
TERRI AGNEW: Good morning, good afternoon, and good evening. Welcome to the LACRALO Monthly Teleconference taking place on Monday, the 17th of October, 2016 at 23:00 UTC.

On the call today, we have Abby Gijon, Alfredo Lopez, Carlos Gutierrez, Blaise Arbouet, Carlos Vera, Humberto Carrasco, Vanda Scartezini, Cristian Casas, Maritza Aguero, Sylvia Herlein Leite, Raitme Citterio, Harold Arcos, Leon Sanchez, Dev Anand Teelucksingh, Bartlett Morgan, Aida Noblia, and Nikenley Severe.

We have listed apologies from Alan Greenberg, Renata Aquino, Gilberto Lara, Valeria Betancourt.

From Staff, we have Daniel Fink, Albert Daniels, Rodrigo de la Parra, Heidi Ullrich, Silvia Vivanco, and myself, Terri Agnew.

I would like to remind all participants to please state your name before speaking, not only for transcription purposes, but also for our interpreters.

Our Spanish interpreters today are Claudia and David, our Portuguese interpreter today will be Esperanza, and our French interpreters today are Camila and Isabelle. With this, I'd like to thank everyone for joining, and I'll turn it back over to Humberto. Please, begin.

HUMBERTO CARRASCO: Thank you very much. I'd like to ask Maritza to proceed to adopt the agenda. I would also like to say that I was called by the Dean of a school

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

to a dinner and I will have to leave very soon, so if you'll allow me, I would like to read a report before the presentation. I will try to be as brief as possible, and –

MARITZA AGUERO:

We apologize, the sound is very bad from Humberto. Can you hear me? The first item that we're going to present today will be a presentation on the IANA functions after the expiration of the contract between ICANN and the U.S. government. We will have León Sanchez, the partner of Fulton and Fulton, and co-Chair of the CCWG.

Then, we will hear a presentation on a market study about the DNS interest industry in Latin America and the Caribbean. This presentation will be made by Rodrigo de la Parra, VP for Latin America and Caribbean for ICANN, and a Manager of the [inaudible] in Brazil.

Then, we will hear a presentation on Human Rights by Valeria Betancourt. We will not be able to hear that, because she has already listed her apologies, because she will have to go into surgery.

Then we will hear a presentation by Humberto Carasco on some comments, and then we will try to get an update on some issues in the region.

Lastly, we will hear Any Other Business. Thank you very much.

HUMBERTO CARASCO:

Thank you, Maritza. We just heard that there is one of the speakers who is having health issues. I would like to rephrase that I need a few

minutes before I begin because once again, I say I have to attend a dinner very soon and that's why we'll need to alter the order of the agenda a little bit. Are we clear, Maritza, on that?

MARITZA AGUERO: Yes, that's okay. Go ahead, please.

HUMBERTO CARASCO: I'd like to deal with a few brief issues. First, Alejandro Pisanty has asked about a pending issue. Let me just also point out that I had finished drafting the new survey, and I added the issues for the ALAC report as well.

DAVID: We are not hearing Humberto any longer. We, interpreters, apologize. There is no audio from Humberto.

MARITZA AGUERO: Humberto, we are redialing to you. We cannot hear you.

SILVIA VIVANCO: It seems he dropped.

HUMBERTO CARRASCO: Can you hear me now?

SILVIA VIVANCO: Yes, we can hear you now.

HUMBERTO CARRASCO: I'm going to deal with one of the issues that was scheduled for the end, but I need to, once again, attend a dinner in some 40 minutes, so I would like to say Alejandro asked me about the issue on the survey and I would like to refer to the new survey that we need to launch tomorrow. We have incorporated the issues that we need to include for ALAC in a report.

DAVID: We apologize, but Humberto's sound is very bad and we cannot hear what he's saying.

HUMBERTO CARRASCO: So I'm going to leave it right there to see if we can actually discuss about that later.

As a second item, I would like to say that we have progress on the issue of drafting. Are you still having issues to listen to me?

MARITZA AGUERO: I can hear very well.

SILVIA VIVANCO: Humberto, if you can please speak louder, that would be all. Humberto, can you hear me? We cannot hear you. Humberto, can you please speak?

HUMBERTO CARRASCO: Can you hear me now? I'm trying to use the AC now. Can you hear me now?

MARITZA AGUERO: You sound a bit distant.

HUMBERTO CARRASCO: Can you please try and call me again? I seem to not get a good connection for some reason. Maritza, while I'm getting called, can you please go to the first item on the agenda? And then I will just try to give my presentation when we get to the second item.

MARITZA AGUERO: Okay, so León, if you're on the call, could you please start with your presentation?

