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Workshop on Member States' experiences with ccTLD

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DOCUMENT FOR ccTLD WORKSHOP

Source: The Internet Corporation for Assigned Names and Numbers (ICANN)

Title: ICANN and Reform

Any organization, whether new or well established, benefits from periodic 'self assessments' of what and how it can improve. In 2002, ICANN completed a community-based self-evaluation that resulted in a series of significant reforms. This paper focuses on the status and effect of these reforms with respect to ccTLDs and governments.

Under the reformed structure, there will be a Country Code Names Supporting Organization (ccNSO) directed to matters of global policy and other issues affecting ccTLDs. Work towards the structure of this supporting organization is nearing completion, and will be finalized by the next ICANN Board meeting in late March 2003.

ICANN is a public/private partnership in which governments play a critical role where matters of public policy are concerned. Governments and distinct economies participate in ICANN through the Governmental Advisory Committee (GAC). Governments representing over 90 percent of the world's Internet users and domain name holders participate actively in the GAC; membership is open to all national governments and distinct economies; and, on invitation of the GAC through its Chair, other governmental and international treaty organizations.

The GAC played an important role in the ICANN reform discussion, advising on structures and processes to strengthen governmental participation in ICANN and to integrate governmental advice more firmly into the ICANN decision process where matters of public policy are involved. The GAC plays a key part in issues affecting ccTLDs and their relationships with their governments.

ICANN is an unique organization formed to coordinate, at the overall level, the global Internet's systems of unique identifiers, and in particular to ensure the stable and secure operation of the Internet's unique naming and addressing systems. ICANN executes its mission through the voluntary development of consensus-based policies and the creation of bilateral agreements with relevant stakeholders.

ICANN acts as a forum for the Internet community to develop global policy relevant to ICANN's technical mission, including infrastructure operators, governments, the technical Internet community, business and social organizations, and users from around the world. A

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key purpose of ICANN is to institutionalize an informal system under the control of a single government to a more formalized global system based on a public/private partnership rooted in the private sector.

The initial formation of the organization was most challenging and often controversial, balancing the interests of many conflicting viewpoints. It has taken dedicated and hard work of many individuals, institutions, and governments, to accomplish some significant milestones. ICANN has developed and launched a system of competitive registrars; implemented a Uniform Dispute Resolution Policy to provide efficient and effective ways of resolving domain name disputes; and introduced seven new generic top-level domains (TLDs). Operationally, ICANN has performed the IANA address allocation and protocol numbering functions for four years, and assumed direct operation of one of the DNS root name servers. From its first to its most recent Board meetings, ICANN has matured and is well poised for the future.

A key step in this maturation has been the recently completed reform process transforming "ICANN 1.0" into "ICANN 2.0". These reforms were launched in February 2002, with a paper I presented to the community: "ICANN: The Case for Reform" and carried forward by the Committee on Evolution and Reform (the ERC) appointed by the ICANN Board of Directors. I pointed out that it would be extraordinary if ICANN, an organization that has no real precedent as a public/private partnership, "got it all right" the first time around. Although ICANN has accomplished much since its inception under very difficulty circumstances, I noted that three key problem areas needed to be addressed if ICANN were to continue to succeed in the future:

1. **Too Little Participation by Critical Entities.** The essential participants in an effective ICANN are, in no particular order: (a) the various infrastructure providers of the Internet, broadly defined; (b) major users; (c) the relevant technical community and (d) national governments. Since ICANN does not have – and should not have – any powers of compulsion, ICANN needs to find other ways to make it more attractive for more key participants to become fully committed.

2. **Too Much Process.** ICANN was born with a particular and intense focus on process and representation in support of its core values of openness, transparency, and accountability. This focus on process had overwhelmed ICANN's ability to be effective. Without sacrificing these core values, the balance needed to be reversed.

3. **Too Little Funding.** ICANN has been inadequately funded to achieve its mission. ICANN was launched with no guaranteed funding and had to claw its way forward. It is now funded from contractually obligated and voluntary contributions from registries and registrars. But these generous contributions have been historically lower than necessary to provide essential services. There have, however, been positive recent changes.

