MATHIEU WEILL:	Hello, everyone. I am hoping that I can be heard correctly. Can anyone confirm whether the recording has started?
UNIDENTIFIED MALE:	The recording on Adobe Connect has started and I hear you correct.
MATHIEU WEILL:	Thank you very much. This is Mathieu Weill speaking and it is my pleasure to welcome you all to this first cross-community working group accountability webinar on our initial draft proposal for public comment. These proposals were published last week on May the 4th and are open for comment until June, the 3rd. The goal of this webinar obviously will be to introduce the various recommendations and proposals on the table, and most of all, listen to the inputs and comments from the audience, and try obviously to answer them.
	I see the scrolling is quite fast. I don't know who has full control here, but if we could move back to the initial slides. Thank you. [We're probably] on the next one. Okay.
	This is just an [inaudible] to remind you that this cross-community working group on accountability is one of the two main tracks, which is part of the NTIA IANA stewardship transition. Efforts from the community, one of which is [leading] to the ICG and was [brought in] earlier in the cross-community working group on accountability was started. The proposals from our group [weren't] finalized, are meant to be submitted to the chartering organizations but also then to the ICANN

board, which would, in turn, provide the NTIA with a consolidated proposal for its consideration. If we go to the next slide, thank you.

A reminder of the goal of our group. The goal of our group is to enhance ICANN's accountability to the various stakeholders, though we are being tasked to identify the mechanisms that have to be in place or that must be in place or committed to before the IANA stewardship transition [in light of] the changing relationship with the US government. That's our work stream 1. Our initial proposals mainly focus on work stream 1 recommendations. And there will be a work stream 2, which is referenced in our initial proposals, but they are obviously not [inaudible] as yet. Next slide, please. Thank you.

Our group is a rather large group and the effort has been quite significant. You'll see on the timeline that approval of the charter was in very early December 2014. Our group has been working for five months now with key meetings in Frankfurt in January, Singapore in February, and Istanbul in March. It's obviously the right time now to get feedback from the community on our initial thoughts. That's basically what the report is about.

I'd like to stress that this is for us a very important aspect of the work, to listen and reach out to the community, and try and engage so that everyone understands what we're trying to achieve, but also listen to everyone and particularly concerns or comments that would be raised. That's obviously a key core of this meeting.

I'd like also to remind everyone it's pretty much outlined everywhere in our report that these are not consensus recommendations yet. They are

reference proposals. We're looking for guidance from the community on several aspects and that is one of the expected outcomes of the comments.

This public comment is supported by a report, the initial report I was mentioning. There are a list of questions in the public comment forum, but also a set of graphics that we will display on this webinar that are designed to facilitate understanding of the various proposals we're working on.

That's introductory statement. I'd like to just open for quick words about how we're planning this webinar. The agreement we have in our group is that we will present a few slides and pose for questions. Questions that are mainly on understanding of the slides. And we'll have a Q&A session at the end to discuss the concept and the main concerns that it might raise after we've moved through all the slides. We'll have [inaudible] for clarification, clarifying questions, at each stage. Then a more thorough discussion at the end. Of course, when we're speaking, everyone is invited to mute their mic and use the Adobe Connect room to raise their hand, so we can manage the queue.

Is there any question regarding these introductory remarks? Seeing none. I see Kavouss Arasteh who [inaudible] a question. Please, Kavouss.

KAVOUSS ARASTEH: Yes, good afternoon or good day to everyone. May I ask you whether, at least o some time on this webinar, you discuss or please refer to the letter that was addressed to you, the co-chair of NTIA, regarding the

timeline that has a specific reference and paragraph saying that including the community's view to how long it will take to finalize the transition plan and implement it. So they are referring to the implementation of the work stream 1, and that would be useful reply and also would be useful for the ICG, although ICG directly is not connected to the CCWG, but indirectly to the naming community is connected. This is one point.

The other point is the legal issue which has been addressed in the latest [inaudible] of e-mails relating to either one or two constituencies or groups would not wish to be a member of this member model. This would be another arrangement that a non-member makes another unincorporated association with a member. Remember, that this is not very legally clear. What does it mean, for instance, if GAC or [inaudible] or anyone does not to be a member, they make another arrangement? This is not quite clear.

I don't expect any reply from you, but I just [inaudible] that issue is very important in particular. [inaudible] meeting in Buenos Aires. Thank you.

MATHIEU WEILL: Thank you, Kavouss. I think both questions will be addressed. We have a specific item on timeline plans for [inaudible] on this call. I think the question you're raising on the constituencies will certainly be addressed, if not during these various slots, but at least in the general discussion at the end.

With that, I would like now to hand over to Thomas Rickert for the next section of the presentation. Thomas?

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THOMAS RICKERT: Thank you very much, Mathieu. My name is Thomas Rickert and I'm one of the three co-chairs of the CCWG. The third co-chair, Leon Sanchez, will speak to you later during this session. To take it even further, we have shared the burden of presenting to you with excellent repertoire. So you're going to hear different voices during this call and you're also listening to those who have been closely working on the areas concerned. Can we move to slide number four, please?

This slide shows four building blocks, as we call them. Just to share with you how we came up with those, at the outset of our work, we thought it would be a wise idea to look at what accountability mechanisms are already there with ICANN. So we have created an inventory of ICANN's existing accountability mechanisms to better understand what is existent to then be able to analyze where we need to enhance, improve, replace, or add new bits to the game.

The other thing that we did is to look at what the community had previously contributed to the question of ICANN's accountability. You will remember that ICANN after the US government had made its announcement in March last year, ICANN has already conducted a public comment period asking the community what they would like to see in ICANN, i.e. what ICANN needs to change to make ICANN a more accountable organization.

