
BARCELONA – Joint Meeting ICANN Board and ccNSO
Wednesday, October 24, 2018 – 13:30 to 14:30 CEST
ICANN63 | Barcelona, Spain

KATRINA SATAKI: So welcome again. Welcome to our session, our bilateral meeting with the Board. So I'd like to welcome Board members. The shiest ones sit in the audience. The shiest councillors also sit in the audience.

[Laughter]

We have a list of very interesting questions, two questions we received from the Board and some questions that we asked back. And actually I would like to start with the questions that we asked back.

CHRIS DISSPAIN: I think that's a very, very sensible idea. Very sensible.

Mike is just joining us, and I think possibly Avri may be tackling one of the questions. So if she's here, she should probably come up.

But, yes, go ahead, Katrina.

KATRINA SATAKI: The first question we would like to ask the Board members is actually the same question that you asked us. I will read it for you. So what is the view of the Board on how ICANN's multistakeholder model of governance and policy development process should evolve to balance

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

the increasing need for inclusivity, accountability, and transparency, with the imperative of getting our work done and our policies developed in a more effective and timely manner, and with the efficient utilization of ICANN's resources?

CHRIS DISSPAIN: So I'm going to ask Cherine to answer that. But before I do, I think the answer is we think that's a question you should answer.

Cherine.

CHERINE CHALABY: Thank you very much for this. I think by sending it back to us, what you are saying is we should have a dialogue, right, which I think is the right thing to do.

Let me -- I think it's worthwhile saying why the Board is asking this question, what is behind it. And this is not a question that the Board had thought about in vacuum. This is a result of seven months of work and about 700 man-hours in the strategic plan where the community identified five global trends that will affect ICANN's future.

One of them --

MIKE SILBER: Sorry, Cherine. To stop you, there was also women-hours was involved in that.

CHERINE CHALABY: Sorry. I didn't hear Mike.

MIKE SILBER: There were also women hours involved, not just man-hours.

KATRINA SATAKI: Women also were involved.

CHERINE CHALABY: Sorry, yes.

CHRIS DISSPAIN: Cherine, you just need to expect this is Mike's last meeting --

CHERINE CHALABY: 700 person-hours. I think that's right terminology. I appreciate that correction. Thank you very much.

So 700 person-hours where there were many community sessions and the community identified many trends. And those five trends were one on security, one on governance, one on the unique identifier systems, one on geopolitics, and one on financials.

The one on governance is very clear. What the community is saying is that the current multistakeholder model which is really -- has served us well over the last 20 years and is part of our legitimacy and the way we do business, there's a danger. It has the potential of becoming less

effective and more expensive as it matures and scales up to respond to the increasing needs of our community.

And there were many trends that were underlying this mega, mega trend, things like there is increasing demand for inclusivity and transparency and accountability across all spectrum of our activities.

We need to improve our policy development process to achieve consensus in a more effective and timely manner.

There are concerns about progress can be ground to a halt because of polarized interests. There is concern about the current reviews, that they are inefficient. They are all cluttered together. They don't lead to the right results.

Concerns about volunteer shortage and fatigue.

Ineffective involvement of the technical community, for example.

And then the last one, large, expensive, and cluttered ICANN meetings with many sessions where people cannot keep pace with what's going on.

We took that question and we sent it, in fact -- so the intent is for the Board to issue a consultation paper roundabout the May/June next year time frame, in 2019.

Before that, the Board is engaging with the community to seek their views. The Board does not have a view, does not have an answer at this point in time.

All we're saying is that we hear your concerns. We hear what you said as part of the strategic plan. We want to take this further and see if we can gather more ideas and more thoughts from the community. So the consultation paper we're going to issue will be asking questions about certain issues, not proposing any solutions.

So the discussion we'd like to have here is really listening to your input. I have given you some ideas. Let me tell you some of the input we got from other groups, from other constituencies. Would you be interested to hear?

KATRINA SATAKI:

Yes, sir.

CHERINE CHALABY:

So, for example, some of the comments we are hearing from other groups saying time line, time is critical. We don't seem to set time on any activity we launch, whether it's a PDP or a cross-community working group. We just let it happen. If it takes longer and the group decides they're going to take another year, that's okay. And we waste a lot of scarce resources, and nothing sometimes gets achieved. Why don't we put a time line when we issue -- when we start and launch a new project or a new PDP or a new cross-community working group.

The role of the chair of any working group is not clearly defined. Is the chair a person just a facilitator or is a person that can actually call for consensus? And would the chair have that responsibility? That implies that the consent -- the way of achieving consensus is not clear in our

community. And comments we heard like, it seems like the view of one individual is as important as the next one as the next one as the next one and can go on forever and achieve nothing.

