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CLAUDIA RUIZ: Good morning, good afternoon, good evening to everyone. Welcome to the Operations, Finance and Budget Working Group call on Wednesday the 3rd of March 2021 at 17:00 UTC.

On the call today on the English channel we have Holly Raiche, Alfredo Calderon, Cheryl Langdon-Orr, Dave Kissoondoyal, Joan Katambi, Judith Hellerstein, Justine Chew, Marita Moll, Matthias Hudobnik, Maureen Hilyard, Nadira AlAraj, Ricardo Holmquist, and Vanda Scartezini.

We have Aziz Hilali on the French channel.

From staff, we have Heidi Ullrich and myself, Claudia Ruiz on call management.

We received one apology from Olivier Crépin-Leblond.

Our Spanish interpreters are David and Veronica and our French interpreters are Isabelle and Claire.

A friendly reminder that we do have RTT services on today's call. I just put a link in the chat if you wish to follow along there as well.

Welcome, Alan.

A reminder for everyone to please keep your microphones muted when not speaking to prevent any background noise and to please state your name when taking the floor each time. Thank you all very much, and with this, I hand the floor over to you, Holly.

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*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.*

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HOLLY RAICHE:

Thank you, Claudia, and welcome, everyone. The aim of today's call, basically, we have three main items. First of all, a suggested response to the IANA naming function amendment proposal and a look at the unaudited financial report. From Marita, a continuation of the discussion we had last week on the operating initiatives including the MSM, multi-stakeholder model, and the budget and perhaps action items of what might arise out of that for us.

We also may have a discussion that Sébastien would like to have on the ALAC discussion with GAC. However, he's tied up right now with the RALO meeting, may not be able to attend, so that's fine and we will wait for that. He knows that he may not be able to make this meeting, so that's fine.

In terms of the next item, action items, could we go to the action items for today's call? The only outstanding item [inaudible] agenda, so everything else is done. Thank you.

Okay, now the next agenda item is Cheryl for literally two minutes—or perhaps less—simply to report back on the small group meeting. Cheryl, do you want to go ahead, please?

CHERYL LANGDON-ORR:

Thank you, Holly. I'd love to. It's going to be very simple. The small group has, as I discussed in our last update, moved on to looking at prioritization in the same manner as we did for Work Stream 2 recommendations to the RDS and the CCTRT aspects of the very long list

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that you're all familiar with. Our next meeting will be at 19:00 UTC. Thank you.

HOLLY RAICHE:

Thank you, Cheryl. Next item, I'll take a few minutes, it's Ricardo who will be talking about the possible—or probable—response by ALAC that we will be suggesting on the IANA naming function amendment proposal. Ricardo, do you want to talk to that, please?

RICARDO HOLMQUIST:

Thank you, Holly. I made a very brief PowerPoint presentation. Last year—I can't recall the date, I guess it was in November, it was the IANA naming function review initial report. This report has only four recommendations. of those recommendations, last week, Amy told us that the first and the second were already implemented, that the third one is on its way, and the fourth is being discussed, and this is the discussion we're having, the amendment proposal. Next slide, please.

Here, it was the recommendation back in November to change this contract, to change the article VII Section 7.1(a) in the contract, and at that moment, they already told us that this is a statement that seems to be there as a legacy statement from the NTIA times. Next slide, please.

And our comment back then was to encourage the ICANN Board to fulfill this recommendation as indicated in the report, but based on that, I'm just suggesting that we support this amendment for the contract, not just being silent but also suggest to support this change in the contract because we already supported this initial report for the IANA

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review team. That's all. I don't know if you want to discuss, and that's the idea, to open here the discussion and to feel if we want to support this or just be silent for this proposal.

HOLLY RAICHE:

Thank you, Ricardo. If people recall from last week, Amy Creamer did do a presentation. Her final recommendation was that it's open for comment and what she would like us to do if we support is to actually make a statement of [report.] It may be no more than just a paragraph, but what she was looking for is some sort of response, not simply silence.