So we analyzed the status quo, we analyzed the community's wishes in order to incorporate all of them. We analyzed those. Then our group concluded that each and every accountability request that we are

confronted with might be addressed through a nice or well thought-out interaction between four parts of an accountability architecture.

We also thought that we should look at existing accountability architectures that have been successful. And if you look at governments that work successfully, they also have these four components, which we find in ICANN and which we're going to work on improving.

These are, in the upper-left part of the graphic, the empowered the community. So the community can be compared to the people or the legislative in a state. Then we would have the ICANN board, which is more or less the executive. Then we would have the principals which would be ICANN's bylaws that serve sort of as a constitution to the organization. Then we would have an independent review mechanism which would be the equivalent to a judiciary in the state.

So these are the component that we want to familiarize you with, and as we move through the slides, you will see that all these four can be used and will be used according to our recommendations to build the accountability mechanisms, existing ones that we revisit or new ones.

Now, the other thing is that these four building blocks are there. We've been working on requirements that we have for improving ICANN's accountability. That was our first step after we had established the status quo, that we looked at the tools that we need without looking at the legal implementation of these tools. But there was one topic that came up over and over again that was, for example, how do we prevent ICANN from mission creeping into other areas where it is not competent?

EN

So we thought that this would be a requirement among [servers] and we would need tools to make these requirements work. We're now at the stage where have established the status quo. We have established the requirements. We have worked on ways to achieve the goals of the requirements and we've also worked on the legal implementation to empower those, to enact those. This is what you're going to hear about during the subsequent slides. Could we move to the next slide, please?

The other question then was how do we ensure that we don't run the risk of us as a community developing all these nice requirements and developing all these nice enhanced accountability mechanisms, but then the board could theoretically reverse them by just making a board decision whereby the ICANN board can change the bylaws and take out the parts that the community deems vital for an improved ICANN accountability.

So we came up with the concept of fundamental bylaws. They've sometimes been called golden bylaws, but we explicitly refrain from using that term. The word gold makes it a little bit more tangible that we're talking something valuable. So the fundamental bylaws are a part of the bylaws which are deemed to be so important that they can't easily be changed by ICANN's board. But those would actually need to be explicitly approved by the community. And how the community exercises this approval power we're going to speak about as we move on.

I think for the moment it's important to understand that we established two sets of bylaws, one of which would be the ordinary bylaws that can more easily be changed, and then the fundamental bylaws that can be

changed, but that can only be changed if a high threshold was met by the community to ensure that what we come up with is more or less perpetuated. Since these fundamental bylaws still can be changed, ICANN is still in a position to be able to, let's say, new policy changes in the future, which we don't yet know about.

So the ideas that would go into the fundamental bylaws would by ICANN's mission, commitments and core values. We'll hear more about those a little bit later. Then the independent review process itself. We want to make sure that the independent review process cannot easily be put out of existence, because that would be an independent tool to call the board to order in case the ICANN board does not follow what it is required to do. Then the power to veto non-fundamental bylaw changes and to approve changes to fundamental bylaws.

In order to prevent that, the ICANN board takes the fundamental bylaws out, so that there is prevented that ICANN's bylaws are changed through the back door. So the fundamental bylaws provision will also be perpetuated as a fundamental bylaw.

Then certain reviews, particularly the reviews that are required by the CWG, the other cross-community working group on the IANA function review. We need to ensure that these reviews are carried out and can't easily be [inaudible].

Then the new community powers that we're going to discuss in a moment, such as the possibility to [recall] the board will also be perpetuated. By doing that, we have a set of very important rules that

are going to be enshrined in the bylaws, which can't easily be changed. Let's move to the next slide, please.

I spoke about community powers a few times. You will remember that on the graphics slide with the community, we spoke of an empowered community. So in the absence of the historical relationship with the US government, which could ask ICANN to do certain things and basically they could say, "If you don't behave, then we are not going to extend the IANA functions contract and go elsewhere," and in the absence of this potential sanction, we took the power that was with the US government and handed over that power to the community.

We felt that for work stream 1, i.e. the accountability mechanisms that need to be implemented or committed to, the five powers that you find on slide number six would be relevant. That is the community power to reconsider or reject ICANN's budget or strategy or operating plan, the community power to reconsider or reject changes to ICANN's standard bylaws, the community power to approve changes to fundamental bylaws, the community power to remove individual directors of the ICANN board, and the community power to [recall] the whole ICANN board.

Now, we think that at the beginning, you will remember Mathieu spoke about work stream 1 and work stream 2. We need to put those community requirements into work stream 2 that help us ensure that what is in work stream 1 is going to be followed, but also that future changes required during our work on work stream 2 are actually implemented and not ignored by the ICANN leadership.

We think that with these community powers, the community has all the powers at its fingertips to shape the organization according to its needs. So if you have control over the budget and the strategic plan, you can pretty much influence what an organization is doing. That is exactly what we're trying to do with this exercise, and we have developed mechanisms, escalation paths, how these community powers can be exercised and we're going to see them on the next couple of slides. Jordan Carter, the reporter for this part of our work, will now show you through the community power slides. Jordan, over to you.

JORDAN CARTER: Thank you, Thomas. Hi, everyone. My name is Jordan Carter from the .NZ ccTLD. I'm just going to take you through some more details of the five powers listed in this slide, so if we could go to the next slide, please.

The first community power is – I'll just add one point. All of the origin to these powers came out of the consultations with the ICANN community that were done last year where there was a very long list of possible accountability mechanisms pulled from people's suggestions. Working party 1 on community empowerment, which I was the reporter for, [we looked] through that and refined it into the five powers that are set out here.