Other comments we heard is that there should be -- we have to really understand the difference between individuals and representations when it comes to working groups. Are you there to represent your own personal view, or are you there to represent the view of a group? So that's -- that's an important one.

So you can hear where there is -- there is a feeling that we need to do something. But let's put it into a caveat that the multistakeholder model has served us extremely well over the last 20 years, and it's now reaching a point of maturity. And I think we should have the will and the courage to be able to examine what's working, what's not working so that we can make it even more effective for the next 20 years. So it is within that context that we're asking this open question.

So I'm going to hand it back to you. You manage the queue and the input. Thank you.

KATRINA SATAKI:

Yes, thank you very much.

I really liked when you said about the courage. I think courage, it's really what we need when we start discussing things like that.

While it's clear that multistakeholder model that we all cherish and respect, it is very expensive. No doubt about that. Of course, we could

have done that in a more efficient way than me just deciding on everything.

But we are what we are, and apparently we are going to maintain this model.

When we discussed this question that you asked us, of course, it also raised many -- many other questions, yeah, about same effectiveness of ICANN, how we spend those resources.

Sometimes when we have these discussions, I have a feeling that the main idea of our work is to make everyone equally unhappy. And unless we achieve it, we keep discussing things.

Yes, some time limits would be beneficial but more -- probably more strategic-oriented thinking, yes, thinking about how to make processes more efficient and cheaper. And here I'd like to ask my friends, colleagues from the ccNSO Council -- I just realized I'm the only one from the ccNSO Council sitting here among ICANN's Board members.

I'm not complaining. I think I look good --

[Laughter]

-- with the ICANN Board.

But, Giovanni, I would like to ask you, the chair of our SOPC, strategic and operation and planning committee, who have contributed to the work, reviewed strategic documents, reviewed budget, and made numerous comments on -- suggestions how to make sure that these resources are utilized more efficiently.

I'd like to ask Giovanni to comment a little bit on that. Join me. Thank you very much.

GIOVANNI SEPPIA:

Thank you, Katrina. And thanks for the opportunity to have this session with the Board as ICANN is preparing the next five-year strategic plan which is quite important, especially because our industry is in continuous development.

So one point regarding resources which is, indeed, a quite sensitive element of the entire process is that the SOPC as highlighted on numerous occasions need the ICANN side to have a plan to optimize resources. It's not to -- not only to find new resources or alternative resources but optimize existing resources. And this is quite an important element in -- let's say, for the future strategy plan.

As for the first time we were told it is going to be a fully costed strategy plan. So there are going to be figures associated to the different priorities.

And the second element is -- that I'd like to highlight is not only, as I said, the optimization of the resources but also making sure that there is a regular assessment of the actions, to make sure that any resource associated to any action is well spent. And this is also consistent with the comments that the SOPC has made over the years.

KATRINA SATAKI:

Thank you very much, Giovanni.

Any other comments? Not discussing actually but trying -- we asked you a question, and then we tried to -- we're trying to give our response to your question. Yes. Because apparently this is a very important thing, and we need to discuss. And, yes, perhaps we need the courage to ask the questions because sometimes we're not even asking important questions and we try to avoid discussions on those issues that are important for the community and, of course, ccTLD community as well.

Okay. Can we then ask more about the strategic priorities for the upcoming plan?

CHRIS DISSPAIN:

Yes, thank you. I think, Cherine, you were going to briefly address this - the strategic priorities for the upcoming strat plan, and Matthew as well.

So, Matt, can you take that, the upcoming priorities and the strategic plan?

MATTHEW SHEARS:

I'm happy to say that maybe, Cherine, you want to open the big picture and I can talk about some of the specific areas.

CHERINE CHALABY:

You can do the big picture as well. You go ahead, the five trends.

MATTHEW SHEARS:

Okay. Thanks very much for the question. Matthew Shears of the Board.

There are -- the strategic plan has been now in development for some period of time. I think Cherine mentioned some of the statistics about it in his opening comments.

It has been and continues to be a process of engaging with the community, bringing the community input into the Board. And we're at a stage now where we had a session -- a public session where we showed what we've achieved in the strategic plan. We outlined the different areas of focus and how we got there and what the next steps are.

So after a significant amount of community input through the trends session -- and I believe that you've probably all been through those sessions -- similar sessions were held with the Board and with the staff and that has led to a consolidation of trends that were then validated with external research by the organization and then went through and complemented by, I should say, a strength, weaknesses, opportunities and threats analysis that the Board did.