So that was left as her request last week. So this week, it's basically, do we want to follow the suggestion—I suppose it was a request—from Amy? Could we at least submit a statement, no more than essentially what Ricardo's got on paper, to say yes, we support? So probably, we could have a show of hands. Ricardo, if you can just stay—in case there are people who would like a bit more background than you've given, is there anybody who would like a bit more background who was not at the presentation last week?

NADIRA ALARAJ:

Yes, I would appreciate that.

JOAN KATAMBI:

I would like to get [inaudible].

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HOLLY RAICHE: Wait a minute. If you want to talk, put your hands up. Alan has his hand up. Alan, go ahead, please.

ALAN GREENBERG: Thank you. I guess I'd like a little bit more understanding of why we should do a support at this point. If the recommendation is to do something that we've already supported, unless there is some perceived pushback from other groups saying it shouldn't be done, I'm not quite sure why this is compelling enough from a user point of view for us to do put a statement out on this. It doesn't seem like something that requires us to comment at this point. So I'd like to understand more why there's a rationale for us being asked to explicitly give our support on this one.

HOLLY RAICHE: Okay. I'll answer that, and Ricardo, if you'd like to say more, follow. You were on the call last week, and Amy's request from people was what she would like is a statement of support. We supported it. Yes, we've already discussed it, we went through this in November and said the change is cosmetic, really, not substantive. Nevertheless, what they would like to hear is there is support for the change.

So the reason is not a huge vital interest to end users, except that this is something that is in respect of PTI, it's an important part of what the ICANN does, and for that reason alone, simply that we've been requested by ICANN to make that statement, that would be why I would suggest it. Ricardo, do you want to add anything further? This is discussion we had in November, but happy to have it again. Thank you.

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RICARDO HOLMQUIST: Nothing to add. You put it all in there. Thank you.

HOLLY RAICHE: Okay. Thank you. Vanda.

VANDA SCARTEZINI: Yeah. I believe that we should have something else to say, but from my point of view, what is important is just to support it. Because we have discussed that back in the past, and we understood what is the cosmetic change, and if they need it, there is no reason to not support. Thank you.

HOLLY RAICHE: Thank you, Vanda. Are there questions or comments from anyone else? Thank you. Alan, are you uncomfortable if we do no more than simply forward a paragraph from us, a statement from us that we support? Simply because ICANN Org has asked for the support and in fact, we gave it and we discussed this in November.

ALAN GREENBERG: To be clear, I have no great objection if we do this, I was just asking why we are being asked to support it. That's rather unusual of ICANN Org to do that, and I'd like to understand more why. But I'm not going to make a big fuss over it. It's not a big issue.

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HOLLY RAICHE: Okay. Thank you. Yeah, it was simply a request from Amy last week who went through the whole of the four proposed amendment, talked about where they're up to, and then her final statement was—she specifically said we don't want silence, we just want support. And really, that's the reason. There's not much of substance. So at this stage, I'm happy to go along with her request, and just to make a very short statement.

In fact, Maureen, you're on the call. Are you happy to suggest that ALAC respond?

MAUREEN HILYARD: Thanks, Holly. I think the chat has actually been pretty explicit. There's general support for the proposal going through. And I think that occasionally, it's nice if Org actually does get some indication that we do support what they're doing. Thank you.

HOLLY RAICHE: Fine. Thank you, Maureen. Well, the action item coming from this meeting is—Ricardo, would you mind drafting just a one-sentence response, this is who ALAC is, this is what we do and we support it, and that's it?

RICARDO HOLMQUIST: No problem. I will send it to you by e-mail.

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HOLLY RAICHE: Good. Thank you very much. Okay, the next item, please, on the agenda. Thank you. This is much more in terms of what we as this committee do. What's been released is the fiscal year 21 Q2 unaudited financial reports. Both Marita and Ricardo have had a look and will be presenting their comments right now. Ricardo, did you develop a presentation for this? I think you did, in which case, could we have that, please?

RICARDO HOLMQUIST: Hi. There is no presentation. This is the presentation made by ICANN itself about the results. I didn't make a [inaudible].

