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PANAMA – ccNSO: Members Meeting Day 1 (2 of 3)

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**PATRICIO POBLETE:** So, continuing with this, reporting from the Guidelines Review Committee, we have now a report from Katrina Sataki about the IANA functions review. Katrina?

**KATRINA SATAKI:** Yes. Thank you very much. I have a presentation. The Guidelines Review Committee met yesterday and we had Trang from ICANN Org with us. She also briefed us on this IANA functions review. The idea was for us to understand what procedures we need to have in place and how we can proceed, actually, with this review.

According to the new bylaws – they’re still new – we have to have these periodic IANA naming function reviews. Basically, if we talk about IANA function reviews, the bylaws talk about two types of IANA function reviews. One review is periodic, so those have to happen I don’t remember how many years, but we’ll have details a little bit later. And there are special IFRs. Both are caused by the board and they have to be carried out by so-called IANA functions review team or IFRT.

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So, periodic reviews. Well, first periodic IANA functions review has to take place no later than 1 October 2018, which is in actually a few months. They have to have it no less frequently than every five years. And expected duration of such a review is approximately 12 months.

Everything around these periodic IFRs is defined in the ICANN bylaws. As I already mentioned, they are initiated and triggered by the ICANN board. Apparently, the call for nominations, as we learned yesterday, will not be launched by ICANN Org. I think we will have to select our members to this IFR team very, very soon.

Scope of this periodic IANA functions reviews is also defined in the bylaws. Some of the most important things that these review teams have to work on, I can see it on the screen. They have to review and evaluate the performance of the PTI. Please note, the idea of this review is not to duplicate the work of the Customer Standing Committee. No, no, no. This is something completely different.

They also have to review and evaluate the IANA naming function, the [inaudible] of the work. Review and evaluate the performance and effectiveness of the oversight done by the empowered community and Customer Standing Committee.

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They also have to [inaudible] this public comment period for community input on PTI's performance, propose improvements, and so on. That is the idea of IANA function review.

Special reviews are a little bit different. They are very limited in scope. Usually, the scope shall be focused on the PTI performance issue. But, we're not talking about special IFRs now. We're talking about periodic IFR which has to start on the 1<sup>st</sup> of October.

So, one of the major recommendations that will be an outcome of this IANA functions review will be to amend IANA naming contract. In order for this recommendation to forward, it has to be approved and voted by ccNSO and GNSO councils and both councils have to – super majority of both councils have to approve this recommendation.

Of course, after the review team comes up with such a recommendation, it has to go for public comment period. The board has to approve the recommendation, and at the end, the empowered community has not to reject this approval done by the board. So, the procedure is pretty heavy, but it is possible to move forward with such a recommendation.

However, the bylaws clearly state that in any case of a recommendation of this IANA function review team focuses on a service specific to ccTLD registry operators. No such

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recommendation shall be made by the team. In any report to the community, including any report to the board, if a position to such recommendation is expressed by any IFR team member appointed by the ccNSO.

So, if our members on the team are against something that is specific to ccTLD registry operators, that should not move forward.

So, what is the ... Well, in the bylaws, there is a clear composition of IANA function review team. And as you can see, first two lines are the three members that have to be appointed by the ccNSO. Two are ccTLD registry operator representatives and one should be non-ccNSO ccTLD representative.

Another thing that is really important here is that all these three representatives appointed by the ccNSO shall not come, shall not be citizens of countries from the same ICANN geographic region.

Basically, my understanding is that all three must come from three different ICANN regions. Which is pretty tricky. It's not going to be easy because, apparently, we are pretty limited to these active and willing to contribute non-ccNSO ccTLD representatives. Apparently, first we'll have to select that one and then we can move forward with two others who can be

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ccNSO members. I think they can be non-members as well, but one definitely has to be non-ccNSO member.

In the expression of interest, people will be asked to state why they are interested, and being on this review team, what particular skills they would bring to the team. They have to clearly explain their knowledge of the IANA functions. Also, have to show understanding of the purpose of the IANA function review team. And must commit to the work of the review team. There are 12 months of work.

Of course, yesterday during our discussions with ICANN Org and with this guideline review committee, we realized that it will be impossible for us to tell people how much time they will need to contribute, because apparently, it will be up to the team to decide how often they want to have teleconferences, how often they want to meet in person, and so on. The intensity of work will be up for the team to define. It's just not, again, we cannot foresee it.

One more thing. One of these three members that we are supposed to nominate to this team, one of the three will be the co-chair of this IANA function review team.

So, that's basically a very short update on IFR. Please be ready. If you already are willing to be on this team, start thinking on your application. We, at the guidelines review committee, will have to

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come up with some ... Maybe we won't be able to come up with a fulsome guideline, but at least we will draft a way forward and present it to the council and the council will have to decide. Maybe this will be ... Since this is the first time that we are going to form such a team, I will see how it goes and use this as input for future guidelines. In any case, the procedure must be clear and we must present it to the community and to the council, make sure you all know what's coming, you all know what you are expected to do. And I really hope that we can find these three people to serve on the IANA function review team.

Thank you very much.

PATRICIO POBLETE:

Thank you, Katrina. When you mentioned that the evaluation of the performance of the PTI is different from that the CSC does, how is it different?

KATRINA SATAKI:

Again, they do not duplicate the work of the CSC because CSC monitors PTI performance. They see how PTI meets, service level expectation levels and everything. This will not be the scope of this review. They have to ... Of course, they also can propose changes, but they will look deeper than CSC. CSC has

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also very clear scope. I don't know if Bart would like to add anything to this.

Again, charter of the CSC gives a clear scope to that group and bylaws also clearly speak about scope of a periodic review.

BART BOSWINKEL:

I think, Patricio, you raise a very good point. Say, in the whole design of all these new post-transition teams and reviews, there is certainly some overlap in functions, reviews, monitoring, etc. Maybe say this is one that the CSC is subject of the IFR partially as well. Together with the CSC effectiveness review that will be discussed later, how to deal with it, is a concern raised by the CSC review team or charter review team.

Now you have the role of this IFR and the CSC itself. The CSC does it on a daily basis. They measure or they monitor the performance of PTI on a monthly basis and they report back to the customers, direct customers, and to the broader community.