LEÓN SANCHEZ: I was invited to talk about what will happen or what has already happened with the new ICANN structure and this post-transition stage. As you know, on September the 30th, the contract was adopted between the U.S. government – specifically the NTIA – and ICANN for the supervision of the IANA transition.

This is a process that will end after almost 28 years. Remember that ICANN was founded to provide some critical functions on the Internet, and according to the U.S. government the intention was to privatize this supervision of domain names, including everything that's related to ICANN.

And so finally, in 2014, it was said that this process would conclude, and for this, the organization in charge of coordinating the different communities to prepare a transition respecting certain principles, including, of course, the principles of the openness on the Internet, and to ensure stability, resiliency of the DNS, and this should not have as a focus any government in particular and it should have a predominant role from the government and it should also have support from the Internet community.

For this, ICANN created a group, which is the ICG, the group that coordinated at the highest level the transition. This ICG also called for the creation of different communities like the numbers community and the protocol community, so that each of them would provide their own proposal for the transition, and finally, the ICG would make only one consolidated proposal to be sent to the NTIA, and then, you would have to go through the review of this U.S. office and then also it had to be approved.

The first ones to provide their proposals were the numbers and the protocol communities and the domain name community took a bit longer for several reasons. One of them was that throughout the course of the proposal, we realized that it was necessary to also work on issues

such as accountability because ICANN would be the one keeping the role to exercise the IANA functions.

So a fourth group was created among all of these cross-disciplinary groups, and this group called CCWG that I co-chaired is in charge of providing the proposal to strengthen the accountability in ICANN. So once the proposal for the three communities where they're together with the proposal to strengthen transparency in ICANN, the ICG prepared one consolidated proposal and it sent it to the NTIA for approval.

You probably heard that there were protests and complaints from some legislators in the United States who talked about the risk that the full transition would not take place because of budgetary reasons, then there may be a veto or some kind of rejection from the legislative power in the United States, that finally – this did not happen and the expiration of the agreement did not occur. There was a last attempt by some states in the U.S. to start a legal action to try to prevent the transition. However, the judge hearing the case decided that the case could be dismissed because a case like this could not go on.

So the transition has occurred. This is just what we need to understand in simple terms. So [it says] there is a new organization with new Bylaws that have been reformed and amended to include different items that we did not know from before that there are also other documents like the Affirmation of Commitment. That is a document signed between the U.S. governments and ICANN, expressing mutual commitment on different issues such as periodic reviews to the different ICANN structures.

These commitments were incorporated to the ICANN Bylaws with these amendments. A new entity was created. It's made up of the Support Organizations and the Advisory Committees and their role is to exercise control and supervision on the ICANN Board in case the Board decided to take some kind of action going against the community.

And finally, they were granted a few powers. It's what we call as the Empowered Community. Within the different powers they have, there is the power to remove the members of the ICANN Board. Through this new entity, this new body, the Bylaws will be reformed.

We should also remember that these Bylaws have now become fundamental Bylaws, meaning that you require a percentage of approval that is higher than what a typical amendment would require, and with this new role in the fundamental Bylaws, the new entity, community entity has a new role, because it needs to have the affirmative vote of these organizations to be able to apply this kind of reform.

Another important reform within the Bylaws is now we are having an organization that is specifically in charge of maintaining the IANA functions. These functions were conducted by a department within ICANN and now, there is a new organization known as PTI (the post-transition IANA) that is created under the laws of California and is in charge of these critical functions such as maintaining the root.

And aside from these organizations, we also have a council for the customers. It's a council that will be in charge of supervising that the levels of services committed to IANA customers are properly executed,

and if this is not so, the committee or the council will have powers to act and correct this.

These are the main changes at the statutory level, at the organic level within your transition. For the end user, the transition was and still needs to be transparent. The Internet is not over as some legislator said in the United States. No control of nothing was granted because this has always been controlled by the multi-stakeholder community and so the Internet still goes on. The goal, I think, was met. It was something that was achieved with the tireless work of hundreds of volunteers who worked throughout many hours, thousands of hours. We exchanged thousands of e-mails and a lot of money was spent to be able to reach these goals.

And so this is it. Of course, I am open to your questions, if you have any.

HUMBERTO CARRASCO: Thank you very much, León Sanchez. So I don't know. If there are any questions, you may raise your hand, or any comment to make to what León has said. Alejandro Pisanty is asking for the floor, so Alejandro, you may take the floor.

ALEJANDRO PISANTY: Hello, everybody. Can you hear me okay?

HUMBERTO CARRASCO: Yes, we can hear you.

ALEJANDRO PISANTY: Can you hear me?

HUMBERTO CARRASCO: Yes, we can hear you.

