Testimony of

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"Preserving the Multistakeholder Model of Internet Governance"

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Chairman Thune, Ranking Member Nelson, and members of the Committee, thank you for this opportunity to testify on behalf of the National Telecommunications and Information Administration (NTIA) regarding NTIA's role in the Internet's domain name system and the transition of NTIA's stewardship over certain technical functions related to the Internet domain name system to the global multistakeholder community. I am pleased to appear before you to update you on the current status of the transition planning process as the global Internet community works to develop a transition proposal that will ensure the stability, security, and openness of the Internet.

I.   Background

The Domain Name System (DNS) is a critical component of the Internet infrastructure. It allows users to identify websites, mail servers, and other Internet destinations using easy-to-understand names (*e.g.,* www.ntia.doc.gov) rather than the numeric network addresses (*e.g.*, 170.110.225.163) necessary to retrieve information on the Internet. In this way, it functions similar to an "address book" for the Internet.

On July 1, 1997, President Clinton issued an Executive Memorandum directing the Secretary of Commerce to privatize the Internet DNS in a manner that increases competition and facilitates international participation in its management.[1] In June 1998, following a public comment process, NTIA issued a statement of policy on the privatization of the Internet DNS, known as the DNS White Paper.[2] The White Paper concluded that the core functions relevant to

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[1] The White House, "Memorandum for the Heads of Executive Departments and Agencies," (July 1, 1997), *available at:* http://clinton4.nara.gov/WH/New/Commerce/directive.html.

[2] NTIA, "Statement of Policy, Management of Internet Names and Addresses," (DNS White Paper), 63 Fed. Reg. 31741 (1998), *available at*: http://www.ntia.doc.gov/federal-register-notice/1998/statement-policy-management-internet-names-and-addresses.

the DNS should be performed under private sector management to promote the development of robust competition and facilitate global participation in Internet management.

NTIA recognized that the Internet has succeeded in great measure because it is a decentralized system that encourages innovation and maximizes individual freedom. Where possible, market mechanisms that support competition and consumer choice should drive the management of the Internet because they lower costs, promote innovation, encourage diversity, and enhance user choice and satisfaction. Moreover, a private sector coordinating process would be more flexible than a government process and more likely to move rapidly enough to meet the changing needs of the Internet and of Internet users.

To accomplish these policy objectives, NTIA stated that it was prepared to enter into an agreement with a new not-for-profit corporation formed by private sector Internet stakeholders to coordinate and manage policy for the Internet DNS. Private sector interests formed NewCo for this purpose, which was subsequently re-named the Internet Corporation for Assigned Names and Numbers (ICANN). In the fall of 1998, NTIA entered into a Memorandum of Understanding (MOU) with ICANN to transition technical DNS coordination and management functions to the private sector.

The MOU did not simply turn over management of the DNS to ICANN. Rather, the MOU outlined a process to design, develop, and test mechanisms, methods, and procedures to ensure that the private sector had the capability and resources to assume important responsibilities related to the technical coordination and management of the DNS. The MOU evolved through several iterations and revisions as ICANN tested these principles, learned valuable lessons, and matured as an organization.

II.   Internet Assigned Numbers Authority (IANA) Functions

In 1998, NTIA announced its intent to ensure the continued secure and stable performance of the IANA functions until the transition was complete. In 2000, NTIA entered into a sole-source, no-cost-to-the-government contract with ICANN, designating it to perform these functions. NTIA and ICANN have subsequently entered into contracts for the performance of the IANA functions in 2001, 2003, and 2006. On July 2, 2012, NTIA awarded ICANN the current IANA functions contract after conducting a full and open competitive procurement process. The base period of performance for this contract is October 1, 2012, to September 30, 2015. The contract also provides for two option periods of two years each; however, the parties have discretion to extend the contract for a shorter period than two years upon mutual agreement. If no action is taken, the contract will automatically expire on September 30 of this year.

