PRAGUE – GAC Session on New gTLDs (Including Board New gTLD Committee)
Sunday, June 24, 2012 – 16:30 to 18:00
ICANN - Prague, Czech Republic

CHAIR DRYDEN: Good afternoon, everyone. I think we can begin to get settled and begin our session, which is an additional meeting that has been scheduled between the GAC and the board in light of some of the considerations for GAC members and issues that have arisen as we have been trying to plan and put in place the arrangements we need to as governments and as a committee as part of the new gTLD program. So issues we would like to today include digital archery, batching, root zone scaling, early warning and GAC advice or objections as part of the new gTLD program.

I will turn to -- I think I have two co-chairs, in effect, so to my left, Steve Crocker, the chair of the ICANN board, and also Cherine Chalaby, who is the chair of the new gTLD committee of the board. But as a bit of an introduction from the GAC perspective, we do hope to ask some questions of board colleagues today and hope that you will appreciate some of the considerations that governments are faced with and that we are attempting to be diligent in providing our inputs on early warning and ensuring that we are prepared and able to signal those early warnings and -- when appropriate to do so, as well as providing GAC advice and objections in an appropriately timely way and in a way that reflects our working methods.

So thank you for meeting with us. And with that, shall I turn for initial comments to Steve? Would you like to or should I hand over to Cherine?

STEVE CROCKER: I'll take this, but you will hear from Cherine momentarily. Thank you very much.

First of all, thank you specifically for setting up this kind of exchange. I have been looking forward to it. I'm sure colleagues on the board have been looking forward to it. And we're hoping for a very substantive, contentful exchange where we can cut through the formalities and get right to the issues that are of concern to you.

As you pointed out, we have a gTLD committee within the board; and that has served multiple purposes. One that is particularly helpful from my point of view is that it has kind of expanded our bandwidth. But even in setting that up, we maintained a basic form of -- I'm speaking for the board. And Cherine and I have had a very productive and very comfortable cooperative arrangement so that, although he chairs that committee and they take up the issues, the interactions -- the formal interactions through the board come right up through the usual chain.

So with that, I will turn things over to Cherine and get into substance of the issues here.

CHERINE CHALABY: Thank you, Heather, and thank you, Steve, for the introduction. We obvious welcome this face-to-face meeting with the GAC. And by way

of opening remarks, you all know that the ICANN staff yesterday suspended the use of the digital archery technique, which is the scoring component of the current batching process.

This was done because digital archery did not work appropriately. The committee regrets that the suspension occurred but welcomes the opportunity to take a pause, listen and consult with the GAC and the community.

We also regret the disappointment throughout the community for the system setbacks that took place recently.

It goes without say that we wish to ensure that our relationship with the GAC is always strong and respectful. We acknowledge that sometimes our actions can inadvertently make your job more difficult, especially when you have to go back to your capitals and brief your ministers.

But let me assure you that our intent at all times is to work with you towards a common goal of serving the global public interest and ensuring a stable and secure Domain Name System.

As Heather has listed a few topics on the board here, we acknowledge that these are still outstanding and we acknowledge that you have concerns that need to be addressed. We're, therefore, here today to listen to your concerns and to do our utmost to provide comprehensive answers to your questions.

As we always do, we take GAC advice very seriously. On 17th of June, 2012, we received your letter regarding three matters as follows. First, you advised us on digital archery and consultation with the community. You said in your letter, "In light of ICANN's decision to initiate digital

archery on 8th of June, 2012, the GAC advises the board to consult with the community as a matter of urgency to consider ways to improve its assessment and delegation processes in order to minimize the downside risks and uncertainty for applications. In line with the concern raised by the community, this should include a focus on competition and fairness with delegation timing.

Consistent, therefore, with the GAC advice, we will hold multiple discussions in Prague with the ICANN community regarding the processing of new applications. It will be a topic of discussion between the board and interested supporting organizations and advisory committees. In addition, the processing of applications will also be a topic of discussion during the public forum on Thursday."

And as I said earlier, digital archery has been suspended. In your letter to us, you also informed us of two timelines, the first in relation to early warning. And you say in your letter, "In terms of the GAC's role in assessing application, I can inform the board and the GAC" -- sorry, "that the GAC has identified several benefits from having a single early warning period in relation to all applications. These relate to efficiency, consistency and timeliness. On this basis, the GAC advises the board that it is planning to issue an early warning shortly after the Toronto ICANN meeting in October 2012."

The second is in relation to contentious new gTLD applications. You say in your letter, "In relation to GAC advice on any contentious new gTLD applications, the GAC is still considering its option and is awaiting further discussion with the board before making a decision. Given the delays to the gTLD application process, the timing of upcoming ICANN

meetings and the amount of work involved, the GAC advises the board that it will not be in a position to offer any advice on new gTLD application in 2012. For this reason, the GAC is considering the implications of providing any GAC advice on gTLD applications. These considerations are not expected to be finalized before the Asia-Pacific meeting in April 2012 [sic]."

On both of these timelines, we say that we hear you, we hear you loud and clear, and we are prepared to discuss them with you here and answer your questions.

I wish to conclude my opening remarks by saying that given the suspension of digital archery, the GAC as well as the community are certainly entitled to ask us about our consideration for alternative techniques for batching. Our answer to this question is that we need to find a solution that is fair, that processes successful applications without undue delays, that does not destabilize the root and that takes into account the new GAC timelines.

This week during the various consultations, we will listen very carefully to the GAC as well as to the community and we will report back to you on Thursday at the public forum. Thank you.

Heather?

CHAIR DRYDEN: Many thanks for that opening commentary, Cherine.

                          So at this time, I would like to invite GAC members that wish to do so to make some initial comments to the board.

Okay. I see Italy and Argentina.

ITALY: Thank you, Chair. So more than a comment is a request, let's say. You said that before the end of this week, you are going to provide some direction, some plans to implement an alternative to the batches.

