could have the exact opposite answer.

I mean, I kind of agree with everything that Annabeth and Martin has said, but if I was to phrase the same question – exactly the question you're asking, but reverse it – and say should ICANN be allowed to make decisions about delegations re-delegations of ccTLDs without any form



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of accountability or review possible? How do you think everybody's going to answer?

So I think we don't know what we're talking about here.

KEITH DAVIDSON: Thanks, Nigel. Debbie?

DEBBIE MONAHAN: Debbie Monahan, .nz. The problem with being last is everybody else says what you want to say first. Annabeth and Martin, I found it a very difficult question to answer because I didn't really know what was going to be involved. It's quite different to have an appeal mechanism for a technical decision [inaudible] something else versus having an appeal mechanism for re-delegation or other such thing.

So I think two things of quite differing substance and quite differing approaches, and as I say, bringing in third parties and other things. So I agree with what Keith said is that more work to actually turn around and say exactly what is the question we're being asked and what is actually needed to cover it would actually [inaudible].

KEITH DAVIDSON: Thanks, Debbie. Do you want to just [inaudible]?

UNIDENTIFIED MALE: Yeah, may I answer that as a redirect what I said twice before I think. What the question is is what we need to establish, so we need to



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actually realize what the question is. Is it a threat or not? Is it a good thing or not? That's what we need engagement to do.

We can't answer the question here, and that's my point, by putting it in A and B. If we say question 1b instead, what concrete measures and actions are there to appeal? Then we're starting to actually make some operational work on this issue, but we need the help to do it.

KEITH DAVIDSON:

Okay. With that, I think we draw this to a conclusion. I think you've got enough feedback to go back and do some more work. Please join me in thanking Stephane Allan, and also Lise for her perseverance. [applause]

Over to Byron for the part four of this small play of four parts.

BYRON HOLLAND:

This session is the gift that keeps on giving. Dare I ask for a presentation to come up?

KEITH DAVIDSON:

While the presentation is coming up and just for the record, the transcript of this entire section will be broken into sections or reposted and linked for you all, so that if you do want to go back and have a look at this in detail, it should be manageable chunks of data along the way.

BYRON HOLLAND:

Thank you. So the fourth and final act in this play is around how are we going to contemplate making this decision? Whatever proposal surfaces



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in the end from the CWG and the CCWG, how is the ccNSO and/or the ccNSO Council going to begin thinking about how to make this decision?

Because there are many council members and it will be in the transcript, this was meant – this part of the session was meant more as dialogue and to get input from ccNSO members and non-members alike that are in the room to help give the council guidance about how it should be thinking about the decision-making process. So if we go to the next slide.

The IANA transition proposal will need ccNSO approval. At the end of the day, based on the charter, based on that this is an ICANN convened, through the ICANN structures endeavor, the ccNSO is the organization in the ccTLD world that has been mandated to approve – or not – the proposals that come forward.

It was also requested that the ccNSO act as the organization or the vehicle that engages the entire ccTLD community. And I know that that has certainly happened to a very great extent and I would argue, while we can always do more, there has been significant outreach and engagement to involve the entire ccTLD community. That said, it's very difficult to make sure that every single ccTLD is fully aware of what is happening.

So the ccNSO will be asked to approve both the CWG and the CCWG's proposals. The timelines are shifting. As we know the CWG already has not made the date that it was originally anticipating making, and it's unclear exactly how far into the future it's going to be before the CWG,



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and arguably the CCWG, put forward concrete proposals that actually take us to that decision point.

But it is likely that we will find ourselves in Buenos Aires at our face-to-face meeting having what I would think may be the final face-to-face conversation before a decision is required. It is likely that the Council meeting in Buenos Aires on Wednesday afternoon will be faced with the requirement to approve or not the proposals certainly put forward by the CWG. So if we find ourselves there, what are we going to do, and how are we going to come to the conclusion whether we can approve it or not?

And if we go to the next slide, essentially that is the question. What should the ccNSO approval process for the IANA stewardship transition proposal be? And that's a very critical question for the Council. We have the members who can vote to approve or not the proposal. And really, the question becomes how do we know when we have enough buy-in from our community to go forward with that kind of a decision?

We/I don't take this lightly. There is the ccNSO community, 152 members representing the better part of 70% of all ccTLD domains out there. But there's a community beyond that. And even within the ccNSO community, when do we become comfortable that we have met general consensus within our community to go forward? And I'd like to take some thoughts and feedback on how we should come to those conclusions. And I'm sure that the other Council members here would appreciate hearing from the broader membership.



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So with that, I'd like to open the floor to get some thoughts and feedback. And I see Nigel had his hand up first, and then [Peter], and then I'll put my glasses on so I can see further back into the room. Nigel?

NIGEL HICKSON:

Thank you, Byron. I'd rather do as I say, rather than do as I do. I kind of like to hear from non-councilors on this. But I just want to make one remark, having just seen that figure up there. For a decision of this momentous nature, of this magnitude, three weeks after first seeing the final proposal to final approval is, in my view, far too short. We really need to be going through something of the nature of publishing a draft deposit proposal and inviting comment from every affected ccTLD manager, and even making sure that we have written to every affected ccTLD manager, Because it's going to affect contractual or other things. You're a registry. You have contracts with your registrants. All of a sudden, the very basis on which you've understood – and we know how it has all evolved to where we are now.