The IANA functions are a set of interdependent technical functions that enable the continued efficient operation of the Internet. The IANA functions include: (1) the coordination of the assignment of technical Internet protocol parameters; (2) the administration of certain responsibilities associated with DNS root zone management; (3) the allocation of Internet numbering resources; and (4) other services related to the management of the .ARPA and .INT top-level domains (TLDs).

As the IANA functions operator, ICANN performs administrative responsibilities associated with the registries related to the three primary IANA functions. First, ICANN is the registry for the protocol parameters, as defined by the Internet Engineering Task Force (IETF).[3] Second, ICANN coordinates allocations of IP (Internet Protocol) and AS (Autonomous System) numbers to the Regional Internet Registries (RIRs).[4] Third, ICANN processes root zone file change requests for TLDs and makes publicly available a Root Zone WHOIS database with current and verified contact information for all TLD registry operators. In all three cases, ICANN, as the IANA functions operator, applies the policies developed by the customers of the IANA functions. The ICANN Board does not have authority to make policy decisions or changes on its own.

NTIA's responsibilities under the IANA functions contract are limited and clerical in nature. For example, NTIA does not have an operational role in the management of Internet numbering resources, Internet protocol parameters, the .ARPA TLD, or .INT TLD. In the root zone management function, NTIA verifies that ICANN has followed the policies and procedures established by the community when processing change requests, then authorizes the implementation of those changes. NTIA's role in root zone management does not involve the exercise of discretion or judgment with respect to such change requests.[5] NTIA does not have a similar role in the management of Internet numbering resources, Internet protocol parameters, the .ARPA TLD, or .INT TLD.

From the inception of ICANN, the U.S. Government and Internet stakeholders envisioned that the U. S. Government's role in the IANA functions would be temporary. The DNS White Paper stated that "agreement must be reached between the U.S. Government and the new corporation (ICANN) relating to the transfer of the functions currently performed by IANA."[6]

NTIA has fulfilled this temporary role not because of any statutory or legal responsibility, but as a temporary measure at the request of the President. Indeed, Congress never designated NTIA or any other specific agency responsibility for managing the Internet DNS. Thus, NTIA has no legal or statutory responsibility to manage the DNS. Just as Federal agencies can enter into contracts they need to fulfill their missions without specific legislative authority, Federal agencies can discontinue obtaining such services when they no longer need them. As NTIA made clear at the time of its Statement of Policy, it intended only to procure the IANA functions services until such time as the transition to private sector management of the Internet DNS was complete.

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[3] The Internet Engineering Task Force (IETF) is a large open international community of network designers, operators, vendors, and researchers concerned with the evolution of the Internet architecture and the smooth operation of the Internet. *See,* https://www.ietf.org/.

[4] Regional Internet Registries (RIRs) manage, distribute, and register Internet number resources (IPv4 and IPv6 addresses and Autonomous System Numbers) within their respective regions. *See,* https://www.nro.net/about-the-nro/regional-internet-registries.

[5] For further information on the NTIA role in root zone management and the IANA functions, *see* http://www.ntia.doc.gov/other-publication/2014/ntia-s-role-root-zone-management.

[6] DNS White Paper, *supra* n. 2.

III.   Affirmation of Commitments

Since the formation of ICANN, NTIA has worked diligently with the global Internet community to improve ICANN's accountability and transparency to the community of stakeholders it serves. In 2009, NTIA and ICANN entered into the Affirmation of Commitments (*Affirmation*).[7] The *Affirmation* signified a critical step in the transition to a multistakeholder, private sector-led model for DNS technical coordination, while also establishing an accountability framework of ongoing multistakeholder reviews of ICANN's performance. Key elements of the *Affirmation* include: an endorsement of the multistakeholder, private sector-led model; a commitment by ICANN to act in the interests of global Internet users (or public interest); and the establishment of mechanisms and timelines for continuing reviews of ICANN's execution of core tasks. The four subjects of the ongoing *Affirmation* Reviews are: ensuring accountability, transparency, and the interests of global Internet users; preserving the security, stability, and resiliency of the Internet DNS; promoting competition, consumer trust, and consumer choice in connection with any implementation of generic Top Level Domains (gTLDs); and meeting the needs of law enforcement and consumer protection in connection with WHOIS implementation and recognizing national laws. The success of the framework established by the *Affirmation* depends upon the full participation of stakeholders in reviewing ICANN's performance.