And out of that process, we developed five strategic areas. The first one was security. Probably no surprise. The second one was governance, which Cherine has mentioned in his comments. The third one was the unique identifier system. The fourth one was geopolitics, which I'll come to in the other question you've raised. And the fifth one was financials.

And so what we did on Monday, I think it was -- losing track of time a bit -- is we presented that picture of the strategic plan as it stands at the moment. We took feedback in that session. I'm very happy to take more feedback in this one as well.

And we will be looking to put out a strategic plan for consultation sometime later this year, hopefully before December. And hopefully we'll then continue the discussion with the community in Kobe as well. So that's the general -- that's where we are at the moment.

Cherine, maybe back over to you.

CHERINE CHALABY: No, I think you've said it well. Did you go through the time line of what -- when we're going to have this finalized?

MATTHEW SHEARS: I just went through Kobe. Perhaps linking it to the operational plan may be --

CHERINE CHALABY: Yes. So by Kobe, we want to have the strategic plan agreed by the community. And that document is going to be no more than 25 to 30 pages, similar to the one we have now in size.

But then this is going to be for the first time ever backed by fully costed five-year implementation plan. We call it operating plan. And the

reason we want to do this is we want to make sure the strategy -- I wonder if there is a bottle of water. Excuse me.

The strategy that we have decided upon together is, A, feasible and, B, affordable. And it might be that we have to do this in a cyclical manner in terms of we agree the strategy, then we get ICANN org to produce an operating plan to fund that strategy and implement it. The community will then vote on that and provide its own opinion. And then if we find that we're unable to meet all of our aspirations in that strategic plan because we don't have the funds for it or it's not practical to do, I think we will need to recycle back and adjust it. So that is the process we're going on.

Remember, we're starting very early on now because this is not needed before FY21. We're still in FY19. We have FY20 to go through. So we have plenty of time to do this iteration and get a plan that we believe in and at the same time is realistic and affordable and can be implemented. Thank you.

KATRINA SATAKI: Yes, thank you very much.

Any questions? No.

And so where do you see the place for ccTLDs to play a role in all this?

CHRIS DISSPAIN: Yeah, okay. Thanks. So I think -- well, first of all, I think there's sort of two sides to this. There's the side of the CCs playing a role in the putting

together of the strategic plan as members of the ICANN community and just generally. And obviously the future of domain names specifically is of relevance to the CCs.

In respect to what's going to be the strategic focus with respect to the ccTLDs themselves for the next five years, I mean, really that's up to you.

The strategic plan doesn't traditionally hold anything specific in it about ccTLDs for the obvious reason that every ccTLD is sovereign and presumably has its own strategic plan.

So apart from the bylaw mandated reviews, one of which has started now and a few other bits and pieces, you wouldn't generally expect to see much in there, unless you want it to be and then it's for you to come to us. You want to say something?

BECKY BARR:

Just with the general exception of security issues, root server, those kinds of issues, and IANA excellence.

CHRIS DISSPAIN:

Yeah, which we completely agree, but which are -- but they're ICANN wide as opposed to ccTLD specific, so I would -- and that's why I was deferring to that. But absolutely in respect to the strategic plan itself, your input on all those things, the stuff that your -- your -- in respect to security and stability and resiliency you are a registry in the same way that Neustar is a registry or Afilias is a registry so therefore, there's input

there and it's very important that the ccTLD community either as individual ccTLDs or as the ccNSO provide significant input into the strategic planning cycle.

MIKE SILBER:

If I can add to that, I think it goes to the essence of the ccNSO and what role do you want to play in the ICANN community. Because if you simply want to look at the broader issues, of course, the evolution of the Internet identifier system, security issues, that's great. But if you're letting the louder voices in some of the other SOs in particular set the agenda, then you can't really complain if you're passengers on the resulting train. And I would encourage you to do more than just look at the impact on the ccNSO as an organization within ICANN but rather looking at the impact of this on your registry businesses. And many of you have evolved your businesses or will in future rounds evolve your businesses to look at gTLD registries. And start taking a little more active role. It's just my request or my suggestion, but I think many CCs are somewhat passive recipients. You know, as long as they don't touch our CCs, we won't interfere too much in what's going on in the rest of the organization.

I think it might be worthwhile looking at that and actually starting to put your foot down because we spend a lot of money on a lot of things that has very little relevance to the CC community and not enough money, in my opinion, on things that have huge relevance, particularly Internet identifier evolution and the security and stability. And I think that it's very important for it to come from this community to say, stop

spending money on wasteful policy development processes that are happening out there as if that's the most important thing in this organization and focus on the core function. And for the ccNSO, the core function is very different from the commercial players in the GNSO. And I think you should make your voice heard. Just my opinion.