HOLLY RAICHE: That's fine if you just talk through it. Thank you.

RICARDO HOLMQUIST: I see in the chat that Sébastien was ready to present his point. I don't know if he's ready or will not have time after this and he needs to do it now.

HOLLY RAICHE: Ricardo, he has already said that he's tied up on the EURALO call.

RICARDO HOLMQUIST: No, I mentioned a post from Heidi just two minutes ago.

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HOLLY RAICHE: Oh. Well, he's on the agenda after you, so if you could do your presentation, and then he's on the agenda following this statement.

RICARDO HOLMQUIST: Perfect.

HOLLY RAICHE: Thank you.

RICARDO HOLMQUIST: Next slide, please. I would go quickly on this. Next one. This is basically what's happening this year. That's what is this half-year financial overview from the planning team. As you can see, surprisingly for the last six months of the last six months of calendar year 20, the funding increased by almost 10%. That's something I was not expecting, but that's something that happened. Funding goes up from 63 planned to 69, as you can see there.

The expenses on the other hand lowered from 60 to 55. We will see that most of these expenses will be related to travel because the meetings were not physical meetings, and at the time the fiscal year 21 budget was issued, we hadn't even heard about COVID. It was a new world after that.

So instead of being just flat for the year, ICANN is \$14 million in excess. That's a good notice to have this in the operational expense reserve. And there is a [inaudible] point there, there is a headcount. If you look at this, it says the budget is 392, and right now, 391. But as far as I

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remember, the fiscal year 21 said it will end with 400 and will increase up to 405 beginning fiscal year 22. So fiscal year 22 is beginning with 405, and that's a lot of people, 14 over this 319 that's actually there. Go ahead, Marita.

MARITA MOLL:

My question is, I haven't seen these over a period of years, so I'm wondering whether this is normal for an unaudited statement at this time in the process. That was one of my questions.

I had another one. It'll come to me. So, Ricardo, do you have any idea?

RICARDO HOLMQUIST:

Yes. They produce quarterly statements. This is the second quarter. They made it quarter by quarter. I suggested in one meeting about two years ago that they send an e-mail to anyone subscribed to the planning e-mail to receive a note that they issued this quarter report, because I think this quarter report is very useful when you are planning for next year. And when you see the numbers quarter by quarter, even the year over year, you find out more or less how the funding is being done, how it's moving, how the expenses are coming, how the average headcount is moving. So that's why more or less, I understand this, because I'm following this for the last two years.

They made this e-mail saying that this quarterly report was ready for about six months, then they left to do that. I missed that. I'm trying to follow as many social networks as ICANN has just to find when this is

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being released. And also other things being released. But it's difficult if you're not over this to find this information.

MARITA MOLL:

Thanks, Ricardo. I just realized what my second question was. So it may be totally normal that there's excess in the budget at this time of year, but we don't have any idea why that would be or where that extra funding would come from. That's why I was kind of hoping we could have some staff to give us some kind of—this may be a totally normal thing that happens over the year when more money comes in at one point and then it evens out towards the end of the year.

So these to me are open questions. They don't need to be answered right now, I'm just kind of flagging them. Thank you.

RICARDO HOLMQUIST:

We will see two, three more slides, please, if you don't mind. Next slide, please. And I will answer some of this. These are the funding, where they're coming from. As I mentioned, it was for me a surprise to have almost 10% increase in these six last months of fiscal year 22. I think most of these came from COVID-related domains and also for all this adoption of the technologies or new technologies to the pandemic. Next slide, please.

You can see there also the funding over the budget, and you see that almost in any registry, registrars, fixed fees, almost all of them are increased over the budget. But if you see over fiscal year 20, they're almost flat. So it was the budget that was very low instead of that—so

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the budget was made at that time, the fiscal year 21 budget was made thinking that the incomes will be lower, but they didn't lower because of the pandemic and because of what's going on right now. Next slide, please.

This is more or less the expenses. One thing that happened here is the capital one was one of the ones that increased because of they changed the amount of money they already have for travel and meetings and put some money on the capital to have the infrastructure to have the online meetings. That's one of the changes they made, that's why capital is a big thing, this 4% is a lot of increase over the past years. Next slide, please.

