
TERRI AGNEW: Teleconference taking place on Monday the 19th of December, 2016, at 23:00 UTC.

On the call today we have Adrian Carballo, Javier Chandía, Leon Sanchez, Carlos Raul Gutierrez , Alyne Andrade, Harold Arcos, Antonio Medina, Maritza Aguero, Aida Noblia, Ricardo Holmquist, Lito Ibarra, Vanda Scartzini, Humberto Carrasco, Ethel de Kuri, Alberto Soto, Marcelo Telez, Wilmer Azurza, and Olivier Crepin-Leblond, as well as Nikenley Severe.

Joining us a little later in the call will be Javier Pallero.

We have listed apologies from Dev Anand Teelucksingh and Delma Rodriguez.

From staff we have Silvia Vivanco, Jeff Reid, Mike Brennan, and myself, Terri Agnew.

Our Spanish interpreters today are Veronica and David.

Our Portuguese interpreters today are : Bettina and Esperanza.

Our French interpreters today are Camila and Claire.

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

With this, I will now turn it back over to Humberto Carrasco, please begin.

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.

HUMBERTO CARRASCO: Thank you very much, Terri. I hear some background noise so please I would like to remind all of you to mute your speakers.

Maritza, could you please read out the agenda so that we can approve the agenda for today?

MARITZA AGUERO: Thank you very much, Humberto. I will start reading the agenda for today. The first item on the agenda will be done by Leon Phillippe Sanchez who will be talking about the ALAC public consultations. Then we will have a presentation by Olivier Crepin-Leblond. This is a special participation so we would like to thank him for his participation at this time. He will be talking about the Health Index study.

Then we will have a presentation by Javier Pallero. Then he will be delivering his presentation and speaking about the dangers to regulate undefined concepts.

Finally, we will have a small presentation by Humberto Carrasco.

Now I would like to give the floor to the next speaker.

HUMBERTO CARRASCO: Thank you very much, Maritza. Thank you very much for reading the agenda. Now I would like to give the floor to our dear ALAC member, Leon Sanchez, to make a review of the public consultations. You have the floor. Go ahead, please.

LEON SANCHEZ:

Thank you very much, Humberto. We have some topics open for discussion. These are open for public comments. And of course, they are important for ALAC. For example, we have the following topics. We have the ICANN proposal, the anti-harassment proposal by the community. This is a [paper] ICANN community anti-harassment policy.

As you know, the ALAC is ratifying the statement. The statement was written by Olivier and Sebastien Bachollet, and we are now ratifying that statement. You know the core matter of this policy has to do with the events that we had in past events in certain ICANN meetings and we are trying to create a policy in order to improve those aspects for the future and to establish certain behavior rules [and] expected standards of behavior which were quite delayed if you will, and with this new policy the idea is to narrow the cap and to improve the policy.

This is a policy done or drafted by ALAC and ALAC is now, as I said before, ratifying this statement and voting will close on December the 22nd. Then we have another statement and these are the supplementary procedures for the IRP which is the Independent Review Process. I am actually drafting these procedures. I am drafting the ALAC statement and the idea is to give support to these supplementary procedures. As you know, we have the amended Bylaws and the idea is to support these amendments and to support certain activities, mainly the Independent Review Process or the IRP as we know it in English.

Of course this is something very important and any center or any constituency administering these procedures will have to learn about

these new supplementary procedures because there have been an update on this regards and of course we have to harmonize everything.

So we are now working on this. We are now drafting the statement. ALAC is drafting that statement. And of course then this statement will be posted for voting. The public comment period for this particular case will close on January the 10th next year.

And we have another topic. And this new topic is the identifier technology health indicator and definition. In this case, we are measuring the health of the marketplace and we have some words that are being used in the medical environment, for example. In this case, we are using those medical terms to identify certain problems that might be applied to the DNS industry or to the DNS environment. We are working on that policy. We are working on those definitions and indicators, and the ALAC has published or has given certain comments regarding these new medical terms that are being used to see if they are providing a proper definition for the terms that we want to use and if this can be used into the Latin world.

I don't know who is in charge of this, if it is Olivier or not, but if I'm not wrong he will be drafting something about this.

Then we have another topic which is also important and we are voting on that. The public comment period will close on December the 22nd and I am talking about the continuous data-driven analysis on the root server system stability. We're working on a draft report. And of course, as I said before, we have a report. Seun Ojedeji was one of the authors for the ALAC statement and the idea is to provide support to this report

and to recommend, if you will, certain amendments or aggregates to this study in order to improve it.

Another topic for discussion which is already under vote, if you know, they have to be done on the draft statement. This is a draft PTI Operating Plan and Budget for the Fiscal Year 2018. The PTI is the new organization which will be running the IANA functions in the future. So as you know, the statement was drafted by Mohamed El Bashir. ALAC is ratifying that statement. We have to have a look at the draft and we're also asking for certain points of clarification regarding certain aspects of this draft report. For example, when it comes to the report provided by ICANN when it comes to the description of this organization and the idea is to have more detail on certain topics in order to have a better understanding on how this budget will be applied and it will be [used].

Another topic that is being started and the draft of this proposal is being done by Alan Greenberg. This has to do with the Subsequent Procedures for new gTLDs. You know there is an approach with the SOs and ACs in order to see what we should do with these new Subsequent Procedures – if we need a new round, if we don't need a new round. Perhaps we might need a new round. So this is a very relevant topic for us, and as I said before, there is a draft which is being drafted by Alan Greenberg. This is a topic which is still open even though the public comment [period] was closed some time ago we keep on working on this topic.