KATRINA SATAKI:

Thank you very much for that, Mike. Okay. Let's move forward then. And that's the next question that we ask to the board relates to Internet governance, something that we've been discussing for some time on the ccNSO council now. Now we're trying to understand the whole picture and how to move forward. So that is the -- with the background why we ask the question. So how do you view activities in the area of Internet governance? Is it part of ICANN's mission, how deeply ICANN should get involved into that? And probably -- from another perspective, how to make sure that we do not duplicate our efforts? How to make sure that we come as -- as one perhaps. Yeah. So do you have any views on that?

CHRIS DISSPAIN:

Thanks, Christina. We're going to ask Matthew to -- Katrina, I did, yes. It's a thing I try -- it's a thing I try and do at least once. Matthew's going to take that.

MATTHEW SHEARS:

Yes, thank you. So Matthew Shears again. Also, the chair of the Board Working Group On Internet Governance. Great questions. And yes,

absolutely. These are ones we've been in discussion with various parts of the community for well over a year now.

So the first question, I'll put this two other parts of the question together and just deal with them separately. So the first question is, is it a strategic priority. I think it's fair to say that Internet governance -- and let me maybe frame it slightly more broadly and say Internet policy because I think we're moving out of the realm of Internet governance purely and moving into a broader realm. This has always been a strategic priority and part of ICANN's mission. There's absolutely no doubt. But what has changed is that over the past year and a half or so, I think we've become acutely aware of some of the challenges that we face now in an evolving broad eco -- global Internet ecosystem, if you will, when we look at things like the impact of GDPR and other initiatives. So it is a strategic priority. It remains a strategic priority. And if anything, in the new strategic plan we're developing it's taken on more importance.

So there are two things in the strategic plan that are kind of the -- the opportunities, if you will, that we're looking at. And again, I'm -- this was covered on Monday, but the two key things is that the new evolving Internet governance environment at the global level is really asking more of a greater awareness. Not necessarily a greater engagement, because that always talks about resource, but a far greater awareness of what is happening on the broader landscape. And it's not just about funding the IGF, but also about Internet policies that we may not have anticipated in the past would have affected ICANN but they are now.

So one of those strategic opportunities is to put into place greater monitoring mechanisms. And I think that that actually is already occurring and there is a greater engagement, and you've probably seen that through the legislative tracking device that's been developed by global engagement.

The other point that came through in the strategic planning is the need to continue to educate about ICANN, the DNS and what ICANN's mission is with regards to the DNS. And so -- and there inevitably we get into issues of Internet governance and the ICANN multistakeholder model. There's still a lot of -- still a lack of awareness, I should say, around the multistakeholder model, how it works and what ICANN's particular variation of that is. So those are two in strategic focus area four on geopolitics, those are the two opportunities for ICANN.

Now, on the second part of the question, this is -- this is a really good one because the board working group has been very supportive of the CCWG into IG for Internet governance and obviously it's in the process of change. The board has been supportive of it because it sees -- and this is answering your other part of the question as well about consolidation. It sees the board working group, the CCWG IG or whatever it will evolve into, and the organization's Internet governance efforts as complementary. We do not see them as overlapping but see them rather as complementary. In fact, you know, one of the things that we have said in meetings with the CCWG IG is that we would like to see a far greater shared responsibility for that monitoring and awareness of Internet governance issues as they would affect ICANN. So really seeking continued input from the community on what the

challenges are so that the organization's resources can be made available to address those challenges.

So I think from our perspective, obviously there are other considerations, resource considerations when it comes to addressing Internet governance, but I think certainly from a strategic perspective, it's very important to be increasingly aware and increasingly monitor those initiatives globally that will affect ICANN. And it's also we recognize increasingly important to engage but on a very targeted and, you know, specific basis where those challenges may arise.

So I think I've answered both questions. Thanks.

KATRINA SATAKI: Thank you very much. Any questions? Any additions to that? No? Okay then --

CHRIS DISSPAIN: Does that help you with your -- because I understand that you're -- sorry, this is Chris. I understand that you're currently -- I think I'm right -- currently considering your involvement in this possible upcoming committee is that right?

KATRINA SATAKI: Yes, we're thinking about it, and yeah, of course, we have certain concerns. Something that started with great enthusiasm from ccTLDs currently has -- enthusiasm has clearly died, meaning that our ccTLD representatives are not very active on the mailing list, even though

many ccTLDs do participate in the Internet governance activities and they attend Internet governance-related -- related events. They also organize -- very often they organize Internet governance-related events in their own countries. So yes, we -- we're looking into the issue.

