QUARTERLY REPORT ON THE TRANSITION OF THE STEWARDSHIP OF THE INTERNET ASSIGNED NUMBERS AUTHORITY ("IANA") FUNCTIONS (Q1 FY2016)

The Consolidated Appropriations Act, 2016, Public Law 114-113, directs the National Telecommunications and Information Administration ("NTIA") to submit quarterly reports on the proposed transition of the U.S. government's stewardship role over the Internet Assigned Numbers Authority ("IANA") functions. NTIA's previous reports and detailed background can be found at NTIA's web site.[1] This report covers activities from October 1, 2015 to December 31, 2015. As required by Public Law 114-113, NTIA will update this report on a quarterly basis.

I. Status of Multi-stakeholder Process to Develop Transition Proposal

A. IANA Stewardship Transition

The multi-stakeholder community achieved consensus on a plan for the transition of NTIA's stewardship of the IANA functions.[2] As noted in our initial report, the work was divided into three parts: (1) protocol parameters; (2) Internet numbering resources ("numbering"); and (3) naming-related functions.[3] The IANA Stewardship Transition Coordination Group ("ICG") has consolidated input from the three primary functions working groups and published its completed transition proposal. The ICG proposal takes into consideration approximately 150 comments submitted on the draft consolidated proposal, reflecting a wide cross-section of the global multi-stakeholder community.[4] The ICG proposal, while complete, remains dependent on the finalization of the ICANN accountability enhancement effort.

B. Enhancing ICANN Accountability

In addition to the IANA stewardship transition efforts, work continues on a parallel process to enhance the accountability of the Internet Corporation for Assigned Names and Numbers ("ICANN") to the global Internet community and to strengthen accountability mechanisms prior to the IANA Stewardship Transition.[5] The Cross Community Working Group on Accountability

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[1] These reports and other NTIA publications on this topic can be found at: http://www.ntia.doc.gov/category/iana-functions.

[2] *See* ICG, "Proposal to Transition the Stewardship of the Internet Assigned Numbers Authority (IANA) Functions from the U.S. Commerce Department's National Telecommunications and Information Administration (NTIA) to the Global Multistakeholder Community" (October 2015), *available at*: https://www.ianacg.org/icg-files/documents/IANA-transition-proposal-v9.pdf .

[3] NTIA, "Report on the Transition of the Stewardship of the Internet Assigned Numbers Authority (IANA) Functions" (Jan. 30, 2015), *available at*: http://www.ntia.doc.gov/files/ntia/publications/iana_report_013015.pdf.

[4] *See* ICG, "ICG Publishes Summary Report on Public Comments Received" (November 30, 2015), *available at*: https://www.ianacg.org/icg-publishes-summary-report-on-public-comments-received.

[5] *See* Enhancing ICANN Accountability, "Opportunity for public dialogue and community feedback" (May 6, 2014), *available at*: https://www.icann.org/resources/pages/enhancing-accountability-2014-05-06-en; *see also, "*Enhancing

("CCWG"), composed of appointed representatives from ICANN's Supporting Organizations and Advisory Committees as well as being open to all interested parties, is examining accountability mechanisms regarding the entirety of ICANN's operations.[6] The CCWG charter establishes two work streams. The first work stream is focused on accountability measures that need to be in place before the IANA stewardship transition occurs; while the second will address longer term accountability measures.

The ICANN community met in Dublin, Ireland from October 18-22, 2015. Key outcomes of ICANN54 related to the transition included: (1) the ICG all but completing their consolidated proposal; and (2) the CCWG reaching consensus on key components of what would become the third draft proposal. Following ICANN54, the CCWG published its third draft proposal for public comment on November 30, 2015. Comments on the third draft proposal were due on December 21. Nearly 100 parties submitted comments, including academics, businesses, civil society, governments, and trade associations. The CCWG has held several briefing sessions on the proposal for the broader community to discuss and ask questions of the group. Chartering organizations will be asked to approve the proposal in early 2016.

   C. NTIA Engagement

In mid-October, NTIA attended ICANN54 in Dublin, Ireland and observed discussions regarding the ICG and CCWG-Accountability proposal development processes. The Dublin meeting was the last scheduled opportunity for parties to meet face-to-face before the proposals were expected to be completed and sent to NTIA. In late November, NTIA circulated a brief public statement to the CCWG-Accountability group reiterating its position that the CCWG's proposal for amendments to ICANN's Bylaws must preserve the current practice of the ICANN Board providing special consideration of the advice of the Governmental Advisory Committee ("GAC") only when such advice that is based on consensus with no GAC member raising a formal objection.[7] NTIA issued this intervention as the CCWG moved to finalize its recommendations related to the treatment of government advice by the ICANN Board in its third draft proposal.

   D. Transition Timing

The global Internet community remains committed to the IANA stewardship transition and finalizing the proposals they have been working on since 2014. NTIA expects to receive a proposal from the ICANN Board in early 2016, after which NTIA will review it to ensure that it meets its stated criteria. Currently, NTIA's contract with ICANN expires on September 30, 2016. However, NTIA maintains the authority to extend the contract if necessary.

ICANN Accountability: Process and Next Steps" (Revised Oct. 10, 2014), *available at:* https://www.icann.org/resources/pages/process-next-steps-2014-10-10-en.

[6] *See* ICANN Announcements, "Proposed Charter for Enhancing ICANN Accountability Cross Community Working Group (CCWG) Submitted for Consideration" (Nov. 5, 2014), *available at:* https://www.icann.org/news/announcement-2014-11-05-en.

[7] NTIA, "NTIA Statement on ST 18" (Nov. 25, 2015), *available at*: http://mm.icann.org/pipermail/accountability-cross-community/2015-November/008502.html.

II.   Next Steps

During the second quarter of 2016, NTIA will continue to monitor the work of the stakeholder community to complete a proposal that fully meets the criteria NTIA established. Specifically, we have said that the proposal must support and enhance the multi-stakeholder model of Internet governance, *i.e.*, it should be developed by the multi-stakeholder community and have broad community support. We will not accept a transition proposal that replaces the NTIA role with a government-led or intergovernmental organization solution. The proposal must maintain the security, stability, and resiliency of the domain name system; it must meet the needs and expectations of the global customers and partners of the IANA services; and it must maintain the openness of the Internet. Upon receipt, NTIA will work within the interagency process to provide a thorough review of the proposal by government agencies. NTIA is also organizing internally to undertake a rigorous review of the community proposal, which will include drawing on internal control frameworks to help evaluate and document how the proposal meets NTIA's core goals as recommended by the GAO.[8] NTIA plans to engage with Congress throughout the review process.

III.   Conclusion

The Internet community is undertaking truly historic work. NTIA believes that engaging the global Internet community to work out these important issues will strengthen the multi-stakeholder process and will result in ICANN's becoming even more directly accountable to the customers of the IANA functions and to the broader Internet community. The successful completion of the transition will help ensure that the Internet remains an engine of social and economic empowerment both at home and abroad.

NTIA is cognizant of the directive from Congress to inform the relevant Committees in advance of any decision related to the transition. As the community finalizes the proposal, we will update Congress on any progress through these reports. NTIA appreciates the interest of Congress in this important topic and thanks Congress for its continued support for the multi-stakeholder model of Internet governance.

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[8] U.S. Government Accountability Office, "Internet Management: Structured Evaluation Could Help Assess Proposed Transition of Key Domain Name and Other Technical Functions" (Sept. 18, 2015)*, available at:* http://www.gao.gov/products/GAO-15-642.