We also have the creation of a consumer agenda at ICANN. We already have a draft proposal and this has been posted for public comment.

There are some proposals being done for the Board to take into account this topic and to see how this agenda should be created in favor of consumers.

These are the main topics. These are the main items that are being discussed at the ALAC. Some topics are already ready for voting. Some others are still in the public comment period process. And in this case, Harold, Alberto, and myself, we are open to provide any further explanation if you need.

As you know, we have the election process for the new Board members representing ALAC. Then I will be providing more details on this topic, but I would like to ask for the support of the region and we will have further opportunity to discuss this topic and to discuss the work plan and some other topics and of course the idea is to provide support so once I am elected as a Board member I will be able to provide further explanation.

With this, this is all from me now. I'm open to receive any question or any comments. Humberto, you have the floor.

HUMBERTO CARRASCO:

Thank you very much, Leon. Now that you mentioned the last topic which is the election of the new Board members, the future Board member, we know you are a candidate for that. We received an e-mail in English so I kindly asked the staff to translate that into French and Spanish for those who do not speak English so that they can understand the process for the next days and just to see how we can participate, how we can engage, in that procedure. I also received an e-mail by

Alejandro Pisanty who spoke about the process, so for sure we will be able to speak about this process in the future. So thank you very much for your presentation, Leon.

Now I would like to deal with the following item on the agenda. This is the presentation on the gTLD Marketplace Health Index. This presentation will be delivered by Olivier Crepin-Leblond. He is the EURALO Chair. Olivier, thank you very much for being here with us and you have the floor. Go ahead, please.

OLIVIER CREPIN-LEBLOND: Thank you very much. Just checking on my channel. Can you hear me?

UNIDENTIFIED MALE: We can hear you very well. Please go ahead.

OLIVIER CREPIN-LEBLOND: Okay. Fantastic. Thanks very much. Okay. It's great to be back on the LACRALO monthly call. A few years ago I used to be at every LACRALO monthly call but then I didn't get re-elected as Chair. Actually, I sort of [set] back and so it's good to be here and I'm glad to be able to talk to you today about the gTLD Marketplace Health Index.

Just a little point of correction. I think that earlier Leon mentioned the identifier technology health indicators, the definition for this. That's the technical thing to do with the root and it has very little to do with the health index. In fact, it's interesting because the slides which you're going to see and the presentation which you're going to see was the

actual public consultation that took place in July of this year, and at the time the name was the gTLD Marketplace Health Index but now the name has been changed to – and that’s the latest discussion that we’ve had – we’re going to take “gTLD” away because this is going to be not only generic top-level domains but also expanded to include country code top-level domain data. We’re going to take “Health” away as well because “Health” sounded like something is broken or not broken but when you look at a marketplace, it might sound in English to be healthy but in other languages it doesn’t translate well. And “Index” was also something that people were somehow confused with. So this is going to be re-called or rebranded – this is brand new by the way. I’ve just been told this a few days ago – this is going to be called now the “TLD Marketplace Indicators.” So “Top Level Domain Marketplace Indicators.”

Anyway, what’s this project about? There’s been a lot of work that was done over the years to try and see how the tracking of the market was going to take place after those new generic top-level domains were going to be created. As you know, there had been hundreds and hundreds of new top-level domains that have been released in the wild, and it’s important to find out really if this has answered the requests from the Affirmation of Commitments that any expansion of new top-level domains should effectively provide more competition, more consumer trust, more choice for consumers, etc. And so this is the first attempt that was made at having some tracking indicators that would remain there and they will probably be developed further to include maybe more indicators than we have at the moment.

Initially the three first categories that we've been looking at is robust competition, marketplace stability, and trust. These are the three most important things so far and most straightforward things to be able to track.

In robust competition, you have to look at the diversity. Not only the geographical diversity but also the scripts that are offered, perhaps even the service model that is being used in that some generic top-level domains are being offered as a purely commercial thing maybe with some very high value domains that are sold for a high price or some of them have a model where the domain name is restricted, such as for example .bank where you would only have banks that provide details that they are a bank, that provided proof that they are a bank, to be able to register a domain on this. So there could be a variety of service models.

And then there is also the languages offered obviously, and that's not only the language of the script itself but the language of the registrars and registries that are selling those domain names outside.

That was one of the things – the robust competition – and you can see there there's also about the commercial marketplace and we can certainly see that there is a growth in these but there's of course the interest in competition to find out if things are fair or not.

Marketplace stability is something important as well. At the moment we're still very early on. The question is whether there will be more registrars that will be offering more strings and they will last in the future or will there be a contraction after a few years with maybe some

registrars or some registries going out of business. That's something which we need to track to find out if this whole expansion of the domain name space has actually worked out.

And then there's trust. Trust when you have a .bank, for example, and I'm saying it again because that's a very specific type of string that asks for real banks to connect. That obviously brings trust forward. There might be other business models out there that might not bring trust forward – consumer trust in domain names – but it's good to be able to track this and to display this in simple graphics.

So if we go to the robust competition, the aim is not to have a huge report with dozens and dozens of pages that will go blah, blah, blah about this and yap, yap, yap about this – at a glance, if we are doing well, we as in ICANN – if ICANN is doing well in this expansion of domain names. And here we can easily see that it's quite straightforward that in Africa – I think I might have to do the scrolling myself, sorry. So you've got Africa here and Latin America and Caribbean, you have a very small number of distinct ICANN accredited generic top-level domain registrars. The majority of them are in North America, in Europe, and in Asia, and Asia Pacific. So there obviously needs to be something done for Latin America, Caribbean, and for Africa, if you want to have a vibrant market in that part of the world. You can see that really straightforward on the graphics.