HOLLY RAICHE:

Ricardo, can we go back one? If I understand you correctly, because travel and meetings is zero, they were able to reallocate to capital? Is that what you're saying? And Marita, will that answer your question? Yeah, thank you for that. Okay. Next slide, please.

RICARDO HOLMQUIST:

And there you see ...

HOLLY RAICHE:

Oh, yeah, look at that.

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RICARDO HOLMQUIST: Yeah. It's zero for travel and meetings, and it was supposed to be four instead of the six of fiscal year 20, and the capital that was less than 1 million is over 2 million now, and that was part of the money used to have these online meetings working.

Also, I understand there is some increases, I guess, in professional services, but I'm not seeing that, because of the translation. But they didn't acquire as much as for the travel and meetings. Next one.

And if you don't use the money, the money is supposed to go here, to any of those funds, because you have an excess of money and it's supposed to go here. And you have two funds here where it can go. One is the reserve fund, the other one is the operation fund.

What happened in fiscal year 20 is that they moved some of the money to the reserve fund that is supposed to be equal to one fiscal year budget. This is actually about 140. So these 14 million they already have will be enough to cover the reserve fund. This is a fund that ICANN was looking to have, that is one year of budget. That is the decision that was taken about three, four years ago.

Then you have the operating fund. The money will be there in the operating fund until the Board takes the formal decision to move it from the operating fund to the reserve fund if they do that. If they don't do that, the reserve fund will be the 125 plus the allocation of this year, fiscal year 21, and the operating fund, instead of having 59, we'll have 59 [inaudible] or whatever it is at the end of the year. Is that clear for everyone?

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HOLLY RAICHE: It's very clear for me. Before I open this up for questions, we talked about the headcount. The headcount was 391. It was supposed to go up, was it not, in the budget?

RICARDO HOLMQUIST: The budget for up to December was 392, so they are missing one person. But for the end of the year, they're supposed to have 400 because they will start this year, it's supposed to be at 405.

So they're still missing people to hire. That's why, if you look at the personal expenses, they're supposed to be in the budget because they are spending more money per person, but they have less people than what they budgeted for.

HOLLY RAICHE: Thank you. Okay. Marita, you have your hand up. Do you have another question?

MARITA MOLL: I didn't, actually, that was left over. Sorry. But I'll just take this opportunity to say, I guess there's a considerable increase in revenue because of COVID registrations. That's what I heard. Right, Ricardo? And that's interesting. So I guess we'll need to remember that that won't happen next year, hopefully.

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RICARDO HOLMQUIST: Marita, I'm not sure. I was expecting it to be lower when we made this budget, to be 63, maybe 65, but not 69 as it happened. And yes, what I recall for the Q1—not the Q2—was that Finance said that they see a lot of new registries for these COVID-related issues at the beginning, and also, I'm adding that the implementation of many companies of online transactions and these kind of things, these online adoptions, the IT adoptions, is moving the people to register more domain names. That's why I see this increase.

It's not going to happen next year? I don't know. I'm not sure about that, because you have to renew your domain once you have it, unless you are closing—maybe you're closing the COVID ones but not the adoptions of new technologies that happened in the last year.

HOLLY RAICHE: Okay. Marita, is that okay? Thank you.

MARITA MOLL: Yeah, that's great. Thanks a lot, Ricardo.

HOLLY RAICHE: Thank you. Judith.

JUDITH HELLERSTEIN: Hi. Yes. Thanks so much, Ricardo. So I remember, since when they worked to build up the reserve fund, because they were very low a couple of years ago, they took money from different [other services.]

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They took \$75 million from auction, they took money from other programs that they were doing, other user services that they were doing. I know [inaudible] ICANN Wiki and others lost money. Now that the reserve has plenty of money, are they going to be putting back money that they took from auction reserves and auction proceeds? They should put back the money they took, since they don't need it anymore, or make a process of putting back some of the money. Does it say anything? No?