But just to make an example, I would like to ask about the contentious strings. That could reduce -- should reduce, have to reduce the 1,930 applications to 1400. This is quite an important issue. But you should be able to tell us which are the steps you will follow to make this assignment of contested strings, in which way trying to -- them to agree on a joint application or whatever and then issue a contest in order to apply this. This is important. Not only this, there are other complexities of problems that should be analyzed and also for potential GAC advice, it is important to understand how they will be treated, like the community -- in the community applications, we may envisage that there would be some contestation concerning the applicant that is not considered representing the whole community in this community application.

And then, also, the geographic have similar problems. So a potential alternative to have batches is to try to explain and to define a proposed solution for classical, typical problems and then discuss also with the GAC in order to find if we can ease the solution of these problems. Thank you.

CHAIR DRYDEN: Thank you very much, Italy. I think you have raised some key questions that we all need to consider over the next few days. As I understand it, the board intends to reflect back to the community and provide them some feedback on Thursday but does not necessarily anticipate making a decision and providing a plan, a definitive plan on Thursday.

So can we take what are fairly detailed questions and address them as we move through the agenda and at this time take initial high-level remarks and perhaps begin to move through the agenda, the first item being the overall issue of gTLD program delivery and some of the concerns that came out of the GAC discussions that we have had while being here.

So I have Argentina, I have Australia, and I have E.U. Commission, please.

ARGENTINA: Thank you very much, Madam Chair. And thank you to the board for being with us here. Now, one comment about outreach, my region had only 24 applications and Africa 17. I think that tells something about what the future will be for new gTLDs because also our regions have very few registrars, accredited registrars. So that's something that is at least for our region, at least for my country, a concern what will happen in the future.

And another comment that is aligned with a comment from Italy is that our concern comes from which will be the criteria not only for strings but also other kind of generic or geographic names that collapse with some trademarks.

For example, Patagonia, it is a region of Argentina. But it has been requested as a trademark. Which will be the criteria for that application? And others that I have been talking with, with colleagues from the GAC, like dot Islam or dot Bible, which will be the criteria for saying they are not strings but they are concepts that would collapse with interests of different regions, countries or community interest? Thank you.

CHAIR DRYDEN: Thank you, Argentina.

Australia, please.

AUSTRALIA: Thank you. Thank you very much. First of all, I would also like to say thank you to board members in the community for the opportunity to have this discussion. It is very much welcomed, and I also welcome the pause that the suspension of digital archery offers to look at these issues.

I guess afresh, now that we actually know what the names of the actual applications are and we have some context around the discussion.

With that in mind, I would be interested if we can hear what exactly the underlying issues are that digital archery and batching look to solve. As I understand it, it is an administrative capacity-type issue for ICANN in processing applications on the one hand and also a need to have an orderly delegation into the root on the other hand.

So if there are other issues, it would be useful to know and it would be useful also to put some sort of flesh around those, what exactly are the issues and so on so that when looking at options, we know exactly what we're trying to solve with those options.

And to add something to that, I guess from my perspective, one of the key issues -- And it seems to be a message that's coming through pretty loud and clear from the community. One of the things we should be looking at to assess those options is fairness to all applicants.

It's reasonably clear that we can -- or it is probably not advisable to have all new gTLDs introduced into the root on the one day. But in looking at the options, it would be useful, it would seem to me, if the distortions that were introduced into the delegations were minimized as much as possible and done in an extremely fair way.

It seems to me that's one of the key criticisms that was associated with digital archery, that it wasn't necessarily fair, and the approach to batching blocks of 500 in rolling five-month time periods and so on introduced a fairly clunky distortion into the way that strings were going to be introduced into the root.

So just very keen to understand what problems we are trying to solve and to put some content about what would be really useful to look at in assessing the options for those.

CHAIR DRYDEN: Thank you very much, Australia.

When the GAC had an exchange about this yesterday in preparation for this session, we did note that there was an emerging or initial agreement that there did seem to be disadvantages to digital archery. And the fact of the digital archery being suspended, I think, only furthered that general sense.

So it may be useful for us to begin to look at alternatives to the batching as was envisioned and to look at ways that batching -- the underlying concerns that had led to batching could be addressed in perhaps an alternative way. So that may be a way to move the discussion forward to consider alternative options and explore those to the extent we are able in discussing this with the board today.

Did you want to reply from the board on the issues -- the main issues that you're hearing so far? Otherwise, I can continue through the speaking order.

CHERINE CHALABY: Really as you wish. My concern is there could be a lot of comments; and by the time we reach the last comment, the person who is going to respond will have forgotten the details of that comment. So I think it's better to take them one by one.

We have organized ourself by topic leaders. So this area will go to Chris and Mike.

So, Chris?

CHRIS DISSPAIN: Thank you, Cherine.

If you don't batch, you don't need digital archery. If you do batch, you need something; and one of those things could be digital archery. So the consideration really -- the clear consideration is -- first consideration is: Do you batch?

In respect to, Peter, your couple points about why we batched, yes, basically the initial thoughts were as you laid them out.

So the question in respect to batching is -- the decision in respect to batching is built around whether you can deal with those two issues, the root scaling issue -- root zone scaling issue and the -- just call it the administrative operational issue, overcome any of those problems in a single batch. And that's obviously -- making that decision that's what needs to be looked at.

So in very simple terms, the question is can all of the applications be looked at, evaluated in a reasonable period of time, bearing in mind also the guidelines that you've provided on timing in respect to early warning and objection processes? In a reasonable time and then be released, if you will -- you are released now to go to the next stage, which is the contracting stage and so on, and whether then at that stage one can deal with the administrative issues of having however many of the 1400 there are being dealt with through the contracting stage and then down to the very end, which is effectively the delegation stage.

So those are the considerations that really need to be taken into account. I don't have any comment to make about those other than that that's what they are, and we need to be thinking through those. And any input you may have -- I mean, frankly the input on dates is

incredibly valuable to us because it helps us get a handle on your part of the process. And it feeds into our deliberations.