Just to make the point that we didn't invent these powers. We didn't think of them out of thin air. They came from the suggestions made by members of the ICANN community, like all of you listening to this call.

The first power was to give the community the power to reject the budget or the strategic or operating plan. That links into what Thomas

said before about one of the things we're trying to achieve here is to prevent ICANN going into [inaudible] mode. That's the main motivation.

After the board has approved a budget or an operating plan or a strategic plan, the community would have the chance to review it, and if it was not happy with the content, it would be able to reject it and send it back to the board along with some information about why it was rejected. And the board would have to look at that information and to propose a revised budget back.

The constraint, if you like, on abuse that we have put into this proposed mechanism is that the community couldn't keep raising new issues. It would have to raise all of the issues it has, so that the proposed budget or the plan when it's first [inaudible], and if it isn't happy with the way the board addresses those concerns, it can reject it again.

But as you can see from the diagram down at the bottom right of the slides, rejecting a second time would require more votes than the first time, so that makes it a big trickier.

The intention is, with this power in place, the ICANN board has an incentive to take the community's input through the budget generation process and through the feedback that it gets more seriously than otherwise, because at the end, it knows that if it proposes a budget the community will not support, the community in the end can reject it and require a new budget to be made. And if the board keeps disagreeing with the community, the company will be in certainly a more difficult situation because it will be going longer and longer with a budget.

So, overall this is to help make sure that the functions of the company, the places that resources are focused through strategy or through budget are in line with what the community expects. If we could move to the next slide, then.

Community power number two is about reconsideration or rejection to changes of the bylaws. That's motivated by the same thing. At the moment, the ICANN board has the power to propose changes to the bylaws. It makes the decision after a community consultation [phase]. This new power for the community would have, again, a review period after bylaw change is voted on by the board, but before it is implemented. And with the [inaudible] high level of community concern and votes, the bylaws change could be blocked. That just means that the bylaws change wouldn't come into effect. It would be just as the board had not voted for it.

This, again, provides a constraint. If the board is proposing a very controversial change to the ICANN bylaws, it would need to be pretty confident that it had done enough work to secure enough support from the community that the change wouldn't be rejected. It isn't about the community writing bylaws changes itself, but it is about saying that the changes proposed by the board can be rejected if required.

The next slide is the third community power. Thank you. This is slightly different. Thomas mentioned the [inaudible] fundamental bylaws which would be more strongly entrenched, if you like. It's almost like a higher law or a constitutional set of provisions within the ICANN bylaws.

He has already listed for you the ones that that would be. This is about the power to approve changes to them. On the previous slide, I discussed there was the power outlined to reject changes to the ordinary ICANN bylaws. This one is a little bit different. This is saying that where there's going to be a change to these fundamental requirements, it should require the conscious agreements of both the ICANN board and proposing changes to these very important fundamental bylaws and of the community as well.

So unlike with ordinary bylaws where the community can veto a proposed change, for a change to fundamental bylaws, the community would have to approve it with a three-quarter vote of the mechanism, just as the board would also have to do so with a three-quarter vote of the mechanism.

This is because the whole point of having these fundamental bylaws is they're harder to change. So by expanding the decision away from a board decision to a board and community decision and by increasing the threshold for a change from two-thirds of the board voting to three-quarters of the board and three-quarters of the community mechanism, that provides quite a lot of protection to the fundamental bylaws and make sure that they can be well-entrenched in what ICANN does.

Remember, we're talking about things like provisions that actually protect these accountability settlements, the fundamental mission of ICANN, the core values of the company and so on. This wouldn't be all of the bylaws, but it would be those that are deemed most significant by the community. The same process would apply to changes to those

bylaws or to the [inaudible] of them, if we could move to the next slide please.

Community power four is about removing individual members of the Board of Directors. This is a power the community has asked for to say that if a constituency is not happy with the actions of the directors that it has elected, it has the power to remove it. It's a fundamental part of the California legal framework that the removal of a director is most easily done by the same body that appointed it.

This slide looks at the situation where the director is appointed by the ccNSO, the ASO, the GNSO, and the At-Large community – [inaudible] voting members on the ICANN board. If the [relative] constituency, SO or AC loses confidence in that director and wishes to remove them, they would have the power to do so.

One of the details that hasn't been sketched out but that we're really looking for community input on is how much commonality does there need to be to [inaudible] removal across the ICANN community? Should there be one set of rules for that set out in the bylaws or should there be some space for the SOs and ACs to set their procedure within a minimal framework set in the bylaws, or should it just be up to the individual SOs and ACs to decide? We'd really like your feedback on that.

Like all of these other powers that have been mentioned so far, there aren't any objective lists of standards that need to be met here. It's very much about the confidence that the SO or AC has in its director. It's a

very common remedy in non-profit organizations that the appointing body can remove a director when it is no longer happy with them.

As you'll be aware, the [eighth] member of the ICANN board is the President and CEO, and the remaining [eight] [inaudible] directors are appointed by the Nominating Committee. If we could move to the next slide, it deals with the board members selected by the Nominating Committee.

Because we are still along the lines of this principle required by the law that the appointing body is the body that can remove an individual director, it would be the NomCom or a version of the NomCom that [was] the removal point for directors appointed by us. That's [stepped] out in this slide.

We're proposing a high level of consensus [inaudible] as well. A high level of support in the NomCom would be required to remove a director, 75% of the votes available there. In our detailed comment report, there is a bit of information for you about some different options to how that could be achieved and we would really value your thoughts there. It's actually in the "On what grounds can they initiate?" paragraph on the left-hand side of this slide. Whether it's just the existing members of the NomCom or whether a special committee should be established to deal with any removal petitions.

