**Business Constituency statement on GNSO reform**

**Delhi 13 February 2008**

The Business Constituency welcomes the majority of administrative reforms suggested in the Board Governance committee’s paper but has significant concerns with the first structural proposal which conflicts with the ambitions of those administrative reforms.

The BC notes that the BGC proposal has two minority reports. We will respond favorably to the second of these which asks for alternative proposals.

The BC will address some significant concerns inherent in the present proposal. These concerns are threefold:

* Incentive – the current proposal fails to provide the incentive to make the working group model functional
* Credibility – the current proposal will drive away commercial interest participants so undermining ICANNs credibility
* Oversight – ICANNs public interest and oversight responsibilities are being compromised.

The BC will work with other stakeholders in the short term to provide the Board with an alternative structural proposal and in the meantime recommends a public comment period of 60 days.