But in a nutshell, that's kind of the -- the thought process or the thought flow that we need to go through to come to a decision. An input from you, an input from the rest of the community is incredibly valuable, obviously an incredibly valuable part of that. I can't give you a direct answer because I don't know.

Cherine?

CHAIR DRYDEN: Thank you very much, Chris. So I believe Mike Silber would like to speak on this particular issue and then I'll return to the speaking order. I have E.U. Commission, Kenya, and Germany.

MIKE SILBER: If I could just add on to what Chris is saying, I think in any processing system, you want to rate-limit going in, you want to rate-limit going out, just to ensure stability. So whether you're talking about the queue through security at the airport or whether you're talking about going into a tunnel on the road, whether you're talking about dropping Mentos into a bottle of cola, dropping them in in an uncontrolled fashion can lead to utter chaos.

So the idea is that you rate-limit, and there are some natural speed bumps through the process along the way which will lead to some different behaviors of applicants through the process, so some will emerge more quickly than others through the process.

But in any event, you also look at a rate-limiting mechanism when you go out.

The question being -- and if those of you who were in Brussels will cast your mind back to the Brussels board/GAC meeting, on the concept of early warning, the question was asked, "Well, will the GAC be able to look at all of these applications at the same time or can we look at them in batches?" And there was some discussion, and I don't think there was clear resolution, as to whether the GAC wanted to look at everything at the same time or wanted to bite it into manageable chunks.

So there's been a lot of debate as to how best to achieve the manageable chunks and what -- the most effective way of doing it in manageable chunks.

Now, my personal view is that chunks are not necessarily a good thing. Rate-limiting is really what we're after.

And batching was introduced as a way of just obtaining some limitation of rate so that systems don't collapse or get compromised if there's too much pressure put on them.

CHAIR DRYDEN: Thank you, Mike.

                                E.U. Commission, please.

EUROPEAN COMMISSION: Thank you, Madam Chair.

I must say that the opening statement that we heard is one of the most apologetic statements that I ever heard in my life.

Now, that is welcome but I must also point out at a certain point apologies and regret are not sufficient and will not be sufficient forever.

I have one direct question.

I would like to know whether digital archery has been suspended because of a technical glitch, which is our understanding from the messages we received, or because the board decided that it was a bad system, following the feedback from the community.

I would like to have a precise question on the record -- I'm sorry, a precise answer on the record to this question.

Was it a technical problem or was it a reaction to community feedback?

And the second question that I have is: We heard that the member of ICANN staff who is responsible -- who was responsible for the new gTLD program has resigned; that his functions are being followed for the time being, in the interim, by the current member of staff responsible for stakeholders relations.

Now, I would like to know which plans the board and the organization has to replace the member of staff responsible for new gTLD applications. Because without entering into the nitty-gritty operations of the tasks of ICANN, which is not our job, I must say that we have our doubts that one person can perform the function of stakeholders relations as well as the very delicate function at this moment of following the new gTLD program.

So here, as well, I would like to have -- we -- on behalf of the European Commission, we would like to have very precise answers on what are the plans of the board and of the organization in these regards.

Thank you.

CHAIR DRYDEN: Thank you, E.U. Commission.

Cherine, would you like to respond?

CHERINE CHALABY: Yes. The answer to the first question, was it just a technical thing or something else, let me tell you both the event and how the decision was taken.

We arrived here on the Friday morning and the committee had a meeting with staff and staff informed the committee that they were -- the system was acting in a way which was not appropriate. It wasn't doing what it's meant to do. And there were concerns about it.

The result of this discussion was that staff then took a decision to suspend the system.

One cannot ignore that in the background, there has been noises about digital archery, and concerns, so therefore, it was a welcome pause that this has happened.

Now, regarding the staff itself -- and you mentioned the person who was leading the program -- I'm going to revert here to Akram Atallah

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and Kurt to tell you what are they doing about the replacement and who's leading the program at this stage.

Akram or Kurt?

AKRAM ATALLAH: Hello? Yes. Hi. Thank you, Cherine.

The plan was to actually put Kurt, in the interim basis, managing the program. Kurt is the most appropriate person to fill the gap. He has been involved in this program from the beginning and he is very involved in all the steps that were designed with the community on the entire process, and he is a most capable operational manager as well, so it was the perfect reason to select him to fill the shoes of the departed -- of the departing program director.

That said, this is an interim position and we are actively looking for a replacement and we will do our best to have somebody within the next thirty- -- three to six months on the program, and as soon as possible.

So we want to make sure that whoever we have can come up to speed and can get on management -- managing the program as soon as possible, so that's why we need somebody that's familiar with the program and not somebody, you know, very quickly come in and start taking -- making decisions on that.

So there will be a transition period of at least three months before we can have somebody in there.

Thank you.

CHAIR DRYDEN: Thank you, Akram.

                       The meeting is still being scribed. We just can't view it on the screen.
                       So we will continue. Unfortunately, we can't view it presently.

                       Okay. So next I have Kenya, then Germany, Brazil, and Sweden.

                       Kenya, please.

KENYA: Thank you, Chair. And I would like to thank the board and everyone
                       else for this opportunity to discuss these issues.

                       I'm not going to touch on batching or digital archery. I think it's been
                       very elegantly articulated by my colleagues who have spoken before
                       me.

                       But I would like to go back to an issue that was brought up by my
                       colleague from Argentina regarding what we believe is a real concern,
                       especially with the numbers coming from the Africa region and the Latin
                       American region -- only 17 and then 24 -- and also looking at the back-
                       end service providers, but also linking it again back to the very -- I mean,
                       there was a lot of hard work put by the JAS group and the ALAC and
                       others in the community in terms of just developing what we're calling
                       support for needy applicants, and we note that only three of them --
                       there are only three applications, and the three of them actually do look
                       like they're from the community.

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So then is it safe to say that the communication and outreach program was a total failure, complete failure, and it's a shame?

