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MONTREAL – At-Large Policy Issue on SubPro; Finance FY21 & ICANN Legitimacy Study  
Saturday, November 2, 2019 – 10:30 to 12:00 EDT  
ICANN66 | Montréal, Canada

JOHN LAPRISE: Order. Maureen to the front of the table, please. We've got to get this session going.

GISELLA GRUBER: A reminder, if we could just please get started. For those, we'll try and go and get the latecomers. While we wait to reconvene, just a few housekeeping rules, especially for the new faces we have around the table, and a very warm welcome to all those. If I may just remind everyone to be back on time for sessions. I know we get terribly distracted at coffee breaks and they're always very well needed. If you could please look into the Zoom Room, all the information is on the main schedule, and on the At-Large Wiki.

When speaking, please always state your names. We have interpreters in the back of the room. We have French and Spanish interpretation for all our sessions. The interpreters don't know you, so in order to allow them to identify you on the language channels, as well as for remote participants, so very important, please every time you speak say your name. A reminder to speak at a reasonable speed to allow for accurate interpretation. And if you wish to take the floor, please use your tent cards. And if you're in the Zoom Room, please raise your hand in the Zoom Room. And I'll hand it back to John, thank you.

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JOHN LAPRISE:

Good morning, everyone. We are into the second session today; At-Large Policy with SubPro Finance, fiscal year '21 and ICANN legitimacy study. We're going to lead off on this one with the discussion of SubPro, so Jonathan and Justine, she returns -- oh, she is there. Alright, so we will get started with them leading off this discussion. We have Karen Lentz here from GDD, so thank you very much for being here.

JONATHAN ZUCK:

Thank you for being here, Karen. I'm not positive how this session came together, so it's a little bit loosey-goosy in terms of our preparation around it. We got a presentation from Cyrus about preparations for a subsequent round. And I think that our pushback on that had to do with a focus on ease of application, clarity, etcetera.

That process, it felt very much like customer service for applicants and I think there was just a large concern about the optics of that and the absence of a concerted effort to deal with some of the issues that came up around the previous round in terms of compliance and safe guards, etcetera. And so, I think that that was in large measure what our pushback on; was on this specific of that proposal not on the proposal itself. And so, I think this was originally going to be a continuation of that discussion with Cyrus, and I don't know how this meeting came to be, or who proposed it exactly, but that's sort of

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where our heads were on this, was trying to get that notion of where things were in terms of critical path.

And so there were, in that document there was one thing listed as critical path which was the subsequent procedures working group work is listed in that document as critical path, but I think we also believe that there are other issues that might fall outside the remit of the subsequent procedures that should be considered critical path as well. I don't know whether this document is meant to be the definitive path of the source of what's critical path, but that's what we are reacting to. So, I mean, I hope that helps by way of introduction and I'm happy to have Justine bring up other issues but that was kind of the conversation and how it started was with that implementation document. Justine, do you want to add anything?

JUSTINE CHEW:

This is Justine for the record. Yes, I share the same feelings with Jonathan. I don't know how this session came to being and I was told basically that GDD had something to bring back to the table for us to consider, so here we are, thank you.

KAREN LENTZ:

Thank you. So, this is Karen Lentz, and I guess I can add too, I'm not sure how this session came together either. But it is intended as, you know, what I prepared was kind of a follow-up to the discussion that some of us from GDD had with this group at ICANN65 and there was a webinar in August that was a follow-up that was based on discussion

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around the planning assumptions document that ICANN .org had circulated for feedback.

And you know, as part of my introduction I was going to kind of differentiate this effort from the policy work that is going on in the subsequent procedures working group. The policy recommendations are what will drive the requirements of the implementation. What this exercise is focused on is, as an organization, as it seems that the policy recommendations are leading towards having subsequent procedures. How do we as an organization put in place the resources and start the advanced planning for having that procedure when the policy and implementation work is done?

And so, that took the form of documenting these planning assumptions as assumptions, and there was work discussed with the board, and then following that, shared with various groups in the community for input. So, the deck that I have here is sharing what we heard, so if that's in line with, yes; the thumbs up. Okay, so I will go ahead and share what we heard.

Can we go to the next slide? Okay, next slide, background; I think I shared most of that.

Next slide? So, this was, the text on the screen was the preamble to the assumptions document that we shared, stating that getting- as an organization- getting to a state of readiness requires some up front commitment of work and that there are a lot of unknowns around some of the things, some of the aspects of the program. But to be able

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to do some sort of preliminary planning work, we needed to work with a set of working assumptions and so this is to share- this assumption document- was to share those.

Next slide? So, there were eight categories of assumptions in this document; timeline, applications, policy implementations, readiness, systems, operational processes, people, and cost. The ones in the darker blue color are the ones where we got feedback in those categories.

Next slide? And this is just recapping the timeline. We first developed this document and discussed it with the board in the May time frame. I shared it with a number of groups in June discussed at the previous ICANN meeting and received some feedback in the intervening period. This item is on the boards' workshop agenda for this meeting for us to share again what we heard through this engagement.

Next slide? Okay, so feedback received. Can we go to the next slide? So, these are in order of the assumptions and the places where we got feedback. So, the first one was on the timeline. The original was that implementation of the policy recommendations readiness activity and operational processes will be completed prior to the opening of the next round. That is intending to state that we want to be in a state before opening for applications, we want to be in a state where the policy implementation work is completed, a set of readiness objectives have met, and operational processes are in place to be able to handle the applications.

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There was some feedback on this one from this group around the timeline; what is the timeline for the next round? And what are the prerequisites? What is the critical path? And also, some suggestions that have questions what we are doing when the policy of work is still happening and there is a number of issues to be addressed. In terms of the timeline and prerequisites this is something that has not yet been established, the board hasn't established a timeline, and indeed has said that it wants to receive the policy recommendations from the GNSO before mutes' terminations about what that path will look like.

Next slide? Okay, so this next category was application planning, and this category got quite a bit of input. This assumption that you see here is around volume, so we used a working assumption that the application volume would be roughly the same as in the 2012 round, which was approximately two thousand applications. We got a lot of questions about this, mainly around what is the rationale or data? What kind of basis is there for this assumption? Suggesting that there could be more market researcher or other activities used to derive some information to support volume estimates.

And also, some suggestions that we could work in terms of ranges or tranches of volume rather than using a single number. So, we've captured all of that, and one of the things that, and we've said in terms of this two thousand number is that it's not an estimate; it is a working assumption. In other words, it's not a statement that ICANN .org thinks there will be this many, but in terms of being able to plan and put resources in place, this is the starting point for the number that we are working with. I see Jonathan has his hand up?