But the very basis is going to be somehow fundamentally changed, And we really do need the time to make sure that we have the right opinion. We can get "an" opinion. People can just put their hands up and vote, and we can say 51% of the 60% of ccTLDs presented voted in favor. But that's not legitimacy. It might be legality, but it's not legitimacy. So we need to get some time to do this once we have a final proposal.





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BYRON HOLLAND: Thanks, Nigel. That's very helpful. We also have to get comfortable with – and maybe this is an English phrase, I'm not sure. But we can lead the horse to water, but we can't make them drink. And in this case, as much as we try, we might not even be able to drag the horse to water. So at what point do we become okay with that? Peter?

PETER VAN ROSTE: Thank you, Byron. Peter Van Roste from CENTR. First of all, I agree with Nigel. Three weeks is very short. But that's probably what we'll have to go with.

UNIDENTIFIED FEMALE: [Inaudible].

PETER VAN ROSTE: Not Nigel. That is what the group is proposing. It is obviously not just three weeks. There are weeks and weeks, and actually months, before that we should keep on encouraging people to get involved in the debate so that when they see the proposal, actually none of it should come as a surprise. So it's about education. And that's the important role for the ccNSO and for the regional organizations in that. But only three weeks is very short. It's too short, and that's where I agree with you. But we should not just consider that a fact and then not do anything.

I would, however, warn against high expectations in particular of response from those outside the ccNSO and the regional organizations. So far, the response that I have received from those that I have reached



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out to, outside of CENTR outside of the ccNSO, is zero. No response whatsoever, not even a confirmation of receipt.

So we need to make sure that we do not set black-and-white thresholds of numbers of votes that we should reach, because that could easily lead into a situation where there is no decision.

I also would like to offer, definitely from CENTR but I'm sure I can speak on behalf of my colleagues from the other regional organizations, our help in reaching out to non-ccNSO regional organizations' members and getting their feedback. So as far as that helps, happy to.

BYRON HOLLAND:

Thanks for those comments and for the feedback. I think we have [Alan] and then Jordan. Or Jordan and then Allan. Jordan?

ALLAN MACGILLIVRAY:

I was first. Allan MacGillivray .ca. Nigel, I just wanted to point out on behalf of Lise, who had to leave, that in the timeline that the CWG has published, they actually allow for a 21-day public comment period on the proposal prior to it being submitted to the chartering SO/AC. And so that's already baked in. And it certainly goes to Peter's point about just following the process. This is on a very, very tight timeline, and it's not one where you want to passively wait 'til the end to read it. Thank you.

BYRON HOLLAND:

Thank you. Jordan? Any other feedback? Seeing none at this time, I think we can draw this to a close. But I would leave this question with



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you. And as you mull it over, feel free to contact me or make suggestions to your councilors from your region. Thank you. And thank you, Keith, for sharing. Any final comments on this four-act play?

KEITH DAVIDSON: No. And with that, it closes the panel discussion. And back to you, chair.

BYRON HOLLAND: Thank you. Then we have a rapidly shrinking window between now and cocktail hour and a significant number of ICANN updates. I want to thank the ICANN staff for being patient and working with us, given the important conversation that we just had. So Giovanni is the session chair here. And with that, I will pass this over to Giovanni and welcome our colleagues from IANA.

I know it's late in the day, but I have also been told, without stealing any thunder, that this should be a very interesting IANA update, that we will definitely want to stick around for this one.

GIOVANNI SEPPIA: Thank you, Byron. We'll try to keep it short and sweet before the cocktail. And by coincidence, we have an IANA update after such a discussion on the topic related to. So thanks a lot, Kim. Thanks Elise. Thanks for joining us for this update. In the past year, updates have been extremely valuable for this community. So thanks in advance for the coming presentation. The floor is yours.



KIM DAVIES:

Thanks, Giovanni. I'm Kim Davies. I'm tag-teaming with Elise Gerich. So we're just going to give a fairly brief presentation on a few topics. I'll get started. So that's not presenting right.

The three bullet points on the agenda is the new authorizer contact model. I've briefly covered this at previous meetings. I wanted to continue the discussion on that. Publishing pending delegation/re-delegation requests. And an update on the performance metrics of the IANA function.

So as I mentioned, the new authorizer contact model is something that I've mentioned at recent meetings. It is a proposal. So I wanted to just flag that. This is something that we're analyzing and considering, but it's not final. What I'm going to explain to you is our current line of thinking. And really, at the end of it, I'm hoping to get feedback from you that will help direct us into a more detailed implementation plan of the idea.

So just to recap, the current IANA contact model that we use today, the model by which we receive confirmation requests for changes dates back to the 1980s. The concept of having an administrative contact and a technical contact is something that we inherited. It's pretty ICANN. It's a model that really dates back quite some time.

But what we recognize today is the way we interact with our customers and the way the Internet acts is quite different from the 1980s. The notion that the contacts that you list in the public WHOIS for your particular TLD are the same people who should be authorizing change requests, based on our experience and based on the feedback we've received over the years, is increasingly antiquated.



