

Dear RIR Colleagues:

On behalf of ICANN's Evolution and Reform Committee (ERC), I thought it would be useful to take stock of where we are in our discussions regarding the RIRs and ICANN with a view to understanding the next steps on how to proceed. We have had a very useful set of meetings, culminating in the recent meeting in Amsterdam last month. The ERC was very encouraged by the constructive nature of our discussions, and feel that we set the groundwork for moving forward.

On behalf of the ERC, let me start by summarizing my understanding of what we concluded at that meeting:

1. We acknowledged the possible need for global addressing policies and discussed several examples.
2. We agreed that it is appropriate to maintain the ASO/AC structure as the primary vehicle for interaction between the addressing community and ICANN.
3. We agreed that the ICANN reform process presents an opportunity to consider alternate proposals regarding the precise roles that these—and possibly other—bodies should play in the policy development and conciliation processes, and in the selection of Directors for the ICANN Board; and that the RIRs would present their thoughts on what kinds of restructuring, if any, would meet their needs. In Appendix 2, we include a statement of our understanding of the problems that such a restructuring would be designed to solve.
4. We agreed to put aside the concept of a literal "trust" to address the issue of how to safeguard the unallocated IP address space in the event that ICANN becomes unable to fulfill this responsibility.
5. We agreed instead to pursue a mechanism described in ICANN's December 6 document "Discussion Draft: Framework for Ensuring Continuity of Allocations."
6. As one step in this direction, ICANN was to provide a proposal regarding principles for allocating numbering resources. This document, "Principles and Procedures for IANA Allocations of Numbering Resources to RIRs," was sent on December 23, and we look forward to your comments.
7. ICANN was to provide a complete document that would summarize the entire proposal, including the policy development process, fallback mechanisms, appeals processes, etc. Before we can complete this, however, we need your feedback to the document provided under Point 6. I am attaching as an Appendix 1, however, a summary of our understanding of what we have agreed regarding the Policy Development

Process. We would appreciate your feedback. As soon as we receive your proposal as mentioned in Point 3, and your feedback as mentioned in Point 6, we would be pleased to draft a single document that can be used as a basis for reaching a conclusion on our discussions, with a view to formalizing our conclusions through respective Board resolutions and agreements.

With warm regards and best wishes for 2003.

Alejandro Pisanty  
Chair  
ICANN Evolution and Reform Committee

Cc: ICANN Evolution and Reform Committee  
ICANN Board of Directors  
ICANN President, Stuart Lynn  
RIR Boards of Directors  
RIR CEOs

## APPENDIX 1: OVERVIEW OF POLICY DEVELOPMENT PROCESS

The following is our understanding of the status of our discussions regarding the steps that will be used to develop global address policies:

1. A proposed global or common policy is accepted by the Address Council by consensus (following procedures for policy development, and for the recognition of consensus, established by the RIRs acting collectively through the ASO).
2. The proposed policy is forwarded to the ICANN Board, which may ask questions and otherwise consult with the Address Council and/or the RIRs. The ICANN Board may also consult with other parties as the Board considers appropriate.
3. Within 60 days of receipt of the proposed policy, including such consultation as may occur in Step (2), the ICANN Board may either (a) reject the proposed policy by a supermajority (2/3) vote, (b) by a simple majority vote request changes to the proposed policy, or (c) take no action. If the Board takes no action (that is, (a) or (b)) within the 60-day window, the policy is deemed to be accepted by the ICANN Board and it becomes global addressing policy. In case (b), should at least one of the RIRs agree that changes need to be made, the status of the proposed policy reverts to Step (1).
4. If the ICANN Board rejects the proposed policy following Step 3(a), it must deliver to the Address Council a statement of its concerns with the proposed policy, including in particular an explanation of the significant viewpoints that were not adequately considered during the regular RIR/ASO process.
5. The Address Council, in conjunction with the RIRs through agreed procedures, considers the concerns raised by the Board, and engages in a dialogue as appropriate with the Board, following which, pursuant to a new consensus, it may forward a new proposed policy (either reaffirming its previous proposal or a modified proposal) to the ICANN Board.
6. The new consensus proposal then becomes a global address policy unless, by a supermajority (2/3) vote, the ICANN Board again rejects this proposal within 60 days of receipt of the new proposed policy, in which case it does not become a global addressing policy. If the new proposed policy is again rejected, it does not become global policy and the RIRs are free to take whatever regionally applicable decisions they consider to be appropriate.
7. The ICANN Board has the right to request that the Address Council initiate a policy development process through the RIRs, applying the above procedure. Any such request must include an explanation of the

significant viewpoints that call for policy development. This provision, and the similar provision in Step (4) of the procedure described above, are intended to ensure that the ICANN Board acts in these circumstances only with substantial, credible, and defensible support from the community.

## **APPENDIX 2: PROBLEM STATEMENT REGARDING ASO STRUCTURE**

The following is our understanding of the problem that a possible restructuring of the ASO and/or AC would attempt to solve. We invite your comments as to whether this is a correct formulation of the problem.

The AC as currently structured reflects the desires of both the RIRs and ICANN to ensure an open and transparent arrangement that is responsive to the affected community. Both the RIRs and ICANN regard this openness to be a key characteristic both in the policy development process and in the selection of Directors to the ICANN Board. On the other hand, this at times may conflict with understandable need of the RIRs to be directly involved in the final policy approval process, including any conciliation that needs to be accomplished to iron out differences among ICANN and the RIRs, and including any final approval required. The word “among” is chosen to reflect that there may be at times be differences among the RIRs themselves that need to be resolved. It is viewed that the AC as currently structured is not the appropriate vehicle for these purposes.

At the Amsterdam meeting, the ICANN ERC and RIR representatives agreed that it is appropriate to consider whether the reconciliation of these two requirements – openness and RIR policy approval – can be accomplished by other means, particularly by appropriate restructuring of the ASO and/or AC. It was agreed that the RIRs would present alternate proposal(s) for discussion. The framework for such proposals would be to preserve the advantages of the current structure while addressing the problem outlined above.

Although we did not explicitly discuss this in Amsterdam, the ERC would request that the RIRs take into consideration in developing alternate proposals ICANN’s desires to achieve as much commonality across the overall ICANN structure as is appropriate, while taking into account that there are certainly different situations involved. In particular, the ERC notes the importance of including a small number of ICANN Nominating Committee selected individuals in the appropriate part of the proposed structure, this concept being fundamental to the overall ICANN reform. We note that 3 of the 15 GNSO Names Council, and 3 of the 18 ccNSO Council under discussion, are or would be appointed by the Nominating Committee.