And I think we'd really like to find out from you what you -- how you plan to deal with it going forward, and also how you plan to engage with the region from that perspective in terms of, perhaps, the next -- the next stage but also in terms of reaching out for potential -- as potential markets and potential areas that ICANN could actually engage in and with. Thank you.

CHAIR DRYDEN: Thank you for that, Kenya.

Mike Silber, did you want to reply?

MIKE SILBER: Thank you, Chair.

I think my views on communication and outreach, in particular around applicant support and new gTLD program, are well-known so I don't need to repeat them. Safe to say I agree with you completely.

I think what we need to hear from you is either: What are your expectations or what are your suggestions?

I think there are two ways we can spec this out. One is for you to give us bottom-up ideas of what would be nice to have or the other one is a top-down of what is the minimum expectation of a communications program and we leave it to skilled professionals that we have or will obtain in order to design it to meet with clear defined objectives.

I think what we had previously was a problem of lack of clarity in terms of the objectives as well as a large degree of willingness in terms of the suggestions.

And if we can get a combination of what it needs to achieve and some thoughts as to how it can be achieved, we can work with the community to develop that further.

CHAIR DRYDEN: Thank you for that, Mike.

Steve, did you want to comment?

STEVE CROCKER: Thank you. So looking at Latin America and Africa is obviously a major point of attention.   These things always have some interesting dynamics. Did we not communicate well enough? Is there not enough interest in the region so that no matter how much we would have communicated, it wouldn't have changed anything? There are several different aspects to that.

Clearly coming out of this whole process, we will, in preparation for the next round -- And there's already questions as to when there will be a next round and how it will be handled. And there is a session on this at this meeting -- we will have learned quite a bit. And one important area to focus on, and that I think we want to gather as much information as we can, is what do we learn going forward.

So I want to emphasize the idea of advice and direction and participation for sure from these regions, from your region and from

Latin America -- both Latin America and Africa so that whatever the efforts are that are needed to provide the necessary support are structured in a way that matches and that expectations are set in an appropriate fashion.

I have no clue, frankly myself, as to what the right numbers were. Those numbers are obviously smaller than from other regions. To characterize those as a total failure, with due respect to my colleague Mr. Silber, I don't know that those are total failures. 0, 0 would be a total failure, I guess.

There is a lot of things to be said about the context in which these businesses are created, and they are businesses and they're complex and somewhat expensive to operate. And not everybody can afford one, and even if you can afford one, it is not necessarily useful.

I think -- I don't think we want to go forward without examining these questions very closely. And I think the good news is that the experience we're going to gain in this round will tell us a lot more than we knew before. So I'm somewhat optimistic going forward.

CHAIR DRYDEN: Thank you for that, Steve.

Next I have Germany, please.

GERMANY: Yes, thank you, Madam Chair. And thank you for the possibility to participate in this kind of exchange on the future of the gTLD application process.

As other colleagues, we also appreciate the suspension of the digital archery system. I think it was, from our point of view, rather cumbersome. But I would have expected some further discussion and clarification here. But since it is suspended, I think that's a quite a good way forward.

One issue I would like to raise for our discussions now that whatever may come to our discussion should not lead to further extent the timelines for the total application process because I think these applicants have now made application and they expect a delegation as soon as possible. And, therefore, it should be also as soon as possible that we come to a decision.

Having said that, I think it would have been -- it would be as GAC would have expected a discussion on the system of -- yes, for prioritization during the Costa Rica meeting. And I think everybody who was participating in Costa Rica at least from my GAC colleagues expected that a thorough exchange on this issue. And with all respect, I think that we are here now to discuss objectives for such a process is rather late.

I think we could have exchanged it in a general way four months ago without any problems and allowing ICANN to give us some various options where we can choose from and discuss it within the community.

And now not coming back in a situation where we are now asked to give some considerations. And afterwards we may hear ICANN's decisions which may be also discussed afterwards from parts of the community.

Having said that, I just want to concur with our colleague from Australia who mentioned quite clearly that the future model, the truth for

prioritization should be a level playing field for all applicants and should be really, really fair for everybody.

Having said that, I also would take -- would ask to take into consideration -- we do not have a strong position but we should probably discuss it and consider it -- that we have certain applications that have support from communities and they would be married if they have some kind of prioritization.

And I also understand the question of my colleague from Africa. If we have this prioritization process, we may also look at some regional aspects for the applications. And if we start delegations, they should not come -- if it is the first delegation, it should not come from one region or a couple of regions. They should cover all regions possible.

These are more or less -- or these could be some objections. We could offer further discussions.

But coming back to my first remark, the most important issue is that we receive some kind of options we can choose from and give ICANN our position to. Thank you.

CHAIR DRYDEN: Thank you for that, Germany.

I believe, Gonzalo, you wanted to speak about the issue of developing countries. Yes, please.

GONZALO NAVARRO: Thank you, Heather. I'm going to refer briefly to the position expressed by our colleague from Argentina and from Alex in representation of African countries, I have to say.   Well, the number -- or the weak numbers that we have in the program are just a symptom of a bigger problem, I have to say.   And we have discussed this problem -- our biggest problem many times in this very room or with the same people, which is perhaps a mix of lack of interests in our regions and a lack of resources to follow when we have interests in this kind of foras.

CHAIR DRYDEN: Gonzalo, could you speak up?

GONZALO NAVARRO: Okay. I will get close to the mic. My colleague from Turkey is suffering an injury, so I'm a little bit afraid of injuring more.

So I was talking that this is just a symptom of our biggest problem. Our biggest problem was debated here in this very room or with these very people, lack of interest in some cases, lack of resources in most of the cases.

This is not just happening in ICANN but in other multilingual foras.

What is important is -- well, I'm really happy to see, by the way, that the presence of Latin American countries in this body is increasing. And I hope to see more faces or familiar faces in the future, is that we are getting experience in this round about how to allocate resources and how to help -- how to promote and how to incentivize our regions to participate and to be part of this process.