ALEJANDRO PISANTY: León, there are some points that perhaps you may give your opinion now. What are the effect that you can foresee regarding these amendments to the ICANN Bylaw with respect to the competencies and activities that may be required from the various stakeholders, particularly those from our region, and to be more precise, from LACRALO?

Secondly, is there anything that's major scale – I mean no minor changes, but any major scale – that you might say that the participants should have done different if it is done today?

Thirdly, do you think that there has been a thorough review process about ICANN'S competencies to carry out this work?

LEÓN SANCHEZ: Thank you very much, Alejandro. With respect to your first question, there is nothing within the Bylaws that ICANN identify at the level of RALOs. I mean the Bylaws got certain important elements, particularly, as I've said, this community, this Empowered Community, but when the

amendment was made, because the way we daily work at ICANN was thought to have not been impacted.

I mean we did not want to include any disruption, and there will be no change in how we have been working, and how we work day after day. The entity that is new, that was created, was to oversee some of the actions of the Board, would only take any actions if there is a procedure that is initiated by the ACs or SO because they can see that a decision has been made that is not appropriate. So that entity would only operate in extraordinary circumstances. So it would be desirable to be a silent entity, a dormant entity, and it will only become active if one of the ACs or SOs initiate any procedure.

So if this entity is awakened, let's say because of the Bylaws have to be changed, so in that case it has to be active, but if it becomes activated, there will be kind of problems in ICANN and that entity will remediate something because ICANN is not pursuing its goals.

So there are several situations where this entity will participate, but it will be an exception. And it would be desirable not to take any action on a day-to-day basis. So this is basically part of continuing with what we do day after day.

ALEJANDRO PISANTY:

Excuse me, León, but before going to the second question, there are some things that changed. For instance, we do not longer have any agreement with the NTIA, with the U.S. government, so there's no Affirmation of Commitments, or at least it has expired with the whole of the agreement.

And so certain issues like – and I’m going to use the English word – the institutional review, this review for the sector by sector on an institutional basis, they’re mandated by the Affirmation of Commitment and those that are mandated by the Bylaws have a different nature. So they have to be realigned. This is one of the implications I’ve seen. Can you clarify on that issue? And with respect to the Affirmation of Commitments – and before going to the second question, can you please speak about the Affirmation of Commitment and the changes?

TERRI AGNEW: León’s line has disconnected and we’re trying to dial back out to him.

HUMBERTO CARRASCO: We are waiting for León Sanchez to be reconnected. Can you hear me?

LEÓN SANCHEZ: I’m back. I’m sorry, but the call dropped. You were talking about the changes with respect to the expiration of the Affirmation of Commitments.

ALEJANDRO PISANTY: Yes, the expiration, and what will happen with this new issue.

LEÓN SANCHEZ: Yes, the expiration of the Affirmation of Commitments is no longer in effect, because of the expiration of the agreement. And with respect to the Affirmation of Commitments, even though it has expired, within the

Bylaws, within the portion that talks about the different institutional review by ICANN, includes [certain] of these topics.

Do you remember that there are periodic reviews to how ICANN operates, particularly based on the commitment with the U.S. government? But after the transition, now it's included in the Bylaws, so we're going to have – or in fact, we are having, in the Bylaws, the obligation by ICANN to do these periodic or regular reviews so as to continue with the continuous improvement in ICANN's performance.

Right now, there is a period where we are like pausing or putting anything on hold, particularly the reviews because of the declaration and the transition, we are moving dates in structural reviews and the AT&T report. That is basically focused on transparency and accountability.

So as far as I know, in the short term, a decision will be made so as to review or to check how these two topics may be addressed, and then to give continuity to these reviews.

HUMBERTO CARRASCO: Thank you very much, León.

ALEJANDRO PISANTY: Yes, I asked two other questions.

HUMBERTO CARRASCO: León, can you please ask the other two questions made by Alejandro before we move on?

LEÓN SANCHEZ: I think that I answered two questions. I talked about the implication of the expiration and the affirmation of commitments with respect to the review – so they are included now in the Bylaws – and I got lost in the other two questions.

HUMBERTO CARRASCO: I think that one of the questions was related to whether you have done something different by now, and I think Alejandro, there is one more question? Can you please remind me?

ALEJANDRO PISANTY: Yes, one is the implications – I mean the new training, what are the new competencies that we need in our region, particularly in LACRALO, so as to be more active in our participation regarding the new transparency scheme now that we don't have the Affirmation of Commitments in place because I think this has implications in the relation with the governments that perhaps cannot digest what is going on.