The petition to remove one of these NomCom directors, as we're proposing it, would have to come from at least two SOs or ACs. So the community would have to express concerns about the actions of one of these directors, and it would be when a petition along those lines

arrived that the NomCom would swing into action, consider the petition, and decide whether to remove the director involved or not.

Now, such removal of individual directors, if we could move to the next slide, there is also a community power that has been called for which is the removal of the entire ICANN board. Not just the single director, but recalling the whole board at once. That's a power that we're proposing to give to the community. On a very high threshold, three of the SOs or ACs, and at least one of those would have to be an advisory committee and one would have to be a supporting organization would have to petition to remove the whole board. There would be a required period of deliberation and discussion within the SOs and ACs once such petition was received, and they would decide how to vote on the matter.

Preferably, if you were going to take the step of removing the whole board, it would be by community consensus. Once again, we've proposed a 75% threshold if it came to a vote.

The reason for that is that we thought as a working party and as the CCWG, it would be problematic to make this threshold so high, so stringent, that it would be almost impossible to remove the board, to recall it, because that would essentially render this [inaudible] power. One that looks like it was on the books, but which was never able to be exercised.

But at the same time, removing the entire ICANN board would be a very significant step for the community, which is why the three SO and AC

petition is there and why the very high threshold is 75% of votes is required.

Those are the five community powers that is my responsibility to explain to you. Looking at the co-chairs virtually to see what I need to do next. I think I hand it back to Thomas. We welcome any questions which there may be in response to that outline.

THOMAS RICKERT: Thank you very much, Jordan, for this excellent overview of the community powers and the associated escalation path. Are there any questions with respect to what Jordan has presented? I don't see any hands raised at the moment, which allows us to move to the next slide. You will be eagerly waiting for our suggestions in terms of legal vehicles to enable the community to exercise these powers. The third co-chair, Leon Sanchez, is going to guide you through those. Leon, over to you.

LEON SANCHEZ: Many models in discussion within the group with regards to how to structure the different models that enable a community to enforce the powers and enable the mechanisms to of course reach the goals that have been so far commented by my co-chairs and reporters.

This membership model that you see here in the slide is a short-listed model that has come up to the CCWG. We need to have some legal structure that enables the community, like I said, to enforce the different rights that we are trying to provide the community with within the structure of ICANN.

The membership model has also an alternative model, which is the [designated] model. In order to be able to enforce this right, the different SOs and ACs would be able to form unincorporated associations that would, in turn, become members of the new ICANN model. If you see this slide, you can see that whenever the mechanism would begin, the [inaudible] any kind of questions, you will have an SO or AC set a petition. Then there would be a check to see if the petition is a required [threshold]. Of course depending on the particular [threshold] that any power or mechanism would need to meet. Then we would have voting, of course, and this would be a voting carried by the member organizations in this new structure. If the vote is [inaudible], then this follow-through the [community's decision].

We have so far proposed a structure in which we have this community mechanism formed by [inaudible] a vote and each SO and AC would have a certain number of votes within this community mechanism, and the deciding powers would be established by the community, of course.

This is very important for the proposal because it is through a membership model that the community would have the legal vehicle to enforce and to implement the different powers that we are trying to provide.

If we manage to have this membership model in place, then it's of course a different goal set we are trying to achieve, would be easy to implement. If we go to the next slide, I will speak to you a little bit more about the unincorporated associations.

EN

In order to organize this membership model that I spoke in the last slide, the different SOs and ACs would be able to, as I said, but not required and it is very important having [inaudible] but not a requirement to form or incorporate an association under California law.

If an [incorporated associations team] is [inaudible] with structure that needs very little [inaudible] requirements to be established and would also have a layer of protection for the different individuals that participate within the ICANN community.

These unincorporated associations are relevant to this proposal, because as I said, they would be the vehicle to legally exercise the different powers and force any rights that the community may have.

An important point here to highlight is that, as I said, not all SOs/ACs would form unincorporated associations. This would be something that would be up to the different SOs and ACs. And of course the legal advice that we've received is that any community or any supporting organization or advisory committee that currently designates directors would be thought to form these unincorporated associations in order to continue to have these powers.

But those SOs and ACs that currently don't designate directors might not be forming unincorporated associations and they would continue to participate within the ICANN structure and within the ICANN community in the same way that they are participating at this moment.

So [inaudible]. The SO and AC would not be turned into an unincorporated association, but rather would form an [unincorporated] association. This means that there would be a link between the current

SO and AC with this unincorporated association and the unincorporated association would be the one that would be able to exercise the different powers and enforce the different rights that we're trying to provide the community in this proposal with.

This, of course, would imply no change for the individual ICANN volunteer and there would be no [inaudible] or organization to change the ways in which they participate within the ICANN community, as I said.

These members would be the ones driving the different powers and mechanism that are highlighted in this proposal. Now I'd like to open the floor for questions on these matters. I see Kavouss's hand is up. Kavouss, could you please take the floor?

KAVOUSS ARASTEH: All those SO and AC that [inaudible] today, they will be in the model of members, they will be members of the community, but an incorporated association would only [inaudible] those who designate or have the right to designate a director. That means those who do not designate directors would not be associated with that unincorporated association. Is that right? If yes, I have a second question.

LEON SANCHEZ: Thank you very much for your question, Kavouss. Yes, currently [inaudible] suggests that those ACs and SOs that currently designate directors would be best if they formed an unincorporated association if

it constitutes an unincorporated association as opposed to those that don't designate directors at this stage.

So the ones that don't designate directors and don't vote for directors at this stage would of course not be required to form unincorporated associations. This is something very important, as I said earlier. The different SOs and ACs can, but are not required, to form unincorporated associations. It is important, of course, to be in line with the model proposed that those SOs an ACs that want to enforce their right and exercise their powers form these unincorporated associations because this is the legal [inaudible] that will enable these communities to enforce the right. I don't know if that answered your question, Kavouss.