What this IFR, how it turns out to be, how detailed they want to be, etc., at the end of the day, that's up to the IFRT. There is guidance of the scope definition in the bylaws, but you know as well as I know that scope definition is one. If you start to work on it, that's a whole other thing in how detailed you want to be.

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PATRICIO POBLETE: Thanks. I would expect that this would focus more on the mechanisms, whether they are appropriate and whether they are working or [inaudible] changes, rather than ...

KATRINA SATAKI: Please also note that CSC appoints one liaison to this team.

PATRICIO POBLETE: Questions from the floor? We have a few minutes.

LIZ WILLIAMS: Sorry. I've got a really dopey question. Could you please explain the first two dot points and give some examples of who would be ... Two ccTLD registry operator representatives appointed by the ccNSO and one non-ccNSO ccTLD representative. Is that asking that someone who is not a member of the ccNSO to be corralled into that?

KATRINA SATAKI: Yes. ccTLD operator that is not a member of the ccNSO.

LIZ WILLIAMS: Okay.



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KATRINA SATAKI: We have 165 member ccTLDs. We have. I'm not saying we do not have any non-member, but I think all the active ones ... Okay, except Spain and Austria. But, all the active ones are members. If a ccTLD is not a member of the ccNSO, there are some probably very serious reason why they do not want to take part in any activities of ICANN. That would, again, be – could be – a stopper for them to apply for this IFR team. But, let's hope that we will not have to kick somebody out of the ccNSO membership in order to get ... Yes, please?

PATRICIO POBLETE: If this non-ccNSO representative ever becomes a problem, we're hoping that one day [inaudible] will be a member of the ccNSO. How hard is it to change the composition of these teams?

KATRINA SATAKI: We have to change the bylaws. [inaudible] said yesterday at the time, apparently, it seemed a very good idea, but when you come to the practical implementation, in theory everything works. In practice, it doesn't.

PATRICIO POBLETE: Yeah. They say that the distance between theory and practices, shorter in theory than in practice. Okay. So, we've got more questions. Last question.

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**YOUNG-EUM LEE:** Thanks. I would just like to point out that when we were coming out with those regulations, we had many less ccNSO members than currently. I think it was a lot less. So, now that we have most of the more important ccTLDs as members, I am thinking that we should start discussing, as I said yesterday, maybe proposing a change or altering those regulations to have the non-ccNSO member as an option, not as a mandate, as in the CSC. Thanks.

**PATRICIO POBLETE:** Okay. So, this is the end of this session and we immediately go to the policy session. We'll begin with an update from the PDP retirement working group by Stephen Deerhake.

**STEPHEN DEERHAKE:** As you can see from the slide, we've been fairly busy. We've been meeting every two weeks via teleconference since San Juan, rotating our call times so that everybody gets to share the pain. We have completed work on terminology. We have examined various retirement scenarios that have occurred in the past. We have a work plan going forward. We have done considerable work on developing comparative analyses and we're going to have a second review of that part of our work at our meeting on

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Thursday and we expect to actually move into the development of what we want to include in formal policy at our face-to-face meeting on Thursday.

We have been aided in our work by the use of mind maps and flipcharts at our face-to-face meeting, breakout sessions, and we will continue that approach at our meeting on Thursday. At the end of the process, we will then start looking at a stress test to see if we actually have policy that makes sense. And we might actually have an application of the policy coming up if in fact Macedonia does change its name to North Macedonia, and if they elect with any ISO tables, make a change there, their code, their two-letter code. We have no idea if this will happen yet or not ,but it will give us something to think about as we move forward into the formal policy development process.

That’s it for me. If there are any questions, I’m happy to take them.

PATRICIO POBLETE:

Any questions? Okay. Being done, we move on to the next part of the session. We invite Erika Mann and Ching Chiao to come here please. This is about the cross-community working group on auction proceeds. ccTLD community consultation in preparation of the request for public comments.

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CHING CHIAO: Thank you, Pablo. Thank you, chair. Thank you, Katrina, for having us again. My name is Ching Chiao. I'm the ccNSO appointed co-chair for this working group and next me is Erika Mann. Hopefully, having you take the lead, or if you want me to maybe go through quickly or do you want to introduce yourself first?

ERIKA MANN: My name is Erika Mann. I am a nominee from the Nominating Committee under GNSO. The two of us are working as co-chairs on the auction proceeds. Why don't you do the first part and then I do the second part and then we take questions? Just shorten it. We can give you the full slides, so you have to follow. But, I don't think we have to go through each of them. It will take too much time, otherwise.

CHING CHIAO: Sounds good. Sounds like a good plan. So, thanks, everybody. I'd like to give maybe a quick update on what we will be doing. Then, for those who have been following us, this is the cross-community working group on the 2012 run of new gTLD auction proceeds. The plan is actually to provide this particular working group – oh, thank you very much.

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So, the goal is to come out with a plan, and then the auction proceeds for the 2012 round. This plan is to pretty much produce an initial report and for the board to review and see how the money will be spent over the next years to come. Next, please.

This is minor proceeds. During the ICANN budget processes, you see there's three chunks of funds being discussed and being put on the table for comment. One is the usual, the ICANN operating and reserve fund. The second part is the new gTLD applicant fund. The third part is the fund that we've been working on, the auction proceeds fund, which there's 12 or 13 new gTLD auctions being placed in the last couple of years and the number of the ... So, the amount up to date including the dot-web auction is approximately \$230 million USD, approximately. Next. So, the goal is to how to actually manage that particular [inaudible].

ERIKA MANN:

Just a quick reminder, keep in mind that not all of the money which \$230 million are in the moment available. Available is only those funds which are minus the dot-web because the dot-web is still under question in a legal dispute, so that's not something we are looking into right now. But, the estimation is it will be available as well, so it becomes part of the auction proceeds, the total amount.

CHING CHIAO:

Thank you for adding that. That's a very important point. The next slide, please. Before I jump into ... This is my part, but I'd like to hand it to you after this.

What I'd like to point out, for the ccNSO initially we kind of hesitate whether we should join the group. In 2017 when the group was formed, we decided to join and then we have Stephen sitting next to us and Pablo and Peter from dot-BE joining this group.