Change was needed for ICANN to succeed in the future. The ERC has responded magnificently to the challenge. It has conducted an extensive and open process involving significant community participation and dialog over the past 8 months. This has culminated in a new set of Bylaws for ICANN, now in place, that significantly transform the organization, and address many of the key problems identified in my initial report.

These new Bylaws make over the entire structure of ICANN, particularly of the ICANN Board of Directors, and of the Supporting Organizations that bring together the work of ICANN's various constituencies. The composition, the means of selection, and the policy development processes have changed to where the focus will be on effectiveness supported by efficient processes. The means of working with the critical Governmental Advisory Committee have been redefined to ensure that government advice is properly integrated into these processes where matters of public policy are

involved. Communication channels have been strengthened to ensure that important advice is heard, including the addition of governmental and other liaisons to the Board. New avenues for meaningful participation by informed users have been integrated into the reformed structure, and new modes for streamlining accountability and transparency have been initiated to replace the initial experiments that have not worked as well as they might. At the same time, increased funding will improve ICANN's operational responsiveness in providing IANA and contracting services to the various communities served by ICANN. Work remains to be done in filling in some of the important details, particularly those targeted towards the first problem identified in my report, but good progress is being made.

One area of significant progress, is ICANN's relationship with the country top-level domains (ccTLDs). Under the reformed structure, it is envisaged that the ccTLDs will participate in a supporting organization devoted exclusively the global policy issues that affect ccTLDs. Work towards the structure of this supporting organization is progressing well, and it is anticipated that it will be finalized by the next ICANN Board meeting in March 2003. The ccNSO will play an important role in the ICANN structure, providing advice on global policy issues, as well as addressing issues unique to ccTLDs and their operations.

One issue that requires much work relating to ccTLDs, is the challenges relating to ccTLD redelegations. No redelegation of a ccTLD manager is the same; each case is unique and each set of circumstances requires the appropriate level of attention. In general, there are about fifteen categories of redelegations that ICANN must address, and even within these categories, of course each situation is again unique. Each situation requires careful cooperation with the local Internet community, including governments.

The role of governments in ICANN is of utmost importance. Governments and distinct economies participate in ICANN through the GAC. Membership in the GAC currently represents over 90 percent of the worlds Internet users and domain name registrants, and is open to all national governments and distinct economies. Additionally, governmental organizations and treaty organizations, on invitation of the GAC through its Chair, or on invitation of the ICANN Board, participate through the GAC. The GAC played an important role in the ICANN reform discussion, advising on structures and processes to ensure an appropriate vehicle for governments' participation in ICANN. Among its work, the GAC also plays an important role in discussions with ccTLDs on ICANN-related issues of mutual importance. As noted above, under the reformed ICANN, the means of working with the GAC have been redefined to ensure that government advice is properly integrated into the reformed processes on matters of public policy.

ICANN is well poised for the future, and the ICANN Board of Directors and the community are in a position to carry ICANN forward in its mission.

Relevant links:

- ICANN: http://www.icann.org

- ICANN President Report, "ICANN: A Case for Reform":
  http://www.icann.org/general/lynn-reform-proposal-24feb02.htm

- ICANN: A Blueprint for Reform: http://www.icann.org/committees/evol-reform/blueprint-20jun02.htm

- ICANN Evolution and Reform Committee Documents:
  http://www.icann.org/committees/evol-reform/links.htm

- ICANN ccNSO Assistance Group Status Report and Workplan:

  o http://www.icann.org/committees/evol-reform/ccnsoag-report-29jan03.htm

- Preliminary recommendations on Scope:
  http://www.icann.org/committees/evol-reform/ccnsoag-report-22oct02.htm

- ccNSO-AG Communiqué after consultation with the ccTLD Constituency

- Preliminary recommendations on Policy Development Process:
  http://www.icann.org/committees/evol-reform/ccnsoag-report-11nov02.htm;
  Clarification: 29 November 2002

- Preliminary recommendation on Membership:
  http://www.icann.org/committees/evol-reform/ccnsoag-report-10dec02.htm

- Preliminary recommendations on Council:
  http://www.icann.org/committees/evol-reform/ccnsoag-report-24dec02.htm

- Preliminary recommendations on Structure:
  http://www.icann.org/committees/evol-reform/ccnsoag-report-28jan03.htm

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