JONATHAN ZUCK:

Yeah, thanks Karen. Just quickly on this topic, one of the issues that came up in a couple of the live sessions that took place at the initial presentation of this was the association of the working number of applications and the type of software system that needed to be put in place to address them. And many different numbers sort of floated out there in terms of; well, at this threshold we will need a different level of sophistication in the software that we create.

And that threshold number moved around a little bit, so even as a working assumption, it feels like there implications for the resources that where needed and the type of system that needed to be put in place, and I don't know whether or not that got any more refinement in terms of whether or not the difference between two thousand applications, and I've heard estimates much greater than that, whether that's addressed in the system base, the computer based preparations that you're doing for the application process and what that connection looks like.

KAREN LENTZ:

Thank you, Jonathan. I think you're right that the 2,000 has certain implications for the type of resources that we put in place operationally and that not limited to just systems, but also you know the processes and other resources. But I think were capturing this feedback, it hasn't yet been discussed with the board in terms of whether any changes are warranted to the assumptions. There were

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certainly were some suggestions, and this one obviously is one that got a lot of attention so I think there will be some more discussions around that.

Next slide. Let's see, 2.4 was around prioritization. The assumption was that prioritization will be required to effectively sequence application processing. It's not stating, as the feedback was, that it will be up to the PDP to provide some recommendation on how this prioritization would take place. The assumption was just stating that we expect prioritization of more sequencing of applications of some sort will be needed.

Next slide. This is another one that got a lot of input. This was on delegation rate. In the 2012 round there was a limit of one thousand, where we said we wouldn't delegate- sorry, wouldn't delegate more than one thousand TLDs in a year. And so, the working assumption here is that there will be no changes to the thousand TLDs a year maximum delegation rate.

We got quite a bit of input on this one, noting that the previous one thousand limits had an administrative bases; it wasn't really relevant to root zone security. Feedback saying that a numerical limit was not really the right approach to this; that more important things to focus on would be the rate of change rather than some a single number, and that there should be more study around the rate of change and what would be a safe pace of delegation. Also some input recommending that we have a mechanism to delay delegation if it turns out there is some sort of instability that needs to be addressed and also that we



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develop monitoring early warning capabilities, as well as investigating the long term obligations of having a larger root zone.

Next slide. This one I titled, “Ongoing procedures,” so the assumption was that for ongoing subsequent procedures we’re assuming an annual application window of one to three months with subsequent windows occurring during the same time frame once per calendar year. The input on that one was mainly questions about where this came from, because there wasn’t any conclusion with the PDP about what happens after subsequent rounds; you know, what is the ongoing process? As well as the suggestion that there is a possibility to not have the same type of round every time, that there could be specific rounds aimed at pre-defined types of application.

And this, I think we’ve noted the feedback here. I think the intention was to operationally envision a repeatable process. In other words, to not build a while system or put things in infostructure in place that’s just for one round, but to be looking forward and making sure that what’s established for this next round can be built on for some long-term period of time. I think that this one can be maybe clarified in terms of dishing wishing that from the you know the policy and community work that relates to how future rounds would occur.

Next slide. On the policy implementation assumption, our assumption was that there will be changes to the implementation from what was done in 2012 based on what we’ve seen from the work to date in the subsequent procedures working group. There was one question here around the implementation process typically with consensus policy.

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We, ICANN .org work with a volunteer group of state holders in the form of an implementation review team that helps us work out the details of the implementation of the policy.

So, the question was, in this case, the policy recommendations are quite diverse and numerous; of what have we considered multiple implantation review teams? Which, we have. I think we've considered a few different options for how we would go about implementing this policy, and I don't think there a defined approach yet. But I think its definitely expected that the community and stakeholder groups will be involved in the implementation. Yes, Jeff?

JEFF NEUMAN:

Yeah thanks. Jeff Neuman, I'm one of the co-chairs of the SubPro PDP, along with Cheryl, so I guess sort of a question on, these things are being labeled as SubPro PDP working group members; I just want to make it clear that this is not feedback from the SubPro PDP group itself. This didn't come from the chairs or the leadership or the group as a whole. And in fact, I guess my question is; has any of these comments been posted?

Because I know that when Cyrus took the feedback, it was all privately through an e-mail address, and I've been looking for the feedback in comments for several months. Although, I admit, the last several months I stopped looking. Can you please just comment on where these come from? And then, I would love if these slides are being presented anywhere else, that it doesn't say, "SubPro Working Group

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Members,” but rather the individuals or the groups that submitted those. Because it creates a perception, and I’m just looking at Cheryl -  
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CHERYL LANGDON-ORR: This is certainly not consensus or even group view that we’re seeing, is what you’re saying.

JEFF NEUMAN: In fact, the group specifically decided not to comment on this proposal, because we just wanted to complete our work. So, none of this is from the SubPro PDP at all.

KAREN LENTZ: Thank you, Jeff. That was actually the intent with putting members as opposed to the SubPro Working Group, because there was no document of feedback from the working group, but these ones that are noted there were from the discussion that was had with the working group in Marrakesh, but we can certainly update it to make it clear that these were individuals.

CHERYL LANGDON-ORR: The community.

KAREN LENTZ: Correct.

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JEFF NEUMAN: And then, the second part about the feedback being posted, the e-mails and all the papers that were received?

KAREN LENTZ: So, I think a lot of it was in correspondence. But one of the things that we're proposing here is to create a page that collects all the input we received in the cycle of feedback, as well as a summary and analysis. And then, our proposing a way to review and capture any updates to the assumptions as the process continues. I hope that helps. Next one?

This one was about outsourcing; the original assumption was that that org. will outsource critical application functions, such as application evaluation and objection processing to expert firms with requisite subject matter expertise. There are questions about that from a few quarters about, well, in relation to an assumption that is in the systems section of the paper, which says that internal knowledge and expertise will be prioritized, and as little as possible will be outsourced.

Again, this is something that I think can be clarified, this assumption was really targeted towards the application and evaluation processing piece in terms of outsourcing where a particular expertise is needed. There was also a suggestion that evaluation and objection functions are the most important for the accountability of the process. And to note in terms of the thinking here, there are some areas of the

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evaluation where a certain amount of subject expertise is needed, and I think that, for example, legal rights objections or string similarity, looking at IDNs, so I think that in terms of having, making sure that we have all of the needed range of expertise, as well as the bandwidth, this is the basis for this assumption.

Next slide? Cost, this was, I think, the last one. 8.2; our assumption was tracking of program readiness cost should begin as rapidly as possible in order to capture development costs prior to the launch of the next round. Comprehensive cost planning for program readiness in operations is critical to accurate reporting and management of cost. So, the questions around this one was around how this cost tracking is occurring or is expected to occur. I think we addressed that, in terms of how the cost tracking for a future round starts, it starts when there is a budget and resources allocated to that planning process. The implementation processes.