So, ccNSO, GAC, and ALAC, we've been forming this working group since 2017. So, the past 18 months, it's been once again, like you've heard from other groups, it's biweekly meetings. Even in recent months, we increased the frequency and also the intensity due to the nature of work. Okay, next one. Probably I'll pass it to you, if that's okay.

ERIKA MANN:

So, the two of us, we are chairing it from the very beginning, which is I think a good situation because we have a very stable condition in this particular group, which is important. We haven't changed much. A few members will join, but practically from the beginning, it's a very stable group of participants.

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Here, you see there are 26 members, 49 participants, and we have 30 observers. The situation between members and participants in particular is very stable. We haven't seen much changes there.

The goals and objectives, which are important to remind ourselves, first is to define the scope of the fund allocation. It took us quite a while actually to define the scopes. We're still not on this regard to certain issues and we will come back to it a little bit later. There's still some issues which we have to define. We need to have the accountability and the proper use of the fund in place.

Just to remind you as well, we are not talking in this group about the implementation phase, which is another phase which will come after, once this group has finalized a report and the board will have to approve it. There will be another implementation phase, which will then look into all the nitty-gritty of the details because even if you decide, to give you just one example, so you decide how about what we call the mechanism, will it be, for example, in-house in ICANN as a department this future fund or will it be outsourced, for example, to another entity? This we can decide in this group, but then even based on this decision, there are so many details which then have to be decided and how a project will receive the fund, how the monitoring will be done, how the control will be done, etc.

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So, we will not go into these kind of nitty-gritty because we already have to do so much work which we have to finalize our report. So, keep this in mind.

Then, the last point is we have to define the conflict of interest situations, which is quite complex in this environment because it's not just the conflict of interest of the people in this particular group, but a conflict of interest of all of the participants in the future who are going to apply, for example, for funds or those who are evaluating funds, etc. Each time the situation is going to be a little bit different.

These are the, for you, the interesting constraints which we have to put practically on our work. So, this is the ... The mission is guiding our work. It's a private benefit, a concern which we have to take into consideration. We can't depart from this, otherwise ICANN will lose the tax benefit.

It can't be used for political activity. It can't be used for lobbying activities. The conflict of interest consideration needs to be taken into account. There are many procedural concerns which we have to look into, making sure that the mission, with the projects which people will apply for really stays within the mission. But we need a little bit of flexibility because the mission is one thing, but there might be projects coming in which fall within the mission. But, maybe not in the narrow sense.



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So, we have many meetings and discussions about this topic in particular. Maybe you want to comment on it later.

Then, we have the financial and fiduciary concerns. The board and the officers of ICANN, they hold the fiduciary duties. But, does it mean that, for example, if one would outsource the whole of the money to a separate entity, would it mean – or even if it's inside of an ICANN department, would it mean that each time a payment would have to be made that the board or the officers of ICANN would [inaudible]? Of course not. But, you have to decide about it how this is done, so that the topic that we stay within target.

We are in the last ... So, when you look at these two lines, we on the upper line, at the last point right now in our work. So, CCWG auction proceeds initial report goes out for public comment. We wanted it actually to go out for public comment ahead of our meeting here in Panama. We just couldn't meet a deadline, unfortunately. It's too much work.

So, we are now very keen to get this done ahead of Barcelona. The draft report needs to go out three weeks ahead of Barcelona. Otherwise, we can't meet the deadline and then we will have a discussion again and hopefully we then can initiate the final report quickly after Barcelona. And we hope we don't

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have to renew this [inaudible] ,but we hope that the comments we receive are within target.

There's one point I want to draw your attention to. It looks like a separate point, but it isn't a separate point. This is the lower line. The second topic, ICANN board reviews proposals, consideration of future oversight, including report and compliance.

I want you to know that we have worked ... We have two board members on our group, but we have worked with the board constantly. So, there is not going to be a separate phase. Yes, formally, there will be a separate phase because they will have to review it, but keep in mind, we are working with the board practically all the time. We sent them letters, that we want the whole board to review it, so not just the two members, which are part of our group, and they answered to us. They will report back this week as well.

So, we don't expect it to become a big issue. We don't see there will be a clash of what we are doing and what they expect from us, which I believe is important, isn't it?

Here again, this is just pretty much what I already discussed. We don't have to repeat this again. This is important when you review it and when you look at it. These are practically what we call the chartering questions. I'm not going through them one by one, but here you see the topics which we have to take all into

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consideration, which are quite interesting. I want you really to look into them. I don't think we need to do it right now to discuss them, but these are the questions I really want you to look into and see if there are particular points which are important for your group.

Then, this is just where we are right now. All of the questions which I showed you and some more, we have to review them now again, because keep in mind, we are looking into four mechanisms in a moment which we are debating.

One is can a mechanism be inside of ICANN? I think it is missing here in our slides. Can it be a new department separate from ICANN, like the IANA department, but it's in house?

The second would be a mechanism which would be in combination ICANN, in combination with a separate entity.

The third would be it would be completely outsourced.

The fourth would be it would be – can we see the slides maybe? It would be nice. They might be about the fourth structure. Can you remind me quickly? [inaudible]. Here we are.

The first one is, as I mentioned, is the new ICANN [inaudible] department independent from the organization, more similar to the IANA department.

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The second one is a new ICANN [inaudible] allocation department is created as part of ICANN Org which would work in collaboration with an existing charitable organization but it can be another organization as well.

Then, a totally new structure would be created. It would be called the kind of ICANN Foundation.

The last one is the one which would be [inaudible] outsourced and it would be given an existing fund or an existing organization which is handling something similar.

So, these are the four. We are now in the process of reviewing this in our group, and depending on the preference which we have, we will hopefully be able to make a recommendation in our draft report and say this is our number one choice in our working group, which we have taken. This is the second choice. That's the third choice. Then, once we have the draft report ready and we will issue it for public comment, we then hope to receive further comments either confirming our position or arguing against our position.

