**Registries Stakeholder Group Statement on the IANA Stewardship Transition
March 22, 2015**

**INTRODUCTION**

A year has passed since the NTIA announced its intention to transition its current stewardship role over the IANA functions. During this time the multi-stakeholder community has undertaken various streams of work to develop a transition plan in accordance with the NTIA’s requirements. Within the naming community, three core bodies were established to take on the core workload: the ICG, the CWG on IANA and the CCWG on Enhancing ICANN’s accountability.

The announcement by the NTIA has significant implications for the direct customers of the IANA functions, namely, the:

* Internet Engineering Task Force;
* Regional Internet Registries; and
* Country code and generic Top Level Domain registry operators.

The IETF and the RIRs have recently submitted proposals to the ICG for the transition of the IANA protocol and numbering functions. The ccTLD and gTLD registry operators are working through the CWG on IANA Transition, which, for a number of factors is yet to be in a position to submit a complete and agreed proposal to the ICG.

During the ICANN meeting in Singapore in February 2015, it became evident to gTLD registry operators, from conversations with NTIA and during open sessions on the topic, that it was necessary to review the existing draft proposal for a number of reasons including the progress made by the CCWG on Enhancing ICANN’s Accountability; Larry Strickling’s State of the Net address which posed some direct questions to the CWG; and the status of the CWG work. Upon this review, many within the registry operator community arrived at the conclusion that the trajectory of the CWG was leading toward a proposal that would neither be fit for the needs of the direct customers of the IANA naming functions, nor acceptable to the NTIA.

As a result of this reconsideration the RySG has identified a core set of requirements that need to be satisfied in any transition proposal for naming services. In short these requirements are:

* The continued provision of an IANA service that is ‘satisfactory’ to its customers is key in any transition plan;
* The operational needs and interests of the registry operators in the IANA transition are very narrow and primarily technical in nature;
* Duplicative and complicated structures that are currently under discussion are not suitable to achieve a satisfactory IANA service;
* A well-designed and focused Customer Standing Committee (CSC) is the appropriate mechanism post-transition to manage the responsibilities currently performed by the NTIA;
* Any proposal to separate the IANA function from ICANN must have the unqualified support of the registry operators and must be fully budgeted; and
* In order to maintain the focus of the CWG on the operational and technical requirements of the IANA transition, it should be agreed that any discussion about accountability issues are the responsibility of the CCWG.

Following is a more detailed set of issues and recommendations that are directly related to IANA and the CWG draft proposal. The primary goal is fourfold:

* First, to re-emphasize the priorities of the registry community with respect to the IANA Stewardship Transition.
* Second, to provide a customer perspective on the current status of the CWG IANA, including specific concerns regarding the proposal developed to date.
* Third, to provide suggestions for how we believe the current proposals can be improved to meet the needs of the customers of the IANA naming functions; and
* Fourth, to provide recommendations on how the work of the CWG IANA might be advanced

**Registry Priorities in the Transition**

As direct customers of the IANA functions, the operational performance and objective execution of the IANA Functions Operator against established service levels, policies, and procedures is paramount. Our success in providing registration services depends upon our ability to request changes to the Root Zone database and to know that such changes will be carried out by the operator of the IANA naming functions in a manner that is timely, efficient, predictable, and transparent. These needs can only be ensured through a stable transition of the NTIA’s stewardship role, as well as through the establishment of a sound and operationally viable framework for the operation of the IANA naming functions and associated oversight post-transition.

Our operational needs and interests as Registry Operators in the IANA Stewardship Transition are described below and reflect the narrow, technical nature of the IANA naming functions:

* Ensuring that the excellent performance of the IANA Naming Functions against established service levels continues in the post-transition landscape;
* Continuing current reporting by the IANA Functions Operator in the post-transition landscape to provide transparency in the performance of the IANA Naming Functions;
* Ensuring that the IANA Functions Operator continues to objectively apply community-developed policies;
* Ensuring that operational oversight tools such as external audits continue to be available post-transition to monitor the performance of the IANA Naming Functions;
* Ensuring that the future governance model is lightweight, providing the requisite oversight and accountability without becoming so cumbersome as to undermine the timely execution of the IANA Naming Functions, or introduce unneeded costs to its consumers; and
* Providing for mechanisms to review and implement improvements to the performance of the IANA Naming Functions to ensure that the operator will meet the evolving and future needs of its customers.