Next slide, okay, lastly here are some other comments and feedback that we receive that was not about a specific assumption. So, in general, there was support for the transparency in sharing with that planning assumptions and taking feedback. Some suggestions for assumptions to be added included that DNS abuse issues and safeguards will be addressed before a new round. That there be some planning in goals around universal acceptance of TLDs. That all of the previously committed reviews and recommendations should be approved as part of the leadup to a new round.

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And the registry stakeholder group suggested including the degree of certainty with each of the assumptions and developing contingency plans for in case those assumptions are not met. Urging continuation of the planning process and lastly that metrics and mitigation measures should be put in place to look at, to address introduction of TLDs with high rates of use of registrations. And, next slide?

Next? And I think I mentioned this, but following the discussion at this meeting, were looking at how to publish the summary analysis from this cycle of feedback. How do we continue to monitor any information or discussions that might warrant changes or might warrant looking at, or updating one of the assumptions that we have? And finally, that we put in place a means to review those assumptions on a regular basis to determine if changes are warranted. I think that is the end of my materials there, so I'm happy to take any questions or further discussions. Thanks.

JOHN LAPRISE:

This is John Laprise, for the record. Thank you very much for the presentation. I enjoyed a great deal. If we can go back one slide, yeah, there we go. On this page I have one general concern and that is; coming out of yesterday's SO/AC meeting and the importance that were talking about with domain security that the last bullet point should probably be at the top. You know, the problem with domain abuse is relevant to SSAC but it's really relevant to At-Large, and it's a concern across all constituencies, so I think that, you know, underline in bolded if it were. That's a big issue. Holly?

HOLLY RAICHE:

Just a couple more things. I think that I can start with one of the things that came out of the last couple of meetings has been, and real questioning from ALAC, does this mean we are going to go ahead or not? And are these assumptions based on decision that we are going to move or not? So, leaving that aside, there were a couple of other issues and I think the process, I don't know if they are, and tell me if I'm wrong, but one was a lack of clarity about community applications and what that meant. There was a real difficulty with definition, breadth of definition, or narrowness of definition.

There was the other issue; in terms of dispute resolution we came up with some complete inconsistencies in terms of whether there was a clash or not, and is there a clash between singular and plural, and a couple of decisions came out completely contrary. So, if your looking at process, I would look at a process that's says; make sure that there some kind of consistency of outcome, because there was some real difficulty last time. So, I will put those up there as well, thank you.

KAREN LENTZ:

Thank you, Holly, for the comments. Certainly, there has been a lot of interest in looking at the couple of areas you mentioned; community applications and the objection process. I think, in terms of our process, it is driven by the recommendations of the PDP Working Group, and you know others have also suggested that this be examined more. For example, the CCT Review Team had a couple of

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recommendations around that. But in terms of our path, it's really going to be built around what the recommendations are from the PDP Working Group, and I don't know if you guys want to add anything there.

JEFF NEUMAN:

On the second part, not on the abuse stuff at this point, but yeah, the working group is working through the issues on the dispute resolution, specifically single versus plural. We've been working on that one since the beginning, so there will be a recommendation with respect to that. And on the community, we've certainly been working on trying to provide a little bit more clarity for the definitions of community.

I don't think it's going to be complete certainty, because you cannot really define, you know, as you try to work on a definition of what is a community there's so many potential variations of it. But we hope that we will provide a little bit more certainty in order to enable us to go forward. All of those policy issues are being addressed and as Karen said, this is separate and apart from the assumptions that ICANN is working on. Tijani?

TIJANI BEN JEMMA:

Thank you, Tijani speaking. I would like to speak about the cost. For the 2012 round, there was an assumption that we'll receive 500 applications and the rule was cost recovery. That means that these 500 applications should cover all the cost of the development of the new gTLD program. We received 2,000. That means that we have an



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overflow, four times what was planned. For this round, we have less development, less development cost, because we have things ready, we are now refining things, and I don't know what is your assumption regarding the application fees? Shall it be cost recovery? And if it is, according to the cost recovery principle, we should have almost no fees for applications. Thank you.

KAREN LENTZ:

Thank you, Tijani. I think that there are, to you question, there is an assumption of continuing the cost recovery of the operation of the program and development of the program. I think, at this point, we haven't really started to look at questions of application fees, mainly because we need to understand more about the development cost. What are the implementation costs going to be? And, what are the systems cost going to be? As well as considering what the other assumptions we have that relate to cost. So, I don't think we know at this point. Certainly, we agree that cost is going to be an important cost of the discussion going forward.

JOHN LAPRISE:

Dev, and then we are closing the queue, thank you.

DEV ANAND TEELUCKSING:

Okay, hope this works. Dev Anand Teelucksingh, Trinidad and Tobago Computer Society. I guess my questions and my comments are more reserved for how the applications, how new gTLDs are applied for, and

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the publication of the search results. So, what I noticed really with that 2012 round was that it was very hard to really browse the list of applications and the list of picks and when there was a comment period on those picks, and so forth. Is there a way in which the SubPro working group is looking at improvements to those processes in making that much more accessible?

Another aspect of it is, given the lack of consensus in the geographic names, other than mentioning the existing status quo, and given that is angst about how certain potential applied for strings can impact them from either side, whether from governments looking to cover that field that you have a concern about how string impacts the geographic- infringes on their geographic term, or even our intellectual property. Looking at a string that infringes on their brand.

Is there a way that the SubPro or the ICANN group is looking at how searches can be done on the applied for strings? Like, search for permutations of whatever string you're concerned about. Or permutations of star, your string. So that you can easily search the applied for, the results of the strings that are applied for, and then you can decide whether you want to object or not object, and so forth.

KAREN LENTZ:

Thank you for your comment. I think that when we have been talking about systems and thinking about what those might look like to be developed, I think you bring up an excellent point, which is that the systems are not only for applicants. We're building something so that

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people can submit TLD applications and receive questions and results and so forth. But there are also other users of these systems.

You brought up some of them; governments may be interested in looking at the applications for geographic names or other reasons. People might be interested in looking at, searching for particular types of applications, or as you mentioned, public interest commitments, so looking at a system in terms of multiple users I think is very much the way that we're thinking, thanks.

JEFF NEUMAN:

Yeah thanks. This is Jeff Neuman to respond again to that; the SubPro Working Group has -- a one of our areas that we will have recommendations on is around the systems and so the things that you've mentioned are certainly -- I mean I can't predict what the final recommendations will be, but certainly those topics increase searchability, usability. Those are all likely to be within the recommendations of the SubPro working group as well.

JOHN LAPRISE:

Alright, well with that I would like to thank Karen, Jeff, and Cheryl for their work on this, on SubPro. And Justine and Jonathan and especially Justine, I stand corrected. And with that, we will complete point one and move onto point two, so I will invite Becky Nash and Shani -- I'm going to mangle the last name, so I won't do it, up to the table to move on to FY21 issues on budget.

