

**ICANN  
Transcription ICANN Hyderabad  
Non Commercial Stakeholder Group Open Meeting  
Sunday, 06 November 2016 at 15:15 IST**

Note: Although the transcription is largely accurate, in some cases it is incomplete or inaccurate due to inaudible passages or transcription errors. It is posted as an aid to understanding the proceedings at the meeting, but should not be treated as an authoritative record.

The recordings and transcriptions of the calls are posted on the GNSO Master Calendar page <http://gnso.icann.org/en/group-activities/calendar>

Tapani Tarvainen: Is the recording on? Okay, so this is the Non Commercial Stakeholder Group open meeting -- and this is the Chair, Tapani Tarvainen speaking. Welcome everybody. Welcome also to those who are still grabbing coffee outside, but we can't wait for them.

While waiting, we have somebody who's happy to speak for empty chairs for maximum of two minutes -- the ombudsman. He wanted to have a session. He said 30 seconds would be enough. I'm giving him two minutes absolutely no more. Please go ahead Herb. Tell who you are.

Herb Waye: Three.

Tapani Tarvainen: No way. Two.

Herb Waye: Okay. Well thank you very much. I definitely won't take too much of your time out of your busy schedule but I did want to drop in -- and I've been attempting to drop in on as many of the groups as I can over the week -- introduce myself -- Herb Waye. I'm the ombudsman. I was appointed in - earlier this summer. But I've been with ICANN -- the Office of the Ombudsman for over ten years now working as the adjunct. So I'm hitting the ground running. I have an extensive knowledge of the community of the organization -- and it's been a busy start up for me but it's been very pleasant.

So, I'm focusing a lot on outreach in the first few months of my term. The community knows it has an ombudsman but not very many people in the community know the ombudsman. So this is an opportunity for me to be with you, to say hello, and show you my face.

I don't want the Office of the Ombudsman to be strictly seen as part of the accountability framework and a place that people can go and complain. It should be -- and can be -- a very useful resource for the community when they're dealing with issues that can be resolved quickly and in very informal manner.

So I want stress informality and in a community - community is based on relationships and when relationships are functional and positive things go good. Conflict is not something that should be shied away from. Conflict leads to progress. It leads to efficiency. It leads to the future. But when conflict gets in the way of relationships and the relationships break down, the efficiency and the effectiveness and the progress suffers.

And I want the office to be seen as a resource that can step in at that very early stages of inefficiency or inappropriate conflict and be seen as a resource to help out and get things back on track.

There's another point that I will be stressing and bringing up as much as possible and that is the ICANN's Expected Standards of Behavior. It's an

incredibly useful tool for this organization because it's finally written down on paper the behavior that is expected of the community and staff and anybody involved with ICANN.

So, in closing I would invite you all to take two minutes of your time and to read through the Expected Standards of Behavior and really look at them and think to yourself and ask yourself, "Am I living those Expected Standards of Behavior?" Really take a good look at yourself and your immediate surroundings because when you're not living those Expected Standards of Behavior it can result in some very unexpected and unpleasant results.

So, are you being a role model to the youth and the new comers in this organization? Ask yourself that question, and who knows, maybe someday if everybody abides by that and acts appropriately, I'll be out of a job.

I also have an office just across the hall from us here today - and the maple cookies have arrived. My luggage showed up the day before yesterday -- thankfully -- and I invite you all. It's open door. If you see me in there please drop in and say hello. I love to chat. I love to talk to people. And by chatting and talking to people, that's how I can be a little bit closer to the community and a little bit more effective in my role in helping out as much as I possibly can with you.

Thank you again for inviting me in -- and I hope I haven't taken up more than four minutes of your time.

Tapani Tarvainen: Yes. Thank you Herb. (unintelligible) Expected Standards of Behavior do not include holding to the promised times, plus what (unintelligible). Now - is Stephanie still around? Yes? Without further ado -- since we are in a hurry and I know she wants to be in another session -- I'd like to ask Stephanie - I note that on the agenda we have Kathy Kleinman but she's not here also due to a conflict problem. So, Stephanie please go ahead with ...

Stephanie Perrin: Thanks very much Tapani -- and Stephanie Perrin for the record -- and I do apologize in that I will probably bolt shortly and go to the other hall to hear about ICANN and the public interest.

I was asked if I would do a brief update on the Who Is issues -- and I see David is still here -- so he is the Vice Chair of the RDS Working Group, so he can pick up anything that I am missing here.

Basically, we have been working in the RDS Group since December of last year and we have done a number of things. We have a, kind of, phased work plan that is extremely ambitious. All of these things are up on the GNSO Web site under the Who Is category -- RDS implementation -- RDS Working Group.

We are there to work on principally better data protection and confidentiality in the Who Is and trying to move towards a better policy in general about the registration data that is collected at the behest of ICANN.

So for those not familiar with the privacy issue that stem from ICANN's governance of the domain name system -- they are basically - there are four areas where there's concern.

The first and most visible is Who Is, because Who Is publishes name and address of users including telephone numbers and fax numbers --and there had been a push in the Experts Working Group to also publish mobile phone numbers -- and this can lead to abuse.

So that's one area but from a data protection perspective that's only the distribution instrument -- the disclosure instrument. The registrar's -- in the first place as a condition of the accreditation to be in business as registrars, they are told to collect -- in our view -- too much information. So the - ICANN is acting as a data controller in the European sense and forcing them to contract to collect, use and disclose certain information.

There are provisions in the accreditation agreement that forces registrar's to allow bulk access to this data so that secondary service providers can bundle it and process it and sell it -- and that is a secondary use that would be prohibited under some data protection law.

So, the RAA itself is a focus of a lot of these things because that is the contract that provides the requirements. In the RAA -- in addition to this -- there is a requirement upon the registrars to escrow data. Now that is a provision that acts to protect user's rights because if you register a domain name - obviously if your service provider goes out of business suddenly -- which was happening at the beginning of ICANN's history -- they could disappear and there wouldn't be records of your domain name registration possibly. So this escrow provision is a protection mechanism for the end user.

However, the conditions under which ICANN has set this up -- if you use the escrow agent that ICANN uses or prefers, they will pay for it. And if not, you have to use your own escrow agent, then you pay for it.

So this is irritating to European registrars who -- in the first place are not having much luck getting their escrow providers approved. And in the second place that would involve data export out of their jurisdiction which could be a violation of data protection law. So that's a third element as it were.

And the fourth element is that there are provisions in the 2013 RAA for the registrars to retain data themselves. They don't have to transfer it to anybody else but they have to retain it. And this includes metadata, financial data, IP addresses of how you contacted your registrar -- and it's quite detailed data. So, this is all in the 2013 RAA if you'd like to look it up.

So, these are extensive grounds for having concern about the revision to the RDS. And the good news is that our working group is - has taken an open

approach. We are - it's very frequent in the previous studies of Who Is that the scope of the exercise was severely limited.

In this instance we're dealing with whatever impacts registration data -- so that's a good thing. I had some fears that we were going to be restricted to just the Who Is. That was the remit of the Experts Working Group and that limits you if you can't have a look at the 2013 RAA. So that's good news.

The other interesting thing that we did in the early months of the RDS Working Group -- we did a massive process of gathering all documents that might be relevant to the consideration of registration data - and that document is all summarized and up on our work space.

This would - you know, we put in hundreds of documents, you know, all the old opinions of the Article 29 Working Group that did protection commissioners, all the old opinions of the GAC in terms of what we ought to be doing in the name of public safety. You name it -- there's a lot of documents up there.

And then volunteers were sought in the working group to summarize those documents and come up with what might be recommendations or criteria -- so we have a spreadsheet of those recommendations and criteria.

And we are just now starting to actually do the deliberations about which criteria we ought to be focusing on in the new registration data service and which not.

So we started that at the open meeting that we had on - last Thursday and I expect that the going will be getting tough over the next little while because we will be putting some of these 900 recommendations either in or out.

So that's kind of a brief history of where we are and what's going on. And I'd be happy to answer any questions. I don't want to take up people's time --

and I sense that they've already heard enough about Who Is, that they don't want to hear anymore. So, I'll leave it there. (unintelligible)

Tapani Tarvainen: Thank you Stephanie. I have a question from the audience. Please come to the mic and introduce yourself to begin with.

(Sodart): Hi. I am (Sodart) -- NextGen Program. So my question is, has the working group - apart from the four points set out by you - has the working group considered the impact of the right to be forgotten with regard to the discharge retaining the data because Europe and particularly (unintelligible) even in India the (unintelligible) started considering whether a boss -- whether an individual would have the right to be forgotten and erases data from - on the internet. So, has the working group been - taken any - that particular item into consideration?

Stephanie Perrin: Thanks very much for the question - Stephanie Perrin again. I'm certainly going to raise it under privacy issues. I don't think the document - we - I don't think we summarized the decision in the Court of Justice that established the right to be forgotten. But I could be wrong -- it could be on the list because there were so many documents and so many volunteers.

However, I intend to raise it in the - when we discuss privacy because this is a critical thing. And the right to be forgotten -- it's not just that the registrar keeps the data forever and ever -- it's not just that ICANN says you must keep it for the 18 months retention period. But beyond that the - one of the problems with the Who Is is that not all these value added service providers that are running Who Was, et cetera - there's no control on them and they publish the things for ever.

So if you want to get your phone number -- that you accidentally put into your Who Is back ten years ago -- out, you will have to pay umpteen service providers to remove it. And I understand that it's 15 -- in Europe it's 15 Euros

a year to pay to get it out, which is appalling, but there's no way really to stop this. Thanks.

Tapani Tarvainen: Thank you Stephanie and (unintelligible). Any other questions?

Man: Yes.

Tapani Tarvainen: Okay. Please introduce yourself.

Man: Hi. This is (unintelligible) and ICANN and on. One thing I want to know regarding the pilot clearing or Sharing Skills Program, it should reach to the mass people -- that is not happening -- and we should record the plan how it can be just multi-communities. That is one solution.

And come into the data today what you're talking about -- the data privacy and all -- especially in India, most (unintelligible) they're keeping the data for only six months.

Okay. And afterwards if any cyber attack or any cyber bullying is happening from other services on Google or European services there is no proper mechanism in all and (unintelligible) in the process, so time is getting lost.

Recently you heard about the news in all papers, there is cyber attack on Indian banks and all. It was data. It was available in two (unintelligible). One attack came from China, second attack came from (unintelligible), another attack came from unknown place and they didn't able to get the data. And this type of issues - what we should do being in an ICANN team and all - we should take care of all this experiences and all globally, come out with a common framework which helps the internet community. That's my full solution for the ICANN. Thank you.

Tapani Tarvainen: Thank you. Stephanie have a comment -- reply?



Man: ICANN is more into policy making rather than security issues.

Tapani Tarvainen: Please introduce yourself.

Man: Hi. I'm (unintelligible). Good evening to one and all. I am (unintelligible). I'm a developer. Can you please let me know -ICANN is more concentrating on the policy making rather on the security information issues. So how can it be - how can this be - regarding...

Stephanie Perrin: In terms of the DNS at ICANN, there is a Security Instability Advisory Committee and they do have a whole series of documents, and they are tasked regularly to report on different security aspects. The Public Safety Working Group is a division of the GAC that is looking at mostly law enforcement issues in terms of security.

There are not -- at ICANN -- any particular committees that look only at cyber security like phishing and those things because basically that's not the remit of ICANN. There - the SSAC has given advice on how it relates to the root but not - and to the limited remit of ICANN in terms of the DNS.

We have take down provisions in terms of how complaints come through but ICANN's not - it's not within ICANN's remit to police some of these security issues, in my view. You might want to attend the SSAC meetings and the Public Safety Working Group.

In terms of our -- well let's be blunt, opposition, very often the privacy arguments are confronting the public safety arguments mostly because ICANN has provided a repository of data that is - has been accessible to law enforcement without respect for the constitutional protections that pertain to national governments. In other words, it's a private corporation with a huge trove of data.

So, I think that's a jurisdictional problem. That's my view. But (David) had his hand up to answer your other question. Right?

(Doug Incate): No, I'm more or less just to add that — (Doug Incate) speaking — the — I mean, ICANN's remit on things like phishing and things is — it's not totally out of ICANN's remit, but it's restricted specifically to how the — as the problem interferes in the domain name system.

ICANN isn't a generic Internet organization. It specifically deals with — and not just the domain name system, because ICANN also does numbers and some issues crop up there, and routing, and so on.