If you look at the percentage of distinct ICANN accredited gTLD operators by ICANN region you can see again the same imbalance across the regions. That's the sort of graphics which we're looking at.

If you look further down – somebody else is playing with the thing at the moment. Okay. If I can go further down... percentage... okay. So let's go one down. For some reason this is not working.

TERRI AGNEW: Excuse me, as a reminder host, anyone who has host access at this time, you're actually turning the slides instead of Olivier. Olivier, I think we have it solved if you want to go ahead and turn it back to the slide you were trying to speak about.

OLIVIER CREPIN-LEBLOND: Okay. I'm back in where I wanted to speak about but I finished speaking about this. I tried to go to the next slide and it looks as though this slide is broken. Do you also get this beautiful exclamation mark – pdf Adobe?

TERRI AGNEW: I do.

OLIVIER CREPIN-LEBLOND: Ladies and gentlemen, we have one thing that is not showing. Perhaps there should be a link over to that presentation so you can scroll through. I don't know, maybe Terri will be putting this into the chat. But anyway, let me just turn – the slide that you've been missing is just another slide with the... It's a slide about the competition, and that's going to be a little difficult. What the slide shows is effectively is the percentage of top-level domain registrars that are distinct entities and

the percentage of generic top-level domain registry operators that are distinct entities. And it shows whether there's more or less.

So it's a simple bar graph graphic, and then you can look at the overall total of generic top-level domains and that's the page which now shows on your screen. And you can see that there's obviously a growth in the market. This is in thousands, by the way, so we really are looking at 174 million second level domain names in generic top-level domains. This is growing quite well. You can see in the total, there's another graph that we're doing here – total second level domain registrations in generic top-level domains – and you can see that it was going down at some point and now it's going back up. And here a total number of second level registrations in internationalized generic top-level domains, and there has been a jump in the last few years.

Of course, every time there is a new script that is being launched you do see this jump from one to the other as you suddenly have early [adopters] that buy those new domain names. We're looking at the additions and deletions. There was a time when there was a very low renewal rate. You can see here actually there were quite a few deletions in domain names and now we're seeing a rise again.

I'm going swiftly through the report because I could take half an hour to talk through the whole thing. I don't think we have a full half hour to go through that. But you can see that it's always to do with nice graphs, nice graphics, and you can quickly see the trend. And of course, we're just at the very beginning here. The idea is to continue this in the forthcoming years to have a much better idea of the long-term and medium-term trends in the domain names irrespective of whether

there would be another round or not. We need to track this to really find out more things about the market itself and see if the market is following the offering or if the market is not following the offering, and perhaps what parts of the world are better served and what parts are not as well served.

If you look further down we've got the second level domain name deletions in thousands. Here you can see there was a jump, and that's actually something which is likely to be caused by... There were a lot of free domain names. So some new top-level domain operators offered their domain names. [I'd say] \$1 a domain name or even sometimes free domain names for the first year. And of course, what you then get, people don't renew in the second year so then you get this loss when people stop renewing because they had to start paying. But at least it's interesting, we can see that jump from the last quarter in 2013 to the first quarter in 2014. This is when you started getting the one-year. Also you can see here the growth was very high at some point. Now it's come back to a normal-ish sort of level.

You have percentage of second level domain name deletions and a bit more detail. You've got them here with the different types of domain names that you have. The first one is IDNs (Internationalized Domain Names). The second one is brands. And the third one is the geographic domain names. So the IDN, as I said, would be a domain name and a script that is not a Latin script, so maybe Cyrillic or Arabic or Chinese. The brands would be something like Google or Coca-Cola or Ford. Geographic would be obviously the places like .paris, .berlin, etc. You can see that in some cases you've had some deletions, so some names not being renewed in each one of these categories.

Marketplace stability is the next thing that we're looking at – the newly accredited registrars, we're looking at the de-accredited registrars. And of course, if you see a large number of de-accreditations or a rising number of de-accreditations, that obviously means that there is a problem. There are registrars that are going out of business one way or another. At the moment you can see it looks quite stable. You've got voluntary deletions and involuntary deletions, and we're talking about very small numbers considering the thousands – or should I say the several hundreds of registrars that are around.

If we go to the next page – oh, dear, it's another one of these. Let's have a look what the next page is on my... The next page is trust. Oh, dear. Well, that's not very trustworthy, is it? We have a problem with those two next pages and I hope that Terri is able to –

Terri, have you managed to put a link to the file? Yes, there is. Okay, so Maritza actually has put if you scroll up the scroll I can see Maritza has the detail, the Marketplace Health Index data .pdf and you can yourself look at it on –

TERRI AGNEW:

It's also uploaded on the agenda wiki page, and I verified all the slides are on the agenda wiki page with no broken links.

OLIVIER CREPIN-LEBLOND:

That's fantastic. Thanks very much for this, Terri. So trust – gTLD registrar [inaudible] because, of course, registrars that are involuntarily terminated would be either registrars that have not followed the rules

and that ICANN effectively struck off the register, or registrars that have gone out of business. That, of course, is terrible because these are the companies that sell you the domain names, and when your provider goes out of business then you have no idea what happens to your domain name, how can you renew it, etc. There's a whole process to go and transfer this to a new registrar that will take it over. It's still not a great thing for a customer. So you can see here there hasn't been a huge amount of involuntary terminations and things seem to be quite stable for the time being. We're still very early on.

