May 8, 2014

VIA ELECTRONIC TRANSMISSION

Re: Call for Public Input: Transition of NTIA’s Stewardship of the IANA Functions

Dear Sir/Madam:

The U.S. Council for International Business (USCIB) is pleased to respond to ICANN’s April 8, 2014 solicitation of comments concerning the transition of NTIA’s stewardship of the IANA functions. USCIB is a trade association composed of more than 300 multinational companies, law firms, and business associations, which includes a broad cross-section of the leading global companies in the information and communications technology (ICT) sector. USCIB members, which include parties to the non-contracted and contracted houses of ICANN, therefore welcome this opportunity to offer a cross-community, cross-sectoral perspective on this critically important development in the Internet ecosystem.

We respectfully request that ICANN consider the following issues and concerns we have about the transition of the IANA functions in general, and the draft proposal more specifically:

1. **Adherence to NTIA’s first four principles**
   - The transition process must not in any way compromise the following four principles set forth by NTIA:
     - Support and enhance the multistakeholder model;
     - Maintain the security, stability, and resilience of the Internet DNS;
     - Meet the needs and expectation of the global customers and partners of the IANA services; and
     - Maintain the openness of the Internet.

2. **Adherence to NTIA’s fifth principle: Robust safeguards to ensure no governmental or inter-governmental oversight, beyond what exists in a multistakeholder model**
   - It is apparent that there is support by some parties for replacing the NTIA stewardship role, with a form of government or inter-governmental oversight.
   - NTIA stated unequivocally that such a result is incompatible with an acceptable transition proposal.
   - The transition process therefore must include robust safeguards to ensure that there will be no government or inter-governmental oversight of the IANA functions, not only upon the immediate transition of NTIA stewardship, but permanently thereafter.

3. **Include stress tests as part of process for developing a transition plan**
   - USCIB members urge that a “sixth” principle be added to NTIA’s conditions: That any proposal for the transition of NTIA’s IANA stewardship functions undergo stress tests to
ensure that it is robust and effective and would not result in unintended consequences or burdens that would threaten the functionality, stability, and interoperability of the Internet.

4. **Focus on substance, not “deadlines”**
   - The community was given only 30 days to comment on a proposal that could have profound implications for the Internet DNS, root-zone management, and the functioning of the digital economy more broadly.
   - The process of developing a sound plan to transition NTIA’s IANA stewardship functions that meets NTIA’s conditions and allows for stress testing should not be rushed by (1) ICANN’s meeting schedule or (2) the September 30, 2015 expiration of the IANA functions contract. Concerning the latter, NTIA has indicated that the contract can be extended twice.
   - Parties should work with all diligent speed. However, the priority must be quality. While USCIB is committed to working with all stakeholders to develop a transition plan by September 2015, we recognize that an inclusive, multistakeholder process could take more than 18 months to develop a transition plan that is technically sound and includes appropriate accountability mechanisms.

5. **Robust discussion of relation of IANA operational and policy aspects**
   - As mentioned in the NETmundial Multistakeholder Statement, the process for developing a transition plan should allow for robust discussion of the relationship between the IANA functions and processes that are used to develop the policies under which they are performed.

6. **Accountability Mechanisms**
   - USCIB welcomes ICANN’s plans to launch a parallel initiative aimed at developing accountability mechanisms related to the globalization of its operations. However, we urge that the process for developing the transition plan of the IANA functions include accountability and oversight in relation to the IANA functions, including appropriate separation of duties to address concerns of potential conflicts of interest.
   - As acknowledged by ICANN’s CEO in Sao Paolo, ICANN accountability must be “taken to the next level” and that the two recently announced community processes, IANA Transition and ICANN Accountability, are “interrelated and interdependent.” USCIB agrees that the IANA transition discussion must be informed by the parallel ICANN Accountability process and vice versa.
   - Any new ICANN accountability mechanisms recommended by the community for the IANA transition should be implemented and tested prior to implementing the IANA transition plan. A delay of the IANA transition should not be a reason to delay or defer improving ICANN’s accountability structures.

7. **Potential issues with the proposed steering group approach**
   - We have a few specific concerns about the proposal to form a steering group under ICANN auspices to shepherd the transition process.
     - The steering group concept was developed as a result of a relatively narrow window for comment by stakeholders following the initial discussions of the IANA Stewardship Transition at ICANN 49 in Singapore. In general, we do not feel that the community was given sufficient time to consider (1) whether a Steering Group would enable the most
effective means of managing the process; and (2) the appropriate composition of a Steering Group.

- Related to this, given the acute importance of a secure, stable, and resilient Internet to a vast array of businesses across multiple sectors who invest billions every year in private capital to grow and sustain the Internet, it is unacceptable that business would be forced to share only one of two slots allotted to GNSO representatives on the ICANN-proposed Steering Group.

- The proposed process and the composition of the Steering Group requires greater balance among the global multistakeholder communities—including business—in both the decision-making process as well as the consultation/commenting process. Importantly, both the decision-making and consultation/commenting processes should include those who are not members of ICANN but will be affected by the transition. Outreach should include a broader cross-section of business participants than those already involved in the ICANN, IETF, or RIR processes.

- The proposed process as a whole suffers from an impression of potential conflict of interest. The role of ICANN in organizing the consultation process cannot be synonymous with the final resolution of its outcome. Greater outreach to and inclusion of other businesses and business organizations would help address these concerns and issues of perception as would holding some events outside the technical community.

- The process for developing an IANA transition plan should be expanded to represent a broader multistakeholder process, convened but not directed by ICANN, including more credibly the other organizations (ICANN DNS, IETF/IAB, and RIR/NRO) that have a role in IANA functions. Those organizations should be able to participate in this process, should play a lead role in developing the transition plans related to their functions, and should have a role in defining multistakeholder consultation and organization; including the role, composition and organization of the steering committee. The need for broadening of consultation and inclusion is not limited to the I* community, and other stakeholders beyond the I* community should be more credibly included in the process.

USCIB appreciates this opportunity to provide input to this critically important review process and asks that our comments receive ICANN’s due attention in convening the multistakeholder process for managing the transition of NTIA’s IANA stewardship functions.

Sincerely,

Barbara P. Wanner
Vice President, ICT Policy