BECKY NASH:

Hello, everyone. This is Becky Nash, and my team member, Shani Quidwai. We're from ICANN .org finance, and we're here to give an update from the finance team. If we could please go to the agenda? Thank you. And, just on the agenda for an update we have our FY19, or our Fiscal Year '19 financial results. We're proposing to spend a few minutes on slides regarding FY19, and then just due to timing, we're proposing to then move to the planning process, and talk about the FY21 planning process. And then, leave enough time for Q and A. I'm going to start off, and of course, if there are any questions, please feel free to raise your hand at the end. It will just help us with the flow of the presentation.

If we could go to the next slide? Just before beginning, I'd like to highlight that we do have a planning and finance session here at ICANN66. This is going to be held on Wednesday, November 6<sup>th</sup>, at 1:30, or 13:30 to 15:00 on Wednesday, and we hope that many of you can make it and that there aren't too many conflicts.

Next slide, please? We'd just like to highlight as part of our update from finance, is that we do have a series of different reports as part of our financial accountability at ICANN .org, that we publish on the ICANN .org website. There is, throughout the year, several reports including quarterly financial reporting, which is unaudited, which is published on the website throughout the year, after each quarter or three months' period.

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And then, on the right-hand side of this slide, we're just highlighting that as part of our financial accountability and transparency, we do have annual reports, such as the audited financial statements, which was just published last week for our fiscal year end for FY19. The annual report was published, along with a board expense report. And then, several other reports are available annually, of which we have a link at the bottom of this slide to where the financials are posted. Next slide, please?

We're now going to move to the next slide, which is an update on the FY19 year-end financial highlights. ICANN operations was \$3 million higher than FY18, and a million dollars lower than our budget in funding or revenue. So, that means that the annual funding was lower by just one million, and that was mainly due to slower than anticipated growth in several of the assumptions for the new TLD Registrations, and a delay in something that we had budgeted for, which was funding from the Privacy Proxy Program.

We were successful at ICANN .org in managing the FY19 expenses, and expenses overall were one million dollars lower than the same time last year, of FY18, and eight million dollars lower than the budgeted expenses. This decrease against budget was primarily due to lower than planned head count. ICANN operations generated an operational excess of six million, which was actual funding of 136 million, less the cash expenses of 130 million.

That is an update of the highlights for FY19. If we just go to the next slide, this is a snapshot of the FY19 expenses as compared to the FY19

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budget and also compared to FY18 by cost category. Cost category include personnel travel and meetings professional services and administration in other also include capital which would be projects that are capitalized, and then contingency.

So, as I noted, personnel expenses are lower than budget, driven by open budgeted positions the end of period head count or personal is thirty-six lower than budget, and average head count is thirty-two lower than budget. The travels and meetings expenses are proximally point six or six hundred thousand lower than budgeted. This was driven by lower ICANN meeting related costs where we had two meetings and FY19 that were lower than budget. Professional services are lower than one point seven million and that's a favorability across different functions, just due to the tiny delay in some projects.

So, if we just move now to the next slide, I'm going to end with this slide and then we are going to move into the planning process. This a snapshot of the headcount trending that we just discussed where you can see since FY16 through our actuals of FY19, that is actual end of period head count. And then we give a snapshot of what the FY20 budget, FY19 budget had headcount of four hundred and twenty-four, so that was the driver for one of the largest variances against budget. So, at this time I'm going to ask Shani to cover to the slides starting with number thirteen, which should have the heading, "Planning."

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SHANI QUIDWAL:

Thank you, Becky. If we could move to the next slide. Here we just have a high-level graphic describing the ICANN planning process. Our planning starts with the five-year operating financial plan and then moves into an annual operating plan budget; both of those processes are underway and kicking off relatively soon we will go through that a little more in some of the following slides.

And then, with both of those plans we do periodically provide updates and statuses as to how we are tracking against those. Becky had mentioned earlier that we have quarterly postings and all of the quarterly financial posting that we post do provide an update as the progress that we are making against the budget. And we do also have this process for the ICANN functions.

If we can move to the next slide here, we have an overview highlighting the differences between the one-year plan and the five-year plan. So, the FY20 one, operating budget that is kicking off right now is a more detailed process. Resources are planned at a more detailed level whereas the five year plan that's looking at a much longer horizon is more high level, and resources are planned very high in the sense that we describe things as new as stable or expanding, increasing, decreasing, discussing milestones and things of that nature. Whereas both plans are really geared to highlight what is the work that the organization is doing what are the financial resources committed to achieve. That work, however, there the detail is just a little different in the two.

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Moving to the next slide here, we just have some of the key dates. There already has been a public comment process that started, and the report had been published a few months ago. During this month, we are planning to review with the board the draft plans that will go out for public comment and early December and in our session later this week, we will discuss the process a little more of the contents available and those plans. But this is what we are really looking for; community feedback to provide that public comment over the December through February timeframe. From there, we will then have consultations that ICANN67 to go over some of those public comments. Shortly after that, we will publish the public comment report and incorporate any changes into the plan. The draft plans before those are presented to the board for adoption in the main timeframe.

Moving to the next slide, here are just some specific dates regarding the IANA budget process. The IANA budget process starts before the ICANN operations, so we are already in the public comment window for the IANA budget that opened on fourteenth of October and closes on the twenty seventh of November. So, there still is about a month or so within the public comment window to review those documents and provide input. And here you can see that we are targeting adoption date of January, as compared with the ICANN budget that's a little later at the main timeframe.

Moving to the next slide. The last item that we wanted to go through before we go to Q&A was the additional budget request process. The overall timeline and process should look very similar to the prior year.



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Their community kickoff and the submission period will start shortly after ICANN66. We will be sending out communication to those that are on our planning distribution email list and others. There will be an announcement, but on the eleventh of November we plan to kick off the submission period with a closing date with the thirty first of January. Similar to the public comments, there will be consultations that ICANN67 and then we plan to notify the community members in early May when the budget is adopted of all of the approvals regarding the process. So with that, we wanted to allow time for our Q&A.

BECKY NASH:

Thank you, Shani. I'd be happy to take any questions about the overall timeline for the FY21 operating plan and budget process. Again, Shani has highlighted that the additional budget requests will be a submission period from the 11<sup>th</sup> of November through the 31<sup>st</sup>. And then also, we're highlighting that the overall public comment period for both the five-year operating plan and financial plan, and the one-year operating plan and budget will start around the second week of December and run through February. So, those are key dates that we'd just like to highlight for everyone to realize the amount of work for public comments. If there are any questions, that would be great?

JOHN LAPRISE:

Yeah, Ricardo, and headsets please.