Then you have the accuracy of WHOIS records. That's also important. You'll notice that there isn't really that much difference at the moment. It's just a few percent between the first quarter in 2015 and the second quarter in 2015. Obviously with time we'll see how that changes.

The number of UDRP and URS decisions – the UDRP is Uniform Domain Name Dispute Resolution Policy. That's when you have a dispute regarding a domain name with two organizations wanting to have the same domain name, perhaps one misusing this domain name because they're using it as – it's a trademark, let's say and they're trying to use it or they are using it illegally. A Uniform Rapid Suspension is one of these measures that then takes place to quickly suspend the domain name from use. You can see here there doesn't appear to have been any rise in those over the past few years so it's quite a steady number as well. And you can see the percentage of decisions decided against registrants has also been pretty stable.

That's really all there is for the time being. There's a glossary at the end of the document if you want to look at it and there's a definition at the

moment, or a listing, in the appendix so the last few pages after the glossary of the additional topics that we are currently discussing in the small working group that's looking at this because we are looking at adding many more statistics and being able to display them in nice graphics. So if you have suggestions, please do e-mail me. You can contact me. I think it's pretty straightforward, and just let me know if there is anything that you think should really be in there.

But we are developing this index with time, and hopefully it's going to make something that will be very useful to all of us because we'll really find out which way we're going and hopefully that I said will also be used by the working groups on the Subsequent Procedures and also the Consumer Trust Review.

That's all for the time being. I'm open to questions obviously, if you have time.

HUMBERTO CARRASCO:

Thank you, Olivier. This is a very, very, interesting presentation. Before giving the floor to questions I would like to ask you a question, Olivier. You were saying that there is an annex or something in the document that you posted and you are dealing with robust competition and there are some parameters that you are using for measuring that robust competition. Is this also related to what you said in the beginning that you're going to actually remove the gTLD acronym because you're adding the ccTLDs? What I want to know is whether you are going to do all this with the gTLDs and if you're going to provide the information, what can we do to help you, how can we contribute with you? Because I

have the feeling that this impacts us a lot as a region. Perhaps there is a low number of gTLDs in our region and maybe this needs to change in a few regions. So if you can answer that please.

OLIVIER CREPIN-LEBLOND: Thank you very much. Indeed, one of the things that we have noticed is that due to the nature of the new gTLD process and the fact that it was mostly North American and European firms and some Asia-based firms that applied for the process, we're seeing a huge number of growth in new gTLDs from these parts of the world. There were very few applicants for these new generic top-level domains from Latin America, Caribbean, and from Africa even less. So one of the questions though that we've been wondering is whether the market itself is not there or whether actually people are using their country code top-level domain a lot and so they don't seem to be interested in the generic top-level domains.

That's why we are now including – and this is by request from a lot of people because this went through a public comment period so a lot of comments commented said, "Look, we should also look at the country code top-level domains because perhaps there is a parallel to be made here. Maybe there is a very healthy country code top-level domain and therefore there is no interest in having generic top-level domains in that part of the world."

But of course, we haven't got the data yet. The moment we will have the data we'll be able to know more about this. That's the reason why

we're just taking the g away now and it will just be Top Level Domain Marketplace Health Index.

It might be difficult to actually get some information from some of the country code operators because, of course, they operate in complete sovereignty. They are entirely in charge of their own domain in their own country and ICANN cannot forcibly ask them to provide data if they don't want to provide it themselves. So it will really be a case of asking whether they want to provide the data, and if they don't want to provide the data then we won't be able to include some country code domains. But there are some country code domain operators out there that are already sharing information about the growth of their market, etc.

I hope that answers your question.

HUMBERTO CARRASCO: Thank you very much, Olivier, for your reply. We have a question by Renata. She says, "Very good presentation, Olivier." I will read the question and then I will give the floor to Vanda and then I will give the floor to Alberto.

Renata is asking us if we can do a parallel or a comparison between Latin America and Africa on why our numbers are so low.

OLIVIER CREPIN-LEBLOND: Thanks very much, Renata. You know you are asking the million dollar question. Why are the numbers so low in Latin America, Caribbean, and in Africa? There are several different points of view on this, and I don't

think anyone has the exact answer on that. Some are saying that the New gTLD Program when it was promoted throughout the world was not promoted enough in the Global South and so most of the road show that ICANN did was in North America, in Asia, and in western Europe and didn't go enough to places in Africa and Latin America and Caribbean. So then there would be less organizations that would be aware of the program.

Some are saying that the program was too expensive for anyone to go into and there are other priorities in some countries than having new top-level domains. Some have said that people in Africa and Latin America and Caribbean are wiser than people in the North and didn't want to waste their money on this. There are various points of view on that and I think that ultimately it might be a combination of these things.

Primarily I would say is maybe the program was so fast to come, once it was launched it was only a very small amount of time for the application window and I think that perhaps there wasn't enough promotion in other countries about it, especially when it came down to all of the documents and things that needed to be translated. And so it might well be that the next round, if there is one, would have a larger take-up from Latin America, Caribbean, and from Africa as well.

HUMBERTO CARRASCO:

Thank you very much, Olivier, for your answer. Now I would like to give the floor to Vanda. Vanda, you have the floor. Go ahead, please.