Today, each of these needs is being met by ICANN as the current operator of the IANA naming functions; as customers of the IANA naming functions registry operators are generally satisfied by ICANN’s performance in this role. This is evidenced in the fact that ninety-three percent of respondents indicated their satisfaction with current IANA operations in the 2014 IANA Customer Survey. Our goal is not to fundamentally alter the operations of the IANA naming functions, but rather to ensure that our current needs and expectations continue to be met post-transition and can evolve to meet the potentially evolving needs of this community.

**Registry Concerns Related to IANA and the CWG Draft Proposal**

***ISSUE 1: A proposal that is too cumbersome is likely to negatively impact the timely and execution of the IANA naming functions or expose the IANA functions to undue influence for political reasons.***

The CWG IANA must give credence to concerns that have been raised about the complexity of some of the models currently under consideration. This includes concerns regarding the potential tradeoffs between complexity and operational excellence, as well as the potential accountability issues or policy interference that may accompany an excessively complicated transition proposal.

As noted in the public comment of the Registries Stakeholder Group comment on the Draft Proposal of the CWG IANA, we are concerned that the unwieldiness of the model proposed by the CWG IANA for public comment may put at risk the continued operational performance of the IANA naming functions. We are concerned that a large and multi-layer oversight structure may not be able to carry out the associated oversight responsibilities of the IANA naming functions in an efficient, timely and predictable manner. A complex oversight structure could slow the timely execution of the IANA naming functions that we have come to expect from the IANA functions operator.

Another concern is that an overly complex oversight model could erode the bright line between IANA’s technical operations and the ICANN policy functions, by exposing these narrow technical functions to undue risk of capture and interference. IANA must not become a political tool as a result of the transition. As it is today, oversight of the IANA functions should appropriately remain technical and operational and any policy issues should be addressed within the appropriate ICANN policy-making body.

We note that, in its current form, the NTIA’s oversight over the naming functions is incredibly lightweight in nature, accounting for an aggregate of roughly .5 total FTE (according to projections put forward by the NTIA) and is highly routine. This is not to suggest that post-transition oversight should be abandoned; rather, we believe that it is possible for oversight to be both lean and effective.

***ISSUE 2: The quality of service provided by the IANA functions operator may ultimately be degraded if the proposal does not provide for opportunities to improve upon its services to account for evolving needs of the registry community, or unforeseen impacts of the transition.***

We are confident that the transition will take place only with the finalization and implementation of a proposal with comprehensive operational requirements that maintain the satisfactory level of service currently provided to registry operators by the IANA Functions Operator. Notwithstanding, a proposal that is too inflexible may not account for unforeseen impacts or lessons learned as a result of the transition, or may ultimately fail to meet registries’ future needs. As registries, we believe it fundamental that any proposal provide for opportunities to improve the performance of the IANA functions, as well as to review key aspects of the proposed oversight structure, as needed.

***ISSUE 3: The creation of operational accountability mechanisms may overlap with the work of the CCWG Accountability, creating the risks of forum shopping and conflicting outcomes, as well as of unnecessarily complicating the transition proposal.***

Efforts to address this wider issue of accountability directly within the IANA CWG will complicate what ought to be a lightweight and streamlined mechanism for oversight and potentially render such oversight cumbersome and ineffective. We are concerned that time and effort spent developing accountability mechanisms directly trade-off with our ability to ensure that the transition results in an operational and effective IANA. In addition, a failure to adequately separate the mandates of the CWG IANA and CCWG Accountability could also delay the transition date by putting resolution of longer-term accountability issues in the critical path for the development of an operational viable transition proposal.

A second, accountability-related concern is that if the mandates of the CWG IANA and CCWG Accountability are confounded, the two processes could create duplicative or overlapping mechanisms for review and redress. The creation of duplicative or overlapping accountability mechanisms could introduce risks of forum shopping or conflicting outcomes that must be avoided.

***ISSUE 4: Any proposal that provides for the ability to separate the IANA functions from ICANN, the current operator, must clearly define the conditions for separation, as well as how these functions will be funded post-transition.***

The CWG IANA has discussed the viability of internal versus external models for the future oversight of the IANA functions and, more recently, an integrated solution. The registry community has not yet reached a single, agreed upon position on its preference to any of these approaches. It is important to note, however, that the Draft Principles for the CWG IANA identify separability as a key aspect of any proposal and that separability is provided for in all of these models in some degree or form. As such, it is important that careful consideration be given to the circumstances and logistics of such a transition, even if it is highly unlikely to occur. In addition, in order to ensure the continuity of the functions, we believe that it is important to identify, at the outset, a stable stream of funding for the IANA Functions that is not dependent on whether such functions remain within ICANN.