We have observed in the city of Mexico that they are facing a new entity. An observer – not me – has said at a global level that one of the major pending points in the World Summit of Information was that since now this role – the [asymmetrical] role – of the United States no longer exists, and when we talk about such a large scale agenda that has been fulfilled, we, the members of LACRALO that are participating in

mechanisms, decision making processes, public comments, consultation, etc., in our own countries, we have to stress that we have been able to prove the possibility of managing, administering a global resource without the asymmetric participation of a government.

And so all process have to be more symmetric right now, so for our communities, it will mean that we have to be ready to change the way in which we act inside LACRALO and how we take that experience in LACRALO to transfer this experience to some other entities. I don't know, León, if you have something to say in that respect.

HUMBERTO CARRASCO: I don't know if León is in the call or not. Are you there, León? I think that he dropped his call. Can anybody confirm that, please?

CARLOS VERA: I have a question.

SILVIA VIVANCO: León has dropped.

LEÓN SANCHEZ: I'm back, Silvia. I'm back, but I have an unstable connection, so I apologize for that.

HUMBERTO CARRASCO: I would like you to be very brief in your answer, León. We have the question, I don't know if León can make a written answer, because we are running late in our agenda.

LEÓN SANCHEZ: Well, I have an unstable connection and I know that we are devoting lots of time in this meeting to this question, so please, if you can send me the questions, I will give an answer to the mailing list and I will be answering all questions, particularly the questions related to LACRALO. Thank you very much.

HUMBERTO CARRASCO: Thank you very much, León.

ALEJANDRO PISANTY: Humberto, please, let Carlos Vera speak his question.

HUMBERTO CARRASCO: Yes, Carlos Vera, can you please ask your question? And then the answer will be sent in written form by León.

CARLOS VERA: Thank you very much. I would like to ask León – and I agree that we may have another meeting, we may organize another meeting with these issues. We are talking about the Ombudsman, there is a working group, and I don't know really within this new structure whether it has been defined or not and I don't know whether an Ombudsman is included.

I don't know who will finance the new structure of ICANN, and which are the new responsibilities, for instance LACRALO's, if LACRALO will have another responsibility. This is in line with Alejandro's question. Thank you very much.

HUMBERTO CARRASCO: Thank you very much, Carlos. León, I hope that you had written down the questions so that you may give us a written answer. Of course, we can hold another meeting regarding these topics because I think there is a lot of interest. So perhaps we may organize another meeting.

So thank you very much, León Sanchez.

I would like to continue with my report, if possible, before going to the presentation about the DNS industry in Latin America and the Caribbean. This will be presented by Rodrigo de la Parra and I think by Daniel Fink as well.

But I wanted to continue with what I was talking about and about the mediation process, saying that the final report has been translated, that we'll be notified shortly. It will be presented in a conference in India. There will be a face-to-face meeting. The meeting will coordinate some work with ALAC members, with us and with other people from Latin America, and one of the topics we're going to discuss –

CLAUDIA: Sorry, but we cannot hear Humberto properly, so the Spanish interpreters apologize for the gaps.

HUMBERTO CARRASCO: We know that the CROPP program is running, so there's an interest, and there will be a meeting in Mexico in December. So please, if anybody is interested in going there, you may apply as required. Can you hear me any better now?

SILVIA VIVANCO: Yes, Humberto.

HUMBERTO CARRASCO: Can you hear me any better now?

MARITZA AGUERO: Yes, Humberto.

HUMBERTO CARRASCO: Now, let's go to the CROPP because there is a link I can see. There is a link there in the chat pod. So if you're willing to attend to Mexico, and those of you who are going to ICANN 57, you may apply there so as to attend this meeting in Mexico.

Great. So Silvia, I can see there in the chat pod you have written down the URL. And Alejandro Pisanty also asked about the support of ALAC to HTLD with respect to this [inaudible] character. Yesterday, Carlos Gutierrez wrote an e-mail saying that he disagreed with this statement. He was willing to see whether there was any consensus regarding the support of that statement, so I will give the floor – very briefly – and

then open the floor for comments, to check whether there is a consensus or not. Otherwise, we have prepared a poll so that you may start voting from tomorrow.

So I open the floor. Alejandro Pisanty, you now have the floor.

ALEJANDRO PISANTY: Thank you, Humberto. I'll be brief. I think in the past two days, some arguments have been shown, especially Carlos Gutierrez has provided some of them. Probably we need to be very careful and extend our discussion period instead of starting a discussion to see whether we actually do have a possibility to reach consensus instead of having a divided poll where we would all be unsatisfied. Thank you.

HUMBERTO CARRASCO: Alejandro, I think your idea is very interesting and I think we should extend the discussion process for ten days. This should be sufficient time for us to be able to continue deepening on these issues. If you all agree, we will extend then the process for ten more days. Alejandro, I'd like to ask you if you'd like to take the floor again because your hand is still up.