ICANN has made significant progress in fulfilling the commitments established by the *Affirmation*. To date, two iterations of the Accountability and Transparency Review Team (ATRT) have occurred, in 2010 and 2013. The reports of these teams, on which NTIA actively has participated with a broad array of international stakeholders from industry, civil society, the Internet technical community, and other governments, have served as a key accountability tool for ICANN – evaluating progress and recommending improvements. Over time, ICANN has improved its performance by implementing key recommendations from the ATRT.

Throughout the various iterations of NTIA's relationship with ICANN, NTIA has played no role in the internal governance or day-to-day operations of ICANN. NTIA has never had the contractual authority to exercise traditional regulatory oversight over ICANN.

IV.   Final Steps in the Privatization of the DNS

The multistakeholder model of Internet governance is the best mechanism for maintaining an open, resilient, and secure Internet because, among other things, it is informed by a broad foundation of interested parties and it is adaptable to innovation and changing conditions. This model includes all parties – including businesses, technical experts, civil society, and governments – arriving at consensus through a bottom-up process regarding policies affecting the underlying functioning of the Internet domain name system.

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[7] "Affirmation of Commitments by the United States Department of Commerce and the Internet Corporation for Assigned Names and Numbers" (September 30, 2009), *available at* http://www.ntia.doc.gov/files/ntia/publications/affirmation_of_commitments_2009.pdf

ICANN and several other technical organizations embrace this model and exemplify what is possible when all stakeholders are able to participate. Specifically, within ICANN's structure, governments work in partnership with businesses, organizations, and individuals to provide public policy input on deliberations related to ICANN's mission of technical coordination, and provide advice directly to the ICANN Board. ICANN holds meetings approximately three times a year, at which global stakeholders meet to develop policies that ensure the Internet's ongoing security and stability. ICANN policy development originates in the three Supporting Organizations (SOs), which work with Advisory Committees composed of governments, individual user organizations, and technical communities in the policy development process. Over one hundred governments, including the United States, and observers from more than 30 international organizations directly advise the ICANN Board of Directors via the Governmental Advisory Committee (GAC).[8]

The 112th U.S. Congress affirmed its support for the multistakeholder model in unanimous resolutions to "preserve and advance the successful multi-stakeholder model that governs the Internet."[9] More recently, a bipartisan group of Congressional leaders reiterated this position in stating that "[t]he multi-stakeholder model for Internet governance must prevail for more countries around the world to realize the transformative benefits of Internet connectivity."[10] I am also pleased to note the recent unanimous passage of S. Res. 71, which stated that "the United States remains committed to the multistakeholder model of Internet governance" and that "the [IANA] transition process demonstrates that the United States supports and is committed to the multistakeholder model of Internet governance."[11]

Demonstrating its commitment to the multistakeholder approach, on March 14, 2014, NTIA announced its intent to complete the privatization of the domain name system first outlined in 1998. NTIA called upon ICANN to convene a multistakeholder process to develop the transition plan.[12] While looking to stakeholders and those most directly served by the IANA functions to work through the technical details, NTIA established a clear framework to guide the discussion. Specifically, NTIA communicated to ICANN that the transition proposal must have broad community support and address four principles.

First, the transition proposal must support and enhance the multistakeholder model. Specifically, the process used to develop the proposal should be open, transparent, bottom-up, and garner broad, international stakeholder support. In addition, the proposal should include measures to ensure that changes made to any of the three IANA administered databases are

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[8] *See* ICANN, "Beginner's Guide to Participating in ICANN," *available at:* https://www.icann.org/en/system/files/files/participating-08nov13-en.pdf. *See also*, ICANN Groups, *available at:* https://www.icann.org/resources/pages/groups-2012-02-06-en.

[9] *See* H.Con.Res. 127 and S.Con.Res. 50.