RICARDO HOLMQUIST: Judith, I'm not the one who decides that, I'm just [saying how] [inaudible] money. I'm not in the Board, not the president. I'm not [inaudible].

JUDITH HELLERSTEIN: No, I know, it's just that—

RICARDO HOLMQUIST: But [enough joking.] If you add this 14 million to this 125, you still have 139, and 139 didn't cover the 145 that is fiscal year 22 budget. So you're seeing a lot of money, but it's not the amount you decided you wanted yet. The amount you decided is to have a full year budget and you still don't have it. So it's difficult to move money back to the auction proceeds or the new gTLD, the money you took from there when you still don't have the money. You're reaching your goal quicker than you're expected, yes, but you still don't have the money.

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JUDITH HELLERSTEIN: Oh. I thought they had more because they got the 14 million from travel that it was going to go in reserve.

HOLLY RAICHE: It did, some of it.

RICARDO HOLMQUIST: No, they still don't have it. If you add the money they have, they still don't have the money yet.

JUDITH HELLERSTEIN: Okay.

HOLLY RAICHE: Judith, are you happy with that answer?

JUDITH HELLERSTEIN: Yeah.

HOLLY RAICHE: Okay, that's fine. So Heidi, no, there's not an action item. Are there any further questions about this? And thank you very much, Ricardo. Are there any further questions? Because it is a really interesting explanation. Thank you, Ricardo. If there are no further questions, then Sébastien is standing by. Heidi, is that correct?

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CLAUDIA RUIZ: Hi Holly, Sébastien is actually on the call.

HOLLY RAICHE: Good. Okay. Well, then are there any further questions for Ricardo? No? First of all, thank you very much, Ricardo, for your presentation, and we can go to Sébastien. Sébastien, go ahead, please.

CLAUDIA RUIZ: I do show him in the Zoom room, however, I'm not able to unmute him. Sébastien, if you can hear us, can you please unmute yourself? He did note in the chat that he cannot do two meetings at once. I'm not sure if he's speaking in the other meeting at the moment. One moment while I check with my colleauges.

HOLLY RAICHE: Okay. Thank you. In the meantime, there's in the chat from Vanda, "So they do not have enough to cover expenses for one year?" You did touch on that earlier. Do you want to respond to Vanda's comment in the chat?

RICARDO HOLMQUIST: Yeah. I was doing so. [inaudible] at some point, but two things happened there. One is, if you look at years 2010 up to 2015-16, you see a rapid growth in the incomes from ICANN, and that related also for the budget. So you see an increase of more than two digits in those years, going from 2005 to 2016, more or less, you see a rapid increase. But you

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didn't in the other hand make the allocation for the reserve fund. That's one thing.

The other was part of these funds were used to the IANA transition, and once the IANA transition was completed, you did not replace these funds timely. So in 2017-2018, ICANN decided to replenish this reserve fund and they were doing so by more or less \$5 million a year.

Last year, it was fiscal year 20, there was an excess of that and they could replenish about 10 million for this reserve fund, and that's why it was 125. This year, we're expecting these \$14 million in excess to go to this reserve fund so this reserve fund is already replenished and they don't have to do it year by year, only the amount of the increase of the budget and that's all, not every year trying to replenish the funds that you already used six, five years ago. I don't know if this makes sense for Vanda.

VANDA SCARTEZINI: Yes. Thank you, Ricardo.

HOLLY RAICHE: Thank you, Ricardo. Okay, Heidi says that Sébastien is ready. First of all, thank you again, Ricardo, that was really clear. Marita has another question, but Sébastien is ready, so can we go with Sébastien, please?

SÉBASTIEN BACHOLLET: Thank you very much, Holly. Yeah, I am—ready is not the right word because I am not ready. I am sorry, I can't do two calls at the same time,

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one chairing, one talking to the other. And the other way, I am not totally prepared to give you the whole presentation or discussion I would like to have.

But let's just assume that we want to talk about some of the issue I suggest that we discuss here, and maybe we discuss with the GAC. It's one of the reasons it's here.