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Generally speaking, you want to have the contacts you list in the WHOIS, the public contacts to be customer service/help desk type contacts, whereas authorizers for change requests with the IANA should be people of seniority, people of authority within the organization to confirm the change requests are indeed supported by the ccTLD or the TLD manager.

There's also, in line with that, the need for implementing stronger authentication controls. Going back ten years, all that was required to authorize a change request was an e-mail from the right e-mail address. We've since evolved to using username and passwords. But there's still more work to be done there.

So just briefly, right now we have an administrative contact and a technical contact for every TLD in our database. As I mentioned, they're, number one, listed in the public WHOIS. And number two, these contacts are used to authorize change requests. Thirdly, in the context of ccTLDs, the administrative contact is required by RFC 1591 to be in the country of the TLD.

So this is what we're proposing. There's a little corruption on the slide. But in essence, what we're proposing is to add a third kind of contact, an authorizing contact. There can be more than one of them. In fact, there can be an unbounded number of them. The idea is to separate the public publication of contacts for your registry away from the people who are required to authorize change requests for your TLD.

The idea is that if you are quite happy with the current system, you don't need to change. But if you wish to have the parties authorizing



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change requests on behalf of your TLD to be a different set of people, this model provides the flexibility to do that. As I mentioned, there could be one or more authorizing contacts. I mentioned in more detail at the last presentation that we would not have role accounts for authorizing contacts. Instead, it would be reflective of certain people. This would provide us with better flexibility to identifying exactly who is requesting a change, who is authorizing the change. And we'd implement a number of changes in conjunction with that. I'm not going to reiterate the details, but I'm happy to discuss them with anyone that's more interested.

So at this stage, we're viewing this project as an operational enhancement. This is based on our experience with the current contact model. This is an evolution of the current contact model. And right now, we've spent the last three ICANN meeting socializing it and getting a better handle on what TLD managers would like to see. In general, the response has been extremely positive. I haven't had anyone inform me they think this is not something that we [should] be pursuing. In general, the TLD manager community has been highly complimentary of the concept. We need to turn that into something concrete, in terms of an implementation plan that spells out exactly how it will work. And then we need to circulate that for public review so that you can read it, flag issues with it, and we can implement that feedback.

However, I think we're one thing we're lacking in staff is clarity on what the expectation from the TLD manager community is in terms of what we should do to get the requisite buy-in or sign-off or whatever the case may be between where we are now and implementation. We know we need to have a detailed implementation plan, but what process does it



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need to go through with gTLDs and ccTLDs to give us the go-ahead, let's say, to commit the resources to actually putting this into action?

So I flagged this as a question. And without putting anyone on the spot, feedback on this particular topic would be very valuable to us. We don't want to just walk blindly into implementing this without feeling comfortable the community agrees this is something we should be doing. And we'd like your feedback as to what your expectation is when we do this kind of project. What's an acceptable level of consultation? What are the boxes we need to check to get from A to B? I think this is the first time we've done something of this scale, in terms of evolving the process in the last few years, and we want to make sure we do it in an appropriate way that the community agrees with.

So that was it for my part of the presentation. I'm happy to let folks stew on it, and I can pass it over to Elise to carry on through. Or I'm happy to take feedback now. Since I see no one rushing to the microphone, I might . . .

ELISE GERICH: We would like feedback now, if anyone has any thoughts on these questions.

KIM DAVIES: Yeah.

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GIOVANNI SEPPIA: Would you like a raise of those flags to check how the community is feeling about this change and the introduction of these authorizing contact? Shall we go for – Jay?

JAY DALEY: Kim, to answer your question put in there, I don't think this is a policy change. I think this is an operational enhancement, because you're not changing the actual contacts that are published, the legal ones there. You're simply changing the mechanism by which we access [inaudible] are improving that notably. It does need consultation with us as customers about that happens. It doesn't need consultation with people who aren't customers. And so whatever mechanism you choose to do that with, so long as we get involved, that's fine. From our conversations, I believe I'm the only person there who gives any feedback on that, so you can just talk to me and I'll tell you how to do it later. But if any of my other colleagues decide to give you some feedback, that'd be great as well.

ELISE GERICH: Thank you.

GIOVANNI SEPPIA: Thank you, Jay. Can you please, again, state your name at the beginning for the transcript? Thank you.





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DMITRY KOHMANYUK:

Sure, again, Dmitry Kohmanyuk, .ua, as well administrative contact. I just note two issues for this proposal, not that I'm opposing it. It's just that the roles must be qualified. So the current model is very simple. Both contacts to approve both changes. Any of them can initiate. With the new model, of course, let's say I have the two old ones, let's say two new authorizers. The question would be, should all four say yes? Should only two of them say yes? And more and more. I'm not going to go into this. It's just an issue to have to be decided.

And I think this should be opt-in model. Like if you don't want to have those new kinds of contacts, keep things the way they are now. If you want those new contacts, sure, go ahead and create them and then decide who can create them, who can delete them. Otherwise, you'll have hijacking risk, like create two authorizers. They go ahead and remove the regionals.

KIM DAVIES:

Thanks for the comment. Yeah, to confirm what you said, our intention is if you're quite happy with the current model for your TLD, there's no need to change. And secondly, there's flexibility to have an authorizing model for your particular TLD that works for you. As I mentioned, that was just a very brief run-through. I did give a much longer presentation about this at the last ICANN meeting, so I encourage you to look at those slides. And of course, I'm happy to explain it to you in more detail.