VANDA SCARTIZINI: Thank you very much, Olivier, for your presentation. Thank you very much for your time and for sharing this information with us. We did a survey in Latin America and in the Caribbean. We had this survey regarding the region and we asked about the different type of companies that were interested in this topic and we were also asking about resellers, registrar.

For me it's quite clear that the program that we have in Latin America and the Caribbean, our problem was the lack of information. That was our problem. Because many of the people we interviewed said that they didn't have any clue, they didn't have any idea, about ICANN or they didn't have no information about this issue of the gTLDs or how they could get to ICANN or how they could access this information.

We had a conversation with them. We tried to provide information but they said that they would like to access this program. They would like to gather information to be able to access the next round. That would be good for our region. It would be good to have information here.

In Brazil we had the same problem, and the main issue was lack of information. People do not know about ICANN.

HUMBERTO CARRASCO: Sorry for interrupting you, Vanda, but your audio is really muffled. Could you please speak up and could you please go away from the mic because we cannot hear you.

VANDA SCARTIZINI: Okay. Sorry for that. Can you hear me better now?

HUMBERTO CARRASCO: Yes. Your audio is much better now.

VANDA SCARTIZINI: I was saying this. I said that the main problem that we have as a region and the main problem for us in all Latin America and the Caribbean region is lack of information. After we explained to them what ICANN was and after we provided further information about this topic, when we gave them examples, when we sent information to them, when we provided information to these people about the new gTLDs, in that case all of them but one wanted to be part of this round. They wanted to have access to this program. Only one didn't want to access but some of the people say they wanted to get into the market. Some of the people said that they were interested in the program because of their brands or because they had different interests.

But as I said before, the main reason for this was the lack of information. When we spoke about prices, for example, nobody said, "Okay, prices are not that high, but we need further information." I don't think price would be the main problem, at least for Latin America and the Caribbean region. Thank you.

HUMBERTO CARRASCO: Olivier, if you would like to react to that comment, you have the floor. Go ahead, please.

OLIVIER CREPIN-LEBLOND: Thank you very much, Humberto. Yes, thanks very much, Vanda, for this comment. I think it's really valuable to learn from people on the ground what the reality is on the ground there. Of course, this project here just tracks the metrics and doesn't look at the reasons or the causes for the problems. But I do hope that what you are saying here and that we learn in the future if there is a future round that it would be properly publicized everywhere and particularly in those parts of the world where it was not well publicized in the first place.

When it comes down to [inaudible] countries, I think that's really important and I'm really pushing for the location of domains being purchased. To give an example, you've got a top level domain, let's call it .domain, and you can find out from WHOIS where those domains are being sold. So if there are a lot of people in Latin America and Caribbean that are purchasing something in .domain that you could say that the business model or the way that the .domain was sold seems to be actually correctly in line or well-marketed in Latin America and Caribbean region.

But this is maybe another level of analysis that we need to go into. Certainly, of course, we're dealing with the Internet so you can buy your domain names from whatever registrar you want to buy them from anywhere you want around the world. The problem goes into the way how do you pay for them? Some operators only sell to specific countries. They don't take credit cards from some countries or they only take credit cards, and of course you then have some countries where the use of credit cards is not widespread at all. So it's really better to have a local registrar that can sell you the domain name directly and that has a local customer service as well in your language rather than

having to try and wrestle with some global operator that doesn't have a customer service and that sells you the thing and then the moment you have a problem you're really stuck.

This is well understood and I think at least one or two of the metrics which we are developing will be tracking that.

HUMBERTO CARRASCO: Thank you very much, Olivier. If there are no other comments, I will give the floor to Alberto Soto. Alberto Soto, go ahead, please. You have the floor.

ALBERTO SOTO: Thank you very much. I would suggest, Vanda, if she could kindly send us the information that she has, if she could send that information to Olivier so that we can work with that information on the working group. Just to reconfirm what Vanda is saying, in our region and in Africa the main problem was the lack of information. But when it comes to the other issues regarding the low numbers, they have to do with prices. In some cases prices are very high. In some other cases we can ask ICANN certain reduction in the price. Or sometimes the way in which the domain names are being sold. And the other problem that we have is that we have no report, no study, about the local needs so we have no [content], we have no information at the local level to see what our needs are. This is a never-ending story. Thank you.

HUMBERTO CARRASCO: Thank you very much, Alberto. I don't know, Olivier, if you would like to react to that comment. If that is the case, please go ahead.

OLIVIER CREPIN-LEBLOND: Thanks very much, Humberto. I don't know if you can see it on your screen but I put the pointer to metrics related to pricing and the effect of registration on registration and renewals. That goes really far into this because obviously if you're going to have country code top-level domains sold at a certain price and generic top-level domains sold at a price that is vastly superior to the country code top-level domain, then people are going to go for the cheaper option except, of course, if they can't find the domain that they want in the cheaper option in which case they'll have to go to the more expensive option.

Then you do often have the opposite where the country code top-level domain, the domains under that, are more expensive and that's certainly the case in Africa. I don't know about the LAC region, but in Africa it certainly is the case in some places where it's just so difficult to get a country code top-level domain that people then go and pay the high price for a generic top-level domain.

These are metrics we're trying to put together. It's hard to get the costs in local markets, and the moment you talk about pricing, operators – so registrars and registries – start becoming a little funny because they wonder. They really think they can price the domain name at any price that they want because ultimately they're creating the market. I think it would be interesting to track. I don't think that we can tell them anything in return.