I don't know if you have read the Board decision about the ATRT3, what is called resolution ATRT3 final recommendation Board action from the 13th of November 2020, but I recommend that you read it if you can.

What I suggest is that if you can give me the possibility to share my screen, I will try to do so. Okay. And therefore, I hope that you can see—I don't know if I will be able to show you well, but here—and please, if you have a question, just tell me. I tried to show you what—it's the list of the items from ATRT3. You have on the left column the five main issues and in the second column, I split with the recommendation number taken by the Board and I tried to add the decision of the Board.

The ALAC column is my work to suggest to the subgroup where I feel we need to put the proposal to you and the ALAC for each of those recommendations. I am not sure that we need to see it. maybe I will put that in bigger. Okay.

And I wanted to take one example of the situation. One is the recommendation, it's linked with assessment of periodic and organizational review. One is the recommendation about new holistic review of ICANN which shall be set up.

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I put in bold some of the elements I think we may wish to discuss. I read the first sentence. Board approved recommendation 3.5 with the caveat that more information is required to better understand how to operationalize the holistic review to ensure it yields the outcome intended by the ATRT3. And holistic review should also be looked at in light of other dependencies, including those related to other specific and organizational review and related Work Stream, and a little bit further down, it says that proposed timeline of 12 months to start this review do not appear feasible.

And I feel that all that is quite strange as a position for the Board. Either they approve the recommendation or they don't. Here, there is a caveat, and I have trouble to understand the caveat, and the other, it's not feasible to do in 12 months. I am sure if we do it as priority, it can be done in the next 12 months. But that's not just in this part of the document but the other is not yet ready for your consideration from my work. It says other part of the Board saying the same type of thing and I wanted to see with you what you think about—maybe you will say that's okay and we will deal with that or it's not.

But last point—and I don't know if I underlined—is to say that they will do it as a pilot. Yeah, it's here. Sorry, I didn't read it. The first part is it will be the first holistic review as a pilot. That means, from my understanding, that there is no need for change of the bylaws, it's a pilot, we keep the bylaw as it is, it's a way to go quicker. And that's the other point I wanted to exchange with you in this group.

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I guess it's all what I am able to say and be able to prepare for today's call. Thank you. I will stop to share my screen and give back the floor to the chair.

HOLLY RAICHE:

Thank you, Sébastien. What, from your viewpoint, would be the next steps for this group? Would you like to present further, or are you suggesting that we want to support something? I'm not sure what the action items would be coming from what you're asking.

SÉBASTIEN BACHOLLET:

I will try to put as a question, do we feel that all that is okay and we just need to follow what Board say, or do we need to say something to the Board, either through ATRT3 shepherds or as ALAC advice to consider some additional points? That's a type of question I have on that specific issue here, but globally, I feel that there are other parts in this decision of the Board who could be at the same level.

And then the second question is, do we think we need more time to discuss that and we withdraw this subject with the GAC, or do we want to have their temperature to know what they feel about? And for that, we will have to be a little bit more prepared than I was today, and once again, sorry for that.

HOLLY RAICHE:

Thank you, Sébastien. I'm still wondering about the action item. This is coming out of the ATRT3, it's a recommendation, and you're questioning the recommendation. Is that right?

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SÉBASTIEN BACHOLLET: Not at all. I am not discussing the recommendation. I am discussing the decision of the Board. I am discussing what the Board has taken as a recommendation. The Board say the Board approved the recommendation but they don't approve it. They say first—and I am pushing the envelope. Yeah. But they are saying we recommend—we approve with a caveat and we approve to be a pilot, not to be done. And we don't approve to change the bylaws and so on.

Then it's a middle approvement, I would say. They didn't support completely, they support it but not totally. That's my feeling. But once again, I will be happy to have the impression of others and I may be completely wrong on that.

HOLLY RAICHE: Okay. And the context of this is this is a proposed potential area of discussion with GAC?