Any other comments or observations?





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panel. You would log in to RZM, set that up in a way that would work for you. Does that help?

FREDERICO NEVES:

Kim, Frederico from .br. As you mentioned, as you were talking about the authorization model, but also from the authentication, if I would give you guys some guidance regarding the order of implementation, I would definitely spend some more resources earlier on the authentication one, stronger authentication. I already gave you this guidance a while ago.

KIM DAVIES:

Right. And part and parcel of this plan is to implement second-factor authentication and other aspects of increasing our ability to interact with you. There's a lot of ideas in there, wrapped into two slides. And I think, hopefully, the more detailed implementation plan will flesh that out significantly.

Roelof?

ROELOF MEIJER:

Yeah, Kim, just follow up on what Jay said, I think if you want to do something like this, it's operational. You consult with your customers. I think you've done a lot of that. You make a plan. You send it to them, say, "This is what we have developed on the basis of your input. Is that okay?" And then you tell us when you're going to implement it. I think a part of the fact that you're not getting a lot of feedback is I see this



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[identified] transition process. I think we are slightly otherwise engaged with the transition process. So it might be that.

KIM DAVIES: Thanks.

[NEIL]: Yes, [Neil], from .id. I just have a quick question with regard to whether the authorizing contacts can be [administrative] contact or technical contact as well, or they have to be different entities, a different person.

KIM DAVIES: No, they can definitely be the same. There's no prohibition. Just as today, admin contacts can be tech contacts and so on, we're not planning on prescribing any requirements there. It doesn't limit anything you do today, and it provides new options as well. Okay.

GIOVANNI SEPPIA: There is a question. Sorry, Kim, please.

KIM DAVIES: Oh, there's one more question in the back.

GIOVANNI SEPPIA: Okay.



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JACQUES LATOUR: Jacques Latour, with .ca. So one thing I was thinking is maybe add security contacts as well that are not part of the change management process. But if you're going to build a contact repository system here, we could probably leverage that to make it bigger, instead of just the change management process.

KIM DAVIES: That's certainly a good idea to consider. I hadn't considered doing that in the context of this project, but I'm very happy to talk about that idea and whether we need to make a structure flexible enough to add other kinds of contacts for other purposes as well.

Great. Well, I think this is very useful to help us move forward. What I'm hearing from the room is that we should focus on doing the implementation plan. No one has raised a concern that these are policy questions that need to be resolved in policy fora, which I think for us is a relief. Our biggest concern always is stepping where we shouldn't. So this is useful and gives us some momentum to do that. Without further ado, I'm going to pass it over to Elise to carry onwards.

ELISE GERICH: Thanks, Kim. So you can go to the next slide. And it's all broken up. But one of the other enhancements we've been talking about and we've proposed at other meetings is to enhance the reports we do. And one of those enhancements would be to consider having a report that lists pending delegation and re-delegation changes to the root zone. We've had comments during public comment periods previously when we did performance report public comments. And people had said, "Well, it



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would be nice to also know in advance that there might be a change in the management of a TLD.”

We have spent some time looking at this and finally have the go-ahead to do this, and so we just wanted to bring it to your attention that we'll be putting together a prototype report that would list pending delegations and re-delegations. We're thinking that it could either be periodic or live reporting, "periodic" meaning putting out a monthly report that says that, "These are thing things that are pending as of the end of this month," or periodic reporting, which means that it could change daily as things came and went from the pending report.

So we just wanted to give you a head's up that this is in the pipeline as an enhancement to the performance reports that we do. And obviously, we're open to any comments or suggestions that you have. And there's a hand in the back, the same hand.

UNIDENTIFIED MALE: Jay?

JAY DALEY: Hi. Jay Daley, from .nz. Thank you, Elise. There are, I think, two separate things here. One is the status tracking of a current request. And the second is the historical audit of a past request. So my preference would be for a report that did both of them, so it was a live thing that showed old requests and showed the status of current requests all in one place so we could see that. And it wouldn't have to go on forever. So maybe



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the last requests over the last year or two or something, I don't know. But both of those would be useful.

ELISE GERICH: Thank you. So sometimes I didn't hear as well. But basically you prefer a live report than a periodic one?

JAY DALEY: Yes.

ELISE GERICH: Thank you.

PETER VAN ROSTE: Is there a threshold when delegation requests would end up on that list?

ELISE GERICH: We have been considering that, because we don't want to put up, let's see, phantom requests. So we would do some level of validation that it's a legitimate request. Legitimate can make everybody queasy when I use the word "legitimate," but that it's a serious request. And that would be when it would go on. So it wouldn't just automatically, as soon as a trouble ticket opened, add this live on the report. It would pass some criteria before it went on the report.



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PETER VAN ROSTE: Okay, thank you. I'm sure I can find you some ccTLDs that would be happy to help you in setting that threshold, as repetitive re-delegation requests could obviously have reputational impact, and so that is indeed a very important issue. Thanks for noting that.

ELISE GERICH: So I guess my question back to you then would be would you think that we should do a public consultation on that or that informally we could maybe do a survey at the ccNSO for ideas on what the threshold should be? How would you suggest we get that feedback?