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RICARDO HOLMQUIST:

Good morning, Ricardo Holmquist for the record. I know that you heard that the Q&A was chosen for the FY21. But I have a number of considerations for the first slides, FY19. The first one is 32 people sounds like a lot when you have to hire them, and I don't know where these 32 people are missing. Up until now, it would seem that work has been done correctly, but 10% of the headcount sounds like a lot of people that were not hired on time.

Second, looking at ICANN, I know that ICANN doesn't expect to lose money, but I never thought that it wouldn't expect an excess, a profit every year. And these two things that I feel that hit us as a community. The first one, the fact that there were less fellows. The number was reduced to almost half.

And the second thing is, in the next few days, we can have another three, and there should be over two hundred and fifty people, but we only had approval to bring sixty. In ATLAS I and II, we were able to bring one person per At-Large structure, but this year we had to select only sixty people out of them, as two hundred and thirty At-Large entity plus close to 50, 60 individual users that we should have chosen one of them. It would seem there was money out there, and we were not asking for six million, but that surplus is starting to hit on us.

On the fiscal year 21, 21-25 planning, I would like to congratulate you because I believe that more and more our planning is more detailed and I think we can pinpoint each expense item and how they are coupled with ICANN's strategic plan, and I thank you for that. Thank you very much.

BECKY NASH:

Yes, thank you very much for the questions. I tried to write them all down, please correct me if I'm not addressing them. I think that you really asked some really good questions. First, I was just going to address your question about head count and the number of positions that were open during FY19. So, as you noted, there was what appeared to be a large number of head count that were open, they were budgeted. In some cases, the head count was related to either work or projects that were not yet being addressed.

And the ICANN .org has been carefully managing head count as a result, both of community and ICANN .org comments, just about the trends of head count. That's why in these presentations we like to show the levels of head count that we have year over year. So, it is something that we're prioritizing very carefully right now, and as a result we were well under the FY19 budgeted amount. Because the budget is set so far in advance that hiring specific head count is really contemplated more at that the time the work is being done.

The next questions that you asked was just about the favorability of expenses against the budget. So, as a non-profit organization, we call anything that is funding greater than expenses, it's the net asset excess. So, the net asset excess for the last several years has been a positive number. It should never be a negative number, because that would mean having to draw on reserves. This trend, again, is the result of careful management of expenses, even while the budget

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again has been set so far in advance; more than eighteen months in advance.

And another key reason that this is a good event for us at this point in time, is the focus on the reserve fund replenishment. The reserve fund is something that ICANN .org has focused on and we did provide several slides in here about the trends on the reserve fund, and any net excess is then subject to a board decision to add money into the reserve fund. That is something that is a very positive trend for ICANN, because starting with FY20, we have been able to budget an excess to replenish the reserve fund. I hope that makes sense there about the net excess.

Overall, I know that there are comments just regarding the levels of funding, starting with FY19 as it relates to the fellows and the funded travelers. ICANN .org's funding or trends of the growth in funding, has been growing at a much slower rate, and that is why during, especially FY19 and beyond, we've just been very careful about expenses, and I would encourage the groups to provide us public comments during the public comment period if there are areas of funding for travel or expenses that you would like to highlight you would like to have more. I know Shoni, would you like to give a little comment about the ABRs and the ATLAS and other trends that we have?

SHANI QUADWIL:

Sure. You know, as Becky had mentioned that there were some concerns about travels, travel seats and things of that nature, the

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additional budget request is a process that allows the opportunity to seek additional funding. I know that the ALAC has used that in the past and there is that opportunity, and then additionally we did just want to highlight that in the FY21 budget that is still in draft mode there is funding for the two RALO events.

JOHN LAPRISE: Okay, right now we have 11 minutes left so we have three people on the queue. Ricardo, you wanted to speak again? Yes, so I'm going to put you back in the queue so that's going to be well four people, we would like a one-minute timer on the clock please, and I have Olivier, Jonathan, Judith, and then Ricardo. Yes go ahead.

RICARDO HOLMQUIST: It was just one simple question.

JOHN LAPRISE: Okay.

RICARDO HOLMQUIST: Not a question, a clarification. It seems that in the translation, there was something wrong. I didn't ask about losses or expenses or gains of the corporation. I didn't ask anything about that; I just mentioned that as a point of making that we didn't have the money for the travelers or for the ATLAS, not any question about that. Thanks for clarifying, but I didn't ask it.

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JOHN LAPRISE: Okay, so then we have four questions. I see a person standing at the mic, and then we have Olivier, Jonathan, Judith and the person at the mic, and that will probably close the queue. Oh, you're off Jonathan? Olivier go ahead.

OLIVIER CREPIN-LEBLOND: Thank you very much, Mr. Chair, Olivier Crepin-Leblond speaking. Just a question quickly on the personnel levels and I don't know if we can turn back to the slide please? I recall discussions we had during last years' budget cycle, and the previous years' one that ICANN, being in a period of cost savings, there was going to be a freeze on hiring. And so it doesn't come as a shock that we did see no growth in this, but now I'm certainly seeing that we've got 36 more people that are in line for coming onto new projects, and I wondered whether you had further information as to where this hiring of a significant number of people would come from. Thank you.

BECKY NASH: Thank you very much for your question. I would like to just highlight that although throughout the last several operating plan and budget cycles, we have discussed the fact that funding has been leveling off, or growing at a smaller percentage of growth, and as such, we have been monitoring very carefully the ICANN .org expenses and head count. There has not been any hiring freeze at all. What has taken place is that ICANN .org is prioritizing the need for positions as the

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work is coming online. And if we could just go back to the other slide there? So, this gives a trend where you can really see since fiscal year '16, things have been pretty steady there. That's not really much of a growth position there.

However, each year in the budget, there are positions based on either items that are work that have been approved by the Board and or other functions. So we do publish, as part of the operating plan and budget, the headcount by function, and that gives a good view of the levels of the latest actual versus the new budget period.

So I can just let you know that this will be part of the package that we are publishing. There have been delays in certain aspects of the orgs work as a result of either working groups or reviews or other items that have not been as fast as we thought. The headcount is not all in one area, it is scattered across different functions, and certainly, I would encourage you as part of the upcoming public comment on the draft, please provide us with your feedback on headcount, and again, I hope this has been helpful that we've been starting to provide these trends and full visibility of accountability of headcount here. Thank you.

JOHN LAPRISE:

Judith.

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JUDITH HELLERSTEIN:

Yes, it's Judith Hellerstein for the record. Thanks so much for your overview. So my question relates to the additional budget requests, and also if you can go back to the other slide where they talked about that you had, because of the budget, other stuff, you are able to have a surplus. During the past year, you had dramatically cut down the additional budget request, plus, you also put limits, what can be put in an additional budget request?