**Recommendations**

We provide the following recommendations with the goal of mitigating some of the high-level concerns outlined above. We hope that these recommendations might help inform and advance the direction and work of the CWG IANA.

***RECOMMENDATION 1.a: Avoid accountability concerns by minimizing the creation of new structures and by clearly and narrowly defining the mandates of new structures created as part of the transition.***

Above, we have raised concerns about how to ensure the accountability of any new structures created as a result of the transition. We believe that these concerns are best addressed by minimizing the number of bodies created as part of the transition process. Considering the leanness of the NTIA’s previous oversight of the IANA Functions, we believe that the CSC would be sufficient to carry out oversight of the IANA Functions Operator.

Concerns regarding the accountability of the CSC could be minimized by clearly defining its mandate and scope in founding documents, through clearly stated transparency and openness requirements in founding documents, and by solidifying wider community participation in periodic review processes, including any that would have the potential to change the scope of the CSC’s work.

Additionally, we would advise that the CSC be kept small in size and its composition fit-for-purpose. We strongly support a suggestion raised in the IANA CWG that this group could be kept to a minimum two official representatives from the community of ccTLD operators and two from the gTLD registry operators, and one other representative from the technical community with relevant expertise.

We emphasize that membership should be on a volunteer basis and not be compensated. Given that all of the group’s work could be carried out remotely, we do not see a need for travel support as a part of this role, as long as the IANA Function Operator would continue to support remote participation tools.

Given the narrow, operational role of the CSC, as well as our recommendation that the group be kept small and an assumption that the existing transparency procedures around the performance of the IANA functions be maintained, we believe that concerns related to the accountability of the CSC are manageable.

***RECOMMENDATION 1.b: Ensure that the compositions of any new structures are fit-for-purpose by requiring that membership is based upon relevant expertise, experience, and skills.***

We believe that in carrying out post-transition oversight, experience is fundamental and that overseers ought to be identified by their familiarity and direct experience with the IANA procedures and service levels. This technical experience that is most likely to come from the direct customers of the IANA Functions or technical bodies such as the SSAC or RSSAC. Provided that a minimum level of participation was met, we believe that it would be critical to identify participants and define composition on the basis of possessing the relevant experience, expertise, and skills to carry out the task at hand.

***RECOMMENDATION 1.c: Supplement leaner structures with robust provisions for openness and transparency to allow the community to monitor the performance of IANA, as well as of new oversight bodies.***

The creation of a narrow oversight body could be balanced out with robust provisions for openness and transparency, so as to enable broader multi-stakeholder participation in oversight of the IANA Naming Functions. The requirements around openness and transparency could be achieved either by way of agreements with the registry operator community, if an “external model” is ultimately decided upon, or by way of incorporation into the ICANN bylaws, in the case of an “internal model.” Procedures for openness and transparency would include:

* Continuing to conduct regularly scheduled independent audits of the performance of the IANA Functions Operator;
* Making meetings of the CSC open, as appropriate;
* Publishing transcripts and recordings of CSC meetings;
* Ensuring that all reporting by the IANA functions operator remains timely and transparent so that any interested party could undertake unofficial monitoring and flag issues;
* Providing public comment periods for any material changes recommended by the CSC;
* Soliciting community participation in any regular review of the IANA function facilitated by the CSC; and
* Ensuring that a decision to move the IANA functions was supported by the multi-stakeholder community.

***RECOMMENDATION 2.a: Identify processes for iterative improvements to the performance of the IANA Functions and to its oversight structures.***

We trust that the CWG IANA will identify key operational requirements as a part of the transition proposal so as to meet the needs of the registry community and that this transition proposal will pass through requisite stress testing. Notwithstanding, we believe that there will assuredly be lessons learned from the post-transition landscape. Additionally, the needs of registries as customers of the IANA naming functions may change with time. The proposal should, therefore, provide mechanisms for iterative improvements to the performance of the IANA Functions, as well as to its oversight structures to account for “lessons learned” and for the potentially evolving needs of the registry community. These could include the requirement for regularly scheduled reviews of the performance of the IANA Naming Functions. It could also include a requirement that the IANA Functions Operator would implement recommendations supported by a critical mass of the registry community provided that they were within scope. Restrictions would need to be put in place to ensure that the recommendations only addressed IANA Operations and did not involve topics properly addressed through the ICANN Policy Development Processes.