[10] Reps. Upton (R-MI), Waxman (D-CA), Royce (R-CA), Engel (D-NY), *Re/code*, "Protecting the Internet From Government Control" (Dec. 18, 2014), *available at*: http://recode.net/2014/12/18/protecting-the-internet-from-government-control/.

[11] S. Res. 71 (2015)

[12] "NTIA Announces Intent to Transition Key Internet Domain Name Functions" (Mar. 14, 2014), *available at*: http://www.ntia.doc.gov/press-release/2014/ntia-announces-intent-transition-key-internet-domain-name-functions.

consistent with the publicly documented IANA functions customer and partner accepted procedures, which are developed through the multistakeholder model.

Second, the transition proposal must maintain the security, stability, and resiliency of the Internet DNS. For example, the decentralized distributed authority structure of the DNS needs to be preserved so as to avoid single points of failure, manipulation, or capture. In addition, integrity, transparency, and accountability in performing the functions must be preserved. The IANA services also need to be resistant to attacks and data corruption, be able to fully recover from degradation, if it occurs, and be performed in a stable legal environment.

Third, the transition proposal must meet the needs and expectations of the global customers and partners of the IANA services. For example, mechanisms for the adherence to and development of customer service levels, including timeliness and reliability, should be clear, as should processes for transparency, accountability, and auditability. Consistent with the current system, the separation of policy development and operational activities should continue.

Fourth, the transition proposal must maintain the openness of the Internet. The neutral and judgment-free administration of the technical DNS and IANA functions has created an environment in which the technical architecture has not been used to interfere with the exercise of free expression or the free flow of information. Any transition of the NTIA role must maintain this neutral and judgment-free administration, thereby maintaining the global interoperability of the Internet.

In addition, NTIA explicitly stated that it would not accept a proposal that replaces the NTIA role with a government-led or an inter-governmental organization solution.

While the current IANA functions contract expires on September 30, 2015, the contract can be extended for up to four years. Before any transition takes place, the businesses, civil society, and technical experts of the Internet must present a plan that has broad multistakeholder support and reflects the four key principles NTIA outlined in the announcement.

By transitioning its very limited current role in the IANA functions to the global multistakeholder community, the United States is fulfilling objectives outlined more than 17 years ago, demonstrating its commitment to the multistakeholder model, and strengthening the engagement of all stakeholders. For years, countries such as Russia, Iran, and China have opposed the multistakeholder model and sought to increase governmental control over the Internet through bodies such as the International Telecommunication Union (ITU) and the United Nations. The United States and likeminded countries, however, have firmly demonstrated our support for the multistakeholder community, and we continue to advocate for broader worldwide acceptance of and participation in the multistakeholder model to ensure that the Internet remains open and interoperable.

The world has witnessed significant progress in its collective efforts to expand support for multistakeholder Internet governance since the division that surfaced in December 2012 at the ITU World Conference on International Telecommunications (WCIT). We believe this is due in part to the transition and our support for the multistakeholder model. In April 2014,

Brazil hosted the successful NetMundial conference at which a wide range of participants supported a statement reaffirming that Internet governance should be built on democratic multistakeholder processes.[13] Following NetMundial, a High-Level Panel headed by the president of Estonia released a report once again affirming the power of multistakeholder policy development. The panel said it "recognizes, fully supports, and adopts the IG [Internet governance] Principles produced in the NetMundial Statement. . . ."[14] In the fall of 2014, nations assembled at the ITU Plenipotentiary Conference in Busan, South Korea, rejected all efforts to expand the ITU's role in DNS issues handled by ICANN.[15]

V.   Stakeholder Response

Following the March 2014 announcement, a broad array of Internet stakeholders issued public statements that demonstrate the importance of the transition:

- AT&T: "***This is an important step in the ongoing evolution of the global Internet***. NTIA is to be commended for its historical stewardship, its current thoughtful and pro-active approach, and its global leadership throughout. The U.S. is looking to the future, promoting leadership and ideas from the global multi-stakeholder community, and establishing clear criteria to ensure the stability and security of a remarkably well-functioning system. We expect that other governments and stakeholders will join with the U.S. in committing to this vision."[16]