PETER VAN ROSTE: Some of our members have, obviously, significant experience built up over the years with how to deal with delegation requests, and in particular how to communicate to them in whatever shape or form, whether it's in a court, in a legal process, or [in a] government request. So there's experience, and I'm sure that people would be happy to share it. I would ask for volunteers. If you got too many, then it might indeed be more useful to have a survey or anything else that makes your life easier. But I think you will not end up with more than a handful of volunteers, and that's probably the way to go.

ELISE GERICH: Great. That's a good suggestion. I appreciate that. Any other questions on this particular topic? No? Well, thanks for the feedback.

So the other operational issue is implementation of Framework of Interpretation Working Group outcomes. We have been following the





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discussions and, obviously, the final report from the ccNSO, and we're ready and willing to work with the implementation team from the ccNSO when it's established. And obviously, once that happens, we would like to share the implementation plan with this group to make sure we have interpreted the Framework of Interpretation properly. We'd hate to make a bad interpretation of an interpretation.

There are some open questions that we've already got in mind, so when you have your group, about how to implement approval of an incumbent manager, because it seems like there's some questions that we have that weren't quite clear when we read the document itself. We did want to let you know that this authorizer model that Kim spoke about earlier is not intended to address questions of how to implement approval of an incumbent manager. We're not sure if it can be used in that fashion or if it's going to need some tweaks. So please keep us in the loop for when you have your implementation team in place so that we can collaborate and coordinate with them to come up with a good implementation of the plan.

So performance reporting. Oh, these are the performers. So basically, there are 12 people in the IANA department at this point in time. Two of us are sitting up here. The others, I don't think many of you have met unless you were in LA, at which point everybody was there. And some of the others did give presentations in other sessions. But we have a very competent team, and we're quite happy.

So the other thing is this is a compilation of all the performance reports. On the top bar, you see the number of requests; in the middle, the KPIs that are met; and then the SLAs that are met. We're kind of

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disappointed. We have a little orange X there for the month of October. But if Kim will go to the next slide, you'll see why.

So the SLA – and I hope you can read this – basically is that we'll complete a delegation or re-delegation request within 120 days. That's total time. That's the time that the request is lodged to the time that it's in the root. So that's the iterative time that we go back and forth with the requester until it's finalized. So we had two requests, and both of those took over 120 days. So therefore, that exceeded our goal. That's why, for the month of October, we got that orange X instead of the nice green check.

When we had done the public consultation on the performance standards, almost everyone, across the board, said it's really hard to predict how long it should take for a ccTLD delegation or re-delegation, particularly a re-delegation. And at the time, I think we proposed 90 days. Some people came back and said we should do a year. Other people said it just had to be more than 90. And we settled on 120.

So we've done pretty well within the 120-day time frame over many months, but October is the first time we've missed it for two of these requests. So I just wanted to make sure, in full transparency, that you realize we are paying attention and we're looking at the trending. And the baseline seems to be that 120 is okay for the most part, and occasionally, it looks like we may exceed it, but hopefully not often.

So the last thing is that Kim and I will be doing a repeat of the IANA presentation of "Who, What, and Why?" It has a subtitle of "Why the IANA Functions are Less Interesting than You Think." And this will be



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done Wednesday morning. It really is to talk about exactly what it is that we do when we receive requests. It has nothing to do with policies and things like that. It's more about, what are our operational duties? So if you think you don't know, please join us. And if you think you do know, you're welcome also. Thanks very much. I think that's it, right, Kim? Thank you for your time.

GIOVANNI SEPPIA:

Thanks a lot, Elise. Thanks a lot, Kim. Is there any further question? It's the critical time between the cocktail, and there's another presentation coming up, the last one, we promise. And blame the programming committee. So those two people.

So if no further question, thanks a lot, Elise. Thanks a lot, Kim.

And straight to the next presentation. I think Xavier and Carole are now in the room, and they're going to provide an update on the ICANN Five-year Operating Plan and the Fiscal Year 2016 Operating Plan and Budget. Please come to the stage spotlight. Xavier, you like to stay there? It's a moving presentation. Thank you.

UNIDENTIFIED MALE:

You look very lonely here.

GIOVANNI SEPPIA:

It's true. And Byron is the other side, like [inaudible].



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UNIDENTIFIED MALE: Hiding in the corner over there.

BYRON HOLLAND: I am not the chair of this presentation. I am the chair of the meeting, though. Random thought: it's only you separating us from cocktail hour. But anyway, have a good presentation.

UNIDENTIFIED MALE: Yeah, thank you. No pressure.

GIOVANNI SEPPIA: There is pressure, because there is a time pressure, as probably some people would like to pass by eventually some rooms and leave their stuff. We have a meeting at 6:30. Am I right? To move from – yeah. So if we can finish tentatively by ten to 6:00 would be great. Thank you.

UNIDENTIFIED MALE: Easy.

CAROLE CORNELL: Good afternoon. My name is Carole Cornell, and I'm going to start giving you a highlight of some of the public comments received regarding the Five-year Operating Plan. I am just going to give you a condensed version, because if you'd like to, you can go on and look at the public comments summary analysis, which gets into a little bit more in depth. I would also say thank you very much for all the feedback. And I have to say, we've been working with SOP Working Group now for several



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years. I want you to know that because of all of that good input and insistence and pushing, that we've actually gotten better and better at putting together an operating plan and key performance indicators and a lot of operational material. So I would say, first and foremost, thank you for that group.

