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COMMERCE DEPARTMENT RELEASES POLICY STATEMENT ON THE INTERNET DOMAIN NAME SYSTEM

Press Conference Remarks by Becky Burr, Associate Administrator, National Telecommunications and Information Administration's Office of International Affairs

Good morning, and thanks for coming. I know that this hasn't exactly been a slow week for those of you covering the e-commerce beat.

On February 20 the Department of Commerce published a proposed rule regarding the domain name registration system. Today, in light of the public comments received as well as the continued rapid technological development of the Internet, we are releasing a policy statement on DNS management.

The policy statement describes US policy regarding privatization of the domain name system in a manner that allows for the development of robust competition and that facilitates global participation in the management of Internet names and addresses.

The policy statement does NOT propose a monolithic structure for Internet governance.

Rather, the policy statement describes a process whereby a new, not-for-profit corporation formed by the private sector would assume various responsibilities for DNS administration that are now performed by or on behalf of the U.S. Government, or by third parties under agreements with the U.S. Government. We invite Internet stakeholders from around the world to work together to form this new entity.

Comments received in response to the Green Paper issued in February confirmed our belief that certain DNS functions should be coordinated. Management of the IP number system needs to be coordinated, the root server network needs to be coordinated. The addition, allocation and management of generic

Top Level Domains should be coordinated, and the protocol parameters for Internet addressing need to be disseminated on a coordinated basis.

Comments received in response to the Green Paper confirmed the principles we proposed for this transition to private sector management: stability, competition, private, bottom-up coordination, and global representation. These principles will guide the U.S. government during the transition.

Today's policy statement is really about the process by which this new entity would make decisions on DNS management, rather than the ultimate decisions to be made. We are looking for a globally and functionally representative organization, operated on the basis of sound and transparent processes that protect against capture by self-interested factions, and that provides robust, professional management. The new entity's processes need to be fair, open, and pro-competitive. And the new entity needs to have a mechanism for evolving to reflect changes in the constituency of Internet stakeholders.

The United States would like an entity with these characteristics to take on various DNS functions now performed, directly or indirectly, by the federal government. We are prepared to defer critical decisions regarding, for example, the addition of new gTLDs and trademark dispute systems, to such an entity. We will seek international support for such an entity.

We hope that the private sector can get the new corporation up and running by October 1 of this year, and we expect that the new corporation will assume full responsibility for the functions we are now performing by October 1 of the year 2000, at the outside.

We recognize that this timetable is aggressive. But the vast majority of the comments we received on the Green Paper said "let the private sector lead." The U.S. government is stepping up to this challenge. We expect the private sector to step up to the challenge of leadership as well.

I started by saying that this has been about process, and that's where I want to end. Last July 2 NTIA issued a request for comments on DNS management. Nearly 450 commenters from around the world responded. These comments were posted, as they were received, on the World Wide Web. Nobody had to go into a dusty room in the basement of the Commerce Department in Washington DC to read those comments. The same holds true for the Green Paper process, where more than 650 comments were received, again from around the world. I think that this kind of conversational government is what Congress had in mind when it passed the Administrative Procedures Act.

The process has been a terrific learning experience for everyone in the Internet community. We all have a much better sense than we did a year ago about what's at stake, and what's not. Our understanding of who needs to be at the table - as well as how flexible that table needs to be to accommodate the pace of Internet change - has matured tremendously.

Obviously, the process will not end with the issuance of this policy statement. The hard part is just beginning, in fact. The Department of Commerce stands ready to facilitate this process in all possible ways. We expect to consult widely with the Internet community as well as with members of the

international community as we prepare to enter into the agreements or understandings needed for the new corporation to take up the DNS functions we currently manage.

Finally, I want to thank my bosses here at the Commerce Department, Secretary Daley and Assistant Secretary Larry Irving, for their participation in developing this policy statement. I also want to thank all of my colleagues here at Commerce, in NTIA, in the General Counsel's Office, at the Patent and Trademark Office, and in the Executive Office of the President and in other Executive Branch agencies including OMB, the Department of Justice, the National Science Foundation, various defense and science agencies and many, many more. This process has given new meaning to the term inter-agency process - it was interesting, it was collegial, it was productive and it's a real tribute to the dedication and thoughtfulness of a lot of hardworking folks.

BACKGROUND: This policy statement is the culmination of a year long effort to develop a plan for the Federal government to phase out its management of the Internet Domain Name System. The Commerce Department has sought comment in two separate public notices on this issue. The notices and the public comments are available on the National Telecommunications and Information Administration (NTIA) website at <http://www.ntia.doc.gov>. The Commerce Department's NTIA serves as the principal adviser to the President, Vice President, and Secretary of Commerce on domestic and international communications and information issues.

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