- Microsoft: "The U.S. Department of Commerce National Telecommunications and Information Administration's recent announcement of its intent to transition key Internet domain name functions to the global multi-stakeholder community is *a significant and welcome development*."[17]

- Human Rights Organizations: "[W]e write to express our support for the Department of Commerce's National Telecommunications and Information Administration (NTIA) announcement of its intent to transition key Internet domain name functions to the global multi-stakeholder community…This move would alleviate international pressure on

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[13] Michael Daniel, Lawrence E. Strickling, Daniel Sepulveda, Christopher Painter and Scott Busby, "A Major Win for the Open Internet" (Apr. 30, 2014), *available at:* http://www.ntia.doc.gov/blog/2014/major-win-open-internet.

[14] *See* Panel on Global Internet Cooperation and Governance Mechanisms, "Towards a Collaborative, Decentralized Internet Governance Ecosystem" (May 2014), *available at*: http://internetgovernancepanel.org/sites/default/files/ipdf/XPL_ICAN1403_Internet%20Governance%20iPDF_06.pdf.

[15] U.S. Department of State, "Outcomes from the International Telecommunication Union 2014 Plenipotentiary Conference in Busan, Republic of Korea" (Nov. 10, 2014), *available at*: http://www.state.gov/r/pa/prs/ps/2014/11/233914.htm.

[16] AT&T Public Policy Blog, "The Continuing Evolution of the Global Internet" (Mar. 14, 2014) (emphasis added), *available at:* http://www.attpublicpolicy.com/international/the-continuing-evolution-of-the-global-internet/.

[17] David Tennenhouse, Microsoft on the Issues, "Microsoft Applauds US NTIA's Transition of Key Internet Domain Name Functions" (Mar. 17, 2014) (emphasis added), *available at:* http://blogs.microsoft.com/on-the-issues/2014/03/17/microsoft-applauds-us-ntias-transition-of-key-internet-domain-name-functions/.

explicit terms, deter government overreach on the issue of Internet governance, and *facilitate the exercise of human rights online*."[18]

- The Internet Association (representing Amazon, Facebook, Google, Netflix, Yahoo!, Twitter, Airbnb, and other Internet economy firms): ". . .we support the recent announcement regarding the National Telecommunications and Information Administration's (NTIA) oversight authority over important technical Internet functions …. For our companies to continue to innovate, to foster development and change, and ultimately to succeed as businesses globally, we need the continuation of the current bottom-up, multi-stakeholder model of Internet governance. However, as the Internet continues to evolve, so too must the models that govern it …. [I]t was always envisaged that this oversight role held by the United States would eventually transition to the private sector. The announcement by NTIA is simply the fulfillment of this vision. . . . For these reasons *we encourage you to allow this process to continue toward a successful conclusion*."[19]

- U.S. Chamber of Commerce: "NTIA has steadfastly opposed a transition to any mechanism that would deviate from the current multi-stakeholder model of Internet governance and should be allowed to take any needed steps to achieve the cautiousness and transparency that we agree is essential for a safe and smooth transition of the technical functions. *Any hindering of NTIA's ability to conduct the proper levels of due diligence through the use of currently available resources could result in harm to U.S. businesses and Internet users as a whole*."[20]

- Verizon: "We applaud NTIA for recognizing the global relevance of the Internet Assigned Numbers Authority (IANA) functions and the current maturity of multi-stakeholder frameworks."[21]

- Ambassador David Gross, former United States Coordinator for International Communications and Information Policy (George W. Bush Administration): "We believe that NTIA's decision to initiate a process leading to the possible transition of the IANA functions contract to a multi-stakeholder entity is a critical step…. By allowing for the

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[18] Access, Center for Democracy & Technology, Freedom House, Human Rights Watch, The Open Technology Institute at New America Foundation, Public Knowledge, "Congress Should Support U.S. Plan to Alter Administration of Internet" (Apr. 1, 2014) (emphasis added), *available at:* https://freedomhouse.org/article/congress-should-support-us-plan-alter-administration-internet#.VJmLdl4AFA.