SÉBASTIEN BACHOLLET: It was my suggestion that we may wish to discuss that with the GAC to see if there are some agreement or disagreement on some topics that we need—for example here, it says that ICANN may not be able to start the first holistic review even as a pilot within the next 12 months, but if GAC plus ALAC and maybe others push for that, maybe it could be happening in the next 12 months. And once again, it's an example. Thank you.

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HOLLY RAICHE: Thank you. Okay. Now, there's a question from Marita, and Nadira's hand is up. The question from Nadira, the issue that they say it's not feasible while they didn't do the pilot. Did they do the pilot?

SÉBASTIEN BACHOLLET: No. Okay. First, ATRT, the final report was done in July, if I remember well. Sorry. But the Board, six months to take position, and they have what they call resolution on ATRT3 final recommendation Board action, score card, the 13 of November. Therefore, nothing happened since. We are with this document and nothing specific was done. I have no feedback from the staff doing something specifically. I am sure they're working. There is no doubt of that. But they didn't come back either to the shepherds of ATRT3 or to any of the SOAC. But it's why I think—I could have raised that just in December, but I was too busy and the time to read all those documents was taking me some time. It's why I am just coming to you now. Thank you.

HOLLY RAICHE: Thank you. First of all, Nadira, does that answer your question? Okay. I didn't hear—Marita, your hand is up. Go ahead, please.

MARITA MOLL: Thanks, Holly. My question is just trying to put together what Cheryl told us last week about a tracking system which was going to be put together in order to show how all of these recommendations were unfolding. I don't think what you're showing us here, Sébastien, is part

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of that tracking system, but is it a way for us to interact with that tracking system? That's what I'm wondering.

SÉBASTIEN BACHOLLET:

It's not the tracking system. As Cheryl wrote, it's a tool we use in the small group and we come to you, and I was using the same tool. And I use it in an Excel sheet because I was offline, but there is some other tool and Cheryl would be saying better than me on that. But I want to be clear, because there are some questions.

The pilot is not yet even start, even think about, and if the pilot is done, the recommendation will not be fully implemented. It would be fully implemented if and only if it's decided that they change the bylaw, they introduce this holistic review into the bylaws, and it's scheduled for the next time, not as a pilot but as a new review. But that's a first step.

And about what Maureen say about Joanna and Yrjö have to be involved, Yrjö is totally involved. I don't know that Joanna needed to be also, but I have exchange with Yrjö, he ask me question and I answer, and it's why when staff came back to me on this issue, I suggest that we start to have this discussion here before to have it somewhere else. Sorry for this long answer. Thank you.

HOLLY RAICHE:

Marita, does that answer your question?

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MARITA MOLL: It's still pretty muddy. I know it's not part of the tracking system. I was really just wondering if it's a way for us to interact with the tracking system. But I see Cheryl's coming up, so maybe I'll leave it at that.

HOLLY RAICHE: Okay. Cheryl.

CHERYL LANGDON-ORR: Thank you, Holly. Marita, first to your question, the tracking system that I was referring to in last week's call is not this that you've just looked at at all. It is an ICANN Org intention. We were given some background material and some pilot-style visual in ATRT3 when Org told us how they were changing, how they were reporting. So that is entirely separate to what Sébastien has showed you today, and what he showed you today is the tool we use in the small team, the tabs across the bottom of the Excel sheet for every single source of recommendations, be it CCTRT, the multi-stakeholder model work that you're deeply involved with, and so you'll get deeply involved with that tab of that spreadsheet very shortly, because you're leading on MSM. And Sébastien has used the ATRT3 tab to do this additional work in an attempt to help us all prepare for conversation with the Government Advisory Committee on this topic because he's concerned about both the lack of progress in terms of its timeliness and he's also concerned that if one does a pilot, that is not completing the recommendation and that the endgame is—or should be—intentionally to have the bylaw change so that the proper and fully worked out implementation of a holistic review can go ahead. So that's, as I gather, what Sébastien was referring to.