KAVOUSS ARASTEH: Yes, but the part of the question is that those who are not designating members, they are not required to be [inaudible] association of unincorporated, therefore how they can [design] this power because they are not in the unincorporated associations, how could they exercise the power? This is the question.

LEON SANCHEZ: Thank you very much, Kavouss. Of course this is something that needs to be further looked at with regards to legal applies. I wouldn't want to go into answer this question at this stage because, of course, we need to receive the comments from the community and pose them to the lawyers to receive legal advice on this end. But my guess is of course that since the different mechanisms and powers have [a design] to take into account the different voices from the ACs and SOs, that would be

[the vehicle] for those that choose to not incorporate, to not form unincorporated associations, to exercise those powers.

I see some questions in the chat. I also see Tijani Ben Jemaa has his hand up. So I will turn to Tijani, and then I will address the questions in the chat. Tijani, could you please take the floor?

TIJANI BEN JEMAA: Thank you, Leon. [inaudible] because as you presented it, it seems to me that you presented it as it is possible to become a [inaudible] of ICANN without having an unincorporated association, and at least make it clear so that we do not confuse for other people. Thank you.

LEON SANCHEZ: I'm sorry, Tijani. My line cut a little bit. Could you please repeat the question for me?

TIJANI BEN JEMAA: Yes, Leon, thank you. I asked you please to clarify that it is the [must] to become an incorporated association to become an ICANN member. Thank you.

LEON SANCHEZ: Thank you very much, Tijani. With regards to the model that is being proposed, yes, its membership would be something that certain SO and ACs would like to have, [inaudible] member. Then an unincorporated association would need to be established.

EN

Okay. So now I will address the different questions in the chat. I see a question from [inaudible]. "If the GAC doesn't become an incorporated association, would it be able to participate in the process for recalling the whole board?"

As explained in one of the previous slides, [inaudible] this question is very much the same as Kavouss asked, so I think that has already been addressed.

I see some questions from Rinalia Abdul Rahim also. Question one: "If not all SOs/ACs from unincorporated association, how would that affect the community to make [inaudible]?"

Well, of course, this is something that needs deeper review with regards to legal advice and how the different SOs and ACs would be able to carry out this community mechanism. But as I said in the explanation, the legal vehicle for exercising the rights and enforcing any – I mean exercising the powers that [were reporting] any rights would be is unincorporated associations. So that may leave those SOs and ACs that don't want to form unincorporated associations, aside from any mechanisms or powers.

The second question is: "What is a reasonable timeframe for the reconsideration of budget [inaudible] plan?"

While this is something that needs to be decided by the community, this is why we are encouraging as much people participate in this public comment period, so we can hear from the community and we have a better timeframe for the different powers and the different mechanisms that we are proposing.

What does the [caretaker] board look like? We don't know what [inaudible], of course. It is something that also needs to be consulted with the community. But through the different meetings we had and the different calls we had, it has been discussed that [caretaker] board could be in place with, let's say, a principal and a secondary member when designated regionally, or of course there would be this mechanism that would need to establish how the [caretaker] board would be established in the lesser time possible, so ICANN always has a board in place.

Then what would be the scope of their powers? Well, this is, of course, also something that needs to be addressed. I think Jordan has already answered this question in the chat as well in this part of the implementation process, and it would need to be defined as well.

I don't see any other questions in the chat. I see [inaudible] comments: "An association has already been established. There's no need to recreate what is already in the system."

I don't know what you mean by this. I'm sorry.

The second one is: "Why can't the powers proposed be implemented without the unincorporated decisions?"

Okay. This is something that California law requires for the powers to be implemented and exercised. This is why the unincorporated associations are being part of the proposal, of course.

This is the easiest way for the community to be able to establish or enforce their rights and exercise their powers. Let's remember that

there were many models discussed within our meetings and our calls, but these two models, which are of course the membership and the designator model were the two short-listed, and the ones that legal advisors have told us that would be the best way to achieve the goals that we're proposing is the membership model.

I see Kavouss's hand is up, so Kavouss, could you please take the floor?

KAVOUSS ARASTEH: Yeah. You have, to some extent, did not reply because you need to consult. But let me take this specific question. GAC does not designate any director. Therefore, GAC should not participate in the unincorporated associations at all or not in the unincorporated association with respect to exercising the power to remove directors individually or totally.

The question is that totally that cannot exercise its powers with respect to anything or just with respect to the designated – sorry, removal of individual board member and removal of the total board member. The question is that could GAC participate in unincorporated associations with respect to the bylaw, with respect to other things than removal of the director? This is very important [inaudible] GAC to then understand. If we don't have any reply to that now, I ask you please try and consult with legal to [inaudible] GAC we need to know whether we have any power at all because we are not designating director, or we don't have power for recalling any individual director or the whole directors, the whole board. [inaudible] could have power to discuss on the other full issues. For instance, the issue relating to the change of bylaw or not.

Otherwise, the GAC would have no participation at all because it is not designating a director. So it is limited to just removal or in the whole thing. Thank you.

LEON SANCHEZ: Thank you very much, Kavouss. I wouldn't want to answer this question since my knowledge of California law is not the right one, so I would defer this question for our legal advisors, of course. It would be very helpful that you raise these questions and comments during the public comment period, so we can address them properly with our legal advisors.

I see no other questions being raised. I'm mindful of the time and we need to still go through many slides during this, so I will now turn to my co-chair, Mathieu Weill, for the next slides. Mathieu, could you please take the floor?