But so ICANN will, for example, does have a lot of rules about how you can't register a domain name that is — tries to make it difficult to register a domain name that is obviously designed for phishing purposes.

But it doesn't then — may have any rules about what content — malware or whatever you may have on your domain — can be, you know, because that, once it gets into content, even obviously terrible content, it's no longer really ICANN's problem. And you should be, you know, if you object to the content on a domain, you should be talking to, you know, the hosting agency or whatever.

It's also — we do have this discussion about public safety and, you know, with law enforcement, who are always saying well, we need this data for public safety.

But of course, the safety of the public isn't just the job of law enforcement either. And it isn't just about safety from crime. It's safety from all sorts — well, from this sort of, you know, crime that law enforcement investigates and so on.

The public safety of the issue that I think in the non-commercial space we would have to keep sort of defending is that — particularly as regards to privacy — is that the safety of the public — the public is safer if they can control their own private information and not have it in the public domain.

And sometimes that may make life difficult for law enforcement, but making the public safer is still part of public safety, and sometimes — particularly from a lot of harassment and things like that — well, keeping your information private is most important; vital for safety. So it's (either) a tradeoff, but it's not a simple tradeoff as, you know, privacy versus law enforcement. Privacy is safety in many cases.

Stephanie Perrin: (lan) — and this is Stephanie Perrin again. I think one of — and historically, one of the first issues to arise with the open whois after ICANN's birth was spam. Because spam became an early issue — well, I don't know — '98, '99, 2000 went on — it's not like it's stopped.

But there were no levers against spam at the time. So there were things put in there to enable rapid riddance of domain names that were producing spam. And a Registrar can very quickly get — close down — a domain where the contractual obligations have been broken.

So some of these things have been fixed. But one of the things that we really lacked evidence for was the risk that individual end users run by having all of their data available.

And I guess it's time flies when we are having fun. About a year and half ago, we had a group that was set up to look at privacy proxy services accreditation systems, because we have a privacy proxy services. You can use a privacy proxy service and avoid having your own personal information up on the Web.

And these were not accredited. They were not contracted parties under the ICANN ecosystem. So there was no real way to control them. We finished that after a year and a half, but not without the Registrars doing a massive campaign to get support for including the capability of commercial entities to use privacy proxy services because there was a big to only have them for individuals.

And this would mean that groups and institutions – political organizations, free-speech journalists – would not have access to privacy proxy services.

So as a result of that campaign, we got 20,000 folks writing in, and we got stories of the kind of abuse that has been happening on the Internet – cyberbullying, and this sort of thing – and proofs that, in fact, the whois service was being used to get the home addresses of folks who were then trolled, and people would show up at their house.

So that was a useful exercise because we don't have the money to do these research studies, and it's nice to have that when you're making the arguments. But it's one of the things — it's one thing to get spam. It's quite another to have fights go on on the Internet with trolls, and then have them show up at your door and harm you. That's non-trivial.

So that particular – the implementation review team for that is just starting up now for the privacy proxy services. If anyone's interested, please join.

Tapani Tarvainen: Thank you, Stephanie. Any other comments, questions on this subject?

No? I guess we can let Stephanie go to her next public interest. I think she has (got one thing) been eager to get to. This is really on an event overlap in the schedule. And let's move to the next Agenda item. What CCWG and Accounting – accountability, sorry, not accounting. And Robin, would you please take over?

Robin Gross: Hi. My name is Robin Gross with IP Justice. And I represent the non-commercial stakeholder group on the CCWG Accountability, which is a cross-Community Working Group on accountability.

And just very briefly, we had passed the recommendations in Work Stream 1 a few months ago, and those went to the Board, and those were passed, and implementation has begun, and the IANA Transition happened as a result.

And so now we're really focusing on the issues that are in Work Stream 2. Which are not of lesser importance than the issues of Work Stream 1. They're just the issues that we didn't need to get done in order for the Transition to happen. So I don't want, you know, folks to think that oh, it's just Work Stream 2, it's not important.

It's extremely important. In fact, some of the issues in Work Stream 2 are the most important of all the accountability issues. For example, the transparency reforms, and the human rights respect for human rights at ICANN — bringing that into the Bylaws. These are really important issues. And they are very much the core of Work Stream 2 as well as some of the (like) jurisdiction.

But let me quickly go over what the specific issues are, and see if we can get some feedback. Well, the first, as I just mentioned, is probably one of the most important issues. It has to do with increasing the transparency of ICANN.

And there's a number of sub-issues under that one rubric. One is reforming of the Document Information Disclosure Policy – the DIDP. Another is increasing transparency with respect to Board deliberations – increasing the transparency regarding discussions with governments and the lobbying that goes on, as well as improvements to ICANN's whistleblower policy.

So this particular sub-group has gotten much further along than many of the other ones, and this is our Co-Chair here, (Michael) – how do you say your last name?

Michael Karanicolas: Karanicolas.

Robin Gross: Karanicolas. And he's done a fabulous job on these transparency issues, but they're not done yet. So we need more people to join, and we need more people to participate — particularly with respect to issues dealing with Board deliberations, because we haven't had a chance to really roll up our sleeves and work on that one, that sub-issue.

I know in particular, there's been a draft document, as (Michael) has described a number of times, that is now out for people to look at and provide feedback for. And the group is really looking for feedback, and really looking for more suggestions and more improvements that can be made with respect to improving the transparency issues. I'm going to ask (Michael) if he wanted to add anything to that issue.

Michael Karanicolas: No, I mean, we had a good chat about that last session, and just, yes, we've got – I've gotten a lot of feedback of people that are directly engaged with the system, in terms of DIDP, and it's been super-helpful and, you know, really the question becomes what do you want to see? What do people – what information do people want to get out of ICANN? What would be helpful?

So this kind of brainstorming, this kind of, like, feedback is super-helpful in – it's essential in crafting recommendations. Because ultimately it's got to be a user-driven process, but it's got to be a demand-driven process because, you know, different people are using the system in different ways. And people are engaging in different ways and have different interests.

And all of those interests are relevant and valid. And so it's a question of coming forward and saying, "Here's what I want to see." And then we can find a way to work them into recommendations to better provide the Community with the information that they want.

So again, please send along anything that you think would be relevant.

Robin Gross: Thanks. And I'm going to get a copy of this draft, and I want to forward it on to the whole NCSG, and so you all can please have a look at it and provide the feedback and recommendations so we can just hone it and tighten it all that much further.

Again, because transparency is really one of the most important issues that we can focus on with respect to ICANN's accountability, because if we don't know what the organization is doing, if we don't know how decisions are being made and what decisions are being taken, then we're not in any position to hold the organization accountable for those decisions.

So it's a precondition, if you will, for in order for the organization to become more accountable – transparency, that is.

Okay. so another one of the sub-issues is creating a framework for the interpretation of ICANN's new commitment to respect human rights. And Niels from Article 19 is one of the Co-Chairs on that particular sub-group.

And is Niels in here? No? Okay. Well, we went over some of this stuff earlier this morning in the NCUC session, but I know we've got a lot more people in here now, and (MPOC) members, and folks who didn't come this morning.

So on the one hand I apologize if we're a bit duplicative, but on the other hand, it is appropriate that we discuss it in the NCSG meeting, since I'm the NCSG Representative, and so we need to hear from all the members on these issues.

Right now, with respect to the human rights framework, we've got some — a draft document that's being put together, and folks are trying to do focus in on what kinds of standards and how to implement those standards, with respect to human rights.

And one other proposal that's been put forward is looking at the UN Guidelines – the Ruggie Principles – and finding a way to implement those. Not everyone is particularly satisfied with that. Thinks it doesn't go far enough, and we need to focus on the human rights impact of the policies that ICANN is doing, as opposed to just operations – operational issues.

I don't know if there's anybody in here that is more deeply engaged in the human rights issues and wants to discuss this particular sub-point a lot. I was kind of hoping we could use this meeting today as an opportunity to try to hash through some of those details, but since almost none of the people are in the room that have strong opinions on this issue, I'm not sure we can do that. Is there anybody here that wanted to — (Matt), yes.

Matthew Shears: Matthew Shears, The Record. Thanks, Robin. Just to add a couple of details. I'm in that particular Working Group, and that's a shame that Niels isn't here.

One of the things that we're struggling with is that ICANN is a bit of an unusual organization in that it's not hugely clear how we address some of the human rights issues within the ICANN context.

One of the other issues we're dealing with is that we have to provide a framework of interpretation for the Bylaw that now includes the words, "human rights" and the need to respect and abide by International treaties and laws. And that's also not hugely straightforward within the context of ICANN.



So we're a little bit struggling. As Robin said, we've had a very robust discussion as to the application of the Ruggie principles. And I think what where we are coming out of that, we spent a considerable amount of time, we will probably have a draft from the smaller drafting team within the Working Group to share, hopefully in the foreseeable future, and Niels is guiding that forward.

I think we're more or less on track. We've spent the three or four months scoping the issues, so hopefully we'll be have something to share that's robust and satisfies the requirements of coming up with this framework of interpretation.

What we tried to avoid — but it was inevitable — was a broader discussion of the applicability of human rights to ICANN as a whole. And I think what we've realized is we've needed to step back a little bit and refocus on what our deliverable is, which is a relatively narrow framework of interpretation in terms of the actual Bylaw, the new Bylaw. Thanks.

Robin Gross: Thanks very much, (Matt). I should also mention that all of these sub-groups are still open for participation. And everyone is welcome to join. And indeed, encouraged, even. We're begging you to please join and participate in these various sub-groups. They will be going on for at least through the end of next summer at the earliest. Most likely.

Okay, so another sub-group in Work Stream 2 has to do with the influence of ICANN's jurisdiction on operational policies and accountability mechanisms. And I know Milton's been somewhat active in that group. So Milton, if you could give us all a quick update on that one and what we should be doing there, that would be very helpful.

Milton Mueller Okay, let me just bring up the appropriate file.

Tapani Tarvainen: And that's Milton Mueller speaking.

Milton Mueller: This is Milton Mueller for the Broken Record. Okay. Basically, Jurisdiction Group is based on — let me just get the correct — there it is.

This sub-group is based on Annex 12 of the CCWG Accountability Final Report. And there has been a bit of a discussion about what is in-scope and out-of-scope for this group.

So there is a reference in Annex 12 to confirming and assessing a gap analysis. And some people are unsure what was meant by this and what gap they were referring to.

I think they — in the most generic way — were talking about are there any gaps in accountability created by the reliance on California law by having, you know, ICANN incorporated in California? And is there any way in which this makes it impossible to achieve our accountability goals, or limits our ability to achieve accountability goals.

But we couldn't really — some people thought that that issue had been resolved in Work Stream , and so they didn't think that we needed to do this. And so we put that issue aside because it was bogging things down.

The main thing we did is we talked about different layers of jurisdiction. And this starts at the foundation, I guess, with ICANN's incorporation in California. So that's the jurisdiction of the Headquarters and incorporation.

And let me see if I can find the full set of layers. Sorry. Talk among yourselves. Damn. I wasn't ready for this. Here it is.

So there's jurisdiction and incorporation, Number 1. There is the jurisdiction of the Headquarters location, which is a distinct issue. There is jurisdiction of other places of physical presence. And there's jurisdiction for the law used in interpretation of contracts, sometimes known as Choice of Law," including

contracted parties, other third parties and actions of the Empowered Community.

And then there is the jurisdiction for the physical location of the litigation of disputes. Now, then there is relationships with national jurisdictions for particular domestic issues. So all of these are aspects of jurisdiction that we are – have, I think, differentiated, and will now are there easier to deal with because they are distinct elements.

I think in terms of jurisdiction of incorporation, there is widespread agreement, if not pure total consensus, that we don't want to reconsider jurisdiction of incorporation. And this is controversial with some people but — and it may become an issue — but I think we're going to pretty much put that beside us, because in Work Stream 1 we pretty much agreed to deal with California law, right?

So then there are questions that are being raised by some critics about whether there might be issues related to the ability of the U.S. Government to legislate or regulate ICANN in ways that it can't do now, but if they passed a new law, they might pose a problem.

But fundamentally, I think what most people want to focus on is this question of Choice of Law. The jurisdiction whose laws will be used to interpret the rights and responsibilities of parties to a litigation, arbitration or other dispute resolution mechanism.

And you've seen the same issue crop up with the whois debates, when what's maybe legal in one jurisdiction with respect to privacy is not in another. And since ICANN has global contracts, they have to deal with this problem repeatedly. So are there any questions about what's going on in the Jurisdiction Sub-group? Yes?