[19] Michael Beckerman, The Internet Association, Letter to Rep. Hal Rogers and Rep. Nita Lowey (May 8, 2014) (emphasis added), *available at:* http://internetassociation.org/wp-content/uploads/2014/05/Internet-Association-Letter-on-Future-of-Internet-Governance-Approps-.pdf.

[20] R. Bruce Josten, U.S. Chamber of Commerce, Letter to U.S. House of Representatives (May 27, 2014) (emphasis added), *available at*: https://www.uschamber.com/sites/default/files/140527_hr4660_commercejusticescienceappropriationsact2015_house.pdf.

[21] Verizon Policy Blog, "Verizon Supports Global Multi-stakeholder Process for Domain Names" (Mar. 14, 2014), *available at*: http://publicpolicy.verizon.com/blog/entry/verizon-supports-global-multi-stakeholder-process-for-domain-names.

careful transition of the IANA to a bottom-up multi-stakeholder entity, ***the United States has affirmed its commitment to the multi-stakeholder model***."[22]

- Cisco: "This is a significant milestone in the transition of Internet governance to a global multi-stakeholder model, and ***Cisco welcomes this development***. We applaud the NTIA for seeking to complete the final phase of the privatization of DNS management, as outlined by the U.S. Government in 1997. Cisco has long supported an open and innovative multi-stakeholder Internet governance process and this next step in its evolution."[23]

- USTelecom: "We applaud NTIA for its responsible stewardship of the Internet's Domain Name System (DNS) over the years and are supportive of its proposal to transition the Internet Assigned Numbers Authority (IANA) functions to the global multi-stakeholder community."[24]

- Center for Democracy and Technology: "CDT believes that this transition is an ***important part of the evolution*** and strengthening of multi-stakeholder governance of the Internet."[25]

- Internet Technical Organizations: "The leaders of the Internet technical organizations responsible for coordination of the Internet infrastructure (IETF, IAB, RIRs, ccTLD ROs, ICANN, ISOC, and W3C), welcome the US Government's announcement of the suggested changes related to the IANA functions contract."[26]

- Computer and Communications Industry Association: "The technology industry welcomes the news that the U.S. Commerce Department intends to complete the transition of relinquishing its control over key Internet addressing functions to the global multi-stakeholder community. This was a necessary next step in the evolution of the Internet and supports the current multi-stakeholder model of global Internet governance

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[22] Ambassador David A. Gross, Testimony Before the U.S. House Committee on Energy and Commerce (Apr. 2, 2014) (emphasis added), *available at:* http://docs.house.gov/meetings/IF/IF16/20140402/102044/HHRG-113-IF16-Wstate-GrossD-20140402.pdf.

[23] Robert Pepper, "Cisco Supports U.S. Department of Commerce Decision to Transition Internet Management Functions" (Mar. 15, 2014) (emphasis added), *available at:* http://blogs.cisco.com/gov/cisco-supports-u-s-department-of-commerce-decision-to-transition-internet-management-functions/.

[24] Glenn Reynolds, "USTelecom Statement on Global Internet Transition" (Apr. 2, 2014), *available at:* http://www.ustelecom.org/news/press-release/ustelecom-statement-global-internet-transition.

[25] Emma Llanso, Center for Democracy and Technology, "Don't Let Domestic Politics Derail the NTIA Transition" (Apr. 2, 2014) (emphasis added), *available at:* https://cdt.org/blog/dont-let-domestic-politics-derail-the-ntia-transition/.