***RECOMMENDATION 2.b: Include in the transition plan a process to explore improved automation of routine aspects of the IANA naming functions as part of the transition proposal.***

We regard the transition of the IANA Stewardship as an opportunity to improve upon the functions, as well as their oversight. Already, the IANA Stewardship Transition has brought increased attention to ICANN’s IANA department and the procedures by which it operates, as well as an interest in contributing to make those processes even better.

This momentum should be seized through the introduction of processes to explore widely-supported improvements to the performance of the IANA naming functions. By way of example, a survey conducted of ccTLD operators found most of that community in support of increased automation for the routine aspects of the IANA naming functions. We believe that these aims should be explored, whether as a part of the transition proposal or through empowering post-transition reviews to compel improvements in the performance of the IANA naming functions.

***RECOMMENDATION 3.a: Address accountability-related concerns through the Cross Community Working Group on Enhancing ICANN Accountability as much as possible.***

We note that many in the IANA CWG seem to be confounding the mandates of the CWG IANA and the CCWG Accountability by trying to address accountability-related concerns directly within the proposal for the transition of naming-related functions. While these efforts are understandable, many may be misplaced, and should properly be addressed in the work of the CCWG Accountability. We note that the work of the CCWG Accountability is well underway in identifying accountability mechanisms that would empower the multi-stakeholder community and improve upon ICANN’s framework for review and redress and that these efforts would benefit from expanded attention and participation.

Specifically, we believe that further development of the Independent Appeals Panel (IAP) should be deferred until an assessment can be made of whether the requirements of the IAP might be addressed by one of the mechanisms under discussion by the CCWG Accountability. We note that the CCWG Accountability has formed a Work Party to recommend review and redress mechanisms that would benefit ICANN’s overall accountability framework and that the IAP has been specifically recognized as an issue for which the mandates of the two groups overlap. To avoid the development of duplicative mechanisms and the potential problems of forum shopping, we urge that further discussion of the IAP be deferred to the CCWG Accountability.

***RECOMMENDATION 4.a: Identify and earmark a stable funding stream for the performance of the IANA functions from the fees currently paid to ICANN by ccTLD and gTLD Registry Operators.***

Another suggestion emerging from the discussions of the RySG at ICANN 52 was that the prime area where functional separation could be enhanced was by providing greater clarity on the budget of the IANA Functions Operator including the source of those funds, how the expenses are divided across the functions deployed by the three primary customer communities, and how the IANA funds are spent.

We believe that these financial data points should be transparent and stable as a means of ensuring that the operational excellence continues and is supported within ICANN’s financial planning. Ideally, we would like to see a stable funding stream for the performance of the IANA naming functions coming from the fees currently paid to ICANN by ccTLD and gTLD Registry Operators, notwithstanding year-to-year budgeting decisions, as well as to ensure that the functions continue to be supported in a case where they were transitioned to a successor operator.

We further believe that providing the customers of the functions input into how these funds are apportioned by the IANA functions operator will ensure that the performance improves and evolves in accordance with the needs and goals of its customers.

***Recommendation 4.b: Develop clear and restrictive conditions that must be met in order to remove the IANA Functions from ICANN, as well as an escalation path defining interim processes to resolve any issues.***

Lastly, while we support the inclusion of separability as one of the Draft Principles for the IANA CWG, we believe that the conditions for separation should be clearly defined. As registries, our businesses depend on the continued performance of the IANA naming functions; any transition would bring with it risks that must not be taken lightly.

The community needs to develop a clear process in order to trigger the removal of the functions from under ICANN’s management. Specifically, the functions should not be severed without: 1) the direct agreement of the direct customers of the IANA functions; and 2) in direct response to failures to conduct the IANA operations in a manner acceptable to these direct customers. Further, this can only take place after a pre-existing and comprehensive escalation process allowing ICANN time to remedy poor performance has been exhausted.

**Conclusion**

As registry operators, we have a vested interest in ensuring that the IANA Stewardship Transition is carried out smoothly and that IANA’s performance, as well as its oversight, continues unimpeded in the post-transition landscape. We hope this statement will provide greater clarity into the priorities, concerns, and recommendations of the direct customers of the IANA naming functions.