What is one of the main concerns, because as far as we understand from the latest exchange that the group had with the GNSO, they are expecting to have staff support from their chartering organization. This is something that we cannot afford because we're already really overwhelmed with all the things that we need to done -- need to do, and we need our staff work for other things, for many other projects that we are already running. So that is one of the reasons why we wanted to know board's views on the ways how to manage it more efficiently and not to have many, you know, inputs and costs in the background.

CHRIS DISSPAIN:

So is it really a logistics problem or are there -- I mean, I know in the past there has been concern about the direction that the existing working group or committee or whatever it's called was headed in. But then that direction is only adjustable if there are people on the working group or the committee who -- that wanted to go off in that direction. So if it's a logistical issue, perhaps you could -- perhaps we could talk about -- not now obviously, but perhaps we could talk about how to solve that issue. But if it's more of a principle issue, then that's -- I know that Mike wants to say something as well.

MIKE SILBER:

Thank you. I think certainly there was a perception at one stage that the CCWG was really being driven by people looking for travel funding for their attendance for IG events and we would get complained at as a board for not supporting their travel funding. I think there are a couple of options that this community can take. The first is just laissez-faire, you know, we all see each other at the same events. We see each other as ICANN events, we see each other at various Internet governance events. We're not well-coordinated. We have got different messages. Not very useful.

The second option is to actually have an incredibly tight coordination where the community developments ICANN's approach to Internet -- on Internet governance issues and the board and the staff go and execute on those. And if you choose to be there, that's great, but staff will be there executing on your vision. That's going to be incredibly difficult because we've got a very disparate community so building consensus will be tough. The second thing is, I know most of you and I know most of the rest of this community and you won't trust the staff to go and express your views and so you'll need to be there as well so it kind of defeats the purpose. So you have gone through a massively complicated consensus building exercise and then you insist on being there anyway.

And the third option is some sort of coordination mechanism. And I think that, to me, is the most appropriate. For people to be able to share their views on Internet governance issues, let people know who's going to be where so that we don't all go rushing -- like 11-year-olds playing football, all go rushing for the ball, you know, all at the same

time, you know, and leaving things undefended in other areas. But that there's a lighter touch coordination that takes place so ICANN org knows this event is being covered by the following CCs or some Gs or whatever the case is, what sort of resourcing they need to spend there and so there's a no surprises basis that, you know, people don't arrive at an event and find their colleagues there already saying the same thing on the same panel. And to me that would make the most sense. And I would encourage you to push that, that this becomes a locked coordination mechanism because I don't think -- and this is just a personal view -- that it is possible to bold consensus within ICANN on Internet governance issues and to try and have an ICANN view.

So that's just a thought. Do with it as you will. But that, to me, makes a lot of sense because a lot of us spend a lot of resources going to places only to find that there are other people who maybe even better qualified than us who are already there expressing the views and, you know, we could have stayed at home and billed our CCs.

KATRINA SATAKI:

Becky.

BECKY BURR:

So I just want to say if there's going to be such a group at ICANN, I think it's incredibly important for the CCs who are very invested in this space and who have deep experience with their, you know -- their domestic IGFs to be involved. To me the worst possible outcome is to have this work going on without significant and in some cases the -- you know,

the truly expert members of the community not involved in it. So if -- if there -- if there's no will for the CC members, individual CC members to participate, it's incredibly important that we think about why that is and ask the hard questions like -- I mean, I just think if it is not representative of the broad input on this particular issue, it is an issue that affects everybody in the community, including the CCs in particular. It's not just a GNSO or ALAC issue. And if we don't have the views of all of the community in the mix, we could have an opportunity for mischief that I think is not a good thing.

MIKE SILBER:

So Becky, you're making a very defensive suggestion, which I agree with. But that's defending CCs from being overwhelmed by what's going on and not knowing what's going on. How do we turn this into a positive? And again, it ties in with my previous message. I think it's the CC community must take a little bit more initiative of saying what they want rather than being on the defensive and watching what's going on to make sure that there's no mischief happening.

KATRINA SATAKI:

Yeah, thank --

UNKNOWN SPEAKER:

(Off microphone).

KATRINA SATAKI:

I wouldn't have said that but --

MIKE SILBER: Listen, it's my last opportunity. You're not going to shut me up.

BECKY BARR: So actually I would go a little bit -- one step further. I would say, like, you have to ask the question, if it's not worthwhile for the CCs to participate, is it worthwhile for us to have it. That's what I would say. I'm going a little bit farther than you.

KATRINA SATAKI: Yes, thank you very much. Actually, may I ask those ccTLDs in the room would be active in the area of Internet governance to raise their hands. Yeah, so a lot. Yeah. So CCs are active and they participate. That's why -- that's why we are actually thinking about the ways how to coordinate and if there's a -- not to have several groups representing same organization. There's -- yeah, Goran.