[26] Internet Society, "Internet Technical Leaders Welcome IANA Globalization Progress" (Mar. 14, 2014), *available at:* http://www.internetsociety.org/news/internet-technical-leaders-welcome-iana-globalization-progress.

where all stakeholders concerned with the well being and functioning of the Internet help to shape the policies that make a bright online future for everyone possible."[27]

VI. Status of Multistakeholder Process to Develop Transition Proposal

Since NTIA's March 2014 announcement, interested stakeholders have responded with great energy and participation to develop a transition plan. An IANA Stewardship Transition Coordination Group (ICG), representing more than a dozen Internet stakeholder communities, was established as a convener of the process to develop a transition proposal that will ensure the stability, security, and openness of the Internet. As set forth in its charter, the ICG is "conduct[ing] itself transparently, consult[ing] with a broad range of stakeholders, and ensur[ing] that its proposals support the security and stability of the IANA functions."[28] On September 8, 2014, the ICG issued a Request for Transition Proposals to the multistakeholder community, with a proposal submission deadline of January 15, 2015.[29] The ICG requested one proposal for each of the three primary functions, *i.e.*, the protocol parameters, numbering, and domain name-related functions, to be developed by the communities and parties most directly affected by each of the primary functions. Proposal development has to date been open and multistakeholder in participation.

As of February 2015, two of the three community groups have submitted their draft proposals, including the IETF, which is shepherding the protocol parameter proposal, and the five RIRs, which worked collaboratively in developing a draft numbering proposal. The third group, the ICANN Cross Community Working Group (CWG) on the naming related functions, continues to deliberate on how best to assure effective and accountable oversight of these naming functions in NTIA's absence. Upon receipt of the community proposals, the ICG will then work to develop a single consolidated proposal, which will go through various iterations of community review and comment.[30]

On January 27, 2015, I delivered remarks at the State of the Net Conference, where I posed several questions for stakeholders to consider as they continue to develop the naming related proposal, to ensure that it appropriately addresses the principles NTIA established for the transition. I indicated that these questions need to be resolved prior to approval of any transition plan.[31] At the ICANN meeting held in Singapore two weeks ago, I reiterated these remarks and

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[27] Computer and Communications Industry Association, "Tech Industry Praises Liberation Of Internet Governance Functions From U.S.G." (Mar. 17, 2014), *available at:* https://www.ccianet.org/2014/03/tech-industry-praises-liberation-internet-governance-functions-u-s-g/.

[28] Charter for the IANA Stewardship Transition Coordination Group (Aug. 27, 2014), *available at*: https://www.icann.org/en/system/files/files/charter-icg-27aug14-en.pdf.

[29] IANA Stewardship Transition Coordination Group, "Request for Proposals" (Sept. 8, 2014), *available at:* https://www.icann.org/en/system/files/files/rfp-iana-stewardship-08sep14-en.pdf.

[30] *See* IANA Stewardship Transition Coordination Group, "Process Timeline," (Dec. 2014), *available at:* https://www.icann.org/en/system/files/files/icg-process-timeline-07jan15-en.pdf.

[31] Remarks by Lawrence E. Strickling, State of the Net Conference, Washington, DC, (Jan. 27, 2015), *available at*: http://www.ntia.doc.gov/speechtestimony/2015/remarks-assistant-secretary-strickling-state-net-conference-1272015.

questions. The subsequent community discussions in Singapore give me confidence that the domain name community (through the CWG) is working diligently to develop a proposal that not only considers appropriate accountability, but also what is necessary for the directly affected parties (registry operators) in terms of service levels and processes that preserve and maintain stable DNS root zone management that the community currently enjoys.

ICANN has also launched a parallel process to enhance its accountability to the global Internet community and to strengthen its accountability mechanisms in the absence of a contractual relationship with NTIA.[32] A Cross Community Working Group (CCWG) on Accountability, composed of appointed representatives from ICANN's Supporting Organizations (SOs) and Advisory Committees (ACs) and open to all interested parties as participants, is examining accountability mechanisms regarding the entirety of ICANN operations.[33] The CCWG charter identifies two work streams: the first is to identify accountability measures that need to be in place before the IANA transition; and the second to address accountability measures that should be adopted and implemented by ICANN in the longer term. The CCWG identified four distinct work areas: (1) overview of existing accountability mechanisms; (2) review of public comments filed in response to ICANN's proposed accountability process to categorize them as either Work Stream 1 or Work Stream 2 items; (3) review of accountability issues identified by the CWG; and (4) identification of contingencies or threat scenarios.[34] The CCWG adopted an intensive work plan to address the near-term, IANA-specific measures involving weekly meetings in order to progress its work.[35] While it got off to a slower start than the IANA transition process, the CCWG on Accountability is now making considerable progress, as evident at the ICANN Singapore meeting at which the group conducted numerous productive working sessions and meetings with stakeholders. The CCWG on Accountability is also cooperating and coordinating with the CWG working on the domain names transition proposal. This is a good and constructive development as it allows the CWG to return some of its focus on the domain name related functions and a little less on ICANN accountability. NTIA believes that this accountability process needs to include the "stress testing" of solutions to safeguard against future contingencies such as attempts to influence or take over ICANN functions that are not currently possible with the IANA functions contract in place.