ALEJANDRO PISANTY: I'm sorry, I just kept it up, that's why it's still hurting.

SILVIA VIVANCO: Humberto, if you'll allow me, I would like to ask a question.

HUMBERTO CARRASCO: Please go ahead.

SILVIA VIVANCO: I would just want to clarify the process. We already have a LACTLD document in English and in Spanish. The community now can make comments on the comments section. So in ten days, we would like to get consensus. Is that the procedure? Is that correct?

HUMBERTO CARRASCO: Yes, that's correct, because there have already been comments. Carlos Gutierrez, in a very interesting e-mail yesterday, showed us some arguments saying that he does not agree with this declaration, this statement. So I think the idea then is to try to reach some consensus. Alejandro Pisanty, I now give you the floor once again.

ALEJANDRO PISANTY: Very briefly, opening – let's say it again: we will not be able to reach consensus that it's in existence on the statement as it is. Perhaps reviewing it would not be enough. So contrary to what I would normally propose, which is using all the time we have with the finished declaration, I think this time we will need to create a new text and make differences on the different aspects and try and see if we can find some consensus points there, because there are very diverging opinions. Thank you.

HUMBERTO CARRASCO: Thank you very much, Alejandro. I would like to propose that Carlos Gutierrez offer us a draft, probably, with his arguments – a draft document with his arguments.

CARLOS GUTIERREZ: I'm not sure I understood your comment. Can you please repeat?

HUMBERTO CARRASCO: Before the poll, I would like to – before actually giving you my answer, I would like to listen to Alejandro's comment. You have the floor, Alejandro Pisanty.

ALEJANDRO PISANTY: This is an old hand. Thank you.

HUMBERTO CARRASCO: So Carlos, you have provided very good arguments to not be 100% in agreement with the LACTLD statement, so because you do have an interesting knowledge on this issue, maybe you should propose a draft declaration for this statement.

CARLOS GUTIERREZ: Humberto, what I'm concerned with is the discussion process has been lengthy and tedious. The delegation procedures have been reviewed. There have been several discussion processes on delegations at the first level of those who are not in the list and second level of countries, and I

think the document does not really clarify what is the part that we do not agree with.

I think we need to be very careful and more specific. Right now, it is almost impossible to summarize in a few minutes what has been discussed so far. And so before adopting a document that is lengthy and confusing, I would prefer that people would read, and that we should be in a position to say which are the award elements.

The GAC has already requested their opinion from many countries. I am not really aware if some countries, some governments have given a green light, or under what conditions have they given a green light for delegation at the second level. I think before LACRALO adopts a position, a consensus position, we need to know very clearly if our governments have given an opinion that we do not agree with or if not all governments gave an opinion. So I think the context in a position of the different governments is actually very important to see who is going to win with this benefit of the end users. This is what we are actually representing and we do not necessarily need to represent the position of those country code domain name managers.

Thank you.

HUMBERTO CARRASCO: Thank you, Carlos. I give you the floor, Maritza.

MARITZA AGUERO: Thank you, Humberto. I just want to clarify something: please, the comments provided by Carlos by e-mail, I will consolidate them and I

will post them on the wiki so that they are in order. When we call for a poll or we create a document, anyone who wants to contribute can have a document with the two views so that they can make an adequate decision.

So in any case, if you can post your comments on the wiki, please do that. Otherwise, if there are too many comments, send them to me and I will post them so that they are posted orderly. Thank you.

HUMBERTO CARRASCO: Thank you. Alberto Soto, you now have the floor.

ALBERTO SOTO: Very brief again, please invite Olga Cavalli. She has been working at the GAC level with this issue in particular. So thank you for this.

HUMBERTO CARRASCO: Okay, so we will take your suggestion. Once again, we will extend the decision on this issue for ten more days and we will review it.

Maritza, I would like that you take charge of two items. The relationship with the working group – this is something that I’m sure you know better. You have the floor, Maritza.

MARITZA AGUERO: Thank you very much. In the chat pod, I’m posting the links for the polls – or the surveys, actually – that will be done before October 21st. This is an IT survey on the At-Large review, and then with respect to the DNS

marketplace, which will now be presented by Rodrigo and Daniel. I would like to say that tomorrow, the working group will have a coordination call. That's tomorrow on the October 18th at 23:00 UTC, and on the 20th, which is the Thursday at the same time, 23:00 UTC, we will hold a second call. This second call will receive Carolina Aguerre who has been very kind to volunteer to work with the working group to provide more light and discuss the issue a bit further.

Those who want to be involved in these calls are all welcome. That's all I wanted to say regarding this. So thank you very much, Humberto.