Renata Aquino Ribeiro: We've seen many — Renata, for the record. There are many initiatives trying to define what exactly is the relationship between Internet governance and jurisdiction, which claimed that this has to be reassessed or reviewed after the IANA Transition.

I'm asking a very general question, but what do we have to expect for the next few months on this topic?

Milton Mueller: I think what you're going to get is a fairly detailed examination of the problem of Choice of Law, or end venue. That is, the influence of ICANN's existing jurisdictions relating to dispute resolution.

So if in our analysis they determine that there are issues raised by this, then they will try to propose some remedies. And again, the issue of sort of the immunities of an international organization — which is some people kind of group — a dissident group, you might say — is trying to raise — is possible that we'll discuss that more, but not very likely to lead to anywhere.

Well, just to put this in a broader scope, you know, to some people, the problem with U.S. control prior to the Transition was not entirely that U.S. controlled the contents of the root zone file. It was that ICANN was in the United States, and the U.S. is perceived by some as the Evil Empire, and therefore, they would like to somehow get it out of the United States in some way.

And the problem that these people keep bumping up against is A) where does it go? And when they can't answer that question satisfactorily, they say, "Oh, it should be some kind of free-floating international law." And again, they're typically not able to come up with concrete proposals regarding what would be acceptable. And then there's also the sort of issue of ICANN's accountability mechanisms are all designed to be based on California law.

So I think it's unlikely that Jurisdiction Group would propose any massive upheaval. I just know that that's not going to be supported by most people, and not just because they're running dogs of the American imperialists, but because it's just there doesn't seem to be any reason to do that – any positive reason to do that.

(Harry Doe): Hi, (Harry Doe). If any copyright infringement law happens – copyright infringement – what are the steps that are going to be taken by the Jurisdiction?

Milton Mueller: Well, first of all, there are all kinds of copyright infringement laws already in existence, so you mean if there's a new one? Or you mean if they apply the existing ones? The existing ones.

I think you'd see ICANN would have a fairly minimal role in that. What happens now is that they go after the Registry, not ICANN. So for example, (DOT-COM) has been involved in some of these disputes. And the Immigrations and Customs Enforcement – ICE – the U.S. has seized these domains or legal proceedings have been brought against them.

Probably Robin knows more about this than I do, but it's not really – that kind of issue is more about jurisdiction of (DOT-COM) and not about the jurisdiction of ICANN.

And so these issues frequently get confused because the domain names system is iterative and recursive and hierarchical, so people think that things that happen because (DOT-COM) is based in the U.S. are happening because ICANN is based in the U.S., but that's not really the case. It's more about where the Registry is operated or the Registrar.

Robin Gross: Okay. Was there any other questions on the Jurisdiction sub-group? I don't see any hands. Okay.

I just wanted to very quickly go back to the Human Rights Sub-group because we've got Niels in the room now, and he's the Co-Chair of that particular sub-group. And so Niels, if you just want to give us — and I know you've done this a million times this week — a quick update on where we are and what's coming next with that. Thanks.

Niels ten Oever: Thank you very much, Robin, and thank you all for the interest in this topic. And of course I'm happy to do it here as to serve the public interest. And a small correction. I am not the Co-Chair. I am solely a Co-Rapporteur, so I have even less authority, which is good.

The working (works into is as such). During Work Stream 1, we agreed on a Human Rights Bylaw. But that Human Rights Bylaw would only become active once we developed the framework of interpretation. And that was essentially the Mission for Work Stream 2. And that's where we are now.

So when we started off Work Stream 2, we started off with documenting all the discussions and agreements that were made during Work Stream 1 to ensure that the people dropped into the process did not have the feeling like they were excluded because they were not part of the discussion in Work Stream 1.

So that was the first document we wrote and that we reached consensus on. So we have that document, so you can read up on that.

That subsequently, we went on to analyze the UN Guiding Principles for Business and Human Rights. Why did we do this? Because as you all know, International Human Rights are only applicable to States.

And it's obvious that ICANN is not a State, and the only model that we have for non-State actors are the UN Guiding Principles for Business and Human Rights. The UN Guiding Principles for Business and Human rights consists of

three pillars. The one is the duty of States to protect human rights, the duty of non-State actors to respect human rights, and a third pillar for remedy.

Now of course, ICANN is not a State, but it's also not a classical corporation. So that's why we said let's simply look at the UN Guiding Principles, see what might be useful, see what is applicable, and see what is not.

So we've been going through with this sub-group through all the Guiding Principles without saying we adopt or we do this or we do that; just to learn. Because we do not want to reinvent the wheel if there is also already something out there that really works.

So we analyzed them and formed a drafting team, and that drafting team started to come up with a draft framework of interpretation. So during this work it also became much more clear about what we needed to do as a sub-group. And that is actually pretty narrow, because a framework of interpretation is very different from a framework for implementation.

The only thing that we should do as mandated by the CCWG on Accountability Report is provide explanation to the Bylaw. And that's exactly what we are working on now. We're getting closer and closer to the text, and if you want to follow, we have just sent our summary to the CCWG of the work that we've been doing.

There are also now excellent sheets with indicators designed by ICANN staff where you can see how much activity there is, which problems we're working on. That's also available, and of course I am always at your disposal to ask any questions. And if you really get enthusiastic or active, feel free to join our mailing list and our calls every Tuesday at 1900 UTC.

So if there are other active members of the sub-group, I would definitely invite them to tell me if I miss something or to add some context. Also, I am very happy to take questions. I hope this sufficed, Robin.

Robin Gross: Did anyone have any questions or comments for Niels on the Human Rights Sub-group? Yes, please. And announce yourself, if you would.

John Laprise: John Laprise. I'm also on the Sub-group. And I just, while I greatly encourage everyone to join, because it's a really important work, and it's really hard. I want to emphasize that I came into the project without the experience of working on the Work Stream 1, and there is a significant learning curve to get up to speed to be able to participate effectively on Work Stream 2. So there's a just a little bit of a caveat there. Thanks.

Robin Gross: Thank you. If there's nothing else on the Human Rights Sub-group, we can move on to another sub-group. Thank you, Niels. Appreciate your running back over here to update us on this very much.

Niels ten Oever: At your service.

Robin Gross: Okay. So the next sub-group has to do with Staff Accountability. And trying to reformulate the way Staff operates to be more in service to the Community rather than the Community in service to the Corporation. And (Avri Doria) is one of the Co-Chairs – excuse me, Co-Rapporteurs – of that particular sub-group. I don't see her in the room to update us on that one either.

Okay. Excuse me. Okay, well this group is also well underway, and I don't believe there's an actual sort of draft document yet like we've seen from some of the other sub-groups we've discussed today. It's not quite as far along. But it's still very much in the formulation phases.

And one thing that was recently added to this bucket on Staff Accountability has to do with the creation of the new compliance – or, excuse me – the new Complaints (Officer) at ICANN and putting that under the authority of the Legal Department and the conflict of interest that's – that kind of placement creates.



One of the things that we did in Work Stream 1 was try to remove the Legal Department from making evaluations about the organization's possible wrongdoing, because they've got a Legal fiduciary duty to protect the organization and not really look fairly at the complaints or the issues that are being brought forward.

So there's a problem with the way this new position has been formulated, and so that it is being added into the work bucket for the Staff Accountability issue. Did anybody else want to add anything on this issue? I don't see any hands.

Okay. So another sub-group has to do with the SO and AC Accountability. And again, this idea has to do with the fact that now that we've created this Empowered Community, which will have some decisional-making authority over some of the decisions that the ICANN Board makes.

Then there's this notion that with the added responsibility comes this added accountability, and so making sure that our own ducks are in a row, so to speak, and that we as SOs and ACs are participating in an accountable and transparent and fair manner as we exercise our obligations under ICANN.

So I don't know if anyone has any questions? Please, now is a good time for SO/AC Accountability Sub-group.

Man: Maybe I will make a question. We actually considered what we should do to make ourselves accountable on a low-level (license) ACSG level, or constituency level (to us). Have you discussed that? Or if you have in that group, or if not, do you have any ideas?

Robin Gross: It's really at all of the levels. I mean, we have to have accountability at the Constituency level, at the Stakeholder Group level, at the GNSO Council level.

So it's really at every step of the way looking at some of the decisional processes that are happening in that particular regime and trying to bake in ways that can encourage these SOs and ACs and Constituencies to themselves be more accountable to the members that they serve and the Community at large.

Man: Nothing concrete, and so we have had (disparate) how much accountable I am for missing this meeting.

Robin Gross: Well, again, this is one they haven't come up with draft recommendations yet. It's still fairly early in the formulation phase. Now is a good time to join. Now is a good time to get these viewpoints in. So, again, I want to encourage anybody who is interested in these issues to please consider joining one or more of these sub-groups if you've got a particular interest in working on that particular issue.

Man: Okay, thank you. Did you cover all sub-groups already?

Robin Gross: Just a couple more. Another one has to do with reviewing the Cooperative Engagement Process, also known as the CEP, which is the first step to filing an Independent Review Panel matter. And Ed Morris is the Rapporteur in that particular group, so I'll let him explain where we are there.

Ed Morris: Thanks, Robin. We're moving. And we're moving along, thanks to members of the NCSG. Although I'm the Rapporteur, (Ina Lu), one of our newer members is taking on a Sub-Rapporteur task to actually help us go over the Bylaws and see what Bylaw changes we are going to need to make.

And Farzi, who seems to be everywhere, which is an incredible complement to her tenacity and energy, has agreed to help us start creating what's known as the CEP Rules. The Rules under which the CEP process is going to go forward.

We're having some problem in the Group, in that we're having trouble finding volunteers to join us who have actually been through a CEP. At our first meeting, I was the only one who had ever experienced it. I've been working with Becky Burr, who helped draft the — she's done a lot of the work on drafting the Bylaws themselves, which now include the CEP, but also the IRP process.

And one of the problems we're finding is we've created sort of double mediation. You come in before an IRP, go to the CEP, have a mediator come in — now we're trying to throw mediators in there — and if you're going to go to an IRP, the first stage which is known as conciliation, which is another mediation.

So I'm talking to Becky. We're going to talk to group members A) about whether we even need a CEP, or B) if we need a CEP, whether we need to change the Bylaws to get rid of the conciliation. Because no one had really put one and one together to figure out we had made this loop.

But for those of you who are legally inclined, or even engineers — people that can try to conceptualize how you put things together — we could use your help, and please consider volunteering. Thanks.

Robin Gross: Thank you, Ed. Did anybody have any questions for Ed on the CEP – Cooperative Engagement Process reforms? Okay, I don't see any hands. Ed, while I've got you right here, I know you've been somewhat active also in the Ombudsman Reforms Sub-group. Could you tell us a little bit about what's going on there?

Ed Morris: Sure. I'd pretty much like to reform the Reform Group. We started the entire Group by saying let's take a look at what we want the Ombudsman Office to do. (Mike Silber) was one of the Board liaisons. He was pushing that. I was pushing that.

But somewhere along the line we've lost our way. Our participation rate is horrid. We have a lot of members, but most of the calls, I'm finding there are just four or five people, two of which are either the present ombudsman or the past ombudsman.

So I'm sensing we're starting to get captured a little bit by the concept that the Ombudsman Office should just do what, perhaps, they've always done here, and that wasn't what we were conceptualizing when Robin in particular was drafting things such as reconsideration, early on in Work Stream 1.

They will have additional responsibilities, but in trying to craft the Office itself, it appears to me at least, we're asking the Ombudsman to go beyond what the Ombudsman normally does.

Now whether we want to call the Office the Office of the Ombudsman or some other title, I don't know. But these are issues that were raised at the start, had been buried, but in speaking to the Board liaisons, particularly here in India, I think we're going to be going back to that point.

There has been raised the issue — and again at the meeting we had last week here — of trying to do an outside study and funding an outside study to take a look at the Office, which was part, I guess of the ATRT 2 recommendations.

So trying to merge those together, trying to figure out what we want the Office to do, and trying to do it with four or five volunteers is just quite difficult. So again, this is another one of those groups.

And unlike like the CEP, you don't need to have legal skills — just willingness to work hard, learn, and try to work cooperatively to create this key Office which we're (DQ)ing with so much responsibility in the Accountability reform. So again, another great volunteer opportunity. Thank you.