MATHIEU WEILL: Thank you very much, Leon. Leon and Jordan took you through one of the key aspects of our recommendation, which was the [block] around the community powers. If we go to the next slide, you'll see that [inaudible] around the bottom right-facing block from the slides on the top which is about independent review mechanisms. That's reflecting the work from a dedicated work party in our group, which was led by Becky Burr who is not on this call today, but I'm happy taking over to the main recommendations.

The first key item in our interim proposal is to very significantly enhance ICANN's independent review process. It's called the IRP. It is one of the key aspects of ICANN accountability, but our group is suggesting very strong enhancements to this process. Its enhancements are that the decisions from this panel, this process, would be binding, that it would review cases both on [substantive] and procedural compliance and not only on procedure; that it becomes more accessible to all stakeholders in terms of who can initiate an IRP; that it has a lower cost and that is based on a [new standing] panel of seven.

If we go the next slide, you get a little bit of detail of this. The next slide is about the characteristics of the panel. The process, the independent review process, would be based on a panel composed of seven members that would be fully independent of ICANN, including [an attendance] from the SOs and ACs and the main stakeholders.

They would be [inaudible] for a fixed term, compensated by ICANN, selected based on their expertise on international arbitration as well as ICANN-related matters. They would have access to additional experts as needed. And there would be criteria, cultural and geographical diversity, in their selection.

The selection process that's been proposed so far, and that's been put for comments, is that there would be nominations by third-party international arbitration bodies and then the ICANN board would view a selection of panelists that would then be confirmed by the community mechanism we've just described.

So it's very much a process by which these independent panel members will have to be agreed both by the board and by the community in a way. That's very similar to the kind of process that you have when you try and elect Supreme Court judges, for instance.

If we go to the next slide, the next slide is describing the process of an IRP. So anyone who would be materially affected by ICANN actions or inactions stating that ICANN was acting in violations of its Articles of Incorporation or its bylaws, including obviously the Statement of Mission, the core values, and the ICANN policies would be entitled to initiate a process.

After a good-faith effort to resolve this, step number three is this person could go to the IRP panel to file for consideration. The process would be followed and the decision reached and it would be binding on the board. Next slide, please.

The next slide is how it would actually be working. Based on the seven panels, the seven panelists, depending on the cases, it would be either one-person panel to [inaudible] the case or three-person panel.

There would be several types of decisions. It would be either confirmation of the initial board decision or inaction, or canceling this decision either totally or in part. It would be of course binding upon ICANN. It would be reached in a timely fashion. The reasoning would be documented and it would be creating precedent, so that decisions by this panel contribute to creating more stability and predictability in the decision-making processes.

These are the enhancements for the independent review process that are currently being submitted. If we move to the next slide, you will see that we are also proposing reforms for the reconsideration process, which is not binding process. The reforms we are suggesting are based on our understanding of this process, to expand the scope of permissible requests to include actions or inactions that contradict policies, missions, commitments, or core values from ICANN.

The suggestions and proposals include broadening the types of decisions, providing more transparency in the dismissal process when that happens, and of course providing the board with reasonable right to request frivolous requests that were just filed to delay a decision, for instance.

With regards to composition, there's the suggestion to increase board engagement and decrease how reliant it is on the legal department from ICANN to get more independence in the decision-making. Transparency improvement for the decisions are also considered, as well as an extension of the time for filing a request to 30 days.

In terms of the independent review mechanisms, this is the broad overview I could give and I was certainly conscious of time, so it's just a broadly brushed overview. We are aware of the number of details/questions that remain to be addressed. We have a specific list of questions on the independent review process, which is attached to the reports.

For those key stakeholders who want to do a detailed contribution on the IRP, you will see a number of opportunities to do so and help shape this important part of the accountability framework of ICANN.

With that, if there are any questions on this building block. I see Manal asked the question about who decides whether it's a one-person panel or a three-person panel? This is one of the questions that remains open at this point. I guess the initial idea would be the panel itself would select whether the case deserved the one or three panel, but it can also be included in the procedures that one of the parties in the case would be able to request a three-person panel. It is still very open, so your contribution would be welcomed to the public comments on that matter. At least we've got this question for the record now.

I see a question by Gema Campillos as well. The question was: "Couldn't the community participate in the selection of panelists through a public comment period, for instance, instead of coming at the end of the process and say just yes or no?"

I think it's worth considering and certainly is going to be a single hand-on to the work party team working on this.

I think I see Kavouss's hand is up for a question. Kavouss? Kavouss, you may be muted. I'm not hearing you, Kavouss.

KAVOUSS ARASTEH: Excuse me?

MATHIEU WEILL: Yes, go ahead, Kavouss.

KAVOUSS ARASTEH: Okay. I said that last week we had a GAC call, and in that call, it was mentioned that during the ICANN 53, GAC will invite the CCWG and CWG for its meeting, and it was mentioned that I raised the question [inaudible] whether the legal counsel would be possible to attend that meeting to reply to some of the questions that, for instance, I raised today that may not be possible by the CWG or CCWG to reply. I've also told legal [inaudible] could Leon kindly consider that to see whether the legal counsel would be available during that common meeting of GAC, CCWG co-chair, and CWG co-chair having the legal counsel at that meeting as well? That was the [task that was] given to me and I want to convey this message to Leon and to the CCWG co-chair as well. Thank you.

MATHIEU WEILL: Thank you, Kavouss. This is noted [inaudible] information later from the GAC leadership for a formal request.

As to your additional question in the chat regarding the appeals mechanism, first of all, the question about the difference between the IRP and ombudsman, for the IRP is designed to be a binding mechanism, the decisions ought to be binding to the board. The ombudsman does facilitate and exchange on the matter. It has a narrower scope. [inaudible] provide further details on this, but they're very much complementary and not redundant at all.