HUMBERTO CARRASCO: Unfortunately, because of work reasons, I need to leave, so I give the floor to Maritza who will continue conducting this meeting. So thank you all very much, and I am sorry I have to leave. Maritza, you now have the floor.

MARITZA AGUERO: Thank you, Humberto. We now give the floor to Rodrigo de la Parra and Daniel Fink, who will present on the DNS marketplace in Latin America and the Caribbean. Go ahead, Rodrigo and Daniel.

RODRIGO DE LA PARRA: Hello, Maritza, can you hear me? Just a brief introduction on the origin of these works, and then Daniel Fink will present the details of the study.

As you probably remember, one of the pillars of the original strategy decided by the community in the region was precisely to take some action to then be able to better develop the industry, sector or market of DNS in our region. This [inaudible] because after certain tests we made, we realized that the stakeholders in Latin American organizations were not the ones who had the best potential or who would develop the best potential, so we commissioned a study similar to the one commissioned by our colleagues in the Middle East that was prepared by a consortium made by different organizations that were part of the ICANN community and its organizations that also have an important capacity in quantitative terms. They joined us as they did with LACTLD, with Carolina Aguerre who, after leaving the organization, still continued to be part of these efforts.

Unfortunately, she could not be here to present it, but we are here to do that. Before giving the floor to Daniel so that he can talk to us about the findings that are listed there, I would like to invite you all to be involved in the public consultation that is open. The study has been published for a few weeks now, so you can now make comments. The authors of this consortium may even allow you to make improvements or answer to some of the questions you may have or suggestions you may have.

So Maritza, now I leave this open. I would like to give the floor to Daniel so that he can answer any questions. Thank you.

MARITZA AGUERO: Thank you very much.

DANIEL FINK: Thank you, Rodrigo. Sorry.

MARITZA AGUERO: Go ahead, Daniel, please.

DANIEL FINK: Okay, thank you so much, Maritza. I hope you can hear me, and I'm also changing this mic, so very quickly, this will be a very brief overview of the study, and we are glad that you'll be able to talk with Carolina who was very involved with the development of the study.

And as Rodrigo said, we commissioned the OXIL consortium who organized a team together with LACTLD, InterConnect Communications and EURid. I think in this presentation we will have some slides, very detailed slides and I'm not sure if you can see them properly, all the data, so perhaps Terri can send the link to the slides to the group if possible, for them to download.

Okay, perfect, the presentation is already there.

So the goals and the methodology of the study, so the consortium divided into three phases: collecting facts, analyzing, and making their conclusion. So the facts included the state of the domain names, industry in the region, analysis about web content growth, and the markets that resell it, and registrars are doing against global benchmarks that we could bring, and also consider user experience, uptake of domains and premium domains. So this is somehow the scope

of the report, as the consultants propose a way forward for our industry, domain name industry development.

Since the region is very wide and we have many countries, we have decided to focus on a group of 13 countries. As you can see in this table, they are divided by sectors in our entire region and with hope with that we could have some good insights about important samples of our countries. The results of this work are quite interesting with these choices.

In the methodology and sources, the researchers utilized quantitative data from domain name registrations, IDNs, and to check growth in the past five years, they also look at privacy proxy registrations, and what kind of content and hosting analysis we had.

So the qualitative, we had several interviews with stakeholders in the region, and also other hard data sources were gTLD [inaudible] files, WHOIS queries and other data from LACTLD, which were very important for these studies, including historical data. Many processes were made to analyze the zone files and we will check the results about this later on.

About the findings that we had, first, the report starts with some analysis of the overall Internet environment in the region. We see information about penetration rates, comparison between mobile, broadband and [inaudible] broadband, local regulations and languages, so there's a very detailed and interesting information about the report.

One interesting part that you can see in this slide, our region is very young in terms of internet users. Most of this graphic shows [more] in

the left side that a good part of the Internet users in the region are between 16 and 30 years old, so that was an interesting point that came in. Perhaps because of that, they are very [social]. Brazil is leading in terms of WhatsApp and Facebook instant messages, applications and social networks for instance are very popular in Mexico, and these are not really domain name related Internet services, right?

Also, some information about ecommerce. This data is quite [inaudible] like 67% of our Internet users have access to ecommerce websites and have the possibility to trade online, but in fact, only 2% of our overall retail sale is done in ecommerce. So think about the wide [space] growth that we have for this sector in particular. And the researchers analyzed the access to payments, information gaps perhaps are breaking this growth so far.

Going directly to the domain name industry, we have some analysis about the types of new gTLD applications that we had in the region. The report analyzed the involvement of the ccTLD operators working as backend providers for some of the new gTLD applications that we had.