These two multistakeholder processes – the IANA stewardship transition and enhancing ICANN accountability – are directly linked, and NTIA has repeatedly said that both issues must be addressed before any transition takes place. ICANN has indicated that it expects to receive

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[32] *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 ICANN Accountability: Process and Next Steps (Revised Oct. 10, 2104), *available at:* https://www.icann.org/resources/pages/process-next-steps-2014-10-10-en.

[33] *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.

[34] Cross Community Working Group on Enhancing ICANN Accountability, "Charter" (Last Modified Dec. 11, 2014)(Adopted by 5 organizations), *available at*: https://community.icann.org/display/acctcrosscomm/Charter.

[35] *See* CCWG on Enhancing ICANN Accountability, "Meetings," (last modified Jan. 6, 2015), *available at:* https://community.icann.org/display/acctcrosscomm/Meetings.

both the ICG transition and CCWG accountability proposals at roughly the same time and that it will forward them promptly and without modification to NTIA.[36]

On the subject of timing, NTIA has not set a deadline for the transition. September 2015 has been a target date because that is when the base period of our contract with ICANN expires. However, we have the flexibility to extend the contract if the community needs more time to develop the best plan possible. It is up to the community to determine a timeline that works best for stakeholders as they develop a proposal that meets NTIA's conditions, but also a proposal that works.

The Internet community is undertaking truly historic work. NTIA is confident that engaging the global Internet community to work out these important issues will strengthen the multistakeholder 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.

VII.   Next Steps

NTIA is committed to continuing to work closely with the stakeholder community as it develops a proposal that fully achieves the goals NTIA established, as well as continue our overarching commitment to strengthening the current multistakeholder model.

In the year ahead, it will be absolutely critical to the interests of the United States that NTIA continue to monitor the discussions within the multistakeholder community as it develops a transition plan and provide feedback where appropriate. Specifically, NTIA will:

- participate in meetings and discussions with other governments, the global stakeholder community, ICANN, and VeriSign with respect to the transition or planning the transition;
- if appropriate, amend the IANA functions contract to modify the length of contract renewal option periods; and
- continue to represent the United States at the GAC meetings held at ICANN meetings and intersessionally throughout the year.

Once the community develops and ICANN submits the consolidated proposal, we will ensure that the March 2014 criteria are fully addressed and that the proposal has been adequately "stress tested" to ensure the continued stability and security of the DNS. The community processes used to develop their proposal might also influence the work NTIA will need to undertake. For example, if the community conducts "stress tests" as well as tests and validates any new process or structures included in the proposal prior to submission, well-documented results may facilitate NTIA's review. This will also give confidence that any process, procedure or structure proposed actually works. In addition, NTIA will review and assess the changes

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[36] ICANN, "ICANN 52 Board Statement on ICANN Sending IANA Stewardship Transition and Enhancing ICANN Accountability Proposals to NTIA" (Feb. 12, 2015), *available at:* https://www.icann.org/news/announcement-3-2015-02-12-en

made or proposed to enhance ICANN's accountability required in advance of initiating the transition.

VIII. Conclusion

NTIA is cognizant of and appreciates the directive from Congress to inform the relevant Committees in advance of any decision related to the transition. As the proposal continues to take shape, we will update Congress accordingly. NTIA appreciates interest in this important topic and thanks Congress for its continued support for the multistakeholder model of Internet governance.

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