Mike was proposing some course of action and we have some options with the bottom-up. But what is important is not -- is that we need to work together in achieving those important measures.

CHAIR DRYDEN: Thank you, Gonzalo.

I have Brazil, Sweden, Australia, Portugal, and U.K.

So Brazil, please.

BRAZIL: Thank you, Chair. I'd like to speak in Portuguese.

It's not Portugal, it is Brazil that is going to speak.

So first of all, I would like to consider the words said by Mr. Chalaby.

Instead of going back to our capitals with poor results from this meeting or bad news about the new gTLD program, countries like Brazil and others are within a larger discussion, a larger process of bringing in more countries to this institution.

The situation of legitimizing GAC's situation or this multistakeholder approach to other countries --

Is it working? Is the translation working?

So more important than the result that we may take back to our capital is the largest result we are taking to some other fora that are discussing Internet issues.

It's quite difficult for countries that have a moderate position like Brazil defend a multistakeholder model that share problems that, from our point of view, are quite complex.

Therefore, I would like to call your attention to the seriousness of this problem that goes beyond a specific result by country.

And going back to the thoughts of the Germany representative and the representative of the European Commission, I would like to tell you my thoughts. Considering that this was a technical problem, the problem of the digital archery, the problem of the new gTLDs, Brazil has always had a critical position in that respect and will still be so.

There were some justifications on the basis of public interest, so the public interest will be behind the legitimization of the new gTLD program and considering there has been a technical problem, we might develop a process with two elements.

One of the elements would be a group element, and in this case we may listen to the demands from Argentina, Brazil, Kenya, South -- and the whole of the African region, the requests of which -- or the applications of which do not reach 1%.

5%, I should say, of all the applications for new gTLDs come from these regions.

So we may group all these applications, on the one hand, and treat them with respect, the geographical names and some other priorities.

And on the other hand, we would have the rest of the group that may continue with the batching process or however you may divide it.

Why am I suggesting that?

Why am I suggesting that?

I am suggesting that because from the point of view of Brazil, it's not important to take back some result to Brazilia.

What is important is to still have this multistakeholder approach, this multistakeholder model, as something that is legitimate.

If there is any doubt about ICANN's transactions ahead, it would be very difficult to bring some other countries that are not represented -- and countries from the African and the Latin American region, it would be difficult to bring them here.

So we should have a commitment when leaving this meeting of having a differentiated solution for those applications that are really of public interest, or represent at least public interest, or it will be harder and harder to be supportive of a program that is difficult, is complex, and full of problems.

So I suggest -- and I'm saying Brazil has been criticizing this program from the very beginning. However, we are still here. We have kept on offering suggestions, and all people here know about that.

But we see there is a problem of legitimization of the new gTLD program.

Having said that, at least we might be able to mitigate these problems by separating the process in at least two elements.

This has not been discussed by the GAC. We have a couple of days to make suggestions, but really, I'm suggesting this on behalf of the Brazilian government.

I am suggesting this idea to the board, to the new gTLD program committee, because the result of these meetings, the result of these discussions goes beyond my relationship with my government. It affects the relationship of several countries that are not here around the table, their relationship with the multistakeholder model.

Thank you very much.

CHAIR DRYDEN: Thank you for those remarks, Brazil.

Sweden, you are next, please.

SWEDEN: Thank you very much, Madam Chair, and thank you very much, also, the board or the committee to be able -- for giving us the ability to have a dialogue with you, and I will echo my colleagues also saying that.

As many of my colleagues have said, I also welcome the suspension of this digital archery system and I also welcome and feel reassured that you're doing this course or for the time is going to have a dialogue not only with us and the GAC, but also with the rest of the ICANN community.

Even if I absolutely agree with my German colleagues, it feels a little bit late, actually, so this dialogue, this open debate about these things

should have happened, of course, earlier, but now we are here, so that's very good.

I think -- it's -- I -- this is something we've been talking about and I've been talking about many, many times before. I mean, how -- how important it is to have tools in place, how to do the batching, or how to introduce the gTLDs in a fair way for the stability reason or fair for the applicants and all these kinds of things. This is very, very important and hopefully we're going to have some -- or you're -- we're going to have some system that's going to work.

But I think it is equally important -- and this is also something that I've said several times before -- that we have some tools, actually, if it is the case we will have some problem. It could be stability technical problems, it could be administrative issues or whatever, but we need to have tools in place to be able to stop the process or slow down the process or -- or monitor the process or whatever needs to be done, if it is the case we need [sic] some problems.

And of course we need to have evaluation to be able to detect these issues.

And this system or mechanism is -- I'm not -- I don't feel confident about this. I need to -- I would like to have more information about this before everything starts in the reality.

Okay. Thank you.

CHAIR DRYDEN: Thank you for that, Sweden.

I have Australia next, please.

AUSTRALIA: Thank you.   And I guess I'll start where my colleague from Sweden finished, which is: more information.

So to pick up -- I'm going to follow on from my previous comment, and thank you very much, Chris, and to others who have clarified that the two issues are administrative sort of operational capacity for ICANN and rate limiting or -- and some sort of prioritization, potentially, to assist with that rate limiting.

But I'm interested, first, in whether -- whether rate limiting is needed, I guess is my question, Mike, and I don't feel I have enough information to understand whether ICANN needs to intervene to rate-limit.

I understand rate-limiting is needed in terms of the root, but whether ICANN needs to actively rate-limit.

So as I understand it, assuming if there was a single batch or a single assessment process, once that's finalized there are then a series of steps which go between that and any delegations, and it's not clear to me in that phase, which I think in the guidebook is called the transition to delegation -- there are a number of steps that happen -- whether it's likely that applicants will be separated naturally; whether there are contracts, negotiation steps, where the applicants need to do various things which are within their control, as opposed to ICANN's control, forcing some kind of prioritization or rate-limiting; whether there is going to be some sort of natural prioritization from the applicant's side.

