



United States Council for International Business

1212 Avenue of the Americas, New York, NY 10036-1689
tel: 212-354-4480 ~ fax: 212-575-0327
e-mail: info@uscib.org ~ Internet: www.uscib.org

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International Chamber of Commerce (ICC)
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July 7, 2006

Ms. Fiona Alexander
Office of International Affairs
National Telecommunications and Information Administration
1401 Constitution Avenue, N.W.
Room 4701
Washington, DC 20230

VIA ELECTRONIC TRANSMISSION

Re: NTIA Notice of Inquiry, The Continued Transition of the Technical Coordination and Management of the Internet Domain Name and Addressing System

Dear Ms. Alexander:

The United States Council for International Business (USCIB) is a founding member of the ICANN GNSO's Business Constituency and was very active in the formative stages of ICANN. We continue to work to inform the larger business community about ICANN and its important work. The technical coordination of the Internet is of critical importance to all of our members given the amount of their business that is conducted over it. Consequently, we continue to support the private sector leadership as embodied in ICANN and are pleased to provide comments as the Department of Commerce considers the continuation of the transition of the technical coordination and management of the Internet domain name and addressing system (Internet DNS) to the private sector.

Are the principles of stability; competition; private, bottom-up coordination; and representation still relevant to guide the transition to private sector management of the Internet DNS? Should additional principles be considered in light of: the advance in Internet technology; the expanded global reach of the Internet and the international dialogue?

We believe that the guiding principles remain relevant and fundamental. The foremost objective must be to ensure the operational stability of the Internet. Private-sector led, bottom-up consensus policy development should be preserved and respected, ensuring that all stakeholders, with geographic and commercial diversity, are involved in the decision-making process of the technical coordination of the Internet. The technical coordination of the Internet should respect market forces and promote competition. We also believe that to the greatest extent possible, the technical coordination of the Internet should ensure the protection of intellectual property.

While ICANN should, and is, evolving its structure and practices as technology advances and the global reach of the Internet expands, additional, overarching principles are not needed.

MOU TASKS:

Has ICANN achieved sufficient progress in its tasks, as agreed in the MOU, for the transition to take place by September 30, 2006?

USCIB supports a private sector-led ICANN. To achieve this goal in a way that ensures the continued security and stability of the Internet, ICANN must be a mature and stable organization. The MOU was intended to set specific milestones to mark progress as ICANN evolved into such an organization. Indeed, ICANN has substantially fulfilled many of the milestones set in the MOU. USCIB believes that any amended MOU should recognize the milestones that have been completed and focus on only those tasks that remain relevant to demonstrating that ICANN has sufficiently matured to be an independent organization.

Are these core tasks and milestones still relevant to facilitate this transition and meet the goals outlined in the *DNS White Paper*? Should new or revised tasks/methods be considered in order for the transition to occur? And on what time frame and by what method should a transition occur?

Since the September 16, 2003 amendment to the MOU, ICANN has introduced 10 new gTLDs. The introduction of these names has not made a noticeable impact on the use of the original gTLDs or on the competitiveness of the registry market. USCIB questions the continued assumption that new gTLDs are essential and supports the need for applicants of any new gTLD to demonstrate clearly that there is a market demand for the particular new gTLD, including well documented support by the affected community for any new sTLD. Efforts to introduce internationalized domain names should be given a level of priority consistent with international dialogue on the issue. This priority should be sufficiently reflected in the MOU tasks.

STAKEHOLDER PARTICIPATION:

Are all key stakeholder groups whose meaningful participation is necessary for effective technical coordination and management of the Internet DNS involved effectively in the ICANN process? If not, how could their involvement be improved?

Participation in ICANN's processes is open to everyone. Practical constraints may limit participation by some, e.g. cost of participation in meetings, etc. However, ICANN does provide other avenues for participation such as online comment fora, webcasting of ICANN meetings, etc. ICANN actually undertakes great effort to ensure that interested stakeholders can participate meaningfully. However, such mechanisms can always be improved. As recent international discussions such as the World Summit on the Information Society have highlighted, there is an increasing interest of governments to be involved at an early stage in the discussion of public policy issues raised by ICANN decisions. Improved communications between the ICANN

Board and the GAC are necessary for the continued credibility of the current model. USCIB is pleased that a joint working group has been established to explore possible improvements. USCIB recommends that ICANN adopt a push rather than a pull model such that the GAC is notified of all relevant policy issues being reviewed by ICANN as soon as these issues are placed on ICANN's agenda. It would then be incumbent on the GAC and/or individual governments to provide the necessary input to ICANN in a timely manner.

Is participation in the various supporting organizations and committees created by ICANN to facilitate stakeholder participation in ICANN processes meeting the needs of key stakeholders and the Internet community? Are there ways to improve or expand participation in these organizations and committees?

ICANN should identify mechanisms to enhance participation by stakeholders outside of the traditional meetings held three times a year. While we recognize the important role of ICANN we question whether three meetings per year are actually necessary. The organization of ICANN meetings is very resource intensive, resources that could be used to enhance communication flows to the stakeholders (e.g. a push rather than a pull model) so as to ensure knowledge of ICANN activities and the ability for meaningful participation in policy development. Virtual meetings using the Internet would be both appropriate given ICANN's role and much more efficient in terms of time and resources.

Moreover, the PDP process does not always provide sufficient time for all interested stakeholders to develop their views on issues being considered by ICANN. The deadlines for comment as prescribed in the PDP process need to be extended.

ENHANCED COOPERATION:

How can information exchange, collaboration and enhanced cooperation among these organizations be achieved as called for by the WSIS?

Paragraph 71 of the Tunis Agenda clearly states that "all stakeholders" and "all relevant organizations" should be involved in the "enhanced cooperation" process. This principle of inclusiveness is critically important to success in achieving "enhanced cooperation".

We believe that 'enhanced cooperation' refers to greater cooperation among existing organizations, not the creation of new entities. Enhanced cooperation amongst the relevant organizations that address Internet related issues should be guided by the objective of information sharing, creating more awareness and where appropriate, coherence in work programs and collaboration.

Enhanced cooperation should be facilitated across the spectrum of all relevant organizations including those that are private sector-led, those that are intergovernmental (IGOs) and those that are multistakeholder. The dynamic nature of the Information Society and the Internet are such that new or additional groups will emerge that should be allowed to be part of this enhanced

cooperation process. In keeping with the Tunis Agenda principle of inclusiveness, “All relevant organizations” should not be interpreted as a snapshot in time. The fact that many of the organizations that are addressing Internet-related issues and their decision-making processes are already multistakeholder should be recognized since this can be an important foundation for enhanced cooperation. Business, given its expertise, should be involved on an equal footing, in any discussions or decisions regarding ‘enhanced cooperation’.