GORAN MARBY: We -- when I joined ICANN I had a conversation with the RIRs and because sometimes in my role I get -- I get into foras where I get questions about everything that happens within ICANN. And that was - - sorry, in the ecosystem which -- and the RIRs appear to us, and I'm very happy when they're here, is that then I get questions like IPv6. And so I actually asked the RIRs, provide me with speaking notes I can use when I get those questions. In the end it would contain a telephone number to the closest RIR so they can go more in-depth.

I'm going to change this a little bit from a discussion. I'm -- one of the things I think we also want to know, if there are things that you as a collective or groups when we -- because often from the outside, surprisingly enough, people don't see all the differences between us. They seem to think that we're all the same, whatever the acronyms we have in front of us. And I would really appreciate it if we can have -- you know, you can provide me with the CC speaking notes sometimes when I come into those areas when I get questions about them as well. Because that could actually be helpful. And I promise to be as -- now I sort of stay away from some of them. And I know that there are discussions in Internet governance forums about the role of CCs. I mean, you know, in the plenipotentiary meetings now there are proposals about it. I'm going to the plenipotentiary meetings for other reasons. I'm there to give a four-minute speech. Yeah, that's with I'm doing in three days. But if there are messages that you would like me and the board to provide from the CC community, I'll be very happy just to say it. And I will be very strict for that sentence and say I hope -- as the RIRs gave me. Thank you.

KATRINA SATAKI:

Thank you very much. That's an interesting suggestion and something that we should think about.

If there are no more -- yep, Giovanni.

GIOVANNI SEPPIA:

Thank you, Katrina.

I have been hearing a lot of good input from ICANN and some of the thoughts that we have had in the past about engagement in Internet governance. And having all these CCs involved in Internet governance activities at different levels make me think that possibly the greatest effort should be done -- greater effort should be done there in coordinating the participation on both sides.

So I think that CCs should have a sort of proactive approach. And whenever they are involved in Internet governance activities and see that there is an opportunity, room for ICANN to get involved there, too, the CCs could manifest this wish to ICANN, to their counterpart in the region and, therefore, could work together to make sure that Internet governance is developed in the right way on both sides.

So I think that I would like to stress the importance of coordinating the efforts.

KATRINA SATAKI: Thank you very much.

MATTHEW SHEARS: If I may. Matthew Shears, again.

And thank you, Giovanni. I absolutely agree. It's very much one of the reasons why we've been hoping that we can move this transition from the CCWG-IG into this other vehicle along as swiftly as possible so that we can move from being stuck in process and actually get to doing real

substantive coordination and/or monitoring and building awareness across the community. Thanks.

KATRINA SATAKI: Thank you very much.

The next question is a very interesting one that also came from the council, specifically from the chair of our SOPC working group -- committee, sorry, the group that constantly provides their input on ICANN-related documents including budget.

So the question is what the community could do differently to help ICANN to optimize the budget spending.

CHRIS DISSPAIN: Thank you, Katrina. Do we have Xavier in the room? Do we have --

KATRINA SATAKI: We have Goran.

CHRIS DISSPAIN: Goran, would you like to take it?

GORAN MARBY: The simple answer is, of course, participate in the budget process. I mean, that is the simple answer.

But it's -- I mean, first of all, you have to put this into -- because the question sort of implies something, that we're spending, that we're always spending. We're spending a lot of money on things.

The truth is that the spending of ICANN is very much related to decisions is made by the community and the Board. I mean, most of our budget -- like I always ram down these numbers. The meetings, we do three ICANN meetings per year. That's \$15 million. We run IANA. That costs \$11 million. We have compliance. We do a lot of things that cost money.

And the question, I think, it's not about -- we have \$140 million in our budget, you know, something like that, which is -- it's a lot of money.

The question -- the question is really we reached a point but we have to learn how to prioritize.

So to answer your question is -- because it's not me. For instance, why have we had to have more people working for ICANN since the transition? Yes, because we put in so many checks and balances, and those checks and balances actually takes people. We build things like customer service -- CSC, and the other acronym right now I don't remember. We built a lot of things into it which actually takes people to happen.

So I think it's -- the answer to the question is the community is about having discussions about prioritization.

And we also unfortunately built a budget process which is hard to do that because we don't have time to do it. We are trying to fix it this year.

For the first time, we're going to have me and my executives sitting up and talking about the budget for the first time already now, a budget that starts 1st of July next year. But we're going to give an essence of how we're thinking about it.