I don't understand, so that's simply a question.

CHAIR DRYDEN: Thank you for that, Australia.

So I see we're on the agenda item of batching and what are some of the -- the options and considerations.

Chris Disspain, you were speaking to the batching issues?

CHRIS DISSPAIN: Thank you. Thank you, Heather.

CHAIR DRYDEN: Please.

CHRIS DISSPAIN: Okay. So let me try and take you through the process.

Firstly, prioritization is not the same as rate limiting, okay? So rate limiting is different.

So what we're talking about at the moment is rate limiting.

There are a number of -- so for the purposes of this discussion, let us assume that there is no batch. Let us assume that it is a single batch.

And what I'm trying to do is to give you a flavor for the considerations that we need to take into account, which include the questions that you've asked, because your questions are our questions.

So if you assume that there's a single batch, there are a number of built-in rate limiters that already exist.

So you get to the point of initial evaluation.

You finish initial evaluation.

Initial evaluation splits the numbers into a small number of groups.

There are those who pass. There are those who have gone off to extended evaluation. And there may be some who have got clarifying questions and for some reason they haven't been dealt with yet or answered or whatever. But ignore that one.

It's effectively two: Fail, which is extended evaluation; and pass.

So that's your first limit is because the extended evaluation ones are going off somewhere.

There is also the contention set ones, of course, which go off into a separate little bucket over on the side of the room.

Then you go through a process that culminates in the signing of the contract.

In the guide -- in the applicant guidebook, it clearly states that contracts will be dealt with on a sort of first-in, first-served basis.

So when you're ready, you -- and that is another split, because there will be some parties who will wish to sign the contract as-is, and that's fine, and then there will be some parties who will wish to negotiate the contracts.

So the negotiating contract parties go off into another side room somewhere.

So now you're left with all of those who need to -- who are happy to sign the standard contract. They're obliged to provide that contract signed with a lump of supporting documentation. Doesn't matter what it is for now. It all comes in.

And the guidebook clearly states the contracts will be dealt with on a first-in basis.

So contracts arrive. They're dealt with as they come in. Then they're sent back signed.

Quite clearly, there's a limit there because there's only a certain number of contracts you can deal with in a day, there's only a certain number of contracts you can sign, and so on.

They go back.

Then there is -- the next question is: Well, is everyone who gets their contract back going to immediately want to rush to delegation?

Some of them will. Some of them won't.

So you have another in-built limit there.

Those that do then have to go through a process. There's a technical testing process and a few other things that need to happen.

If the registries -- if they're having services provided by a registry services provider, there are certain things the registry service provider will have to do.

And then eventually you reach a point where there is a request for delegation.

And the moment the request for delegation happens, it becomes an IANA matter, and the application for delegation goes into IANA.

And then there's another rate limiter there because IANA only -- can only deal with a certain number of applications.

And there is, in fact, a final, final rate limiter which is that the process by which IANA delegates involves external parties who have to do some box ticking and a few other bits and pieces.

So by the time you've gone through that whole process --

So the question is: Is all of that sufficient to cause enough rate limiting or not, assuming you had a single batch.

Now, the reality is that most of that stuff that I've talked about is exactly the same whether you have a batch or you don't. It's just whether you're rate-limiting a batch of 500 or you're rate-limiting effectively a batch of 1400.

So that's, in a nutshell --

I hope that answers your question.

AUSTRALIA: Thank you, Chris, and it certainly does answer my question.

Look, I am no expert but I would talk off the top of my head. It sounds like it would. There's a lot of splits, a lot of steps. There are some

things where it's first come, first served already built into the system where it sounds like we're going to be dealing with 1400 as a maximum after all the contended strings are dealt with, and from the delegation point of view, the target appears to be 1,000 per year.

So with all those steps built in, I'd be frankly quite surprised if there was going to be a thousand rushed within the same time frame.

But perhaps -- look, that's just my initial view. I would love to hear from experts.

But if that's the case, then one of the reasons for having batching appears to disappear, and from my perspective, I think that would be good.

CHAIR DRYDEN: Thank you very much for that, Chris.

I'm going to move further through the speaking order, so we have Portugal and U.K.

PORTUGAL: I'm also going to speak in Portuguese.

Now it's the time for Portugal.

I also want to express our satisfaction regarding the suspension of digital archery independently of the reason why it was done. It is a process that is worse than the lottery. It is a process that doesn't guarantee anything, no equality. And a lottery would actually be a rather bad solution for a situation like this.

What I wanted to highlight is something different here.

We heard the member of the board referring, for safety and security reasons, to the new gTLDs who should never be uploaded to the root simultaneously, and he even gave some examples of physical situations where this could not happen, and this is exactly true. This is an exact observation.

But we need to focus our attention on the fact that we are talking about compliance and delays that are a bit different, and for technical reasons perhaps in order for the uploading system in the root to function properly, and also the magnitude that is more related to the delays that result from the consideration of candidacies that are different and so we have different batches.

After considering the candidacies, the number of gTLDs will be uploaded to the root. Probably the number of gTLDs will be lower than the ones that are mentioned in those candidacies.

We have also heard what Chris Disspain said, meaning that once a candidacy is approved, there are a number of administrative processes that need to happen so that we are in a condition to have a gTLD for a certain root.

And as it happens, with normal common administrative processes, with the first come, first served process, if we have a problem with those candidacies, there will probably not be a technical difficulty that was referred to regarding uploading them to the root.

So this leads us to consider the following.

If with the additional information that we have, and with the candidacies that we received and that were submitted which create a completely different situation from the situation we had from the very beginning and that led us to have a process that would be experienced for the first time, if we reach the conclusion that a single batch would lead to an average delay in approval of the candidacies, the applications that are not successful if we're thinking of an average process and not of the applications that need to be approved, think of this: think of the average.

All the batches that are approved are not excessive.