HUMBERTO CARRASCO: Thank you very much, Olivier, for your comment. We're running out of time. Once again, thank you very much for your presentation, Olivier. It was a really very interesting presentation.

Now I would like to give the floor to our next speaker, Javier Pallero. He will speak about the OTT and the dangers of regulating an undefined concept. So Javier, you have the floor. Go ahead, please.

JAVIER PALLERO: Can you hear me? Okay, thank you. Thank you very much for your invitation. I remember I was a representative for [AGEIA Delfi] for LACRALO sometime in the past so it's very nice to be on this monthly call again. I didn't really expect to be back so soon, but it's a real pleasure to be here. So thank you.

If you can confirm that you still hear me maybe we can go ahead and start dealing with the issue that we have planned for today. Okay, great then. I'm sorry for the bad quality in my audio. I am outside. But I didn't want to miss this opportunity to be here with you today.

What we had prepared for today is the Over The Top services issue. These are called this way and they are determined by different theories, especially by people who have more in infrastructure and in telecommunications, and they refer to services running on the application layer of the Internet. Let's now remember the distinction that we have on the layer model that is used to describe the topography of the Internet. I'm sure you all know about it.

This model dealt with all those services that run over the prior layers of infrastructure and protocol and they also run on the application layer. That is to say, they run on the TCP/IP protocol but at the application layer. The regulation issue is now very relevant because there is an attempt to try to balance rights and obligations that Internet service suppliers have or telecommunications companies with services provided by some companies that use the application layers that they provide services that are similar to the telecommunication companies.

A clear example of the [intention] of the OTT service is Skype or WhatsApp. These are services that provide facilities and communication technology such as voice communications or text messages but instead of using the telecommunication infrastructure usually used for SMS or for telephone they actually use the Internet layer to provide these services. So calls are made over IP and messages are exchanged on the application layer as it happens with WhatsApp.

So [Inaudible] there is a first regulatory report between the telecommunication services that are very highly regulated in different countries, especially in our region in Latin America. In Latin America there are many regulations on telecommunication services such as the obligation to have a universal fund or to have minimal coverage standards for service, and there is a very long etc. There are also obligations to keep certain data, etc.

With the emergence of the Internet services, the companies providing these do not necessarily meet these requirements or these obligations and so this is where we see the first regulatory asymmetry. There are services that are apparently [inaudible] discussed about this but I want

to tell you that in my current job I work as a Public Analyst at the Access Now organization and we work on the defense and the provisions of services for Internet users around the world, especially Human Rights for Internet users.

We are interested in the regulation of OTTs and the extension of these OTTs and the consequences and the ramifications that these may have on exercising certain fundamental rights on the Internet such as freedom of speech, privacy, and especially the protection of design principles for the Internet as is the principle of Net Neutrality. In particular the end to end principle which is probably a more technical principle is also [reflected] on the Net Neutrality formulation.

This comment on these basic principles of fundamental rights and those Internet principles that reflect them is to show you that in the last discussions that we had on the OTTs there is a key word which is confusion. Many times when we are faced with this need to find regulation for public policy that encompasses Internet issues and the challenges they present, especially at the application level, many times regulators in the different countries or legislators want to have general rules that are applicable to everything very easily. And as you know very well, this is very complex with Internet technologies.

We can consider, for example, now in Uruguay very recently they approved a law for regulation application and this law takes a generic definition of application that is used for everything that is running on the application layer of the Internet. So they are thinking on regulations that can cover different realities such as regulating the Uber application that you use for transportation and also to regulate the Air B&B

application that you use to hire houses and you can also use the same rules, or they attempt to use the same rules, to regulate content on the Internet.

Or a very great example of this is the principle for convergence communications that was created by the Drafting Commission in Argentina. These convergence communication principles mix different issues. They talk about the spectrum, they talk about access to technology, they talk about telecommunication regulation, and they also deal with Internet content.

So as you can see, there is a mixture of issues there. This is the confusion that I was referring to. The different areas where the Internet is developed as a technology start to be confused. So on one hand we have the need to regulate telecommunications, to regulate realities, and then we're also need for telecommunications or alleged regulations, need for regulations, in terms of applications such as the ones I just mentioned.

From the point of view of public policy this raises many questions – whether this is the same thing or not, if this is the right attitude, do we need to regulate and to what extent do we need to regulate this? So the largest debate we are facing now is this. When I was listening to you on the previous topic I recalled that at the European Union there are some proposals with the new EU directive for the protection of personal data. There are some proposals for the e-privacy that is now being discussed and also there are regulations on 5G or the new technologies that are going to be used for connectivity. So these debates on application regulations are present in all of these legislative processes and they also

raise the same challenges. We want to know if it is necessary and if it is actually very tempting to have all of these cases together or should we actually do what a surgeon does which is precisely very surgically to try to have specific regulations for specific uses and specific needs in each of the countries.

This is basically the introduction to the debate that I would like to invite you to from our organization called Access Now. We believe we need to make a very important differentiation between the different kinds of technologies they use such as the telecommunication services and technologies using the TCP/IP protocol – those that actually travel on the application layer.

One example is telecommunications companies use some public goods such as the [radioelectric] spectrum or they use all resources such as land channels or air channels that actually belong to the public domain of the states. These are all resources of the states that are granted for a certain time to the telecommunication companies. This privilege deserves to have some different regulations from the ones that we have to use the Internet service. At the same time this does not mean that Internet companies should not take certain obligations such as [attack] obligations that each country can have. There are also some jurisdictional issues and some issues that are also related to this.