Robin Gross: Thanks, Ed. Does anyone have any questions on the Ombudsman Reform Sub-group? Okay. I don't see any hands.

The final sub-group has to do with the Guidelines for ICANN Board's Standard of Conduct with respect to removing Board members and indemnifying Community members who have removed their Board members.

One of the rights that's been granted to the Empowered Community under the new corporate structure is that SOs and ACs have the right to be able to remove their Board members. And one of the tensions that we're facing in this sub-group is just a lot of pressure to sort of try to restrict what – restrict the removal rights of the SOs and the ACs.

And one of the things that we were very clear on in Work Stream 1 was that the removal could be for any reason – for any cause. All we have to do is provide a rationale.

So we've got – there's a draft that's gone out for this particular sub-group, and there's a little bit of concern that some of those rights are being a little bit restricted and we need to pay attention to that and make sure that it's very clear that Community members – that the Empowered Community – has the unrestricted right to be able to remove the Board members that they appoint for any reason, provided they provide a rationale.

Did anybody have any questions on this particular sub-group? Okay, well I don't see any hands. And that's the last – there are nine sub-groups, and that's the last of them. So thank you for bearing with me as I go through these all. And again, if anyone wants to participate, please, just pick a sub-group and dive right in. Thanks.

Tapani Tarvainen: Thank you, Robin. Anybody have any questions on this CCWG? Otherwise, in general, we are supposed to have an ICANN Finance team here. Okay. We'll have questions. Okay. Please.

(Liz Zaremba): Hi, everyone. I am (Liz Zaremba) from Kenya. And I'd like to ask a general question about the Empowered Community. On what (mechanics are there) to ensure accountability in the multi-state (could) there (there's room) Community know that it's empowered, and to ensure stability in the Board, again, for that continuity of work.

Robin Gross: Well, as we said, one of the sub-groups has to do precisely with SO and AC accountability, and so really looking at the way that SOs and the ACs and the constituencies operate, and making sure that there's fairness and there's transparency, and the way that those decisions are being made at that level is appropriate and accountable.

Because we can't as an organization be accountable if the individual constituent parts within the organization making the decisions isn't accountable.

And again, there haven't been a whole lot of concrete proposals that we've seen. It's fairly early in the drafting phase of that particular sub-group. So if you're interested in that issue in particular, I'd very much like to encourage you to join the sub-group on SO and AC Accountability and help us flesh exactly this out – these issues out, and incorporate that into the fabric of the organization.

(Liz Zaremba): Thank you. I will take you up on that.

Robin Gross: Thank you.

Tapani Tarvainen: Thank you, Robin. Any other issues here? No, okay. We are still waiting for Xavier to come in. Would you like to start already, the Finance team members present?

Becky Nash: Yes, hi. This is Becky Nash from ICANN Finance, and we can go ahead and start. I have our colleague, Pallavi here from HR, and we can go ahead and start with the presentation, if that's all right.

Tapani Tarvainen: Yes. Go ahead. This is perfect time. We are just six minutes behind schedule – five minutes behind schedule. It's perfect. Please go ahead.

Becky Nash: So thank you, this is Becky Nash and I'll just wait for the slides that we sent over to come up. We have to advance to Page...

Okay, great. We can begin. Again, my name is Becky Nash, and I'm from the ICANN Finance Department. And today we have an Agenda to give an Operations update. In this presentation we will be covering the overall ICANN planning and budgeting process.

We have a section on Financial Review. There's a section for Enterprise Risk Management. We have information related to Organizational Excellence and KPI in Dashboard. We have a section on Human Resources, Statistics and Development. And then finally in this presentation there is a section on Security Operations.

Just due to the amount of time that we have today, we may not cover all of the materials, but the materials will be available for everyone to look at. And just in order to kick off, we decided to first go to Section 5. And that would be Slide Number 21. So if we could advance to Slide 21, that would be great.

And I'm going to hand this over now to my colleague, (Pallavi). Thank you.

Pallavi Ridout: Hello, everyone. My name is Pallavi Ridout. I'm the Senior Director for Global Management at ICANN. And today we wanted to show you a couple of statistics on ICANN's growth and in terms of disbursement of staff over geographic areas and diversity.

So I know this slide is very busy. Maybe we can make it a little bigger. That might help. But I'm going to just have you focus for the sake of this discussion on the very last bar graph. Okay, we will wait until they make it bigger. Okay.

So if you can just look at the last bar graph — oh, which has been made bigger. That's great. This shows the progression of the number of staff that is at ICANN over the past three years. And as you all very well know, we've had a significant growth in staff over the number of years. In order to truly globalize and internationalize we have hired staff who is based in multiple locations across the globe.

So if you look at the very bottom of the last bar, it's a dark green section. That represents EMEA other staff. We have 33 people in those countries, and they are Italy, France, Kenya, Benin, Switzerland, Egypt, Israel, Jordan and Netherlands.

If you go one up, that shows you Istanbul, which is the light green above the dark green, which is 17 people in Istanbul, 7 in Brussels — which is the other green. There's lots of green shades here. You get to know your colors very well.

Then we have Singapore, which is the orange, 21 people. And then outside of Singapore and the other APAC areas – the regions – we have India, Pakistan, China, Japan and Australia. That's about 6 people there.

And the last bar section is the blue, which is eight people in Latin America — which is St. Lucia, Argentina, Bolivia, Brazil, Cost Rica, Mexico and Uruguay.



Now what you don't see in the form of a bar is the number of folks in North America. We decided to put it as a dot there, because that would have been quite a bit bump.

As you know, we have about 70 — we have 208 staff in the Los Angeles office, which is 78% of the overall North America folks. We have 28 people in the DC office. In the — 29 people people work remote in the U.S. We're spread in about 19 states of the United States. And there's one poor chap who works in Canada. We treat him very well, but he's all by himself. That's a total of 266 people in North America.

So as a part of the globalization effort as you can see, we've made some significant movement in adding staff to globally dispersed areas of ICANN. The next one I want to talk to you about is diversity in terms of male/female rations, age, et cetera. If we can go to the next slide, please. Thank you.

So there's four different types of categories of data here. If we can just look at the left side, and I'm going to look at the top left first. So the top left talks to you about the average years of service at ICANN. So the average years of service as of September of this year is approximately 3.6 years. So about four years of service. So we have a relatively younger staff in terms of tenure. We do have — if you look at the very last stat there, we have about 5% of our staff who's been there for 10 years-plus in the organization.

In terms of age, if you kind of follow the generations — Gen-X, Baby Boomers, Millennials — most of the — the majority of the staff, which is about 40-ish percent falls in the Gen-X category, which is between the ages of 30-to-40ish. And then on the lower end of the spectrum, we have about 6% of or staff who can be in the Baby Boomer category.

If you look at the pie chart, this is something I am personally very proud of, is we have a pretty good balance between the male and the female population. We have 46% males and 52% female.

And in terms of the executive make-up, it's a smaller section which is represented by the female executives. This data is slightly out of date at this point because we just had a fourth female executive join us about a month ago. It was an internal promotion, which was very good, because we are trying to, again, look at internal staff and provide the opportunities to our staff before we go outside, right?

And so that number has gone up to 30% female, and 70% male. So overall, exactly that is 13, out of which 4 are females. So that's what we have from our HR data perspective to share with you. Any questions or comments?  
Okay.

Tapani Tarvainen: Renata, please go ahead.

Renata Aquino Ribeiro: I am Renata. I would like to know about if there's any research on Community-to-staff; staff-to-Community ratio. We just had, I believe, two cases (Siranush) was from the Community, went to the staff. And now (so Gangush). Can you comment on this please?

Pallavi Ridout: Yes, we are very fortunate to have (Siranush) join us very recently and I'm sure you've seen her around here. Right now I don't have any handy facts for you, but I can certainly come back to the group with that.

Man: (Unintelligible).

Pallavi Ridout: Oh, yes, sure.

Tapani Tarvainen: So nobody has any other questions? Okay. I see that. Please introduce yourself.

(Tado Figue): (Tado Figue) from South Africa. I see in your first slide, when you talking about the different regions in terms of the staff of ICANN, and I see that

you've combined Middle East and Africa in terms of your EMEA, yes, your EMEA region.

Don't you think it makes it a bit difficult, (to have probably) like major participation of different regions within ICANN, because although the number is a bit high, but compared to other regions, don't you think it would make it a bit difficult, because at the same time you're mentioning that State internal staff, moving up the ranks. Yes.

Pallavi Ridout: So, for clarification, your question is around the EMEA breakup and representing it by country in the breakup?

(Tado Figue): Not by county, by region. Because EMEA, it's a combination of Middle East and Africa, and also you're talking about continuity of staff internally. So I don't know. I think it would have been better if you had internally like separate with (very clear) perspective of representation within the different regions.

Pallavi Ridout: Thank you for that. We do a broad, obviously, characterization of regions internally, so definitely take that into account for the next time we come here. Thank you.

Becky Nash: So if there are no other questions on this section, I was going to suggest that we go back the Agenda, and I'd like to cover the Planning and Budgeting Cycle. So if you could please take the slides back to the first section; right there is great. Okay.

So in this section we're going to cover the ICANN Planning and Budgeting Cycle. So if we could go to the next page, please.

This first slide gives an overview of the overall planning process at ICANN. The first item to note is that ICANN's objectives are described in its Five-Year Strategic Plan. We currently have a Strategic Plan that covers the five years from July 2015 to June 2020.

That Strategic Plan – we have each year work that's identified and described in an accompanying Five-Year Operating Plan, which is reviewed and updated each year.

The next major step in the planning process is that we have a Fiscal Year Operating Plan and Budget that is developed each year, and for overall feedback on achievement and progress reporting, which happens throughout the year, we use the ICANN meetings for consultation with the Community. We often have Webinars similar to our Kick-off Planning Webinars that we've had earlier this year.

We report out on dashboards, and we use a Portfolio Management System to provide progress and our achievements throughout the year. So again, this gives an overview of the overall planning process, which, again, is under way at this time for FY18.

So if we could go to the next slide, please.

This next slide gives an overview of the FY18 Planning Calendar. The first thing that I'd like to highlight about this particular slide is that you can see that we have two sections on this slide at this time.

We have the new PTI Budgeting and Planning Process. And then the ICANN Overall Budgeting and Planning Process as an overview of the Planning Calendar, at the top for PTI.

As part of the CWG recommendation that the PTI Annual Operating Plan and Budget be submitted nine months before the Fiscal Year, this is the process that we did follow this year.

And we submitted a draft of the FY18 Operating Plan and Budget for PTI for public comment, and that is currently out for public comment for 45 days. And

we do encourage and request consultation from the Community and look forward to comments that we will receive. The public comment period did start on the 24th of October and it is scheduled to end on the 10th of December.

After the public comment period for the PTI portion of the Budget, we will hold Community calls and responses. We will provide the responses to the comments that have been received.

And then the next step will be the adoption of the PTI Operating Plan and Budget by the PTI Board and by the ICANN Board, which is scheduled to be on track around the end of January.

If you look at the bottom of the slide, it gives an overview of the overall ICANN process. And currently we are in the November period where we have Community consultation on budget assumptions, which are being held here at ICANN 57. We do have a Budget Working Group that's scheduled for Tuesday evening, and we encourage all members of the Community to come and participate in the ICANN Budget Working Group.

The next key steps is that the ICANN Operating Plan and Budget for FY18 will be scheduled for public comment in early March. And then following that we will have the same steps for public responses.

And then over to the far right of the slide, which is not visible yet on this screen. If we move to the right, there will be final adoption of the FY18 Operating Plan and Budget, which will be scheduled for mid-June. So if we could go to the next slide, please. Just want to check if we go back one — yes, thank you.

This next slide gives an overview of the documents that will be published on our Web site for the FY 18 process. The ICANN Operations Five-Year

Operating Plan and Update, which is Year 3 in the Five-Year Plan, will be posted on our Web site.

That document, as part of this annual process, will provide updated portfolio KPIs, the dependencies, phasing and the Five-Year Financial Model if it's updated.

The next set of documents is the ICANN Operations and PTI FY18 Operating Plan and Budget. With that document, we provide a long list of assumptions, starting with our funding, which would be our support and revenue.

We have schedules related to the operating and capital expenses, risks and opportunities. The document includes information on head-count statistics. We provide a multi-year view of the new gTLD Program. We have an Operating Plan and Budget by objective, goal, portfolio and by project.