We had a good number of brand applications in the region. It also goes through the types of ccTLD operators that we have. Most of them are operated by governments or universities or private. Some of them [management]. This is the case of BR in Brazil, which is a multi-stakeholder model. Some of them outsource their operations with other backend registry operators and the other half operate all the systems by themselves.

So the registry market – this is more than analysis of the ccTLDs, so the ccTLD operators more than 70% rely on 100% of domain registry fees [inaudible] and they do not have other sources of income. The report also analyzes about the types of registration systems that they have, what kind of interaction they have with other registrars, and also, what kind of interactions they have globally in terms of what kind of languages, how they communicate with other languages without considering their native one.

And also, the report goes through policies and promotion activities that ccTLDs provide. So I'll go a bit faster with this. We have some chapter that explore the domain names – premium domains sector. This is actually a question that we had before commissioning the report: what kind of premium domains are offered in the region. Actually, the researchers found a lack of awareness in the region about this part.

We have some exercises, like from new gTLDs like .rio preparing some offering of premium names, like copacabana.rio for instance, and .bar and .rest, which the registries in Mexico also operate in half of their value proposal on premium names.

We have also analysis about international registrars. 18 of them were interviewed. Actually, this was one interesting finding, like something that we already knew, but the report explains well the number of accredited registrars with ICANN has been diminishing since the release of the Registrar Accreditation Agreement, 2013 version.

Since this new agreement, we started to lose registrars, and many of these past registrars are now just operating as resellers. So this is also

one important fact. This is a kind of map of the domain names in the region. The number of domain names in colors. Here are some facts that the report explores very well: kind of member, almost 13 million domains, 8 million ccTLDs, 4.5 million gTLDs, and we have like 4% of the market share of domains in the world, and while we have almost 10% of the world's population.

Here are some differences between the number of registrations per country where some countries, the ccTLDs have the higher market share and while other countries in the region, the gTLDs are more common. .com, in terms of the gTLD, of course, is the most popular. And in terms of new gTLDs, we follow the global trend where .xyz is the most popular.

We have some analysis about the new gTLDs registrations by country. It's also shown here in the chat. We have some outliers like Panama and Cayman islands. We'll mention more about them later on. This is the distribution of gTLDs per country.

You can see in this [data] slide, so the light blue part is the market share of .com on the countries that we analyzed. We have some difference also in terms of how popular are the new gTLDs in each country. For instance, [.top] is very popular in Belize, .work in the Dominican Republic, and so forth.

This is the trend of gTLDs' growth rates in the region. So that is from these two last points: 2015 and 2016. We have interesting findings. Actually, we had data from two different sources. Perhaps this growth

rate is not very accurate, but in fact, we have a positive growth for all the region.

We are running out of time. So this is also the impact of ccTLD's growth rates. The gray part is the decisions from Argentina to charge for the ccTLD registration, the domain name registration, and then actually had a decrease in that from the year they decided to charge. So that's the tradeoff between quality of service and price that the report explored very well.

Privacy proxy registrations. [Here's] the thing that we need to separate very well, like the numbers from Cayman Island where they have most of the registrations under a proxy. Panama with 97% of their domain names under a proxy means that we have global operators in that places that are exploring other types of services for the global market, and by chance, they are in our region.

Also, we have some analysis of parking websites. We don't have time to come into detail on this. Hosting countries, we have some analysis of the distribution of hosting countries. That shows basically that other countries out of our region are more competitive than our region in providing hosting, so perhaps this is something we could revert, or check whether we would like to perhaps recommend to our entrepreneurs to explore this business in more detail. The thing of this conclusion is that only 10% of popular websites are hosted in our region.

Some analysis of languages: 60% of our web is in English and also this varies according to each country we have. For example, Brazil, the

second bar from the left to the right, the green bar is Portuguese and then the red bar is Spanish. So it's in accordance to the language of the country, but also, this is in terms of gTLDs only. Then we have a lot of content in English as well.

Some information about the registrar market: we have –

UNIDENTIFIED MALE: [inaudible].

DANIEL FINK: Okay. I'm sorry, guys. I'm hearing the airport there saying that my flight is leaving, but perhaps Rodrigo, if you have some comments so far – I think we also don't have much time to go, so I'll jump directly to the conclusions. In terms of key findings from the studies, we have many challenges on the demand rather than in the supply side.

We have analysis regarding the lack of local content, consider the young population, and also differences in the region. As far as key drivers of domain name growth, the report brings defining and refining sales channels, check whether we have enough user awareness and domains. We need to improve online payment, activation should be faster, and more promotion in some things.

I may stop for now to get any comment from you. Of course, the report is very comprehensive and I think it will be a very good topic to be discussed perhaps in part on the future calls and sessions. Thank you very much.