I mean, I say limits, yes, they were always in the rules but allowed other -- the groups never followed the rules and put in like IGF or other groups that were traditionally stated as not preferred, but they were going forward, but the whole envelope was significantly cut and I'm wondering, as you found the season that you will not, that the things were going well, maybe there's a procedure that you could increase the additional budget envelope when you see things are not as drastic as possible, because that's definitely impacted a lot of the communities here on the programs they want to do to build up capacity. Thank you.

BECKY NASH:

Thank you very much for your question, and we would just like to highlight that we suggest that as part of the draft operating plan and budget, that you do submit a public comment as it relates to the level of funding. The level of funding has been consistent the last couple of years, as we know, ICANN, overall had to adjust to some of the assumption changes as it relates to the growth in funding and availability.



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At this time, as I indicated, any net excess is constantly evaluated as a part of a replenishment of the reserve fund as well, which I think is a positive move for ICANN ecosystem overall, and we would ask that you please submit your ABRs or additional budget requests, and we have highlighted that the actual procedures and governing guidelines have just been better defined as to what the intent was, but thank you very much for your question.

JIM PRENDERGAST:

Sure, Jim Prendergast for the record. So on this slide that's behind you, Becky, the FY 19 highlights, I was surprised to see that one of the factors for lower than anticipated revenue was a delay in the privacy proxy program, is ICANN viewing that as a revenue generator or is that operating as a cost recovery program? And if it has been delayed, there should be no cost associated with it, so I'm not sure why that's an impact on lower revenue than anticipated. Thanks.

BECKY NASH:

Thank you very much for your question. Just to highlight the privacy proxy program is a cost recovery. I know there's been some outcomes as it relates to the progress on identifying exactly what the procedures are going to be. Again, since our budgeting processes, so far in advance of the year in which we report, we had had assumptions based on some of the preliminary fees associated to process the privacy proxy, but we also had expenses. This particular line is just talking about the funding or top line, and it was an assumption that

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we had included in collection of those fees, that at during fiscal 19, we did not have any, the program did not start. I would have to defer to my colleagues just about the progress of the community working group on that one.

JIM PRENDERGAST: So just to clarify, it will be operating on a cost-recovery basis?

BECKY NASH: Yes, that's correct.

JIM PRENDERGAST: Okay. Great, thanks.

JOHN LAPRISE: Alright, I'm seeing no other hands. Thank you, Becky and Shani, for coming and speaking with us today. Thanks for coming.

BECKY NASH: Thank you, everyone.

JOHN LAPRISE: And that brings us up the slides and we are in point 3 of the session. So I'd like to invite Jan Aart and Hortense Jongen to the table, to have a word with us regarding the ICANN legitimacy study that they're

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working on this the last presentation of this session, which will end at noon.

JAN AARTE SCHOLTE:

Great, good morning. Nice to see everyone, thanks for the chance to speak, and actually the biggest thanks to so many of you sitting around the table who have contributed to this. So, in a way, it's a small thank you back to let you see a few things that we've done here.

Next slide. So we're going to talk to you about the study very briefly. We're going to tell you how outsiders look at ICANN, what sort of legitimacy perceptions are outside of ICANN, then we're going to tell you how you see it, how the insiders see it and show you how that varies between stakeholder group and etc. We are then going to pin down your own, in fact, this is going to be civil society rather than Alack specific. What you think is most important and what you think ICANN is doing best and least. We're only showing you a very small bit of evidence. We have so many piles of data, we can play forever, but we'll show you just a few things here. Headlines that you'll probably take away from this. One is ICANN legitimacy is not high enough to be complacent, but not low enough to have alarm.

Second thing is that ICANN legitimacy beliefs generally correlate with how close you are to the regime. So when you're in the staff and board, it's the highest, then it goes down a bit for the community, then it goes down a bit further for people in Internet Governance who are not involved in ICANN, then it goes down a bit further when you go to

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the general elites in society, and the public hasn't a clue, and then the third headline that you might want to take from this is that within the ICANN sphere, legitimacy beliefs maybe surprisingly, don't vary that much, they vary some and will show you why, but they don't vary that much by stakeholder group. They don't vary that much by World region, and they don't matter vary that much by social category, a bit. But where you might have thought there are big variations, in fact, there's not.

So if I could get the next slide. Yeah, the aims of our study. So we're asking 'How much legitimacy is there?' That's all we're going to tell you about today. We're also trying to find out why you think what you do, and what the consequences of that, but for that maybe [inaudible]. The legitimacy concept, just to fill that in, in academic language, it's the belief that a Governor has rightful authority and exercises it appropriately. In plain language, you believe that ICANN has the right to rule. Note also legitimacy means deeper confidence in a regime, it's not about liking policies, it's not about liking people, and it's about having conviction, trust, confidence, approval, and other regime.

Next slide. ICANN actually you can go by that one, sorry about that, keep going. ICANN is important, I think you can go to the next one then. Did we get the wrong one here? Okay. Legitimacy is important, you actually think it's important. So if you look here, this is you saying that Legitimacy is extremely important. 80% of you said it was extremely important. Close to 20% or close to 17% of you said it was quite important, and hardly anyone thought it wasn't.

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So that gave us a feeling that we were doing something that might be reasonably interesting. You thought it's important because it helps ICANN to secure its mandate. You thought legitimacy is important because it encourages participation. You thought legitimacy is important because it allows you to achieve compliance, to what ICANN's rules are, and you thought it's important because ICANN then holds its own in competition with other potential regulators in the internet sphere. So you think it's important.

Next slide, please. Our evidence base, we interviewed 529 people on the inside. So the Board, the Community, and Staff org, and we interviewed over 900 people on the outside. We didn't do a public opinion survey, I asked too many students over the years whether they had heard of ICANN and since everyone said 'No', I presume that was a fair proxy for the general public.

Next slide. Okay, here we go, we're going to start big. This is ICANN's perceived legitimacy by elites around the world. So we're talking Russia, Brazil, South Africa, Philippines, USA, Germany and more. We asked 860 people what they thought about different global governance institutions, and you see ICANN, okay, so we see here that 14 different institutions, ICANN is coming in number 5, so the good news is it's kind of a half-empty half-full story here. The good news is confidence in ICANN is generally at a similar or higher level, compared with 10 multilateral institutions, as well as look here, national government and regional government. These are the elites so they are liking ICANN, if you like, a little bit more than their own nation-state. Oh, yeah, very nice.

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Okay, but then the bad news. The bad news is that this is on a 0 to 3 scale and it's 1.7 for ICANN so it's just about half, and in fact, only the World Health Organization is above 2, which means quite a lot of confidence. So actually, these elites are not having very much confidence in anybody and they certainly don't like FIFA. The other thing to say is that the general elites, 49.7% of the general elites had not heard of ICANN or didn't answer the question. So these are people who are in leading positions in society and half of them and that's consistent across all world regions and countries, and then again, the very public low public awareness.