And the last two items that are included in the document are the SO and AC additional Budget requests. And finally, there's a Caretaker Budget, which is something that's been adopted this year as part of the new budgeting process.

So if we could go to the next slide, please.

This schedule shows us how we organize the documents that will be published on our Web site. So this is a view of how the reporting for ICANN takes place, and I'd like to draw your attention to the right-hand side where we have the green bar called Total ICANN.

This picture provides how we break down the different reporting for our annual budgeting cycle and for our financial reporting that's available on our Web site.

On the left-hand side, we have a segment called ICANN Operations where we provide assumptions and reporting on our funding. I would just like to point out that previously we labeled Funding "Support and Revenue," and we now call it "Funding." So that would be Revenue.

And then still on the ICANN Operations side, we have our reporting and our Budget documentation related to operating capital expenses. And you will notice the red box called PTI, so that PTI is reported in this section as well.

On the right-hand side, you have the segment related to the new gTLD Program, which will have the funding assumptions and the expenses related to the new gTLD Program.

Just like the highlight at the bottom of the slide, we have our funds under Management, where, on the ICANN Operations side, we have the Operating Fund and the Reserve Fund. And then on the new gTLD Program, we have the New gTLD Fund, which is the collection of the application fees that are then used for the expenses for the program.

And then on the far right, we have the (Option) Proceeds. And again, this provides the format of how we structure the data for financial reporting and for our upcoming FY18 Operating Plan and Budget documentation.

So if we could go to the next slide, please.

The last slide in this section provides an update on where we are in the planning process for FY18. So as I indicated earlier, the draft FY18 PTI Operating Plan and Budget has been published for public comment and consultation.

That took place on the 24th of October. It's a six-week public comment period, which is scheduled to close on the 10th of December. Subsequent to

that period, we are on schedule to have the PTI Board adoption of the FY18 Operating Plan and Budget at the end of January.

As an update for the process of the draft ICANN Operations, Five-Year Operating Plan Update, and the FY18 Operating Plan and Budget Update, that process is well under development at this time. And we are on schedule to publish the draft FY18 Operating Plan and Budget Documentation in for public comment in the timeframe of March 2017.

The final item here is related to the FY18 SO and AC Additional Budget Requests. That process is on schedule to begin in December 2016. I'm sorry?

Tapani Tarvainen: When will it end? What's the Additional Budget deadline?

Becky Nash: Yes, it's somewhere around the end of January.

So I just wanted to pause here for a moment to see if anyone had any questions on the overall planning process?

(Tado Figue): (Tado Figue) from South Africa. Sorry to ask a lot of questions. My findings (I'm going to finish up), so I can't help but say something, yes?

You see one of the reasons why I asked my initial questions in regards to EMEA States, in terms of the Human Resource within ICANN, is because there's currently challenges of which ICANN is aware of, in terms of the African Continent, that it's very reluctant and not receptive in terms of the work that ICANN does, because of such challenges, you know, like the representation within ICANN itself.

But now my question is in regards to the planning process, specifically in terms of future spends. Is there a way of equally assisting — I'm not sure



about the Middle East, but I can only talk on Africa's behalf because there's a low intake in terms of domains themselves.

So is there a way of equally maybe using these non-commercial users to (could you) like help creating (in the) environment so that there's a better intake.

I don't know if you understand my question. It's around maybe setting aside a budget to fully assist, or intending to put or start using these domains? Because in the long run, it truly yield additional income for ICANN because the more owners there is, the more usage there will be. Thanks.

Xavier Calvez: Hi, this is Xavier Calvez. I'm the CFO of ICANN. If I may try to help answer your question, and of course, if I have misunderstood, please let me know.

In each of the regions and in — hopefully you already know — the representatives of ICANN in Africa, and (Pierre Dandjinou) is the VP in the Global Stakeholder Engagement team for Africa.

And he and his team with the Nairobi office in Kenya that's been opened about six months ago or eight months ago, he and his team are engaging with the African Stakeholders to be able to develop the network of Registrars to help those businesses being created by informing about the friction comes and where we're trying to work around the edges to ensure that law enforcement agencies actually get the data they need to investigate crime, but that they follow due process as they would in their own country. It's a fundamental...

Xavier Calvez: The businesses of registrars, we also have a business engagement group with Christopher Mondini who carry out a number of activities relative to a small network of registrars to inform them about how a business of registrars organize, what are the contracts with ICANN, and some to help developing the network of registrars and potentially registries of course -- in Africa.

So these groups carry out an ongoing basis activities to engage in and bring participation into ICANN.

I'm hoping I was more-or-less answer your question. But please, if I haven't been clear, please let me know.

Tapani Tarvainen: I don't think I'm understanding you clearly, but maybe I can put it in another way. I can just give you a scenario.

In South Africa, we find that there is a lot of (unintelligible) going into business, but they cannot afford to mix -- for instance. So we had one company offering domains for about a year or two free of charge. And then after that, (unintelligible) businesses, they would have to cover it by then.

You know, such similar initiatives, they have caution ties in (unintelligible) understanding importance and the use of (unintelligible). I think that one of the countries that is making a lot of intake of these domains. Thanks.

Xavier Calvez: Okay, so I think I can understand a bit better your point now. And hopefully, everyone here can jump in on what I'm going to say.

So ICANN will try to increase engagement in the stakeholder participation in Internet Governance and policy implement on the Internet Governance.

What we don't do is the role of trade association that will promote the business -- the businesses -- and develop the businesses -- if you see what I'm saying; there's a big difference.

So what we will -- put a lot of effort into -- is try to bring registrars or registries -- or other stakeholders from the regions -- into the community of ICANN to participate in the policy development. What we don't do is the promotion and

the investment in creating new registrars or new entrepreneurs -- if you see what I'm saying.

So it's information that we provide about what ICANN does and that we try to engage new stakeholders into, but we don't organize the promotion and the development of new businesses.

Does that make sense?

Tapani Tarvainen: Maybe someone can - if anyone understands what I'm saying to say because what I'm saying, I'm not saying that you must fund a business. A business does exist, but you told a vision of domain systems.

It needs some (unintelligible) because maybe it might be too heavy on the (unintelligible) registrar as opposed to ICANN maybe fitting a budget or fitting a policy to ensure that registrars, they do have that which are supposed to make sure that there is that long (unintelligible) in part in terms of people using because I can give you a scenario with a couple of (unintelligible) domains (unintelligible) and with free (unintelligible) to (unintelligible). Now people will start using these domains.

I think it's more (unintelligible) on how things work together for the good in the long run. But it's okay; it's okay, it's okay.

Xavier Calvez: Thank you.

Becky Nash: Okay, if we could go to the next section please.

Xavier Calvez: Neils, I think you have a question?

Becky Nash: This next section of the presentation provides a financial overview with included information for the FY16 yearend. And first of all, I'd like to highlight that this section -- the information -- is posted on our Web site under our

Quarterly Stakeholder Call section. And we encourage all of the community to see this information on our Web site.

Xavier?

Xavier Calvez: I just want to point out to those who don't know. Our fiscal years run from the 1st of July to 30th of June, so FY16 is the fiscal year that just finished in June 30th three or four months ago approximately. So those are old actual numbers that have been now filed with the audit.

Becky Nash: Thank you. Yes, as noted at the bottom of the slide on the right hand side, we'd also like to point out that our fiscal year 12 months ending June 30 2016, that our audited financial statements are also now available on our Web site.

The next slide, this gives an update on our FY17 Q1 financials. And again, this is our Quarterly Stakeholder Call that took place at the end of the three months ending 30th of September. And this information is also available on our Web site, and we just wanted to include this for information purposes in this presentation.

So if we could just move to the next slide please. This last slide in the section of financial information provides an overview of the FY17 Q1 Funds Under Management.

On this slide, you can see the total funds that were available on the balance sheet of ICANN as investments and cash on hand as of September 30 2016. Total funds on hand at the end of Q1 were \$475 million, and as you can see on this slide, we have a section for ICANN Operations to the left hand of the slide -- which shows that as of the 30th of September 2016, for ICANN operations, we had \$108 million as Funds Under Management. And this is represented by our Operating Fund of \$44 million and our Reserve Fund of \$64 million.

And again, the Reserve Fund is similar to our rainy-day fund where we have that for long-term purposes. And the Operating Fund would be what we use to fund daily operations.

On the right hand of the slide we have our Funds Under Management for the new gTLD program. And as you can see, as of September 30, we had \$367 million. You can see that as compared to the quarter before of June 30, there is an increase. As we know, the auction proceeds increased as of in the period of July, so as of the September 30, we had \$234 million in auction proceeds.

In the new gTLD funds of \$133 million, relate to the application fees that were collected for the new gTLD program and have been used for the program expenses since the inception of the program.

And again, these slides are available as part of our Quarterly Stakeholder Call package, and I do encourage everyone to see the full presentation on our Web site.

So are there any questions at this time related to the financial section? Yes.

Xavier Calvez: And please introduce yourself.

(Sadako Ta): Hi, I'm (Sadako Ta); I'm part of the (Unintelligible) Program. This may be a very silly question but it's my first ICANN meeting.

But is there a reason why you do not follow the normal financial calendar or from to the (unintelligible) and follow the fiscal calendar that starts from June (unintelligible)?

Becky Nash: Thank you for your question. Organizations in general can choose not to have a calendar yearend; they can choose to have a fiscal year end. And in the nonprofit segment, it is very common to have a June 30 yearend.

Xavier?

Xavier Calvez: This is just to add on that which is completely true. The reason why ours is the end of June is because it is a completely practical reason.

When ICANN was created, it was supported by the University of Southern California in Los Angeles. And Universities usually have a fiscal year that finishes at the end of June because it corresponds to a school year.

So because we were hosted by USC, the created support for us -- for ICANN at the time with their own resources -- and they aligned the fiscal year for ICANN to theirs -- which made sense at the time. And there's been no reason to change it since then. That's the practical rationale.

(Sadako Ta): Thank you.

Xavier Calvez: And it's not a silly question.

Becky Nash: Are there any other questions on this financial section overview? No? Okay, well I'm going to pass it over to Xavier for the next section which is about Enterprise Risk Management.

Xavier Calvez: Thank you Becky, I'll go very quick, and Neils will participate with me on this update.

ICANN has an Enterprise Risk Management function. It's a function that -- within the organization -- tries to manage proactively the risks of the organization.

The risk for the organization is simply any event that is possible to adversely affect the organization and that instead of just not doing anything about it and waiting to happen, there is a function within the organization that is trying to understand what the possible risks of the organization in the future are and trying to -- at the same time -- put in place plans -- action plans -- to try to either avoid that the risks occur or reduce the potential impact of those risks.

This function is also helping directors and officers of the organization to assume their fiduciary duty because the Board of Directors needs to make sure that they are sufficiently well informed as to what the risks of the organization can be, and they should direct the organization to plan for those risks.

The Board has completed an update of the Risk Management Strategy at ICANN so as to define new objectives of maturity for this function that is fairly new at ICANN. And we are working with the Risk (unintelligible) of the Board to develop community engagement and approach that will allow us to provide information to the community as to what the Risk Management Function at ICANN is as well as receive input from the community on the risks that the community may see relative to ICANN and its community.

And we are expecting to develop that approach for ICANN 58, and we are thinking about creating an ad hoc working group -- a little bit like we have for the budget -- to have a group of interested community members in Risk Management provide and come and discuss with us about risk management and provide input on our risk management and help improve it as a result.

That's it on Risk Management. Are there any questions? Neils, please; thank you.

Neils ten Oever: So thank you very much for the Risk Management words, Xavier.

Where is the place where we can most - no, let me rephrase. Will you integrate this into KPIs or otherwise, because let me first make a compliment. A KPI work is excellent.

I really enjoy it and that's what it is. It's a dashboard and you can follow all the things in a way that you cannot follow all the policy processes because it really boils it down. You can see if it's on track, if it's relevant, if it's interesting. So if we manage to put more things into KPI that would be such a win for the community in my humble opinion.

And then secondly, where are you on your thinking and the development of nonfinancial risk and a different framework that you might adopt for that?

Xavier Calvez: Thank you. First question on the KPI.

So currently on our dashboard -- and I think it's in 3.2 (unintelligible) -- 3.2 -- there is a KPI for Risk Management. So we do want to have a KPI for Risk Management and evolve it.

Right now, the KPI is a bit of, I would say, a replacement KPI simply because it only indicates that we are on track in developing the strategy.