There are needs for each of the sides of this discussion but there are also some reasons for us to have different regulations. We do not necessarily need to target a regulation for a specific solution that fits all cases because it is very difficult to do and it is a temporary solution because this would solve the asymmetries we are having now that

probably with the advent of the new technologies that we have seen historically we will see new situations that will put us in problems again.

The best idea, at least from the Access Now view is to regulate each thing differently considering that the characteristic in each of the cases and to use the guidelines that are used for the Internet in general such as the end to end principle or to use the Net Neutrality principle and to base all the regulations on the provisions of the rights for Internet users.

So [Inaudible] should also be there. At least this is our position from our organization as a Civil Society organization.

I would refer already to this for some minutes. I just want to know if I'm okay with my time and I would also like to propose some questions and to discuss this, especially to discuss the different biases for the following year. Even though there are some discussions that are very progress, the European Union for example, the land [protesting] the new regulatory schemes and solutions are usually the Global South countries and in Latin America there is a lot of room for these to happen. So without further ado, I would like to invite you to ask questions or to ask for clarification so that we can continue talking about this.

HUMBERTO CARRASCO: Thank you very much, Javier, for your presentation. There is already a question on the chat and I also would like to give the floor for anybody who would like to ask a question. You can raise your hand as well.

There's a question by Renata. She says, "This is very interesting. There was someone present on the IGF. I would like to know if there is an interaction with that. Is this also related to OTT regulations?"

JAVIER PALLERO: I couldn't really hear the question, but what I heard is –

HUMBERTO CARRASCO: Can I read it again? Can you listen to me now? Can you hear me?

She says, "Very interesting, Javier. This is a debate that was present at IGF." And the question is whether there is an interaction with trade agreements, the TPP and if this is also related to the OTT regulations.

JAVIER PALLERO: There is no relationship with the [preferred] agreement that [inaudible] tried to do precisely that. They tried to establish a generic regulation for many aspects. In this regard, at the TPP which is the clearest example we have in Latin America we don't really find many examples of OTT regulations in general except in Intellectual Property issues where governments are requested to have regulations for uploads and now downloads and they affect Internet content. That there is no sanction such as losing their license or something like it, so this kind of solution such as the licensing and losing your license in these kinds of communications implies that many times by way of the TPP if they want to extend it to Internet services and this has not been very prevalent, at least in the draft of the TPPs.

That Intellectual Property issues I think there are some grey areas where this regulation may appear but as for trade agreement there hasn't really been a lot of focus in this rhetoric for OTTs. We need to understand that this is a rhetoric. There are certain factors that are defined this way on the Internet. And as we know, all the names, all the nomenclature, always reflect a view of the world and of the technology.

HUMBERTO CARRASCO: Thank you very much, Javier. I think there's another question on the chat room. And there is a question on whether there is a clear description of OTT and whether you consider that this is a hub for innovation, a check for innovation.

JAVIER PALLERO: It's a very interesting question. Actually, there is no clear definition on what is OTT. Access Now is working on a position paper in this regard, and to do this we are researching the different definitions of OTT. We needed to define that or to say that our definition of OTT [is] the one we are using right now the way in which some Internet players refer to this is services running on the Internet layer. And then there are some more fine-tuned definitions but in general they all share these characteristics – they refer to services provided by using the last layer, that is the application layer, the top layer in the topography layer model of the Internet.

So no, there is no [inaudible] definition, and actually one of the issues that contributes [to the] controversy is not knowing what we are discussing here. This is what is causing confusion and this is what is

useful for some stakeholders. They want to put all the regulations in the same place, such as regulations for Uber and the regulations for certain content in certain streaming services because of a diversity issue. So we need to consider the different areas and we see that it is very difficult to have a definition that encompasses all of them together.

HUMBERTO CARRASCO: Can you hear me? Has Javier dropped or is it me?

SILVIA VIVANCO: I think Javier dropped.

HUMBERTO CARRASCO: So it seems. Let's wait a few seconds to see if Javier can be reconnected. If he can come back to the call so that he maybe can answer some other questions. Otherwise –

SILVIA VIVANCO: Javier has disconnected.

HUMBERTO CARRASCO: That's [inaudible] so let's now... It seems Javier is being redialed now so let's wait a little bit more to see if he can come back. Silvia, can you please confirm how much time do we have left?

SILVIA VIVANCO: We still have 13 minutes.

HUMBERTO CARRASCO: I also had a question for Javier, so let's wait for him to come back. Okay, Javier, we are back now.

JAVIER PALLERO: I was just answering on the variety of the concept. What was the other question? I think the other question was why this is a check to innovation. Well, there is a set up a request to overregulate everything or to find a general rule that is good for everything, which in many cases will be too hard because in order for a generic rule to be effective, it has to have very strong prohibition or to have a very specific regulatory item. So we need to have some kind of incentive for this.

Access Now doesn't believe that the Internet should be regulated. We believe there has to be a smart regulation that is also effective, and many times this regulation is a minimalist regulation. Some other times it's a regulation that wants to ensure rights. But it doesn't need to be a vague or an invasive regulation.

A clear example of a good regulation or a useful regulation is the CDA or the Communications Decency Act which in the beginning of commercial Internet was functional to the growth of the Internet platform because it established a liability base for intermediary considering the content [inaudible] so they did it to use the context of that country and in that cultural and global situation of the Internet they would apply it.

Innovation may be an obstacle in the way in which it is established now because it is very vague and not very clear.