This is just the overall planning process that we're using. It's just a reminder that we start with a Strategic Plan, if you might recall. The board approved the Strategic Plan in October of 2014. It is a Five-year Strategic Plan, and it is the foundation. That is used to then establish the Five-year Operating Plan, which in format the two are tied together. The Five-year Operating Plan handles the who, what, when, where, and why on how we would execute the Strategic Plan.

The next is the Annual Operating Plan, which takes the Five-year Operating Plan and the phasing into account to establish that, followed by the achievements and the progress reporting. The Five-year Operating Plan will be typically updated on an annual basis, taking into account the achievements and the progress made.

Skip. Skip. Skip. Okay.

We've received approximately 100 different inputs on the Five-year Operating Plan. In order to make it effective, we've kind of narrowed it down to three major areas that we thought we would talk about today. The first is, overall, the positive feedback on the development of the Five-year Operating. Specifically the fact that the [formats] are connected, the timing of them, and it's all one process has been a big improvement based on the feedback that we've received. And that

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process and format will continue going forward. It will make it easier for everyone to be able to follow along and link all of those pieces of information.

The second factor that was talked about mostly had to do with key performance indicators. It is a piece that we've been working on and developing for a while now. But looking at what we've presented at the goal level, there are 20, and they are fairly high-level oriented, the question that's come back quite a bit is we need more specificity and clarity.

What do I mean by that? The phrase has to do with setting some specific goals, better definition of what the metric is. In some cases, we used health index. So the comment made – and it's been a very good one – we need to define each of the components that make up the health metrics and how and what that goal and target would be.

Another one would be – and this is the third one – is the introduction of a five-year financial model. It helps understanding of ICANN's approach. That is a new component. It allows us to look at that five-year overall forecast. And Xavier is going to talk quite a bit more than that. I have one more slide, please.

If you were to see this, it shows the eight different organizations that provided input and kind of a distribution of the points and the topics made. As you can see, the two biggest ones, the first is the KPIs, which I've kind of talked a little bit about. The second one on the far right, many of them had to do with possibly rewording, combining, re-exploring some of the components written in the Strategic Plan.



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I think it's important to note that those comments at this time will not be incorporated because we've taken approximately 18 months to develop the Strategic Plan and the board approved it, as I said, in October. And to be consistent, we're going to not make changes and hold on to it unless some key critical or major event were to occur. Otherwise, we will maintain the strategic plan as it's written today.

I think that's a quick highlight. I have other slides, so could you just go forward through, and we'll go to the next part, which is the finance update. I could stop at this point though and ask if anybody has any specific questions on the Five-year Operating Plan before we move on to the financial part.

I don't see any hands, so I'll say thank you and I'll pass it on now to Xavier.

XAVIER CALVEZ:

Thank you, Carole. A couple preliminary comments before we go over the stakeholder presentation. Carole indicated just now that if you've noticed and counted, there are 32 comments out of the 100 that came from this group.

So the SOP Working Group that works on the Strategic Plan, the Operating Plan, as well as the budget, produces a consistent, structured, and deep input to the staff, generally speaking, at ICANN, but also to the other stakeholder groups who look to what the SOP Working Group is going to say. The input from the SOP Working Group is critical for us. Irrespective of whether we are able to directly answer the comments that are being made or be able to satisfy those comments exactly the



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way they are formulated, the comments that are being made by the SOP Working Group are extremely important for us as a direction to follow, which has driven a lot of the work that the staff has done about planning: strategic planning, operating planning, as well as budget.

Whether we could answer the comments directly or not, it has been taken as an input that has been driving the direction towards which we have been working, and that has therefore been a foundation for dashboards, operating planning at a detailed level, KPIs. A lot of that work is the result of the consistent input and messages that the ccNSO, SOP Working Group has been consistently providing over the years.

So our ability to directly answer very specifically each comment may vary, but the value of the comments being made, irrespective of the direct answer that we can provide to them, does provide a direction to the staff that's been extremely helpful that is combined with the input that is provided by other groups, of course. But the SOP Working Group concentrates an amount of competence an experience and input that's unequalled in the rest of the other organizations. So this input is very important, and we thank Giovanni, and Roelof before him, and Byron before him, for the amount of input that the group has provided. We're very much looking forward for the continued collaboration there.

The second comment, I just want to thank Giovanni and Debbie, who participated yesterday, to a long meeting that we organized as a working group on the budget assumptions. We looked at together between 6:30 and 11:00 PM last night, for four and a half hours, the main assumptions for the budget of FY16. We went over in detail the





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revenue assumptions, for example, for ICANN. What envelopes of expenses are we looking at for FY16?

And this is a step that precedes the development of the budget, which is why it was important to be able to exchange with community members on those main assumptions, because they will drive the rest of the budget process over the next few weeks and months. So your participation, Giovanni and Debbie, was very welcome. Thank you for having reacted very positively to the invitation on a short notice. I think it was very productive, and your input was very valuable. So thank you for that.