Now what the strategy contains -- and you can see a bullet point within the second bullet point on the site that says Reporting as part of the Reporting -- we are in the process of developing a KPI that helps us demonstrate or measures the outcome -- as well as the effort -- relative to risk management.

So right now, we simply have a schedule that says we're on time on the activities of risk management, but this is until we actually can develop real KPIs on risk management -- which I'm expecting to be able to announce in the course of next year.



On your second question -- which I now need to remember -- please remind me.

Neils ten Oever: (Unintelligible).

Xavier Calvez: Yes, so why we call risk management at ICANN Enterprise Risk Management is because it's absolutely not just about financial risks. So I now being the CFO, I may create the confusion that it's about financial risks, but it's not.

The risks -- the scope of risks of the organization of that function -- is the entire organization irrespective of what type of risks. It could be labor-related, it could be legal-related, it could reputation, it could be technical; there's no limitations to the nature of risk that this function manages.

If you want to look at how it is reflected, you should look, for example, at the charter of the Risk committee of the Board, the charter of the Risk Committee very specifically says that it spans across all types of risk and gives you a few examples, but it demonstrates that it's completely broad.

There's no categories of risk that are excluded even though there is another committee of the Board that specifically looks at financial risks, and that's the audit committee. But it's also a particular aspect of the financial risk.

But the Risk Committee and the Risk Function at ICANN has no limitations as to the nature of risks that we are trying to manage.

Tapani Tarvainen: Thank you. (Unintelligible), please note I would like you to finish in about five minutes. But Neils, please go ahead.

Neils ten Oever: Yes, so I completely agree because you made that comment about the current KPIs because indeed, there are some (unintelligible) we're starting a process similar to the public interest work, but we're developing it. So that makes a lot of sense.

But how are you going to break down this very broad non-financial risk remit in specific indicators, and what kind of models are you looking at to do that because (unintelligible) it remains broad, and then you never know if you captured everything. Of course with risk, you never know if you captured everything but you want a reasonable probability or having an understanding of.

Xavier Calvez: So two ways of answering your question. The factious way that I'm going to ask you the question in six months from now when we're in Copenhagen -- and you will participate to the Risk Management Ad Hoc Working Group with us.

The real answer is that I don't know for sure yet how we're going to break down the KPIs. Right now, one of the KPIs that we have -- which is very straightforward -- is that we have lesser risks that we monitor and we try to rate those risks.

As you know, rating risks is a little bit subjective. We try to rate the likelihood of occurrence, the severity -- meaning the type of impact -- and also what mitigation plans we have in place. So those three perimeters let us rate the risks arithmetically even though, again, I want to say, when you rate a risk on one to five (unintelligible) the likelihood, this is very subjective. But it helps us, nonetheless, prioritize a little bit or will give a sense of importance.

Once you have a grade on a given risk and you have a grade for each of the risks, then you can draw averages. So that may be a KPI that would be useful, but may not be also the only KPI. We may want to look at other aspects of either the quantification or qualitative-type of KPIs that help understand at a global how risk management happened to that again.

Neils ten Oever: That makes complete sense. And the list of risks that you are looking at -- that you just mentioned -- is that public or not?

Man:: That was my next question.

Xavier Calvez: So as you know, so we have a little bit of a (unintelligible) from an engagement standpoint which says making your risks public increases the risk. So we're going to need to find the right ways to communicate about risks. Of course, we can either - and this was less about the risk than what we do in terms of mitigation.

Man:: Right.

Xavier Calvez: So we will need to find the adequate ways to provide visibility on how we manage risk and what we identify as risks without being too specific that we create problems for the organization.

So it will be a challenge and we're going to try -- between now and Copenhagen -- we're going to try to define that. And we will also discuss that in the working group because it will be useful to have the common understanding as to what we will be able to share and what we will not be able to share and why. Because it's not by wanting to prevent the community to know it simply; we don't want to increase the risks by talking more about it than we should. That's the only thing. Makes sense?

Neils ten Oever: Very much so. And will there be like a coordination more detailed work on this in which we can partake?

Xavier Calvez: Well that will be the working group that we will create. We will schedule probably a couple of hours in Copenhagen to be able to initiate the process. We will probably have Risk Committee Board Members participating as well. That will be our first and I'm hoping you'll be able to participate because then we will create that momentum or ongoing communication and input.

Neils ten Oever: Yes I'm very looking forward to that.

Xavier Calvez: Thank you. We have a couple of minutes more? We've done already the HR - okay. So I think that at this stage, we're short of going into the rest of slides, we are more or less done then.

Tapani Tarvainen: Okay.

Becky Nash: Yes, that completes our presentation. Thank you very much.

Tapani Tarvainen: Okay, anybody have any out-of-scope questions to the Finance Team? We thank you then for being here and very useful.

Xavier Calvez: Thank you for inviting us and for the time that you offered us.

Tapani Tarvainen: Okay, at this point we have a little out-of-order -- another business item that we've got Jonathan Robinson here to give us a bit (unintelligible) of one controversy that's going on. I think you heard about the Dot Web situation. We have time right now so we will put him in the middle of the agenda.

Jonathan, please go ahead.

Jonathan Robinson: Thanks very much Tapani and good afternoon everyone.

I have had a couple of conversations with various of you in corridors and obviously raised the profile of this issue by talking about it in the public forum yesterday and so it's on a lot of people's minds. And it wasn't an accident; I think it was intentional that it is on the agenda of the broader community.

At first sight, this might look like something which is just a new gTLD issue and an issue between two applicants or an applicant contention set. But I think it's our view that this is something which is broader and something of general community interest -- which is why it's been useful to people and potentially to talk to you here and now.

I won't repeat all I said on the public forum yesterday, but to suffice it to say, there was, as you know, there was an auction that took place. The auction took place between a group in a contention set and that followed the withdrawal from a private auction. There was a previously agreed private auction due to take place between members of the contention set all of whom or many of whom had previously settled contention sets by a private auction before -- which is ICANN's, in a sense, preferred mechanism; sorted out amongst yourselves, come to us as an auctioneer as last resort.

Shortly before that private auction was due to take place, one of the parties withdrew surprisingly to some of us because, as far as I recall, they had previously participated in public auctions and it was a behavior uncharacteristic of that party.

And then that led to the set of events which was the ICANN auction in July, the record amount to pay that auction of \$130 million, and shortly thereafter, an announcement by VeriSign to the United States Security and Exchange Commission to say that they had funded that application.

We've written a couple of detailed letters to ICANN. And if you Google ICANN Letters Afiliac or something, you can read those letters which really outline the concerns for the case.

But essentially, we've got serious concerns about whether or not this is a violation of the Applicant Guidebook -- in other words ICANN's rules. And serious concerns about whether or not this contradicts -- or at least conflicts within some way -- ICANN's fundamental bylaws and commitment to competition and choice.

So your reasonable question -- which is sort of the outset -- is why bring it to us? Why talk to anyone else, why didn't you just go sort it out with ICANN and the applicants -- gTLDs?

But I think this tests other areas of the whole ICANN model and the way in which we work. I mean VeriSign is a dominant player. I go back in the industry to when VeriSign earned the entire vertical industry. VeriSign was the - well, VeriSign's predecessor so let's be very clear. It was VeriSign's predecessor. So Com, Net and Org in fact were all bound up in one single entity.

And really the genesis of ICANN was about bringing about that competition in the vertical industry and ultimately in the horizontal industry; vertical registries and registrars, horizontal multiple new TLDs. All of that has taken place over the last 15 years.

But for all that that's taken place, VeriSign remains dominant in the market. There are about 80% of gTLDs that still sit with VeriSign. And out of the new gTLD program, Dot Web is the most attractive new gTLD.

How do we know this? We know this because of prior market research, and this empirical market research -- which shows it is the most in-demand TLD -- we also know that even without VeriSign but including VeriSign -- whichever way you measure it -- it was deemed by the market to be the most valuable TLD.

Now there are really two key concerns and one is the breach of the rulebook and whether or not that is dealt with. And the other is ICANN's commitment to competition and choice and how you deal with the breach of that rulebook -- particularly looking through the lens of the dominant market operator for the most attractive TLD.

And I think this really challenges ICANN's ability and willingness to apply its rules, and also us as a community to whether we stand by and say, actually, notwithstanding this overarching commitment to competition and choice, ICANN's position in its bylaws which says it has this commitment to

competition, how much do we let this be or do we take some sort of view on it?

I think this really miss sketches about it. I haven't done it as systematically as I did. You're welcome to go back in the public forum and look at the point I made. But it really feels to me like we -- as a community -- are being tested by this actually.

And I wouldn't argue that the Board should do anything other than what it is committed to do in its own bylaws and by the rules of the program. But I would expect it to look particularly hard and uniquely in this particular situation because of the context which I outlined -- the fact that it's a Dot Web TLD, the fact that it's VeriSign, and the fact that the behavior was not transparent throughout the process and VeriSign was never an applicant for this TLD in the first place.

You might ask why were they not an applicant. I won't give you the answer but I think you could think about that and think why were they not an applicant in the first place?

Why did they not make it known that they had an interest in this TLD later in the process? Why did they leave it to the last minute and why have they still not told us the terms of the agreement anyway? We don't know; it's very difficult to tell. We don't know.

So I'll leave it at that. And I won't take a lot of your time. You're very kind to offer me the opportunity to come and speak with you, and I think that probably covers it in a nutshell.

So thank you. I hope I've explained why it's an issue of simply broader interest than the resolution of a gTLD contention set.

Tapani Tarvainen: I thank you Jonathan. I see we have questions. Sarah, please.

Sarah Clayton: Thanks Jonathan; this is Sarah Clayton from NCUC.

This might be an Applicant Guidebook issue. Aside from not disclosing the fact that VeriSign is bankrolling (New Dot Co) from the very beginning, how is (New Dot Co's) application any different from (unintelligible) for 307 new gTLDs, (Viashell) companies such as (Affender), (Low Maple), whatever, or to provide a slightly different example, (Radex) acquiring (Dot Phone) from Oriental Training Company after a private auction?

Jonathan Robinson: Thanks Sarah. I think it's a very good question and it's pertinent.

I mean in the first instance, I would say this is about this issue. And I've highlighted some things that are unique about this issue. You may think that there are things that overlap with similar issue.

But in the first instance, I'd say two wrongs don't make a right or just because there are other problems in other processes shouldn't mean we - and in fact, and again in particular in this case because of the protagonist, but nevertheless, I wouldn't, you know - any other process should be looked at on a unique basis and understood whether or not that was right or not.

There may well be differences -- subtle, legal or actual in those other examples -- but really in the first instance, I'm concerned about this one. I accept the point that one should consider things broadly, but I certainly don't think that's a reason to say if it is true that something has been done in the past shouldn't make it right now. We should really say let's look at this and question anything else.

Tapani Tarvainen: Thank you Jonathan. I see Ed has a question too.

Ed Morris: Yes, so excited Tapani. Yes, thank you Jonathan for the presentation. I think this - and for coming here. It's a very important issue.



You talked when you went to the mic at the public forum about the spirit that this action broke the spirit of what we're trying to do in setting the assignment policy.

Could you speak both to that? And also, what are you looking for from the Board? What do you want them to do? Thanks.

Jonathan Robinson: So that's two good questions again, Ed. I mean I think I have a concern that, you know, clearly in this case, the lawyer is going to argue -- and I assume although, again, I emphasize we haven't seen; we do not know the nature of the agreements between the parties.

But notwithstanding the fact which I didn't mention before, we made prior inquiries. Not only us, others were concerned. In fact, I think it was others in the contention set who specifically asked ICANN to identify whether or not there was another party.

ICANN went out and asked the protagonist, and they said, you know, they came away with a nuance (sic) and said, "You can proceed to public auction."

So I think - so that's to the letter. And whether or not the lawyers can argue specifically that this may or may not just get by, clearly, it's our current view that it is in breach of the letter.

But in any event, why were those rules in the place? Why did the community put those rules of transparency and declaration of ownership and every other position was that laid out? So I think it's worth in any of our things pressing not only absolutely to the rule, but also was it in the spirit.

And you asked another question; there was a follow-up on that.

Ed Morris: Yes, what are you looking to do?

Jonathan Robinson: Yes, so we - it's our view and it's covered in the letter so I won't go into it in detail. But essentially, that ICANN disqualifies that participant in the auction. And it draws back to whoever else was there.

So we argue that by virtue of their behavior -- and the breach of the Applicant Guidebook -- that that applicant who appeared to win the auction should be disqualified. Thank you.