CHING CHIAO:

I'd like to quickly add on. When we're building up this possible mechanism, [inaudible] also ccNSO comments and also the expertise for many members in the room that you have

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experienced years of experience running non-profit which is in silo, outside of your registry operation entity. So, we've been inviting, for example, registry like Nominet, like SIDN and a few others. I think there's still very good, if some of you would like to weigh in your comments, giving back and doing good for the community, this type of experience. That would be very helpful.

ERIKA MANN:

Yeah. What Ching is saying, we have invited external expert in discussions as well to guide us in finding the best solution. I think they are all good, but that's my personal opinion. Whatever we choose, I think they are all very good. But, of course, for example, if you want to have this foundation or this money allocated in a way that you argue it is a one time off, then of course maybe the creation of an ICANN foundation, for example, is maybe not something you want to recommit, because a foundation typically asks for a longer-term process and you might not want to have it just running maybe for 10 years or 15 years.

Now, I personally would love to see a foundation, but that's me in my personal capacity. But, that's an issue you have to keep in mind. Or not an issue, but just important. If you look at these four options, what we call mechanisms, each time you will have to hire inside of ICANN a different amount of people because you

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will not have the expertise all within this organization, which is an issue because if you hire people, it's typically you have to have long-term contracts. It will be not always easy to say after 10 or 15 years [inaudible] to cancel existing contracts. So, there are implications for the organization as well as [inaudible].

So, I think we, as a community, we have to be careful about budgetary long-term implications. It's easy to judge a short-term situation, but to judge a long-term situation is much more difficult. So, your expertise, in particular from your background would be extremely important because you are run a quite big organization and it would be good to hear from you what you believe on this one.

So, this is an issue we are still looking into. We have some presence here. Please come in any time, and when you want to raise a question.

LIZ WILLIAMS:

Erika, just a question on what you've just said about longevity. The funds are designed to handle the auction proceeds from resolving contention. In the subsequent procedures for new top-level domains, I would not expect that the auction [inaudible] to resolve contention will be removed. So, couldn't you presume in a way that you could build or design a system that was allocating new auction proceeds when there is any subsequent

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release of a fifth round of top-level domains. Presumably, there's some linkage between the work that you're doing and the work that's happening on the subsequent procedures thing, which may have an impact on the recommendations you make for those four choices that you've outlined.

ERIKA MANN:

It's not part of our original set of goals, so we have a clearly defined scope. In a moment, we are not looking into future, how future auction proceeds might come back because there will be future auctions. We have no clue about this. So, it's not part of our work. [inaudible] our work is to work on this, on these auction proceeds, which [inaudible] right now and not look into any future options.

But I agree with you, in the long term, and you design these different funding environments, in house, out house, etc., it's something you have to keep in mind, in particular if you want to create a foundation and you want to have a longer term running, it might be scenarios. But, there are many other scenarios which I think one has to keep in mind.

What I'm always saying, I think people sometimes misjudge the situation because 200 million, above 200 million, in total is going to be available. It's quite a big amount.

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So, to think you can distribute the money in five years or something, I think this is not going to happen. There's [all the] evaluation and the scrutiny and everything involved. It's still a quite long period, even if we would see it is a one-time off. It's still a long period. My personal experience would look at it in a much longer timeframe, definitely ten years or even probably beyond ten years. But that's my experience.

CHING CHIAO:

Just maybe quickly added to the longevity of the fund, it means that this fund is also not for, for example, non-commercial focus like the venture funds. So, it's very different. It's a fund to be allocated for the benefit of the ICANN community.

As Erika correctly pointed out, it's also depending on the final size of the fund and also the mechanism being chosen.

PETER VAN ROSTE:

Good morning. My name is Peter Van Roste from CENTR. Thank you, Ching and Erika, for the overview. Would it be possible to go back to slide number eight? Yes.

So, that last bullet I think is a little worrying. It's not a good thing that money should not be used for lobbying activities. I think we need to make sure that we don't exclude something that would



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be incredibly useful and there's different shapes and forms of that, but that's education and capacity building.

As far as I understand, the term lobbying and lobbying activities is so broad that it would be easy to accuse anybody who's, for instance, trying to educate regulators on just the technical and in a neutral way on how the Internet works and how the DNS works and the importance of the DNS that you're actually engaging in lobbying activities.

So, with that bullet point, make sure that you don't prevent something that could be extremely useful. And for registrars, a desperate need for proper resources in our industry. Thanks.

ERIKA MANN:

Yeah. But, keep in mind you have to keep point one in consideration as well. the point one is the key one which we were really fighting about. Consistence with ICANN mission is set out in bylaws, which is quite narrow in definition anyhow which can be funded about.

Now, we do have – we've had a longer discussion with the board about this because we were worried, many of us, that if you narrow it down to only what the mission and the bylaws allow, it is right now in scope.

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So, we do have an understanding that we will extend this language in service of the mission. So, the words in service of the mission. Maybe we can find [inaudible], if you are able to find the correct language which we agreed upon. This allows us to go a little bit beyond, but it would still probably not allow the lobbying outreach in the sense to policy makers. If somebody would come with a project idea, I'm very doubtful it would fall within this definition.

DAVID MCCAULEY:

Thank you for the presentation. I have a question about I think it's the next to last slide. It's the one where you lay out the four potential options for how you do this. My question would be with respect I think to the last of the four option where you use an existing and established entity [inaudible] foundation or fund are used. ICANN would organize the oversight.

But, if you get ICANN into an oversight position, haven't you moved beyond the mechanism and into the decision-making process of where funds go? In ICANN, if they're simply doing oversight, they're not making decisions, and your group may have moved beyond the mechanism. That's really just a question.

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ERIKA MANN:

That's a very interesting point. The expert we had invited to this group to talk about potential options and scenarios was a person I personally worked with from the European investment bank. The European investment bank, they do have a fund where the European Commission controls the oversight, but they execute everything. So, they were quite good in talking about it.

They were quite clear. They said whatever the mission is which they receive and the goals and what they are allowed to fund or not allowed to fund, they execute everything.

But, the oversight still is with the commission. This is important if there's a conflict, for example, or if a project that comes on which looks interesting but is on the margin of what is defined as the goals or the mission in our case.

So, in the case of, I wouldn't call it a conflict, but in the case you're not clear, the oversight is important.