I'm doing a little bit of advertising now, because I would like to be able to speak about the quarterly stakeholder presentation that we have now been doing twice over the past few months. In other public company environments, it's called a shareholder or investor presentation that is done by publically listed companies on a quarterly basis. Our version is simply, on the same schedule, a quarterly stakeholder presentation. Its purpose is simply to provide a comprehensive update on all the activities that the organization has carried out over the preceding quarter.

We had this last call on the 29<sup>th</sup> of January, ten days ago. That covered the period of October through December 2014, which is our last closed quarter. The previous call happened on November 20<sup>th</sup> for the period covering July through September. It is a tool of communication that we intend to continue to use to provide update on what the organization has been doing, and also helps us free up time at ICANN meetings to do



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other things than updates and more interactive collaboration and work with the community.

I have selfishly extracted a few slides from that presentation relative to financials. The presentation is available online, as well as its audio recording. If you go on our website, ICANN.org, and you do a search on “quarterly stakeholder,” you will find the link immediately to that presentation, as well as to the preceding one that happened in November. Next slide, please.

So just an overview of the content, and then I will move on a selected number of slides from a financial standpoint. The call lasted last time about an hour and ten minutes. It included ten minutes of presentation by Fadi on the overview of the organization, and an emphasis on a few items.

David Olive then provided an update on the policy work that has been completed in the organization over the previous three months. Sally then presented a management update for about 15 minutes, covering the entire of the operations of ICANN other than policy, which David had already presented. In the previous call, Akram did that presentation. This time it was Sally. Next time, it will be another global leader of the organization. Nobody else wanted to do the financials, so I had to do it for another ten minutes after that.

I will therefore take three slides out of the few slides that were presented on the 29<sup>th</sup> that are next.

This one is providing an overview of our revenue sources at ICANN. The dollar value that appear here in each of the boxes correspond to the

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cumulative revenue of the first six months of the year for ICANN. It's intending to provide an understanding of the fact that our revenue are driven by two different main factors. The first one is the fraction of the revenue that's driven by the number of domain name registrations times the unit fee that is then charged to either registries or registrars.

As you may know, we have a unit fee of \$0.25 for the registries per transaction, \$0.18 per transition for the registrars. And that is what drives the revenue that corresponds to the one from the domain name registrations, which is in this column here. If you add the two together, it represents approximately 75% of our revenue, which is therefore all variable on transactions.

On the right of this slide, you have the revenue from ICANN that's driven by the number of contracted parties. These are fees that are fixed for per registrar or registry, or per year, or a combination. For example, the per-TLD fixed fee coming from the registries are the \$25,000 per year charge to each of the TLDs that are delegated in the root. That fee starts from the delegation into the root and is prorated for each period. It amounts to \$25,000 per year. That's for the registries, and that's the one fixed fee.

For the registrars, here, the fixed fees driven by the number of contracted parties, number of registrars, correspond to either the application fee when a new registrar applies to be accredited by ICANN. There's an application fee. It's \$4,000. There are also the accreditation fee, which is an annual fee, which is also \$4,000 – \$1,000 per quarter – to continue the accreditation. Those are therefore fixed fees per the number of contracted parties. There is also a per-registrar variable fee,



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but it's in total a fixed fee of \$3.4 million, paid by the registrars. So the fees driven by the number of contracted parties is about 25% of our revenue.

There is a small portion of revenues here at the bottom in which we group together the contributions from the ccs – so from you guys – which at the end of December amounts, from memory, to \$1.1 million or \$1.2 million. We're slightly ahead what the budget was assuming, simply from a timing standpoint. It's nothing more, nothing less than that.

In there as well, we have the contribution from the RIR (Regional Internet Registries). If you want to know, it's \$823,000 per year in one contribution from the RIR. And we have also certain amount of sponsorship revenue from the ICANN meetings. You see the sponsors on the banners left and right. This drives, depending upon the meetings, between \$250,000-350,000 of revenues per ICANN meeting, which helps offset the costs of the meeting, partially of course.

Any questions on revenues? Next slide. I can do that. Yeah. Okay.

This is one slide that provides an overview of how the revenue compares to our budget. After six months of activity, after about half of the year, the bottom line is that we have a budget of practically \$46 million revenue, and our actual revenue is about \$48 million. So we're, generally speaking, on target, slightly ahead.

It is broken down by each type of revenue in a different fashion. This red bar here indicates what the budget reference is. And you can see that for some types of revenues, some are ahead. Others are below

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budget. And the net of all this is a slight favorable variance of revenues vs. budget.

I'll draw your attention to this part, which is the fixed fee revenue. That's the one that I was mentioning earlier is driven by the number of registries into the root, new registries. It's the \$25,000 revenue per year. That number is below budget, simply as you of course know that the number of registries into the root has ramped up slower than originally anticipated as part of the budget. We are slightly above 500 registries – 507, I think, as of today – into the root.

At this point of time, the budget assumed that we would be approximately at 675-680 registries into the root by now. So there's a gap. And of course, that gap drives shortfall of the revenue corresponding to that fixed fee. We do expect that that revenue, by the end of the year, will be lower than the budgeted amount by approximately \$4-5 million. And we also expect that if the transaction volume that appears to be above budget would continue to be above budget for the remainder of the year, it would entirely offset the shortfall of fixed fee.