So one of the things that we're talking about is actually create this time for prioritization. And that is that we are trying to figure out a way of doing a two-year budget cycle which means that we will -- instead of having this fairly short period of time with a lot of Excel spreadsheets, trying to figure out a way for the community to discuss what we should prioritize for the next two years. This goes very much in line with the five-year strategic plan as well.

One of the things that we talk about in the five-year strategic plan is that we have to put -- quote, I think it's so (indiscernible) -- a strategic plan without money is just dreams. So to build that into the process as well.

We can do a lot of shaving and we can do a lot of things. But in the end, we have to start thinking about what we're supposed to do.

I mean, an example from that is the review discussion we had in Panama which is on consultation that we said maybe it's not good for the money or for the people to run 15 reviews per year because they all cost money and they also take a lot of effort from the community, away from what we're supposed to do, which is policy. So spending is an interesting word, and we can use it in context.

Help us help yourself with prioritization. What is important for ICANN to fulfill its purpose to the world? Which is to provide a service to the world. And maybe we are doing things that we shouldn't. Maybe there are things we don't do that we should do.

So I will now pass the question back to you, Katrina? What are you going to do?

CHRIS DISSPAIN: Goran, actually Cherine wants to say a few words, if that's okay.

CHERINE CHALABY: Thank you.

So this goes to the action that ICANN org is taking in terms of helping replenishing the reserve fund. And we need your help there as well, not financial help but we need your help.

The reserve fund is short 68 million, and we sent out a consultation paper that suggests that there are various sources where we can access money to replenish the reserve fund. And one of the sources is that we -- ICANN org makes an annual contribution to the reserve fund. That's not going to be easy on ICANN org. But they will -- but Goran has committed that over the next foreseeable, I think, eight years ICANN org will make a contribution.

So that means some -- some trade-offs that's going to take place as part of the annual budget every year. And we need to make those trade-offs in a manner that doesn't affect our ability to deliver on our critical

mission. That is very, very important. So it's going to be some -- some good discussion between the community and ICANN org on how to achieve those savings every year so that we are able to take those savings and replenish the reserve fund. So your help in those discussions will be instrumental.

You should know that in FY18, ICANN org made a contribution of \$3 million to the reserve fund. And in FY17, the year before, 5 million. So that's \$8 million over a period of two fiscal years. And this was achieved through two things. One is limiting staff growth and the other one is finding operational efficiencies again, as I said, without impairing our ability to meet and fulfill our mission. So your contribution in the budget discussion to help ICANN org deliver those excesses every year to fund the reserve fund will be crucial, and we need your support on that. Thank you.

KATRINA SATAKI:

Thank you very much. Giovanni.

GIOVANNI SEPPIA:

Thank you, Katrina. And I'd like to catch up on what Goran just said. I cannot agree more on the fact that, indeed, this should be a prioritization exercise done on both sides. And, therefore, it would be, for instance, for us, for the ccNSO constituency, useful and valuable tool to have a -- it could be a survey. It could be an email exchange. It could be a small working group. Could be, first, discussion at the council level what we would like to see as priorities, what we would like to see the

work of ICANN, let's say, go into in the next five years and what the ccNSO Council would like to achieve in the next five years because we know resources can be reduced in the future. There is an effort on ICANN end.

But also, indeed, the question was about the community. And, indeed, the meaning of the question was that this should be, again, a coordination between the two parties to make sure, again, the priorities of one party -- you know, there is a sort of agreement between the priorities at one end and the priorities at the other end.

So I believe that this is an exercise that the ccNSO can start doing. And I wish the other constituencies could do the same.

KATRINA SATAKI:

Thank you very much.

And speaking about a question we received from the Board about our priorities for 2019, I'd like to highlight some of them. First is our work on the PDP, retirement of ccTLDs. This work is going to continue. We also hope to look again -- review IDN ccTLD overall policy and see how we can update it, taking into account learnings from the fast-track process.

Some -- we still need to develop some guidelines to make sure that we are ready to act as a decisional participant. And we also -- today we already had this exercise with the community but we also had to look at recommendations from the Work Stream 2. Those recommendations developed by the community to see if we can make

ccNSO better by incorporating research recommendations in our internal documents.

And then, of course, ccNSO review, something that we have to do. But speaking about this, I'd like to use the opportunity to highlight an issue that we had with the recent appointment we had to make to the IANA functions review team.

You may know that according to the bylaws, we are expected to appoint three members. Two must be representatives of ccTLDs that are members of the ccNSO and one representative from a nonmember ccTLD. And all three of them must come from a different ICANN geographical regions.