Then, of course, the evaluation is done in cooperation, so you do a regular evaluation. Is the project still on target? Is everything within how you define it? This you do in core operation. So, there are many ways of ensuring that oversight is done.

But you are right. We haven't decided how the structure, because even if you would ask a second entity to execute on

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your behalf because they have the expertise, they can do it much quicker than you in-source it much harder sometimes. You still have to decide what you mean with oversight and fiduciary duties. Absolutely.

PATRICIO POBLETE: Any further questions? If not, we thank the speakers. I guess it would be out of the question to use some of this money to bring solid food back into the ICANN reception. Okay. thank you very much.

CHING CHIAO: Maybe just quickly add from now to Barcelona, as Erika pointed out, we still seek for your further comments. [inaudible]. Thanks.

PATRICIO POBLETE: Thank you. Now WT5. We invite members. We have Olga Cavalli. Okay. Annebeth Lang, Cheryl, and Javier Rua-Jovet, please. Good to have you all here. So, work track five has to do with the longstanding question of country names, territory names, geographic names and so forth at the top level. Let's see how we're doing in that.

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ANNEBETH LANG:

Good morning, everyone. I am Annebeth Lang representing ccNSO in the work track five. Before we go through the overview and the update, I would like to present my co-chairs and co-workers, whatever you are. I'll start with Cheryl Langdon-Orr, one of the co-chairs in the subsequent procedures PDP working group, where all the questions about the new gTLD working group are [created]. Then, on my left side, I have Olga Cavalli, the co-chair representing the Governmental Advisory Committee (GAC) and Javier Rua. He is representing ALAC. The last person of the four co-chairs is Martin Sutton. He's not here. He's representing the GNSO. Jeff is not here. He'll come. Good.

So, we're trying together to find a way out of this geographical names, I don't know what to call it. A dilemma, a circus. We have been working for so many years.

How it was in the beginning was that the ccNSO and the CCs, we worked with the country and territory names and the GAC, in addition, worked with all the other geographical names like capital cities, cities, and all other different forms of geographical identities.

So, through the years, those of you who have been here for a while know that we started with a study group, which was cross-community. It was mostly at that time GNSO and ALAC and GNSO and us working together. It ended with a recommendation

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to establish a cross-community working group, but what we did there was not actually to find a solution, but more to look at the different framework and the different kind of rules we had in the different support organizations and tried to see where the differences were and find a way forward to agree on how we should treat this in the future.

So, the subsequent procedure PDP working group, in the beginning geographical names were treated in all four work tracks. I tried to follow all four of them and it was really hard work. Most of the time, it wasn't mentioned at all and we sat there for one-and-a-half and two hours, at all times of the night or morning, and then no geographical names [inaudible] today, but perhaps tomorrow and perhaps in another work track.

So, in Johannesburg, we all decided that it would be most sensible to draw out the question of geographical names in a separate work track. That is work track five. That has functioned quite well.

Before I go through the work track five, where we are today, I would just like to say something about the work track one to four. They are a little ahead of us. They are sending out first initial report, 3<sup>rd</sup> of July-ish. I'm not quite sure, Cheryl.

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CHERYL LANGDON-ORR: Ish.

ANNEBETH LANG: I would recommend all of you to have a look at it. It's a huge report. It's 200 pages, so far. But, what you as CCs especially should look at is recommendation – I think it is in work track two – about taking one letter, one digit, and open that for a possibility for a gTLD. For example, S1. From a ccTLD view, that might be difficult because it could easily be confused with dot-SL for Slovenia, for example. So, have a look at that and give the opinion to the report. So, I go ahead. Who is moving the slides? Just go on. Oh, okay. And again.

So, work track five is, as I said, a subteam of the whole group. What the overall group should do is to try to look at the 2007 GNSO policy for the last round of gTLDs. As those of us have been here for a while, we know that it took a long time from that report was published until we ended up in 2012 with the implementation guidebook.

What we now try to do is to see that are there elements in the 2012 Applicant Guidebook that makes the policy from 2007 better? What can we do to make the process more predictable, less objections, less problems afterwards, and make it easier for all parts to have a system we all agree on? It was not that in the last round and that created a lot of problems.

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But, as I said, we only look at the geographical names.

Why should we do this work? I said something about it before. We have gone through all these different stages and now we are trying to work together, and that works much better and we can probably avoid – or hopefully avoid – that it takes too long time after the final report of the [inaudible] will be published. That's our hope.

What you should be aware of is that we operate under the GNSO operating principles. That means that we have to follow the rules for a GNSO PDP on the way forward through the different stages, through their consensus policy. So, even if we feel that we have succeeded so far, we are quite satisfied with how to country and territory names perhaps will be treated, it's a long way forward.

All can be members, but you have to take a contact with the GNSO secretariat [inaudible] if you're interest, if you're not already a member. Or you can also be an observer, just to follow it.

I think that I would leave some of this to my co-chairs. Olga, can you continue?



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OLGA CAVALLI:

Sure. Thank you very much, Annebeth, and thank you for the ccNSO for receiving us today, this morning, [inaudible] from the region and from the whole [world].

Before going and explaining this slide, I would like to bring some part of the history of the working group that we created in the GAC that was called protection of geographic names in new rounds of new gTLDs. We created that working group which was an internal working group in the GAC, but the meetings were open to all the community.

The idea of that working group was – do we have translation here? Because they always complain to me that I speak too fast. No? Okay.

What we wanted is to analyze why we had some conflicts. Some of these conflicts are still remaining and have not been solved so far. Some of them were solved between 2012 and today. Why those conflicts were there. We focused our work, and those names that were not comprising the lists that described in the Applicant Guidebook. I think that the cross-community working group on country and territory names was really focused on those names which were in the list and we had a focus on the names that were not in the list.

Say, for example, names of rivers, mountains, or cities that were not capital cities and some other things. So, that was part of the

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background that wanted to mention. So, for the moment, the working group is waiting for our work to be developed and see what comes out.

One thing that we would like to achieve, and after reviewing these issues so many times, is that we would like both parties that sometimes have [inaudible] to find a way to write the rules to avoid conflicts and to have also clear rules – predictable rules – for the applicant and also clear rules for governments, cities, and other parties of our community, which is the responsibility of the work track five. As Annebeth mentioned, it's a subteam of the new gTLDs subsequent procedures of this PDP working group.