CARLOS GUTIERREZ: I would just like to mention that we are creating a working group so as to discuss this report, and to be able to discuss it from the point of view of LACRALO and from ALAC's point of view. I'm also part of a group within the GNSO. There are several groups in the GNSO related to Latin America. We are preparing a call this week, so I just invite all of those who are interested to write an e-mail to me so as to include it in the mailing list and to prepare a discussion and to prepare very good comments for future meetings. Thank you very much.

MARITZA AGUERO: Thank you very much, Carlos. Alejandro Pisanty has raised their hand, so Alejandro, you have the floor. Can you hear me, Alejandro? Okay, thank you very much, Carlos. Alejandro Pisanty, you have the floor.

ALEJANDRO PISANTY: Yes, I join what Carlos [inaudible] has said. I may add that most of the weaknesses are certainly concurrent or a consequence of some of the issues we have on the Internet and in the region that are related economic factors as well, so we have to pay attention to the difference with the Caribbean because we can see that there is a significant effect in that sub-region of the local monopolies of [telcos], so we have to support some changes in this respect, and on the other hand, we have to adapt ourselves to that region. This is why there's lots of .com there. Carlos talked yesterday about the prices and there's low availability, and finally, regarding the working group, I think it would be great to receive

comments from all participants at LACRALO to find out what is the desired decision will likely be.

One of the topics in this report is that there are some desirable stages that have not been attained, and some other results show some final results that are not desirable. So half of the ccTLDs are not doing their own operations but outsource those operations that provide a back office work. We have to specifically pay attention to that, because that hits the national security, the IT security, and everything related to the protection of personal data, and the attempts of certain governments of finding out data, but at the same time, to not give support to the ccTLD so as to have a self-supporting operation.

Thank you.

MARITZA AGUERO: Thank you very much, Alejandro Pisanty. Your hand is still up. Is it new or is it old?

ALEJANDRO PISANTY: An old hand.

MARITZA AGUERO: Thank you very much. Any other comments so as to conclude with this session? Because we are a few minutes away from the end of the call.

Okay, there's a question from Blaise: "Any findings about gTLDs cybersquatting disputes in the region?" I don't know if Daniel or Rodrigo are here to give an answer.

RODRIGO DE LA PARRA: Can you please repeat the question, Maritza?

MARITZA AGUERO: Shall I read it in English? Rodrigo, is it okay in English? "Any findings about gTLDs cybersquatting disputes in the region?"

RODRIGO DE LA PARRA: I don't know if there is a problem in my audio. Speaking about the new gTLD, but I don't know, can you say it in Spanish? Because I have a problem to listen to you. I think I have a problem with my audio. I'm not connected in the AC room, so I cannot read the question.

MARITZA AGUERO: No problem, I will read it in Spanish. Blaise is asking, "Any findings – have you found something about gTLD regarding cybersquatting disputes in the region?"

RODRIGO DE LA PARRA: Yes, now I understood. Well, with respect to the new gTLDs, it's very difficult to know what is going on, but we are suspecting that the growth of some of them – not particularly those in our region – not necessarily have a very high traffic, but the study did not put any focus

on that. So it's one of the hypotheses of growth when you register new gTLDs, but I think that what's important for our region in this respect was disassembled particularly in Argentina when they started charging for the registration. So the cybersquatting in Argentina was really very high, but since now they are charging a fee for each domain, you can see that there has been a significant decrease in cybersquatting. So they may have 60 domains registered.

There is some data in the study that they are public data, so perhaps you can see the differences and they may be useful for you.

MARITZA AGUERO:

Thank you very much, Rodrigo. Thank you very much, Daniel, for your presentation. Carlos Gutierrez was asking – because your hand is up, do you have a new hand, Carlos? Because we are about to conclude the call.

CARLOS GUTIERREZ:

Sorry.

MARITZA AGUERO:

Silvia, can you please follow up the chat if there are any additional questions or comments? Because we are almost at the top of the hour.

SILVIA VIVANCO:

I can't see any other comments. There are some comments, but there are no more comments [this time].

MARITZA AGUERO: Okay, thank you very much. If there are no other questions, we may continue the discussion through the mailing list or the presentation that will be done by the working group tomorrow, October 18 and October 30, both at 23:00 UTC. Carolina Aguerre will be here, and we may discuss this topic a bit further. So without any further ado, goodbye everybody. Good morning, good afternoon, and good evening. Thank you very much.

TERRI AGNEW: Once again, the meeting has been adjourned. Thank you very much for joining. Please remember to disconnect all remaining lines, and have a wonderful rest of your day.

UNIDENTIFIED MALE: Thanks, everyone. Thanks to the interpreters.

[END OF TRANSCRIPTION]