Okay, the next slide, please. You can keep going. I think they've got the wrong version here, but anyway, good. This is just to compare, ICANN with other internet governance institutions, so here you see ICANN and basically what you see is that it's coming out a bit lower than the RIR's and the ITF and it's coming out higher than the IGF, the National Government And the ITU.

Notice the dark blue lines are the informed outsiders, so their evaluations of ICANN are lower than the ICANN insiders. You can see but the consistency of, in a way you could say, the more the state is involved, the lower the confidence. That's kind of interesting and that holds for the people who are inside ICANN as well as outside. Okay, that's the general picture, I think you can probably skip 2 slides, that one and now there and I hand over to Hortense to take you through the inside of ICANN.

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HORTENSE JONGEN:

Great, thank you. So what we see here is a breakdown of the responses when it comes to the question of 'How much confidence both insiders and outsiders have in the current workings of ICANN overall', and what we can see is that the large majority of respondents has moderate-high or even very high confidence in ICANN, so on the bright side, this is more than 90%, at the same time, we could also interpret these findings as still almost half of the respondents have only moderate confidence in ICANN or even less than that, you can go to the next slide, yeah, one more. Sorry, the next slide, yeah, this one.

So when we translated the survey responses are very low, low, moderate, high and very high into, we converted them to numerical scores on a scale of 1 to 5, what you can see here are the mean averages and this indeed shows as was just mentioned, that the closer you are to the ICANN regime, the higher your confidence in ICANN is; so ICANN staff, ICANN org, they have the most confidence in ICANN reporting a mean score of 4.11, followed by the ICANN Board, now we have the ICANN community and finally, the informed outsiders, who report a mean score of 3.18 which means that it's leaning more towards moderate, rather than high which would be a score of 4 or even very high which would be a score of 5. Could you go to the next slide please? Yeah, and the next one.

So here you can see a breakdown per stakeholder group and we asked questions both about their confidence in ICANN overall, in ICANN Board and ICANN multi-stakeholder community and in ICANN staff. So, we do not observe a lot of variation between the stakeholder groups with a few exceptions. So for example, academia reports

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higher mean scores compared to other groups, when it comes to confidence in ICANN overall and also the government reports quite high mean scores. And other things that stand out is, for example, the high score reported by the government in ICANN staff and when it comes specifically to civil society, so the yellow bar we can see they fall more, they report rather similar mean scores to the other stakeholder groups, in some cases a little bit lower. Could you go to the next? Thank you and one more, great.

So we can observe a little bit more variation when we look at the different regions. So, the lowest mean score, the lowest confidence was reported by respondents from Russia and Central Asia, although I should say that this is a rather small group of respondents. So a 3.05, that means it's more towards moderate or very close to moderate confidence in ICANN and the highest means scores were reported by respondents from East South and Southeast Asia, so [inaudible] a very high average, quite a significant or a big difference between the two.

And what is also remarkable is that they are not a so-called North cell division, because if anything, respondents from for example Asia, Sub Saharan Africa, Latin America and the Caribbean, they report higher confidence in ICANN compared to for example, respondents from North America and Europe. Next one please, and one more.

And then we finally also present some results regarding different social groups. So, we compare according to gender, age group, English language skills, race ethnicity, again we found very small differences only. What is remarkable is that respondents who report



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to be native English speakers, they actually give lower average confidence in ICANN than persons with medium to no English language skills. We also see some differences when it comes to race-ethnicity, were responded to identify as white report the lowest confidence levels. Could you go to the next one, please?

So, what we did here is we looked at the responses provided by a civil society in particular and we compared them to the community average, and we presented them with a list of 15 aims, asking them in principle, so regardless of whether ICANN achieves the matter in practice, how important they find this aims for ICANN, and here you can first see the 4 aims that were considered the most important, so transparency is very highly rated, almost a score of 5, followed by accountability, that all stakeholders are given the opportunity to participate in policy making and that decisions are based on the best available knowledge and expertise.

And then the 4 lowest, what is considered the least important for ICANN is to promote a fair distribution of costs and benefits of the DNI, promote human rights in ICANN operations, promote competition in the DNI and promote democratic values in wider society, but what is remarkable here is that the scores that have been provided by civil society are still higher than the average amongst the ICANN insiders, so we score above 4 still means it's rated between quite important and extremely important, which would be a score of 5. So it's still overall, all of these aims are considered very important for ICANN and our high expectations of what ICANN should do. Could you go to the next one, please? Next one, yeah, thank you.

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So then we asked a question, to what extent do you also think that ICANN achieves these aims in practice? And so respondents from civil society are most positive about ICANN's ability to promote technical stability, followed by technical security, to give all stakeholders the opportunity to participate in Policymaking and promotion of competition in the DNI and they are least by positive about ICANN's ability to take decisions in a timely manner, to promote a fair distribution of cost and benefits of the DNI, promote human rights in the DNS and promote democratic values in wider society, and these scores, they're all below 3, which means that ICANN perceive to achieve this to either a little extent, which would be a score of 2 or a moderate extent, which is a score of 3. Next slide, please and you can skip this one and this one, yeah, thank you.

So I really like to underline again, what we present here are descriptive, so we show the patterns and how much confidence respondents have in ICANN, but we haven't gone yet into explanation, so for next steps, we will run more analyses to find out so what determines legitimacy in ICANN and potentially what the risk forms could raise them even higher, and we hope if you're interested in this, we hope to report these findings about explanations at ICANN67. Thank you very much.

JOHN LAPRISE:

I see Javier in the queue.

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JAVIER RUA-JOVET: Javier Rua-Jovet for the record, thank you very much. Question: is there any analysis of the legitimacy kind of numbers before the IANA transition compared to after the IANA transition? And specifically interesting to know what governments feel after, you know, kind of the legitimacy is transferred to the multistakeholder international community versus other ways to legitimize ICANN. Thank you.

JAN AART SCHOLTE: Short answer, no; slightly longer answer, yes; the IANA transition can in many ways be seen as a legitimation, re-legitimation exercise, and so in the conclusion, Larry Strickling, for example, said legitimacy is the big question going forward, so that was an inspiration to do this study, but no, and it's one of the great problems that we have in studying legitimacy in global governance that we don't have longitudinal data. So we're starting tardily, but we're starting.

JOHN LAPRISE: Olivier.

OLIVIER CREPIN-LEBLOND: Thank you very much, Mr. Chair, Olivier Crepin-Leblond speaking, and I really enjoy these types of things with your presentations with nice graphics and things and it looks, you know, how great or how terrible we are, but I do have a question with regards to the methodology that you've used for this. When you say you've interrogated or you've asked questions to the elites, which I find it fascinating to think that

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there's the elite somewhere, but the elites, did you phone them? Do you email them? What is your sort of data set as such to start with?