She also mentioned about the co-leads. We are four co-leads. Maybe we can go to the next one. What is our scope? I briefly mentioned it a minute ago. We will review what happens with two-character ASCII letters, combinations, country and territory names in these different lists included in the Applicant Guidebook. Capital city names, UNESCO regions, United Nations regions.

I think the most important part of the [conflicts] that we had were those names which are other geographic names or names or terms with community significance, such as geographic

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features, rivers, mountains, valleys, lakes, and culturally significant terms related to geographic.

Also, there is additional language issues and some other protections.

So, this is the scope of our work. What we already have as a reference is the Applicant Guidebook. Sometimes we refer to the Applicant Guidebook as a baseline of what we had and what worked, what could not work in a new round of new gTLDs.

For the moment, we have been discussing this list, rules for other strings like rivers and mountains. For the moment ... Yesterday, maybe you were there in a cross-community session. We talked about cities that are not capital cities or other issues that were asked to the community. We are currently seeking input, working document that seeks to capture different perspectives.

Now, what we have. We have a quite large working document which is online. If you are a member of the group or you can send your comments to the work track five list. The document is not a public comment document. It's a compilation done by a very efficient and incredibly good staff that assists our work. It's a compilation of all the comments received in favor or against. So, it's subjective. It's just a compilation. You can go and add

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your comments to that if you think there is something missing or you want to support part of the text.

Maybe I can give the floor to Javier.

UNIDENTIFIED FEMALE: I just wanted to add that this document, when we have discussed on Thursday – it's a new session on Thursday afternoon, for those of you who are still here. Then, at 3:15 in the afternoon, a cross-community session as well. There we will try to do the same thing that we did yesterday, to have breakout sessions and discuss those geographical names not on the AGB today. So, we'll see how that works out. Yesterday was quite successful, I think. A lot of people that not usually talk, they talked. That is one of the things that we try to achieve together. Javier, take the next slide.

JAVIER RUA-JOVET: Good afternoon. I'm Javier Rua-Jovet from ALAC, from Puerto Rico. We were in my country last meeting. Hope you had fun.

What have we detected? We have contentious areas and areas that have received less contention. In the previous slide, my colleague, Olga, spoke about the scope of work. We're heading towards some level of preliminary, I want to say, rough

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agreement that certain categories, the current policy might be proper, such as – next slide. So, go back.

What are contentious areas? As Olga mentioned, non-capital cities, things that are not in the current 2012 guidebook. There's policies in place for capital cities that have to do with letters of non-objection, the public authorities chiming into the process. But, non-capital cities, it's open for discussion. There's wide, wide I don't want to say disagreement, but there's very different points of views on both sides on whether to create [inaudible] here, to leave it as is, open. We have, of course, people from the brand side of things with very [liberal] views in terms of views and [liberal] processes in application. And we have other views more state-centered, GAC, country views, countries and territories that of course want some sort of special treatment for their important cities.

What the standard is, it's still open for discussion. We sometimes talk about the size of the city, but in a territory like Puerto Rico, which is very small, our second most important city doesn't have that many people, but it's our second-most important city.

A one-size-fits-all norm is difficult in this type of discussion, but what you see in the slide are the things we're discussing. What will be a standard, a rule? Population, percentage?

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It's a heated and very interesting discussion, and we haven't even really started on non-AGB geographic names, as Olga mentioned. We're talking about geographic indications, rivers, mountains, names that might be culturally significant to cultural minorities or non-sovereign territories or peoples.

Maybe the non-capital city discussion will inform this other discussion in the future if we get some type of thinking there that's consensual.

We're early on in the process. I really urge you all to look at this and get in there. If you chime in now and become members, you will have an impact in this discussion and it will be a heightened impact when it opens up for public comment, definitely. Next slide, please.

OLGA CAVALLI: Before you take the next slide, Javier, I would like to also present Martin Sutton, the fourth co-chair from GNSO. Welcome.

JAVIER RUA-JOVET: Maybe he could speak about the ISO agreement.

OLGA CAVALLI: Would you take the possible areas of [inaudible], Martin?

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MARTIN SUTTON:

Yes, this should be quick. Thank you, and apologies for my delayed arrival. In terms of some of the discussions that we've already had in work track five, there is, to some degree – and do remember, that this is within the work track. This hasn't been further shared amongst the plenary working groups. This is just a work track discussion.

Where we're finding potential convergences with some of the existing terms for two characters, treatment of the two-letter letter combinations. The country and territory names and three-character short form, long term and the capital city names. Typically, this is saying that the treatment that was applied in the 2012 guidebook could be continued in the same manner going forward. But, it is just limited to those items. And there is a caveat with that.

We haven't yet discussed fully the nuances around different languages. So, in terms of some of the Applicant Guidebook requirements, it's in every language or multiple languages, so we still need to go through and refine that further and discuss the requirements for the language needs.

In some respect, that's a good way forward because we had a discrepancy between 2007 policy as it was versus the 2012 guidebook that was published. So, if we can actually cover off some of these points to at least agree that they should continue,

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then there is an ability to transfer that into standard policy going forward for GNSO.

In terms of going further forward, we will be looking at – I think we've mentioned already some of the contentious areas, which is the non-capital cities, and beyond that, what other terms should be included underneath this geographic use at the top level. Thank you.

OLGA CAVALLI:

Thank you, Martin. That's actually the last slide. I would like to say a few words about what happens now. Cheryl will say a few words about the timeframe, what we try to achieve, but at least we can say that we try, as soon as we have discussed more on the city names and non-capital city names, and also the non-AGB or the geographic names we will send out a report for public input, and then we follow the process as I mentioned through the GNSO. We have Terms of Reference that we follow, and that means that it's a lot of steps. It's a lot of people out there that's not been attending the work track five that have strong opinions on this.

So, we must expect that even if the work track five have managed to have some recommendations, it will be other input from the rest of the community.



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So, my advice to you is to follow the process very close, see when the report comes out and give input to us of the areas that you are interested in.

Cheryl, can you say something on where we are going from here?