The question by Susan about the means to address board member conflict of interest. For example, those board members who made an original decision not being the ones reconsidering the decision. I think it's a very valid point. I'm not – certainly not that we've addressed it in our initial proposal, so we'll forward it to the group. It's very valuable input and something that [inaudible] expectation.

With that, I will now turn to the next part of our webinar, and I [inaudible] Cheryl Langdon-Orr who chaired the working group on the [inaudible] for the next part of our presentation about the Affirmation of Commitments reviews.

CHERYL LANGDON-ORR: Thank you very much. In fact, yes, I am the reporter for the stress-test areas, but the Affirmation of Commitment reviews actually sits under a different purview, so I think we need to go to Steve DelBianco on this one. Thank you.

MATHIEU WEILL: Steve, with my apologies. Steve DelBiano from [inaudible], please go ahead. Do we have Steve?

CHERYL LANGDON-ORR: We certainly should have Steve. Are you muted?

MATHIEU WEILL: Steve, are you muted, maybe?

STEVE DELBIANCO: Can you hear me now?

CHERYL LANGDON-ORR: Yes.

MATHIEU WEILL: Yes, I can hear you now. Please.

STEVE DELBIANCO: Great, thank you. Sorry for the delay. On slide 20, we talked about the notion that ICANN could terminate the Affirmation of Commitments at any time. So could NTIA, for that matter. That the Affirmation of Commitments is a bilateral agreement between NTIA and ICANN, which either party can cancel with 120 days' notice.

That became very troubling and surfaces stress test number 14 of the 26 that we worked on. This stress test suggested that if ICANN were to quit the Affirmation once it no longer needed to stay in in order to keep the IANA contract, the community would lose some very powerful commitments that are in the Affirmation as well as those four periodic reviews that are called for under the Affirmation of Commitments. In many respects, those are the most tangible accountability tools we as a community have had since 2009.

We gathered comments from the community that came in over the summer to determine how those reviews might be enhanced and

improved if we were to bring them into the bylaws, and picked up comments that said we ought to be able to sunset old reviews and create new ones other than just the four that were in there.

We had community stakeholder groups. We ought to be able to appoint our own members to review teams rather than put up names and have either the GAC chair ICANN's chair approve and appoint review team members.

When it comes to documents and transparency, some of the review teams that have worked so far – and we're talking here about the Accountability and Transparency Review Team, known as the ATRT; the Security, Stability, and Resiliency Team; the WHOIS Review; and the upcoming review on the new gTLD program.

A few of the review teams have complained about not getting access to the internal ICANN documents they needed to do their work, so we are seeking to make that a dramatically improved access.

We also want to require the board to consider approval and begin implementing, including recommendations that came out of the previous reviews. Now, if the board decided not to implement the reviews of the recommendations of a review team, well then think about the powers that Mathieu, Jordan, and Leon have described over the past several slides.

One of the powers is for the community to challenge the board's decision to ignore a recommendation or to change the way it's implemented. That would go to a reconsideration and/or an IRT with the ability to do a binding decision.

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I'll stop here and see if there's any questions on the particulars of this slide. Great. Could we proceed to the next one? Cheryl, should I over to you for the stress test, then?

CHERYL LANGDON-ORR: Steve, I think it's reasonable for you to continue. We really are a tag team here, so continue on.

STEVE DELBIANCO: All right. And I'll move quickly since I know we're running short on time. Stress tests have been discussed since last April as one way to figure out whether the transition and the new accountability measures will be able to give the community the ability to challenge a board decision or to hold the board and management accountable if ICANN faces new external threats or internal crises.

At the beginning of May last year, the Business Constituency suggested a dozen or so stress tests. One of them was the quitting of the Affirmation of Commitments, which we just covered on the previous slide. There were many, many others.

When the CWG and CCWG gathered late last fall, we came up with a total of about 26 different stress tests. We categorized them into five broad categories, things that are external shocks to the system like a financial crisis, a law suit, failures of ICANN to perform. We talked about accountability failures, corruption. We talked about cyberattacks. There are so many in the document that I don't want to get into too much detail with all of you here, but suffice to say that the Stress Test Work

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Party took a look at all 26 of these and analyzed them against ICANN's present accountability mechanisms and against the proposed accountability mechanisms.

Please keep in mind that the proposed accountability mechanisms are only a draft at this point, and for the purposes of the CWG, their mechanisms just emerged two weeks ago and they're also a draft.

So the idea of doing stress tests early is to identify where we have gaps in giving the community the accountability we seek, but it's not a definitive exercise until we get something closer to final accountability mechanisms in place.

I invite questions now of the stress test if anyone has any. It's about 23 pages worth of content in the CCWG draft proposal. And there's a lot of meat in there because it's just [inaudible]. I apologize for all of the detail, but quite a bit of thought went into this work by the Stress Test Team. I'm not seeing any questions, so next slide, please. I think Mathieu, back over to you for linkage.

MATHIEU WEILL: Thank you very much, Steve. We are on the last two slides, fortunately. Number 22 is about linkage with the CWG stewardship on naming. There was continuous and very fruitful coordination between our group and the CWG stewardship. Our initial proposals cover [inaudible] a number of key expectations from the CWG, which are summarized on this slide.

Number one, the CWG requested transparency around the [inaudible] in relation to the IANA function, and [inaudible] the CCWG proposals for the community to have the power to review and reject the ICANN budget. This is one area where the two proposals are linked.

Number two, the community empowerment mechanisms, the CWG noted that it will be relying on the ability for the community to review certain board decisions, especially those board decisions that will decide whether or not they comply with the recommendations from the IANA performance reviews, which will take place every two years after transition, and at most every five years. That is provided through the IRT. Plus the fact that there is a provision in our recommendations that the board needs to make a decision whether to implement or not the recommendation from the review team in a certain amount of time.