Tapani Tarvainen: Thank you Jonathan. And (unintelligible), Stefania?

Stefania Milan: Yes, Stefania Milan, NCUC. Thank you very much for the presentation Jonathan. I somehow missed that bit of the public forum, so thank you for coming -- taking the time to come and share with us.

It's a benign question probably, but what can we do as non-commercial users in this story?

Jonathan Robinson: It's not in any sense an odd question. But did you say banana or (bana) because a banana might be one you would slip on. No, no problem; just checking.

It's not in any sense that - I mean I think what I and we came - and I think there's probably something. People know me as someone who is a voice of moderation, who generally works in consensus-based work and who typically doesn't come out and tell it absolutely like it is.

And the reason I feel so strongly about this is, as I said, it clearly affects the company I work with; that's no doubt. And so it's clearly a commercial issue.

But in my view, it's more than a commercial issue. And so my point to you is that it's your issue as well as ours. It's a community issue. This about the rules, it's about the behavior of a dominant party; it's about fairness and felt-

fairness and about the whole principal of the introduction of competition in domain names.

And we are passionate about operating. Afilias has been in this game since 2001 when we first operated - began to operate Dot Info. We're passionate about operating domain name that are an alternative to those operated by VeriSign and others.

And clearly, we've ended up with a very big choice of domain names, but we haven't got volume-based competition yet. And it's clear from the behavior, that we're seen to be a very good and attractive potentially mass-market option.

So all of that speaks to the letter and spirit to its question. And so I think we've got a view that it's a breach of letter and spirit. And I think the community should be concerned, frankly, about both.

Tapani Tarvainen: Thank you Jonathan. Any other questions/comments? Do I dare to ask Xavier if this posts a financial risk to ICANN one way or the other? Okay, I guess not.

Okay, anything else on this matter? So thank you Jonathan.

Jonathan Robinson: Thank you very much for having me and for - I appreciate you both listening and taking the opportunity for me to come and also asking the questions. Thank you again.

Tapani Tarvainen: Thank you. Let's move to the next agenda item. Ed Morris, please update on the drafting team as well he's permitted to speak from the RPM because Kathy Kleiman couldn't make it.

Ed Morris: Oh well, okay. Excuse me. Thanks Tapani. I've lost my voice why I talk here.

Why don't we start with the RPM -- which is the one of the three big working groups that are ongoing?

This is a working group that's going to be going on for a number of years; three, four, five, who knows. We're taking a look at all right protectionisms. That includes a review of the EDR -- which we're going to be starting after we deal with the new gTLDs. For some reason, we're dealing with the new stuff and the old stuff second -- which makes no sense to anybody except for the commercial participants in the ICANN process.

In any event in true ICANN style, we started to examine one of the new gTLDs which has never been used -- the Post Delegation Resolution Procedure. So we took the first two months of this group examining a procedure -- again, that has never been used -- arguing over why it hasn't been used and reaching no conclusion.

So once we finished that, we moved onto a little bit tastier portion of the new gTLD program which is the Trademark Clearinghouse.

Now Sarah, Kathy, myself largely are the three major participants of the NCSG in this process. Robin has joined occasionally as has - let's see - Amr showed up once or twice, and (Mark Fuhrmenclock) has been on a few of the calls.

But largely in the subgroup, Kathy, Sarah and myself, we've been creating questions on issues concerning the Trademark Clearinghouse. And largely, it's been week after week of battling over semantics.

We'll come and say, "Okay, have the rights of non-commercial users been recognized?" And the Trademark folks come back and say, "That's not the purpose of this? The only purpose of this is to allow Trademark interest to be able to protect their rights." So we've actually had a lot of philosophical discussions which has not led the group to go forward.

Let me give you an example of one of the numbers we have come up with through a report from the Analysis Group.

Ninety-three percent of all folks who receive a notice stating that hey, you may have a problem with this domain name because it may be registered in a way that you can't -- as a trademark -- somewhere in the world where you can't use it. Ninety-three point seven percent of the folks who receive this type of notice do not proceed with registering a domain name.

We don't know why. And one of the problems of the group is we don't have a lot of data. In the contracts that have been made with the registers, there's no requirement that they give us any data or that they explore reasons for why people don't proceed with registration. So we're really operating from a state of ignorance which allows both sides -- our side and perhaps the IPC side -- to make claims that we really do or do not know are true.

So in any event, we finished this little question list on the subteam, and we're going to be moving tomorrow, I believe. There's a public session at 11:00am and is starting to look -- in the (Plenary Session) -- with issues concerning the Trademark Clearinghouse.

That's probably going to run us another year. Then we have to look at the Uniform Records Extension System. And then and only then will we get to reviewing the UDRP review that's about eight years to a decade overdue.

We need people. If you're interested in IP, you don't have to be an expert. Please join us. Kathy is wonderful at mentoring new folks here.

Sarah used to work in the industry and has provided us a lot of invaluable information from a perspective that many of us don't have. So we would encourage more participants.

This is a major working group that's been going on for a few years, and we'd love to bring some new folks in.

Any questions? I'm sorry. I'm not Kathy Kleiman. I don't live - this is about my third priority group, but I hope I could at least give an overview to everybody. Any questions?

Tapani Tarvainen: Thank you, Ed. It seems that most people present are simply aware of this effort, but very nice Kathy-impersonation in any case.

Ed Morris: Well I get excited about this. Kathy - okay. So what else am I supposed to say?

Tapani Tarvainen: Well, (Funditi), if you want. It can be brief.

Ed Morris: Yes because I am worried. We thought we knew where we were going. Hi Matt.

But I'm hearing that one of the folks in the business constituency -- just about an hour or two ago -- made a big issue over our drafting team report to the ICANN Board. I don't have the details. It just sort of comes in on the phone.

Let me tell you some good stuff. The Drafting Team was established by Council. There were nine members. Four of them were from the NCSG; Matt, (Fazi), Amr and myself were part of the team.

I actually represented and was appointed by the Non-Commercial appointee of the GNSO Council. But we had four members. We worked hard and we came up with a plan that I think is pretty good.

The plan that we're proposing that was also supported by the Contracted Party House Representatives to the DT bases the new powers of the empowered community within the GNSO Council.

We created over 101 thresholds for voting on the various issues involving the empowered community. Most of those we decided a majority vote would be sufficient to enact the new power. A few substitutes recall the entire Board. We set a supermajority limit. In one document inspection, we put down to the constituency level.

It's a good plan. It was opposed by the CSG because what they want is not to base the powers in the Council, and instead just sort of have an ad hoc group or some sort of new structure consistent of the constituencies or stakeholder groups independent of Council.

So that's the real crux of the dispute. We go up to an informal Council meeting at seven o'clock today where we'll be discussing it.

I've been told that the CSG had filed a rather unfriendly/friendly amendment. I've been told that's being modified. We don't know what's going to be in it, but we'll be surprised in about an hour-and-a-half from now.

We'll see what happens. The best case, tomorrow we'll go into the Council meeting and we'll vote to approve the package. And that's what I hope happens. Thank you.

Tapani Tarvainen: Okay, sounds like we are in for interesting times -- as the saying goes.

Any comments on this? No? Okay, let's move on then and have Matthew brief us about CC -- the cross-community working group on Internet Governance.

Matthew Shears: Yes, thanks Tapani.

So the cross-community working group on Internet Governance has been around for a number of years. We have had - Rafik is one of the current Vice-Chairs of that working group.

The working group, as you probably know, is focused largely on tracking Internet Governance issues on preparing workshop applications, for example, for the Internet Governance forum and various other issues related to Internet Governance.

The reason why it's of interest right now is because there has been some concern expressed that it is not really a cross-community working group. It doesn't really fit the new cross-community working group guidelines, and that therefore we need to -- as a community -- review what it's doing and possibly look to see whether, one, it should be in some other form, and two, what it should be focused on.

I think this is coming both from a structural perspective, and also perhaps, it's recognition of the fact that the working group probably hasn't been communicating enough with the community and the charter organizations.

So it's kind of come to a head. There's a motion in the GNSO to review the CCWG-IG and we'll be looking at that.

But what's interesting is that there are differences of opinion as to, I would say, how the Internet Governance space is changing and evolving. I think it's fair to say that there's a general belief that it's important, but the degree of importance is perhaps a question for some.

We had a meeting yesterday of the CCWG-IG late in the day with the Board working group on Internet Governance -- which is headed up by Markus -- and it was a productive session.



I think the members of the CCWG-IG are quite keen to continue to have this function in some form -- if not in the form of the CCWG. And there was a proposal made to, one, take a more proactive and monitoring role; these would be Internet Governance matters that might affect ICANN or the DNS; and two, to be more linked to the Board working group on Internet Governance so there is a shared understanding of what ICANN should be focused in terms of Internet Governance, and hopefully, a more cooperative working relationship between those in the community and the Board who are interested in Internet Governance.

So I think the meeting yesterday was a good one. It kind of gave a little bit of renewed impetus in sorting out the situation for the working group. And whether or not it continues in its current form or some other form, this one will definitely come up again perhaps today, or most likely, over the next couple of days.

But at least we have a commitment from both the working group and the Board Working Group to find a collaborative and cooperative way forward.  
Thanks.

Tapani Tarvainen: Thank you Matthew. I see that Neils wants to say something. (Unintelligible).  
Are you just making hand signs (unintelligible)?

Neils ten Oever: Thank you very much for that overview, Matthew. I thought it was excellent.

There was just one -- maybe it's a mental logical question. But what is the overview of issues that are being discussed? Like how is - I understand that you go from meeting to meeting to meeting. But there are also a lot of things that are not discussed, right.

So where do you draw - and I know that (unintelligible) to go to the Internet when the all-initiative mapping kind of thing. But there's also a lot of stuff that is unknown and unseen but still relevant, right?

So how do we set the agenda for the processes?

Matthew Shears: So only joined this working group relatively recently. But what was interesting last night in the meeting was that the Board presented how they're looking at -- or the Board working group presented at how they're looking at Internet Governance issues and the relationship with ICANN.

And they had them categorized into three buckets in terms of those who have a direct impact on ICANN and the DNS, and then subsequent ones in the third category. I forget the second category. And the third category was kind of an ad hoc approach; if something comes up do we engage or not.

I think one of the challenges in the working group is that we haven't had necessarily had a very systematic way of approaching these issues, and that's something that's obviously going to have to change.

The one bright light, I think, in terms of what the working group has done just recently is this statement to the rest of the community on the (Switzer) Resolution 47 -- which I think, actually, is a really good indicator of the kind of valuable role of the working group -- or whatever will be -- can play in the future.

So I think that's what it should be doing. And clearly, as a part of that, as you say Neils, it should have a much more rigorous way of approaching Internet Governance and a much more rigorous monitoring system or process.

Neils ten Oever: Well, we could ask ourselves whether we want it, right? Because at the moment you start monitoring more closely, then the channels of engagement will also become bigger, right?

So it's like what do we want from that and how far do we want to go? Do we want to monitor all the different study groups in the ITOT, IQR and IQD? And do we want to do the same for the (IEEE) and for (3GPP)?

So where is the boarder and where not and how much?

Matthew Shears: I think that this is very much the question that we have to address because we haven't addressed it, right.

I think in many ways, we're going to be very dependent on the community. We have to relaunch this so the community knows we're going this, and we're going to be dependent upon the community -- to some degree -- to feed in things that we're not necessarily - those who are in the working group won't necessarily be aware of.

So I think these are - and you're right. The question is - so this is one of the reasons why it's important to have this close linkage to the Board working group because there needs to be a shared understanding of where ICANN engages on Internet Governance, right, on both sides. And so the linkage there is really important to ensure that remains in mission and in check.

Tapani Tarvainen: Thank you. At the moment, I want to give the floor to Stefania before getting back to Neils.

Stefania Milan: Yes, Stefania here. Thank you Matthew.

One of the concerns of the GNSO Council is that people who don't stand forward is that the working group doesn't have deliverables.

Do you see that as a, you know, potential outcome? Do you want to have 3 deliverables? And if so, how would it look like? Do you think it's a solution (unintelligible)?

Matthew Shears: You are asking all the right questions which I think the working group has to ask as well of itself.

But I think if I can just point back to the deliverable of the (Witsa) Statement as a kind of deliverable that we should be looking at. So identifying issues, assessing whether or not they are of concern and immediate relevance to ICANN, and then making that aware to the rest of the community.