So I think there would be serious reasons to consider the possibility of organizing a single batch with the equality advantages that we would naturally have from this.

I do not want to offend this system, but I think there are strong reasons to consider this possibility submitted here.

CHAIR DRYDEN: Thank you, Portugal.

United Kingdom.

UNITED KINGDOM: Thank you, Chair, and many thanks, indeed, to the board gTLD committee for joining us today. I think it's been -- obviously it's a very timely discussion we're having, and it's proving very fruitful and informative.

I have a question, an expression of concern, and a suggestion.

So I'll try and quickly go through those without taking up too much time.

My question is: Is the committee satisfied that the scenario planning that was undertaken before the round took into account the range of possibilities, including the one we've got now?

And by that, I mean the volume of applications, the range of types of applications, the extent of the involvement of brands, which I -- is a significant factor here, I think, the high level of

I'm getting the impression -- this is a kind of comment back on -- backing onto the question that, really, we seem to be sort of trying to work out a way forward now. And we're doing away with batching. So was there actually -- you know, one of the scenarios that, actually, you didn't need to have a batching process. You didn't need digital archery. And maybe it was a matter of looking at sort of rate limitations, a very valid point. But maybe actually, what we have now, the scenario we have now, the reality, actually could accommodate some judicious rate limitation. But, anyway, my question is: Are you satisfied that the scenario planning was effective and comprehensive enough to prevent the kind of turmoil and controversy that seems to be dogging us at the moment, which is very undesirable for ICANN and the impression that ICANN gives to the wider community.

My concern, secondly, is not related to that. Well, it's kind of related. Three European capital city applicants wrote to ICANN to express grave concern about digital archery. They felt they were being wholly disadvantaged by it. That includes dot London, the applicants for dot

London, the mayor's Office of London. The Prime Minister approved that application. And then we heard about digital archery, and then we heard about their concerns that they would actually be squeezed out and relegated to a batch, you know, way down the track. And they wrote to you. I can't remember the exact date. I don't think they've had a reply. And I'm not sure the other two either, have -- dot Vien for Vienna and dot Berlin. They wrote in similar terms with grave expressions of concern.

So my concern is that the communication doesn't seem to be very effective in actually responding to those particular proposals relating to capital cities. So I want to put that on record.

Thirdly, now, with regard to stakeholder participation from developing countries, I do think it was a catastrophic failure. Because a lot of, you know, credibility of this process was hanging on that. And I talked about that in many fora that ICANN's got to deliver. And it's a particular failure, because we've seen the successful rollout of national and regional multistakeholder Internet governance fora across the world. Not everywhere, I must admit. But, if you look at Africa, it's pretty comprehensive. You've got regional Internet fora throughout Africa. And there you've got a ready channel of access to business stakeholders, to communities, to cultural, local advocates, and communities for those -- and to governments, of course.

So I think that you may have missed an opportunity there, which was staring you right in the face. Because I know ICANN has been engaged in quite a lot of Internet governance fora activity.

So I'm turning that into a suggestion for the second round. Really look to those ready channels of communication where you've got stakeholders, communities, all coming together. I hope that's a helpful suggestion for the way forward in re-establishing the credibility of this initiative for the global community. And we've -- U.K. and many others around this table have been talking about that expectation for a long time. And we're severely disappointed. And that's why I think it is a catastrophic failure. Thank you.

CHAIR DRYDEN: Thank you, U.K. Indeed, the point about credibility is an important one.

Cherine, would you like to reply to that?

CHERINE CHALABY: I think Mark's question is about the -- was there a comprehensive scenario analysis? That was the question. I don't know if any one of my colleagues would like to take that question? Mike?

MIKE SILBER: Thank you. Mark, you started off going through scenarios, each of which we had covered within the board and with staff over time. You then continued elaborating on scenarios which were getting into such a level of detail that we hadn't contemplated every single scenario that could have been. But we certainly looked at scenarios that were quite similar to what we're looking at now.

The reason I use rate limitation rather than batching, batching was a modality of rate limiting that was suggested. And our chairman made a comment a little earlier that I'd like to repeat.

A thousand in a year is not a commitment to take at the beginning of the year a batch of a thousand, dump them into the root, and then spend the rest of the year sitting and watching what happens to them.

It is to put them through, on a reasonable or with reasonable limit, with regard to rates so we can assess any problems as they may come up from time to time in that process. So, please, don't suggest or don't think that, if we do it as a single batch, that suddenly we're going to dump a thousand in the year and there's going to be quality. There will be trickled into the root during the course of that year.

And the figures that our chairman gave was, if we assume -- and I don't know the exact number either -- 250 business days in a year, that would mean that we're looking at approximately 4 per business day, or we may go into slightly bigger numbers of 10 at most. But we wouldn't like to see significant numbers going in to the root at any one time because it could cause a stability issue that your capitals are actually concerned about.

I'd like to go back as to what we need from the GAC, which is your letter led us to certain suggestions or into certain beliefs that it would be very helpful for us in deciding whether we can start the process as a single batch and then use the natural speed bumps through the process to rate limit. And that is: Would you prefer to give your early warning in a single batch as well? That certainly would help us. If you turn around to us and say no, we want to give it in five batches, that's going to be very

useful for us to know in terms of how we design the process. But, if you can say we'll do early warning all at the same time and this is the date, then let's start with that. And let's work it into the process so we can make sure that everything works as a combination together.

CHAIR DRYDEN: Thank you, Mike. And Cherine did reference the letter of advice that we provided to the board earlier. And I think there is a sufficient degree of clarity there about the direction in which the GAC is moving on early warning and related issues.

So, at this time, we're running past the allotted time. And I do not have additional requests for the floor.

Netherlands, do you --

NETHERLANDS: Yes, I thought I already requested it. But okay. Maybe there was a miscommunication. Thank you.

No, I just wanted to touch -- many colleagues have already touched the issues which are at stake now.