Number three is the CWG suggested that a new review team be recreated upon the model of the Accountability and Transparency Review Team or the WHOIS Review Team, and that it be brought into the ICANN bylaws and the fundamental bylaws. It's been discussed earlier by Thomas Rickert that this was a proposal we [inaudible].

And finally, the CWG considers that the IRP and other review processes should not cover the appeal mechanisms for ccTLD delegations or [revocation] issues. That is something that our group also took on board. It is our [inaudible] that we are covering the expectations from the CWG in our interim proposals. Next slide, please.

We come to one of the questions that was raised earlier by Kavouss Arasteh, the road ahead for our group. The public comment ends on

June the 3rd to enable our group to come back, to come to Buenos Aires prepared with an analysis of the input we get from the community for a good discussion with the various communities in Buenos Aires.

We will then move to another public comment period. There is a glitch on the slide because it should say 40 days for the second public comment. We would then be able to submit to the SOs and ACs a final work stream 1 recommendations in time for approval by the Dublin meeting.

This slide also shows the time ahead for implementation and our initial report does address, does provide some initial thoughts about the timing we take to implement those recommendations because it's been very clear from the start and it's been [assessed] again by Larry Strickling in his recent communication to [us] as CCWG that the NTIA is concerned not only with the proposals but also with their full implementation before the IANA transition takes place.

You will see on this slide that we are considering a timeline for implementation that extends until the early summer in 2016. This is still very much tentative, but it demonstrates that we are already trying to assess the duration of implementation as well.

With that, I think we need to give some time for questions. Unfortunately, we're over time. So we'll now turn to Thomas for a Q&A session. Thomas?

THOMAS RICKERT: Thank you very much, Mathieu. We would very much like to hear more of your input. We are suggesting to take your questions on different topics one after the other. Since we only have a few minutes left, if you have questions, we will gladly get back to you in writing. I think it's important for us to get your feedback.

The first hand is raised and that is Kavouss, please.

KAVOUSS ARASTEH: The [inaudible] was also received with slightly different wording [inaudible] two areas. The chairman of the ICG [inaudible] talking about timeline and ICG are thinking of October and November. I think with the timeline that you are given now that we need next summer to finish the implementation and for the area that requires for the transition, I think there is two different time of thinking. ICG [inaudible] October of this year or November this year. We are thinking of June of next year. That is [inaudible]. The next year, June, is full implementation of all the actions required for the transition. Am I right? Thank you.

THOMAS RICKERT: Kavouss, that is correct. We have asked external counsel how much time it would take to prepare revised drafting the draft of the bylaws as well as how long it would take to implement suggested bylaw changes as well as how long it would take to form an unincorporated associations. This timeline that we propose includes all those factors to the point in time when implementation is completed.

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Just to ensure that we covered all areas, let me ask you whether there are general remarks on the overall approach, i.e. the powers and the mechanisms. Do you think we're on the right track with the accountability architecture that we're suggesting? I don't see any feedback on that, which I think is a good sign because you have been encouraged to also voice any concerns you might have.

Are there any questions with respect to the community powers that we have suggested and the processes that have been described by Jordan Carter. Kavouss?

KAVOUSS ARASTEH: No question about that, but there's still the two questions that I raised and Leon told me that he needs to discuss the counsel is quite important. We have to be very, very clear of those non-designating directors. Why do they have any right at all in five areas, in all five areas, or they don't have any rights with respect to the two areas, removal of the individual board member and removal of the whole board members, [inaudible] have the power.

There is some inconsistency [within 29] and the others, because if there are those members who have no right to designate any director, this [29] does not [stand]. So there is some sort of inconsistency within that, so we need to have a clear clarification with respect to the two questions that I raised. Thank you.

THOMAS RICKERT: Thanks, Kavouss. Your questions have been well-noted and we will shortly come up with an answer. Are there any questions with respect to the fundamental bylaws that we suggested? Do you think there's anything missing there, including the AOC [sections] in the bylaws, or with respect to the legal setup with the unincorporated associations? If you do, please let us know.

We've also discussed the independent review process and the reconsideration process. Do you think what we've suggested is robust enough or do you have any questions on the stress test? There don't seem to be any.

Before I hand it back over to Leon for closing remarks, let me thank you for your continued interest in what we're doing. This is a very important subject. I think with the two minutes we have left on this call, we have good chances of even not running into overtime. Leon, back to you.

LEON SANCHEZ: Thank you very much, Thomas. Well, this public comment period is key for the success of [inaudible] working group, of course, and for the success of the whole ICANN community at this stage.

We do really encourage all of the attendants to not only participate in the public comment, but also spread the word between or among your communities, so we have a very wide and rich participation from all sectors of the ICANN community and those outside the ICANN community that would be of course interested in shaping this new state of ICANN's accountability.

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We encourage you to go through the whole document of the proposal, and we also remind you that there are different tools that have been put in place, so the comprehension of the proposal is easier to understand. We have different graphics that have been designed and that can be found in the workspace for the [inaudible] working group.

This set of slides will guide you through the larger document, but of course, do not substitute the reading of the whole proposal in the more than 100 pages document. It is key that if you want to participate and you want to engage in this public comment you go through the document and let us know your feedback. We rely on your feedback to further review and of course enhance our proposal, so we can reach the goals and provide the community with the powers that we want to provide in this [space].

With this, I would like to close the call. Thank you all for your attendance. There will be another webinar later today, so if you want to revisit certain aspects that we spoke of in this webinar, you are of course most welcome. Thank you, everyone.

[END OF TRANSCRIPTION]