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Why I put my hand up, however, was to read to the record what León Sanchez, as one of the Board people in the shepherding of all of this—so he works with the ATRT3 implementation shepherds, and he's also, of course, representing the interests and activities of the Organizational Effectiveness Committee. And what he wrote in the chat on the 23rd of February with the ATRT3 implementation shepherds [on their list] is that the recommendations from ATRT3 pertaining to Board improvement are now in the hands of the Board governance committee and they will be discussing them at their next meeting, but the general recommendations—that includes this one, that Sébastien has raised with us today, with the OEC—the Organizational Effectiveness Committee, and they have those recommendations on their agenda and that he will be updating at least the implementation shepherds and therefore I would assume shortly after, the community, after their next meetings are held from those committees. So I just want to make sure we were all not getting horses behind carts and carts before horses and that we're looking at a conversation with another advisory committee on a very important matter. Thank you.

HOLLY RAICHE:

Thank you. I think we've now gotten to the stage where in fact some of that's going to go to—Cheryl, the way forward you're talking about is really some of this is going to the GAC-ALAC meeting and that will look at that. I'm [inaudible] the way forward to interact with GAC, and my understanding, if we interact with GAC, is that Joanna and Yrjö have to be involved. Maureen, is that right?

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SÉBASTIEN BACHOLLET: But they are. They are.

HOLLY RAICHE: Okay. Good. Thank you. Okay, as a way forward, do you want a further discussion for this, for the next meeting of the OFBC?

SÉBASTIEN BACHOLLET: It's really up to you if you think that we can progress in some discussion on that issue.

HOLLY RAICHE: Well, I'm not sure, and at this stage I'm not going to decide, but it's something we can decide offline as we're developing the agenda. How important is this to be discussed within the next week or so? Because obviously, it'll be an ALAC-GAC interaction which Joanna and Yrjö are involved in. Maybe we'll take that offline to work through a way forward on the issues that you've raised. I realize next week is prep week. Joanna's suggestion—and I tend to agree with her—we set the details per an e-mail, that we take this offline and work through how we're going to action this. That would be my suggestion. Are you comfortable with that? Because we're now out of time.

SÉBASTIEN BACHOLLET: Okay.

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HOLLY RAICHE: Okay. Excellent. And Marita—we are past time—are you comfortable—because MSM is about next steps, but it’s looking into the future, are you comfortable with doing a presentation at the next meeting?

MARITA MOLL: Thanks, Holly. Absolutely. I don’t think there's any particular urgency around here. [inaudible] reporting back and seeing where we are. We’re basically waiting for some other things to happen and just [inaudible]. So next meeting will be fine with me. Thank you.

HOLLY RAICHE: Thank you, Marita. All right, let’s take Sébastien’s issue offline. Now, next week is prep week, and I'm not sure that we actually—do we need a meeting for prep week? I'm not sure that we do. I don’t think there's any item that we have.

The only action item or the main action item for today is to have a very short draft response, which Ricardo is doing from the naming function amendment proposal, and otherwise, we don’t have any pressing issues. So we can meet in two weeks’ time. Actually, I think two weeks’ time is in the middle of ICANN, is it not?

Heidi, I'm not sure if we want to suggest the next meeting, because I'm not sure that we need to meet in the middle of ICANN meeting. Okay.

HEIDI ULLRICH: Holly?

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HOLLY RAICHE: Yes, go ahead, please.

HEIDI ULLRICH: In two weeks is the week between prep week and ICANN 70, so that week is available.

HOLLY RAICHE: All right. Why don't we set a meeting for that week? Same time. We can go on with Marita's slides. And offline, we'll work with Joanna and Sébastien to come up with whether and how we deal with Sébastien's item then. Now, are there any other items that we can deal with? That's the only action item I can see.

So the next call, Heidi, will be in two weeks' time, unless something comes up that's really critical. And with that, are there any further comments or suggestions? Anybody's hands up? No? Okay, in that case I can thank everybody. And to reply to Joanna, I'll talk to you offline, okay? Otherwise, thank you, everybody, for your time, particularly thank Ricardo for an excellent presentation, and we'll talk in two weeks' time. Thank you, and have a good evening, good morning, good afternoon.

**[END OF TRANSCRIPT]**