And the way that you asked a question, as you know, provides you with answers which are very different. So did you say, you know, if you were looking for a babysitter, would you give it to ICANN? Is that a sort of thing about trust in ICANN or did you ask a question as in 'Oh, do you think ICANN is legitimate?' What happens if they don't know what ICANN is? And so I don't know if you have further data on that.

JAN AART SCHOLTE:

If I maybe answer the general elite question and Hortense can talk about the methodology of the ICANN specific one. For the elites in general, there's a long technical report online, runs to 25 pages to say exactly how we decided etc, etc. but, in brief, we took six countries in six different world regions, with different regime types, different economic development, different political cultures, different etc. experiences of global governance, and then we interviewed 100 - 125 in each one, and they were spread between political elites and societal elites, we talked in the societal elites to business people, media people, civil society people, academics and then we talked to political parties and we talked to government officials and we made sure that that was reflecting the distribution of political parties and etc, etc.

OLIVIER CREPIN-LEBLOND: So you spoke to them face to face interviews?

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JAN AART SCHOLTE: No, these were telephone interviews, on the whole, the ICANN study itself is different.

HORTENSE JONGEN: Great, thank you very much. Yeah the ICANN insiders, so to say, so when it comes to the Board, staff and community, as well as the informed outsiders, they were face to face interviews. And you're absolutely right, as everyone might have a different understanding of what legitimacy means, we asked them the question, 'How much confidence do you have in the current workings of ICANN overall?', which is a common measurement of legitimacy and we also asked the questions which we could not, due to time constraints, present findings on right now, but we also asked a question about 'The extent to which they approve or disapprove of the current workings of ICANN in overall?'

And yes, when it comes to people who do not know about ICANN we treated them, what we call as item non response, so basically as a non-answer, but of course, we report on these numbers. When it comes to the ICANN insiders this number is close to 0, of course, but when it comes to the informed outsider of other people in Internet Governance, it goes up.

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JOHN LAPRISE: So, we have 4 people in the queue and we are overtime at this point. So we will have a one minute timer. I have Abdulkarim, Marita, Joanna and Yrjö in the queue, and we'll take those questions and then we will close the queue. So, Abdulkarim.

ABDULKARIM OLOYEDE: Thank you very much, this is Abdulkarim. I want to just find out about this; if you can go back some slides back there was one that says 41% of the community responded and the figure was about 350 something, so I want to know how you got those figures and does that represents 41% of the community? Thank you.

JAN AART SCHOLTE: No, we can answer straight away, 41% is a response rate. So we created a population, we looked at the nine ICANN meetings between 2015 and 2018. We looked for people who had attended at least three of those nine meetings. We considered that those would probably be insiders, people know the regime, and they didn't come off the street for a free cup of coffee. That was a population of 1400 people. Then we random sampled from those 1400 some 790 I think it is, and then we contacted those 790 and 41% of those 790 answered it, came to the question, that's how it came.

JOHN LAPRISE: Marita.

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MARITA MOLL:

Thank you, Marita Moll for the record. I think this is a really interesting study and I really hope that there will be an opportunity for you to report further at our next meetings. What I find would be most useful for us is the kind of answers you're getting because we're involved in Outreach, we're involved in trying to get people in, the kind of responses you're getting from people who are not here.

Interesting, no surprise to us that nobody's ever heard of this, despite the fact there's an awful lot of Outreach going on, as much as we can do. So if more information about that, and information about people who have been here, but you know, but their expectations are not what we might expect. Just to help us evaluate what we could do to help change those numbers. Thank you.

JOHN LAPRISE:

Joanna.

JOANNA KULESZA:

Thank you. Thank you very much for the presentation, truly fascinating. I have two questions or two issues. A more general question is on At-Large, I'm wondering if there's anything we could do to facilitate the process, because if I understand correctly, the process is not yet complete. I love to look at At-Large as ICANN in a miniature, so we represent all the regions and various interests as was presented in the previous session. So in that sense, if there's anything we could do in terms of facilitating the results, I am certain that would be of shared interest.

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And building on top of that, the most interesting thing comes at the second point here on the slide, I wanted to ask you 'What's the Way Forward?', and I read it again, and it says that it's not certain yet, right? So you are in the process of providing explanations, but I would love to hear at least a little bit of what's to be expected. More generally, what's your hypothesis? So what are the ways in which this research might evolve? And clearly, we would be interested to learn more on that. Thank you.

JAN AART SCHOLTE:

Quickly, we have data on ALAC specific, we didn't present it here, but we can break it down by constituency, we can break it down by SO and AC. Explanations, it's a big and long answer, but in brief, we do have hypotheses. Basically, there are some people who say legitimacy derives from institutional features. So you respond to the way that an organization behaves, its purpose, its procedures, its performance and so on. It's the institution that makes it happen. There are other arguments that say, 'Legitimacy is driven by psychology'. It's how people identify themselves. It's how people calculate their interests. It's how people have trust or not in society. It's how much knowledge people have. So then it's about the individual, not about the institution.

And there are also explanations that say; 'Legitimacy comes from societal norms', so it's not what ICANN does, but it's how ICANN conforms to the norms of society. And so we can try both statistically then to see what are the strong correlations between -- different



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questions in the survey were actually without you knowing it, we were tapping into these hypotheses but that, again, is an enormous exercise beyond the data collection.

JOHN LAPRISE: Yrjö.

YRJÖ LÄNSIPURO: Thank you, you say here that you haven't gotten yet into explanations, but do you have a gut feeling or sort of educated guess why human rights and promoting democracy get that low scores here. Thank you.

HORTENSE JONGEN: Great, thank you very much for the question. Overall, I mean across all groups did these aims of promoting? Sorry, I don't remember correctly whether your question was about the aims or about what ICANN achieves in practice; when it comes to what ICANN achieves in practice, a lot of respondents indicated that this is not what ICANN should be doing, that in principle, they find democracy important but they don't consider it part of -- to be within ICANN's remit. And then often they reported lower scores and this is why the scores, although there seems to be divided opinion about whether this matters for ICANN.

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JAN AARTE SCHOLTE: Can I also just say we made transcripts; those of you who did the interviews, you remember that we recorded your answers, so we also have 529 transcripts which we're now doing content analysis of and then we can get more qualitatively at some of these points, just not just the quantitative.

JOHN LAPRISE: Okay, thank you very much for your presentation, and with that, I'll turn this over to Staff, if there's any housekeeping announcements before lunch.

GISELLA GRUBER: I'm sure you're waiting to hear something really exciting but it will just resume to, there is lunch available on -- as in there are food outlets like Subways, etc. on level 1. So if you go down in the conference center down to level 1, and we resume again at 1:30pm sharp here, please. Thank you.

HOLLY RAICHE: Can we leave our computers here?

GISELLA GRUBER: That is at your own risk, the room will not be locked, no. So the short answer is no, thank you.

**[END OF TRANSCRIPTION]**