Not trying to speak for the community, but rather putting the information out there and saying, "These are the concern or the opportunities and challenges, and how you each impart -- so the community -- address it." So maybe governments will go to the ITU or, you know, other stakeholders do other things, but it's not really the role of the CCWG or whatever it would be to say this is what ICANN's position is.

Stefania Milan: (Unintelligible) on this. This sounds more like a clearinghouse. So is it like the CCWG forum appropriate or not? Do we have to invent something new?

Matthew Shears: I'm not sure we want to invent anything new, but I think that's one of the questions and I think that's very much behind, as you say, behind the GNSO motion which is this doesn't fit the mold, so what's the right way forward for it?

I think this recognition is important, but we haven't got the right structure. At least I think that's part of the concern.

Tapani Tarvainen: Thank you. Neils, do you still want to continue? Please go ahead.

Neils ten Oever: So if I get a small taste from what you're saying, but it's, you know, it's sometimes a bit like walking into the fires of the Oracle of Delphi, right.

So it - do we want a range of the scope of the CCWG-IG to monitor direct -- potentially direct -- ICANN impacting Internet Governance method policies? That's what we want it to be. So real narrow and only follow what directly

potentially impacts ICANN. That's what we want and then narrow scope emission.

Matthew Shears: Sorry Tapani. I think that would be the goal of the clearinghouse monitoring, if you will, right. So assess what issues have a direct and relevant impact on ICANN, right.

So - and then determining if that's an appropriate engagement. And that, I think, is something - that's why it's important to have this relationship with the Board again so it's an agreed engagement. At least that's the way I interpret it of course.

You know, we haven't had any discussions on the working group beyond, obviously, what we had last night with the Board.

Tapani Tarvainen: Thank you. Anything else on this subject? I think we have pretty much covered it so let's move on to the next one.

Sandra Hoferichter is here to present something little about some new pilot program which is directly to exactly (unintelligible) as far as I can tell. But for chairing skills, I hope you all listen so I can lend chairing positions to you.

Sandra Hoferichter: Thank you, Tapani, for inviting me. My name is Sandra Hoferichter and I'm chairing the ICANN Academy Working Group which has been a little bit quiet in the last years. Also because the community was so busy with the IANA Transition.

We have an ongoing program and we have a new program. Both programs will start soon, and the call is actually open. And I would like to invite your community to participate in either both or one of the programs.

The first one is the Leadership Program. It's a three-day face-to-face meeting which is taking place before the ICANN Meeting in Copenhagen.

What we are doing there, we are having representatives from all communities. For your stakeholder group, we are inviting one. And you will be able to improve chairing skills and skills to communicate with others within the ICANN community, but also discuss hot topics that ICANN and most importantly, network with the others. Not only during a cooking school.

Meanwhile we are doing a cooking school. We haven't done this when you have been participating in that one, but this is really great thing. Oh, did we? No, we did not; no.

You've been one of the ginny pigs from the first program...

Man: (Unintelligible).

Sandra Hoferichter: So this is a really great program. And I must say that it's not travel support, but the hotel of course will be covered. So it is designed for incoming or current community leaders, so actually those who are already supported by ICANN will be legal to participate in that program.

And it will take place Thursday - no, Wednesday, Thursday and Friday before the ICANN Meeting in Copenhagen until the usual meeting starts.

And then please go back to the other program -- the new one. It's the Chairing Skills Program. This was actually a conclusion we draw from the last leadership training program where we said it would be good on this point in order to help our chairs to improve their ability.

If you are a chair or if you take up responsibility of chairing meetings at ICANN, you can be easily challenged with teleconference and so many things going on in parallel that chairs might be thankful for improving their skills a little bit.

So what we are doing here is we will have community facilitators as well as professional facilitators observing a chair. And this time, it is only assigned to chairs -- either working group chairs or stakeholder group chairs -- to just hold their ordinary calls. It will be observed and they will get a feedback on how to improve.

We'll have the second call and see how the feedback was incorporated. We will, of course, meet for exchange of views and best practices in order to improve that program.

This will also then later on include a face-to-face skills program so that those people are helping also the chair to improve the chair and skills during face-to-face meetings because we think it's a quite of difference chairing a teleconference and a face-to-face meeting.

And registration for both programs are open already. You can find a registration link on both of these sides on the very bottom of the page. It's a little bit small but you will be able to find it if you look at the bottom of the page.

And it will be open until - here it says 20th of November. I think we will leave it a little bit open or little bit longer for the leadership program for the face-to-facing. It's definitely on the (unintelligible) of December.

What we would like to ask you, please don't just apply but agree within your community who's going to be the one because we from the Academy Working Group, we do not want to make a selection. You should agree among yourself who is doing which program or if one person is doing both programs; that's fine.

You are also invited to assign a fallback option in case one person has to step out. This has been many times in the past, so that the second person can take the seat and we are not losing your community.

Tapani already participated in the first one so I guess he will be able to convince you from uselessness - no.

Tapani Tarvainen: Yes; Tapani speaking for the record. Yes, that was indeed a very useful session in 2013...

Sandra Hoferichter: Yes.

Tapani Tarvainen: ...in Buenos Aires. And I guess I could have used some chairing skills lessons earlier as well, but we'll see how that works out. But generally, the session was very good. And I hope any new or even not quite so new members will be interested in this -- not really old-timers I guess.

Sandra Hoferichter: Okay, so if you have any questions, reach out to me either now or personally. I don't know how many here.

Stefania Milan: Hi, thank you. My name is Stefania.

I think this is a very nice program and very useful for sure, and we have an example of the excellent outcome.

But do you like (unintelligible) what happens with the people that go through these programs? Because we know, for example, that - I'm sure it's not your concern, but like with the Next Gen program with fellows, very often - I mean there's (unintelligible) and people simply get lost so it's a one-time thing. So I'm wondering whether you have any record to show that this program is different.

Sandra Hoferichter: Yes, I think this program is different. First of all, it was designed by the community and not by ICANN Staff. And we really found that this is something the community needs.



And we have as a measurement, put in place (unintelligible) for after the program. And the first one had quite a lot of criticism in it; the second one still.

And the third one, I had the feeling we were close to being perfect. I mean it was just full of praise. And those people who have been there really advocate of yes you should do it. And I think that's enough because those people are still in the community active members, so they are not lost, because it is a program designed for the leaders already so we are not - some we are losing to people on the track.

And the feedback -- the positive feedback -- we got from the latest leadership program -- which took place last year in Dublin -- this was so positive that we say we go on with this structure. Now we don't have to reinvent the bicycle again.

And for the Chairing Skills Program, this is a pilot and we will have to learn from that one.

Tapani Tarvainen: Thank you. Ed, please.

Ed Morris: Yes, thanks. Sandra, I mean first of all, everything that I've known you to be involved with eventually works really really well. So I just thank you for your service to the community.

One of the concerns is the lack of financial support. Maybe for these programs, in my mind, compared to some of the other programs we have here which I don't think have been as successful.

So can you tell me where you situate in the ICANN bureaucracy so maybe we can lobby a little bit -- although you would not ask us to do so -- but of our own initiative so we can lobby a little bit for some more support for this? Where are you administratively?

Sandra Hoferichter: Good question. There was time when I think we put that in as a special request from the ALAC to happen or, as a community, request. Heidi of our ALAC Staff was always very helpful.

But I'd like to stress the point, this is not an ALAC-driven thing; this is supported by other members of the community too. It's a cross-community effort although the group is very small. We hope we can change that in the future.

And at the moment, I think, we are going to be connected to DPR or DPR - or what's - (Norma) from our leaders department (unintelligible). I think because we will meet with these people during this week.

But honestly, I'm not sure if the budget comes from that one or if the budget is still a separate budget request which could be the case. I think it's a separate budget request in this respect.

Tapani Tarvainen: Any other questions for Sandra? Okay, sounds good. Maybe I will actually learn how to actually chair these meetings finally.

Okay, we are getting close to the end of our agenda. I just want to have - okay.

Okay, I have one more item that I will be very brief about this. Of course, you have questions, I will be happy to answer but just note that we are progressing slowly but still moving in what we are coming up with.

I hope it will be ready well before Copenhagen, at least initial states to be in same production, but well before that or some status before, that we are basically moving our member data base to our own virtual machine service somewhere. So it will no longer be controlled by (Global); it will not go through ICANN servers either.

We're also planning to set up NCSG's own Web site which will not contain anything much, but application form and some basic information.

At the moment, we have our own domain -- NCSG (IS) -- which redirects to ICANN Wiki Page which has application form. We already actually have running lists Dot NCSG -- that's IS -- which has a few mailing lists. I intend to migrate it (unintelligible) -- MCSG mailing list still at some point.

And you'll also find in the Internet -- if you look hard enough -- archive dot NCSG Dot IS but that has nothing in it yet. But it will be collecting because we have/need to archive some pieces of information. So that's coming along. I don't have anything much to show us yet otherwise.

Questions/comments? Neils?

Neils ten Oever: I would like to offer my full support and accommodation for the migration of the mailing list specifically because the archiving function in the non-standard way that the list serve that is running on now is so painful. Running it on mailman would make everyone happy.

So I'm very happy that you're doing this, and if I can provide any support or hardware or software, let me know what I can do to help.

Tapani Tarvainen: Yes, I can add that I haven't personally migrated stuff from our list serve to mailman including pulling the archives to. And it's not (unintelligible); we are (unintelligible). But still, it's (unintelligible) to do that.

And we actually have mailing lists (unintelligible) with four different places at the moment, so getting them together will be nice.

Anything else? Okay. Let's move to the (AOB). Anything on some extra (AOBs)? Ed?

Ed Morris: Very quickly, Tapani. We look around the room, we see many people disguised as seats.

This scheduling for this meeting has been atrocious. You've been a victim of it. I know you've tried really really hard to try to fit meetings where there wouldn't be conflicts.

But we're all - Neils is in and out. Kathy who is one of our mainstays has two conflicts during the meeting.

On Council we've been talking about how poor the scheduling went. Is there any way we can support you as Councilors or as members of the NCSG in trying to get the scheduling to be a little bit more coherent? What can we do to help you?

Tapani Tarvainen: Actually, I thought of just getting some business scheduling program for ICANN and writing one myself -- a custom one -- because they are doing manually all kind of incomprehensible of ways of asking people send emails that somebody reads a week later and then tries to put together. And I'm not - well, let's say, I - it's like seeing (unintelligible) and not very nice.

But, well, we'll see. (Unintelligible).

Ed Morris: If software -- if programming would work -- why don't we consider writing a letter stating that there are problems -- have you looked at this. And at least get a response back because can anybody else remember a meeting that was this bad? I can't.

Tapani Tarvainen: Okay, scheduling Morris, no. Anything else? Neils?

Neils ten Oever: I remember today that cross-community working party on ICANN's Corporate and Social Responsibility to Respect Human Rights is officially an NCSG working party.

So I thought it might be good -- as in a good tradition of accountability -- to also come back here and give a very short update on what we've been doing because we've been running now a bit over a year. So it was started in a response to the work done by the Council of Europe who came out with their report on ICANN impact on human rights. Then Article 19 came out with a report, and then we found that there was significant discussion within ICANN to bring this working party together.

Initially, we had thought that it might be a cross-community working group. But now looking backwards, I'm very happy that we've chosen the very informal method of a working party because we can, luckily because of the NCSG, we have staff support, but we do not have the same problem that the CCWG-IG has that you need to live into the form of the CCWG with milestones.

And it's been conducive for a lot of work actually. We have been bringing out a lot of reports that we've been discussing in the sessions. We've been bringing in a lot of people.

And I think what is the biggest help is it helped converge efforts within ICANN and coordinate so ensure that there would not be much duplication, so it helps people who are active in PDPs to understand what's going on in Work Stream 2. It even helps coordinate people who are active in different Work Stream 2 parts to understand what the human rights implications are, and also helps us simply understand the issue of human rights and ICANN much better because that's not necessarily clear at all.

So in this over a year, we've made a lot of progress; we have a lot of active people. And I suggest we continue.

And I would also suggest that perhaps it would be good, that in the future, in the NCSG meeting, we report back. And I would be more than happy to do

so. Also, as an agenda, I'd prepare some slides for you if you think it would be useful. Thank you.

Tapani Tarvainen: Thank you Neils. Any other business? If not, I suggest we conclude this meeting a bit ahead of time and run into one of the other overlapping sessions that we are being eager to get too. Thank you all.

Man: (Unintelligible).

END