So at this stage, we expect the revenue of \$104 million for the full year to be achievable. It will depend on those parameters. There is a question. No, there is no question. I'm being told that I have three minutes. I'm surrounded, basically, is the point. Next, please.

This is a very high-level overview of expenses this time. At the top, we have the expense above the dotted blue bar. We have the expenses for operation and capital, the operating expenses and the capital expenses



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for the organization. The full bar shows the budget for the full year. Here, this is the full bar. This is \$101 million of operating expenses for the full year. The budget for the midyear was \$46 million, and the actual is \$45 million. So we're slightly under operating expenses vs. budget, which is a good place to be at this stage of the year. Slightly above on revenue, slightly below on expenses. This is exactly where I would want to be if I could choose.

This is the result of a certain amount of cost-control measures we have put in place, a certainly number of cost-saving working groups. Review of our hiring plans has been toned down as well. So there's been a number of measures that have helped contain costs in this fashion.

Capital expenses, \$3 million vs. \$4 million. This is mainly due to timing. And below the blue bar, we have those costs relative to the USG transition project. It's the \$7 million that was anticipated to be spent for the FY15 on simply the USG transition project. That \$7 million is a very high-level guess, I would say. That's probably the best word to qualify it. As well as the time of spend across the year of that \$7 million, it was anticipated that we would spend about \$3 million by the end of December. We have spent about \$1.5 million. The figure here is misleading, because it's actually \$1.5 million that we spent. And we do expect that the rate of spend over the next six months for this project will be a bit higher than it has been over the first six months of it, as the substantive work of the Community Working Group is expanding and accelerating after the start.

And that is it for me. Am I within the three minutes that I was allotted?



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GIOVANNI SEPPIA: Three minutes, 15 seconds. So it's okay. And we have two minutes for possible questions. So, Peter?

PETER VAN ROSTE: Thank you, Xavier, for the presentation. I think I can only 100% agree with the comments made on Sunday. There has been enormous improvement on both the planning and the presentations of the results. But one thing triggered my curiosity, And that is the \$1.5 million spend on the USG transition project. Could you give us an idea of what that was spent on? That is an enormous amount of money, and there hasn't happened that much so far.

XAVIER CALVEZ: So the \$1.5 million spend includes a number of components. I am going to look for [Taryn] to help me remember all the pieces. There is one of the largest component is the meetings that have happened both in London, as well as in Frankfurt, for the CWG. Each meeting costs us approximately \$250,000. So there's been two. That's 500K right there. The venue, translation, audio/video support, the staff support that happens there, the travel of the members. It's not a cheap activity. Each one is about \$250,000.

There's a fraction of that cost – remind me, [Taryn], how much – the allocated staff time. Okay. So there's a certain amount of staff. Relatively limited numbers is 12 different peoples' time that we are capturing for allocation purposes. We've tried to keep that relatively



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narrow. And it amounts to about seven FTEs. So 12 peoples' fraction of time, about 7 FTEs (Full-time Equivalents). We have Teresa Swinehart for example, who spends about half of her time, Carole's time, to track the projects overall, about 20% of your time. So that amount is included for \$500,000. It's \$1.2 million for the full year, and \$500,000 for the first part of the year.

And then there's been a certain amount of legal fees for consultation that's happened, to the extent of, I think, 100-150K. So we're at \$1.1 or 1.2 million, and the rest is a bit of travel and some. So that's the extent of it.

GIOVANNI SEPPIA: There's a remote question?

UNIDENTIFIED FEMALE: Yes, Lesley Cowley has a question in response to Carole's presentation. I'm quoting:

"The ccNSO has been giving feedback on KPIs for many years now. And this has consistently included the comment that KPIs need to accurately measure performance against specific goals. How can we help ICANN to improve KPI settings and measurements, going forward, so we can focus on other areas?"

CAROLE CORNELL: Thank you, Lesley. I know I've had the pleasure of working with you and meeting with you before at these sessions. We are continuing to refine



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the Key Performance Indicators. One of the difficulties about working on them is you have to have process and data collected on each one of those processes before you can roll it out. We are currently producing, from a management/day-to-day operating level, about 100 different KPIs we use internally. What we're talking about and what we're looking at in the Five-year Operating Plan is moving up a level to goal-level KPIs, which are more summary but very specific towards the objectives.

So just continuing to providing good feedback, we will be updating the Operating Plan with revisions to the KPIs that were done presently. Plus we will be sharing them as we learn and grow and roll out more and more. We will adjust them to meet those demands. But just being open and giving us continued support and giving us your feedback when we ask for it would be terrific. Thank you.

GIOVANNI SEPPIA:

Thank you, Carole. So as we said, it's really a work in progress, and we'll continue to provide feedback.

Any further question? It's really critical time. Anything else you like to add, Carole, Xavier?

XAVIER CALVEZ:

No, just thank you for your time and patience.

CAROLE CORNELL:

I would just say thank you to everyone for the continued time and support. It really does make a difference. Thanks.



GIOVANNI SEPPIA: Thanks to you. I'll leave the floor again to Byron for drawing the meeting to an official close. A long, long meeting.

BYRON HOLLAND: Thank you everybody for still being here and participating right 'til the bitter end. Meeting adjourned. See you at cocktail hour.

[END OF TRANSCRIPTION]