One issue which I would like to touch is about the decision of having digital archery. And I think this -- to me, it illustrates a flaw in the sense that, if we have ATRT recommendations and working hard on it, on implementation of these recommendations, which, basically -- let's say the sense of it is that the board is sensitive for public policy issues, public policy implications. And still end of March there's decision made

without consultation on digital archery, which to me -- and maybe we saw it too late. But, of course, we're not experts on digital archery.

What you see is this decision has really public policy implications. It has perhaps unintended effects on competition, on fairness. And, to me, this is something which I really urge that this is kind of a learning point taken on board. That this decision should not have been made as kind of an operational issue in a board meeting without consultation.

So that's one concern. I think I'll refer also to my Brazilian colleague. This doesn't illustrate something which we can use to defend this model. We -- of course, everybody here in this room is defending the model. We are defending the model back home. And we can only defend it if we see some kind of sensitivity from the board for public policy, public interest.

The second point is, I think, on the batching. Of course, I think many of us in the GAC already agreed before that having no batch will really circumvent many, many, many problems of competition, problems of fairness, and also problems we even cannot anticipate. Because, if you're in the fourth batch, you can maybe sue, let's say, ICANN or the program because of certain aspects which were not seen yet.

So I really would urge to look for -- now that we know the taxonomy, I think many also refer to this, we know exactly what kind of categories we have now.

If ICANN and the expert look very closely at the taxonomy and the kind of applications, maybe it's possible to have a single start, which in the end, as I -- as Chris explained, of course it will be -- depending on the

lead times of every application, it will be successfully put in the rolls. But start, let's say, with one starting point. Thank you.

CHAIR DRYDEN: Thank you, Netherlands.   I believe Cherine would like to respond to that.   Then I have Switzerland, and then I will move to close the speaking list and the session. Cherine.

CHERINE CHALABY: Thank you very much. I think we -- what you say makes a lot of sense. And now, specifically, that we know information we did not know a year ago, we know the list, we know the numbers -- it makes sense to have a level playing field from where you start. And we hear everybody talking about the single batch. We hear how this can ease a lot of problems.

So we heard you, and we don't necessarily disagree with you. So --

CHAIR DRYDEN: Thank you, Cherine. Switzerland, please.

SWITZERLAND: Thank you, chair. First of all, I would like to join brazil, the U.K., and others who expressed their concerns about the performance of this program, of this process. Knowing that I, as they, happen to represent my country in the U.N. where we discuss issues like enhanced cooperation and the usefulness or not of multistakeholder or maybe better private sector leadership in Internet governance. And the new gTLD program is something -- is a window of opportunity that could

prove that this model is actually working better than other models who are proposed as alternatives to this one. And, therefore, we would -- we have mentioned several times in the past years how important it is for the legitimacy of this model to have -- to act in the global public interest and with the new gTLDs. That means to allow for at least something like a reasonable distribution of new gTLDs around the world. The result is not really so far that satisfactory, I would say.

I will not recall that we made some proposals about creating different categories with different financial schemes maybe for weaker -- financially weaker stakeholders. Maybe the applicant support program came slightly late. And there would be other reasons for why we are where we are. I think that's now history. We have to try and be better very quickly and perform better. Otherwise, it will be very difficult to defend the model in the other international fora. That was my first comment.

With regard to the batching and the process, I'm very grateful for Chris to explain it to us -- and this is the first time at least me, personally, I have heard something about the processing and how that actually works and how much time that might need. Because, when they talk about whether there's a need for batching or not, my first question would be, well, what is the actual time spent between batch 1 and batch 4? Are we talking a month? Two months? Half a year? One year? Two years? Because, if the time spent is actually quite short and the whole process and the rate limits are kind of weakening the problem anyway, then why don't we just do whatever we want and start the process and it doesn't really matter whether we use the digital archery process or not? But, if the time spent between the batches is

very long, then that will probably matter. And we have to really find a way that is just and fair to all competitors in this new thing. And at least -- maybe I missed it -- but at least me, I haven't heard any indication of the time that would be put between several batches. Because, first, that is a fundamental question, I think. If possible, we would also prefer no batch but doing everything at once with the rate limits and the national delays that will occur. If there are batches, the time difference is -- time distance is something that's really important.

And then allow me one last remark, which is about something that we will be confronted all probably. And I just want to flag you the issue. There are several applications for generic terms, things like food, health, kids, so on and so forth by one company who is a competitor in a market that is somehow linked to these generic terms. And we think that raises issues of public interest. If you have one company who gets something like "kids," which is probably the most sensitive ones of these, we should -- the GAC but also ICANN and those who will then decide on how to deal with these things, we should, in the next few months, get a clear vision on what is the public interest or what is at stake or other risk for the public interest. And how should we deal with generic terms and private competitors in a market that might create monopolies or might have effects that we do not yet foresee? But I think this is an important issue that I urge everybody to think about it. Thank you very much.

CHAIR DRYDEN: Thank you very much, Switzerland.

So with that, I think we can move to close this session. A sincere thank you to our board colleagues and our gTLD committee colleagues for meeting with us today. We do appreciate it. And we appreciate your coming to listen and to try to answer our questions.

For the GAC, a few announcements. We have our board/GAC cocktail following this meeting. So I hope we will take a moment to talk informally with our board colleagues. I think it's an important way for us as well to have communications with our colleagues.

And to my right you will see the incoming CEO, Fadi Chehade, in between Ray Plzak and Sweden. And he's going to be joining us at the cocktail, so you may wish to say hello to the new CEO.

And other announcements: Tomorrow in the morning remember law enforcement has a series of meetings in the morning that we are invited to. Also at the end of the day, we're invited to a meeting with the country code name supporting organization to do some outreach about country codes. And those in particular that do not have a country code participating in the ccNSO are invited to be there. I will be there. So please do attend, if you can. Have a good evening.

STEVE CROCKER: And, on behalf of the ICANN board, thank you all. This was a very contentful and direct exchange, and I think it was very helpful. Thank you.