CHERYL LANGDON-ORR: I'd be delighted to. It's kind of nice to be back in this room with what I hope, for at least a few of us, are all friends. For those of you who don't know, I served as a liaison in this room from another part of the organization, so I kind of feel comfy here.

Look at the great team I've got to work with, along with Jeff, in work track five on geo-regions. It was a real experiment for us to create this AC/SO balanced leadership team. What I think what you've seen with an unrehearsed, and literally unscripted, four-hand presentation, they're working together and I think that's a reflection of what I can see is going to happen as they bring together the diversity of discussion and view.

What is important is to recognize that we would very much like and aspire to having the work of work track five and all its geographic names come in to join the completion phase of the full PDP. We would like to, although we do not have to, but we

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would like to have the work track five integrated into our final report for the full PDP because there are crossover issues, etc.

We don't want to exhaust the community, and obviously the ccTLD managers are a vital part of the public comment input that we want to get. We don't want to exhaust you. I can only sincerely hope that a separate initial report which we would probably look at seeing towards the end of the year if all of the stars align and the Gods and Goddesses agree. It's not going to be the 200-pager with 100 questions that you're getting from work tracks one to four. It should be concise. It should give some options. It should ask some questions.

If nothing else, it should give us greater predictability about how we manage geographic names in any future round or offering of new gTLDs.

If we don't bring it all together for what is also very aspirational, and that's the great desire of some people for us to have our final report for the whole PDP with GNSO Council at quarter two of 2019, if we don't do that the world will not stop. The status quo will remain. Some people will be irritated about that and some people will be delighted about that.

But there is an opportunity to make some process improvements. There is a willingness and a capability with the leadership team that's been put together to work effectively.

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Obviously, you're going to be able to work through Annebeth, but really you could work through any one of the people you see at this front table. They're really acting as neutral but cautious carriers of what they hear and what discussions are brought forward.

When it comes to deciding what consensus is, however, on any of these things, that's actually up to Jeff and I because it comes back in as part of the whole policy development process for subsequent procedures for new gTLDs.

So, actual consensus-based recommendations we will make a judgment call on. But, I think I've got pretty trusted leaders here. It's going to be an easy job, [inaudible] perhaps work tracks one to four.

Do we have time for any questions?

KATRINA SATAKI: Absolutely. We have 15 minutes, so please.

LIZ WILLIAMS: Thank you very much. First of all, I wanted to put on record my great thanks to you all for arranging the way in which the session ran yesterday with the GAC. The key to the success of that was having people stand up and talk to other people. It was

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wonderful. I was in Martin’s group and we happened to be by the door, so we had the best group, of course, because Martin and I were in it.

But the challenge of this whole set of these work tracks is that they are entrenched long-held, deeply protected positions, and if we continue to talk at and past each other with our head in our laptop half the time and Skyping and Facebooking the other half the time when you’re supposed to be concentrating on conference calls, then we will never get the work finished.

There are many who don’t want the work to finish because that means we might need to make a decision about whether there is indeed another round of top-level domains whether they are geographic terms or any others.

So, could I urge you to continue to look for ways to encourage participants to come together, to stand up, to push their ideas out onto those flippy chart things. I don’t know how all that is coming together from the start. Presumably, someone is copying that all down, I’m assuming.

One additional request that I would ask, one of the things that is really tough for some participates is to actively and quickly engage in a language that is not English. I really, really hope that next time we do a flippy chart thing that we can divide, I hope, into language groups so that people have the opportunity to

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speak in their first language, and that hopefully there are bilingual, because there are lots of people in these halls that are bilingual, trilingual, and multilingual so that we can use the ability that we have within our groups, where there is not translation and scribing, but to hear different voices.

One of the biggest problems we've have, just in work track five which is the part that I'm involved in, is again talking past each other to try to hold on to the microphone and the pen.

There are many of us, me sometimes included, who deliberately do not speak because we want to give other people a turn to express their views.

I'd also urge anyone who wants to be on the work track five ailing list, to read carefully, to respond carefully, and to be really actively thinking about ways that we can start to find areas of agreement because the ongoing disagreeable disagreement is taking the wind out of the energy – taking the energy away from the group and people start to become very disheartened, and very, “Well, what's the point? We're just going to go back to where we were ages ago and that will have to do us.” I have specific views about that. I think that is lazy and it's insufficient and it's not the level of quality of work on developing policy that turn into implementation that I think we would all be proud of.

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So, we have to be thinking, then, about let's not flop. Let's not give up. And let's actively find ways of agreeing with each other, but there have to be mechanisms that are fostered by the chairs and co-chairs to enable that positive work to take place. And it's difficult. It's hard. The more opportunity to talk with each other around the table in a room, the better we can work.

The final point is I don't know whether work track five is going to catch up to the other group. Last time, the treatment of many of the geographic terms was partly a cause of why the Applicant Guidebook took so long to come out in the first place and I don't think we want to make that mistake again.

A question is: is there any opportunity to do specific, more detailed work on the remaining pieces of the work track five puzzle that could perhaps be facilitated by another intersessional face-to-face meeting? I don't know how that could work. I just want to put it on the table. To see whether we could catch up because we are being. And that is going to have an impact on successfully completing all the components of the work and we don't want this in and out, in and out, where are we up to, can't keep track of the document situation going on.

CHERYL LANGDON-ORR: If I may, thanks, Liz. As usual, you've got a lot of really great points. But you also have a very receptive, as I think you've even

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witnessed and recognized, very receptive group of leaders. They're very much, I'm sure, having heard what you said, thinking about what you've said, we can certainly do virtual intersessionals as we did in the IANA transition work where we did four four-hour blocks over two days in people's lives in conference calls. There are ways of skinning the cat, and I'm sure this is the team to try and think of how to do it.

These people are planning to succeed and not planning to fail, and in their planning to succeed, all of the input any of you have to feed their good ideas, to make them even better, is much appreciated.

OLGA CAVALLI: Thank you, Liz. Nick Wenban-Smith?

NICK WENBAN-SMITH: Hi. It's Nick Wenban-Smith here for the record from Nominet UK. I've been involved in work track five and it's a huge amount of work, just for one of the work tracks, so thank you very much to the co-chairs for their great efforts.