Taking into account that ccNSO membership has grown in the past few years -- and we certainly hope that ccNSO membership will continue growing in the future. So either we need to stop accepting new members or we need to change this requirement to something like should be -- well, it's good to have but if we cannot find such a person, then it's okay to have a member of the ccNSO.

Because at this point, we haven't managed to find a non-ccNSO member ccTLD representative despite two calls for volunteers, despite regional organizations trying to reach out to their members, despite numerous reminders and so on and so on. So just to highlight this issue.

CHRIS DISSPAIN:

Where is that requirement? Is it in our bylaw, or is it in the --

KATRINA SATAKI: It's in the bylaws, yes.

CHRIS DISSPAIN: But it's not in our bylaw. It's not in the ccNSO bylaw?

KATRINA SATAKI: No, no, no, the ICANN bylaws.

CHRIS DISSPAIN: Enhanced -- Empowered community, yes, not the enhanced community. Empowered community, sorry.

Okay. I mean, once again, an example -- it's nonsense because if you achieve the ability to have all ccTLDs belonging to the ccNSO, which would be a goal, then that bylaw can never be adhered to.

So I think we should -- have you written to us about that?

KATRINA SATAKI: We have sent to --

CHRIS DISSPAIN: You have written about the thing. We are collecting currently a sort of set of obvious things we need to fix in the bylaws. And so that's a no-brainer and obviously needs to be fixed. So if you want to send us a formal note to say that, that would be great and we'll add that to the list. And we'll try to get it fixed as soon as possible.

KATRINA SATAKI: Thank you very much. Speaking about no-brainers, the next question -

-

[Laughter]

A little bit history. During one of the ICANN Board meetings, there was a resolution asking the GNSO and ccNSO to look into the use of emoji as second-level domains. And we learned about this Board's request by accident. So, of course, we started working on it.

But in some form, we raised this question saying that -- well, first, how the Board ensures that the SO/ACs receive their recommendations, or requests to look into certain issues. That's one thing.

Second thing is how can we learn about these things and to see where they are. And we mentioned as an example one of the, oh, I think website for SSAC or ALAC where they had all these requests and we could follow and see where they are, the current status.

And when we suggested to have something similar for ccNSO, Chris, you said, yeah, it's a no-brainer. So where is it?

CHRIS DISSPAIN: That's a really, really great question.

I'm going to ask you a question. Just so that I'm clear for a second, I didn't realize, are you saying that a tool exists that is used by other SOs and ACs?

KATRINA SATAKI: It's not a tool. It's a website. One of the pages --

CHRIS DISSPAIN:

Understood. Because the answer we've got from org is, yes, they are working on it but they are working on it in conjunction with the SO/AC leadership to make it a thing that is available to all of the SOs and ACs as a trigger so when the Board says, "We want the ALAC to do this or the GNSO to do that," there's an automatic tool that deals with that. That's the answer that we've got.

If, in fact -- and, frankly, I'm surprised it's taken as long as it has. So now that I know that there are alternative methods and that they exist in respect to other SOs and ACs, I will take it as my responsibility to go away and figure out what's happening and whether or not we are doing, in fact, doing what we sometimes can be prone to do which is to design a Rolls-Royce when a Morris Minor will do. Apologize for the English cultural reference.

KATRINA SATAKI:

Thank you very much. And the last -- last question that we had was about, well, taking into account our experience, past experience, when everybody was thinking only about new gTLDs. We just wanted to know if you have any realistic sense of -- when could we expect the next round of gTLD applications?

CHRIS DISSPAIN: Avri is going to take that one. Avri.

AVRI DORIA: Thank you. First of all, I think it's a trick question, asking me to be realistic about a prediction. But since I come from Rhode Island and our state motto is hope, anything I say about realism -- they have got a schedule that basically ends in the third quarter of '19. And as it is an engaged schedule, I do start to believe it more and more, though that doesn't mean it won't slip.

The Board and GDD have started looking at the product as it solidifies and basically looking at what can be done to start building the structure that it will need so that we can shorten the gap as much as possible between the time their recommendations are ready and approved and the time it can start.

And, of course, you have a member of the ccNSO who's one of the co-leaders of one of the subgroups who probably has a more realistic view of it than I do.

But basically, you know, that drives us into '20 sometime. But I think that realistically, we are starting to work with what is workable with so we are as ready as possible without having to change things once the final decisions are made.

KATRINA SATAKI: Okay. Thank you very much. Thank you for you coming to our room. Thank you very much for answering our questions, and yeah, let's --

we're looking forward to working closely, not only during face-to-face meetings but also between the meetings. So thank you very much.

CHRIS DISSPAIN: Thank you.

[Applause]

[END OF TRANSCRIPTION]