Can you hear me?

SILVIA VIVANCO: Yes, we can hear you. Go ahead.

HUMBERTO CARRASCO: Javier, thank you very much for your presentation. It was really interesting. I believe that this is a presentation for a whole panel. Once again, we would like to thank you for your participation and for your time, and we hope to have you here in the future once we deal with this topic again. So thank you very much for your time.

Okay, now we will continue with another item on the agenda which is a very important item on the agenda for LACRALO. This is the Item #7 – Any Other Business – call for members for the Finance and Budget Subcommittee.

Heidi sent an e-mail asking us to appoint or to select ALAC members and a member from the Leadership Team, so we've started with that process. Harold Arcos will be part of this committee and I will be also participating as the Chair of a region. Taking this into account and since this committee has many roles, many duties, when it comes to coordination, for example, it is in charge of analyzing monthly and annual requests so this committee has to draft, for example, statements related to, for example, ICANN strategic process. And so taking into account all that, all those activities and all the information that we need, this is what we will do. This subcommittee will have a duration of one year. We would like to inform this to the region.

I see [there] is something that was published on the chat, so this is a message from Renata Aquino. “I would like to thank all participants for the research in the [event] the ISOC Brazil about how to increase diversity in the community. I received many replies from LACRALO and from participants so it was a very good idea. So thank you very much. Thank you very much for that and I hope we have further opportunities next year and [I] also had the opportunity to share that information with the ISOC Ecuador in LAC ICANN Road Show and so I thank you for the opportunity to increase participation on this regard.”

There was also a message by Alejandro Pisanty. I don’t know, Alejandro, if you have audio and if you can participate, but perhaps you can tell us about your work, your report Leon Sanchez mentioned something about. So I will read that e-mail. Alejandro sent an e-mail in reply to an e-mail sent by Heidi.

Alejandro speaks about the announcement by the At-Large community when it comes to the Board selection process. I’m reading his e-mail, so he says this, “This is a very important decision so I believe it is important to give the whole explanation of the process and to provide a whole list of candidates, and of course, to give these candidates the opportunity to have a debate. If it is possible we would like to have this opportunity before voting.” This is Alejandro’s e-mail.

We analyzed this e-mail and after reading the e-mail and after analyzing his e-mail we asked staff to translate his e-mail into Spanish, English, and French. So once we have that information in the three languages we will be able to circulate that information.

INTERPRETER: This is the interpreter. I apologize but Humberto's audio is really choppy and interpretation is not clear and not possible.

HUMBERTO CARRASCO: We would like to, as the Candidate Evaluation Committee, we would like to share the process to select the candidates.

INTERPRETER: This is the interpreter speaking. We are not receiving Humberto's audio.

SILVIA VIVANCO: Humberto, we are not hearing you. Are you on the call?

HUMBERTO CARRASCO: Can you hear me?

SILVIA VIVANCO: Yes. Please could you repeat what you were saying?

HUMBERTO CARRASCO: I will read out the part of that e-mail. The e-mail says, "Hello to everyone. I believe the idea is good but we need to see the time available as the initial idea. I believe we need to share that information. So perhaps we can provide a score from one to five for each candidate and with those candidates with a score higher than three we took them

apart and now we want to classify those three candidates that were selected to see who is the preferred candidate in the region. The idea is to see if those preferred candidates are the ones preferred by the region.”

So that was Vanda’s reply to Alejandro’s e-mail. As I said before, this information will be translated into different languages and once we have that information translated, we will be able to see the next steps for the sake of transparency and of course to be able to attain our goals.

Now I would like to give you the floor. I open the floor to see if there is any comment on this aspect.

I see no hands, no comments, so something else that I would like to mention is this. There is a report that was already published and this is the report on the ALAC review so I believe it is really very important for us to read that information. The idea is to review, to analyze, that document and to provide feedback because this might have an impact in our mediation process. You know we are undergoing this mediation process so this may have an impact on that, and perhaps on future [norms] for regulations for LACRALO.

Is there anyone who would like to make a comment, who would like to speak about something else? We have two minutes.

I see Maritza Aguero. She says the public comment period for this mediation report closed on December the 15th. Yes, you’re right. That was the deadline for the public comment period for that report.

Alberto Soto is saying, "I would like the metrics to be published." Alberto, which metrics are you referring to? Let's wait for Alberto to type.

Maritza, you have the floor. Go ahead, please.

MARITZA AGUERO: Sorry, Humberto, for the interruption. Just a brief comment. I would like to know whether we will be able to publish any comment.

HUMBERTO CARRASCO: Maritza, could you please repeat your question because your audio is really faint. I didn't get your question, Maritza.

MARITZA AGUERO: I was asking you whether LACRALO members are still able to send comments about the mediation report.

HUMBERTO CARRASCO: I will have to ask David about that. I have no information but I will send him an e-mail to see if we can still provide input on that.

Alberto, okay. When it comes to your question, yes. We will be publishing the metrics that you sent – the metrics proposal. We will be publishing that information. I will speak to Maritza so that we can create a wiki page or a new page so that this information is published.

Okay. Since it is half past nine in Chile at least, I don't know the time in any other place in the region but with this, I would like to thank you all for your participation. Good morning, good afternoon, and good evening. I wish you a Merry Christmas, and I wish you the best for next year and I hope that you have a very good night and a Christmas night. So thank you very much for your participation. Thank you all.

TERRI AGNEW:

Thank you. 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.

[END OF TRANSCRIPTION]