I know when this whole geographic names and work track five discussions kicked off, I think throughout the whole of the world, I think every single ccTLD unanimously agreed as a position statement that the default rules in the 2012 guidebook were

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essentially what we felt were the correct position and that we would support that.

I suppose, I can see that we've done what I would characterize the easy part of that and there are some difficult discussions to come. I know you're planning to succeed.

But, just in case you don't succeed to achieve unanimous consensus or even a rough consensus on those things, I wondered what – you said status quo would remain. I wonder what was meant by the status quo in the sense of was it the 2012 guidebook, as was implemented, or was it the GNSO 2017 policy statements? First question.

Second question is a very quick one. I can see that this Q2 2019 is the target date. Work track five is the last piece of the jigsaw which needs to be completed before new gTLDs can happen. It's 2012 for the last round. We're still going through some of those applications now. When is the next round going to be open in your best guess?

CHERYL LANGDON-ORR: Thank you, Nick. I didn't bring my crystal ball with me, so that last question is probably ... I wouldn't put my money on anything I said on that. But, what we do know is it can't happen before certain things are put in place. So, that's recognized and



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that's why we're pushing as fast as we need to go, but not too fast to not do a good job on getting any of these changes.

The default that I was referring to when I used the term status quo should be, providing we agree on that in work track five, because we have agreed on that in the other four work tracks, the Applicant Guidebook, the AGB 2012, as implemented excepting – there's a big exception there, which probably does affect geos – where there is a clear problem that affected the community, a process that was problematic that by going back to the 2007 guide, the actual policy, would be avoided.

So, we may have an either/or choice in geos because I'm not biasing it one way or the other. I'm just saying if there is an issue with how 2012 was implemented, because that's even different to how the AGB was written, and it would be better to revert back and we'll hear from some of our GAC friends that they'd be very happy to go back to earlier policy. Then that is a discussion we may have and you might end up agreeing to roll back rather than to roll forward.

We're too early to say how that's going to play out, but it should be Applicant Guidebook. Should be.

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NICK WENBAN-SMITH: It's the Football World Cup, [inaudible] nation say if you have a free 10-pound bet or a free 10-dollar bet, where's your money in terms of a date?

CHERYL LANGDON-ORR: On a date? I'm going to say too soon for some and not soon enough for me.

NICK WENBAN-SMITH: Disappointing.

OLGA CAVALLI: Thank you. We have time for one more question. Katrina?

KATRINA SATAKI: Thank you very much. First of all, thanks a lot for this presentation and thank you very much for all the work you are doing. It's fantastic. I truly admire the way you try to find common grounds and move forward.

Nevertheless, Liz already mentioned that this world does not speak only English. So, the question is – well, at least it seemed to me that currently you're talking about ASCII representation, ASCII characters. Are you going to go into IDNs, country and territory names in local languages? And if so, I just wanted to highlight that the ccNSO has a policy on IDN ccTLDs and we talk

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also about meaningful representation of country and territory names.

Another thing, just while you let me speak, another thing with countries is they come and go. Now we're trying to deal with countries that go, but there might be new countries as well. So, as soon as there's a new country or territory, they get assigned two-letter code and they get a three-letter code. Apparently, you're talking about only current three-letter codes. Have you taken into account also some possible future developments? Thank you.

OLGA CAVALLI:

Thank you, Katrina. To take the last question first, we can't go back in time. It's already a lot of the three-letter codes that's out there in the root, even for countries, like dot-com. We have to look at the status quo when we [inaudible].

That means that two-letter codes are easier. We say that two letters belong to the CC. We say that. Then, the countries established in the time to come in the world we're living in, things are changing. At least they will have their two-letter codes, at least for some time until it's no more two-letter combinations left. That can happen. I hope the world is not changing that much. That's one thing.

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As the convergence are just now, the three-letter codes and country and territory names, short and long forms, are off limits anyway.

It's a new discussion if we discussed should it be used by the countries, the three-letter codes. That's perhaps a next step in the future.

So, it will be that if you get a new two-letter code, you will not necessarily get a three-letter code corresponding, but will be established some three-letter codes by the ISO. Perhaps it's not very natural and [inaudible]. That's kind of easy. But, for some countries, it will be something completely different. We'll see how the world develops there.

As for the IDN, the work we have done on the fast track and the IDN Working Group and all these things must influence what we do for IDNs. So, I think we have to come back to that, but it's not forgotten.

Can I just say one thing before we close up and then you can take the ... Yeah? We have to remember that it will be a long process still, and as Liz mentioned, it seems like the most contentious areas today, at least, are outside what is the natural habitat of a CC. But still, we're working in a community together in ICANN and I think one of the really good things we have to

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think about is predictability for all, and as few conflicts as possible after the application round has started.

We should have rules that say that ICANN is not ... If we have afterwards rules that give us 50 really difficult conflicts afterwards, like Amazon, like Patagonia, we fail as a society. So, even if we have to give something to preserve the credibility, the rumor of what we are doing here and show that a multi-stakeholder society works, we can agree, even if we have to give something, then we succeed. If we have a lot of conflicts afterwards, then we don't succeed in my view. Cheryl?

CHERYL LANGDON-ORR: Thanks. Just to come back to your final point, I just want to draw your attention again to the current thinking in terms of areas of possible agreement, because when I see and the way I understand country and territory names in all forms should not be available as gTLDs, that is inclusive of IDNs. That's within all forms. Certainly by my naïve understanding.

That said, we have IDNs in another work track and there is nothing in our current thinking and recommendations that is impinging on the work in terms of internationalized domain names of a country or territory coming out of those recommendations for the other track. So, we won't have conflict

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between the IDN work done and what may affect geographic names. That's all. I wanted to make sure you knew.

KATRINA SATAKI: We are over time, so thank you so much for being here and listening to us. Thank you for the co-chairs and Cheryl to join me.

UNIDENTIFIED MALE: Thank you, All. Great work and great presentation.

PATRICIO POBLETE: So, we are breaking up for lunch. We expect you all back at 1:30, except if you are from Argentina or Nigeria, in which case you are excused.

KATRINA SATAKI: That is 1:00 PM.

**[END OF TRANSCRIPTION]**