International Chamber of Commerce

The world business organization

Department of Policy and Business Practices

Commission on E-Business, IT and Telecoms

Task Force on Internet and Telecoms Infrastructure and Services (ITIS)

ICC informal comments on ICANN's transparency, accountability and structural issues

Members of ICC's Commission on E-Business, IT and Telecoms (EBITT) and its task force on Internet and Telecoms Infrastructure and Services (ITIS) are pleased to provide these informal comments as the Internet Corporation for Assigned Names and Numbers (ICANN) continues to evolve its structures, and evaluate its transparency and accountability. These informal comments seek to provide the priorities of businesses from around the world and from all sectors and geographies as ICANN reviews its structures and processes, with an aim to increase business participation in key ICANN supporting organizations and discussions. ICC's EBITT Commission is composed of hundreds of companies and business associations from all sectors including, business users, service providers, hardware and software developers, communications operators, mobile operators, and Internet Service Providers (ISPs). With national committees and groups in 130 countries, ICC's members span the globe and are involved in all of ICANN's business related constituencies.

ICC supports the continued development of ICANN, and considers its functions with respect to the Domain Name System (DNS) to be critical to business and users. ICC applauds the outreach efforts ICANN has made to ICC and business worldwide.

Policy issues and ICANN functions

ICC supports the important work underway in ICANN, notably on internationalized domain names (IDNs) and the production of policy and strategy papers concerning the introduction of new generic Top Level Domain Names (gTLDs) and IPv6 (Internet Protocol version 6), and WHOIS, for example. Not only is a well functioning, and global Internet community vital for the furtherance of ICC's wider goals of promoting competition and opening markets, but we also note that many ICC members are also members of, or participants in ICANN, and virtually all of them are directly or indirectly affected by its work.

In light of the importance and global nature of ICANN's role in establishing policies that impact the continued security and stability of the DNS, it must represent the full Internet community, a global and diverse group.

Given the composition of the ICC's membership from all sectors and geographic regions, ICC is uniquely placed to provide a truly global business perspective at this important juncture in ICANN's development.[1]

Transparency and accountability

ICC recognizes the significant work undertaken by ICANN to evaluate and increase transparency to its stakeholders but also notes that additional measures could be taken to create an even more transparent organization. ICC notes specifically the engagement of One World Trust and their independent assessment of standards of accountability and transparency within ICANN[2]. Given the immense significance of an open and well functioning global Internet, we would welcome the careful consideration and implementation of some of the recommendations laid out by the One World Trust[3], in for instance, recommendations 1.1, 1.2. 1.3. 1.4 and 1.5 in the report's section on overall organizational transparency. ICC also notes that the achievement of these transparency and accountability goals are also part of the joint partnership agreement between ICANN and the US Department of Commerce. We also acknowledge the responses from ICANN dated 7 June 2007 to the One World Trust report and its recommendations.

ICC welcomes the progress on making ICANN Board agendas, discussions and decisions publicly available. Whilst improvements and further work that has been undertaken and planned for is noted with regards to transparency, ICC still has some concerns about aspects of ICANN's accountability to its stakeholders and the general Internet community. Effective accountability must comprise appropriate mechanisms for appeal and review of Board decisions. These mechanisms should be accessible to and understandable by all ICANN stakeholders.

ICC recognizes the efforts to make information, in multiple languages, about planning and budget processes available to the community at earlier stages, and the further initiatives planned with regards to these matters. Further progress is needed for ICANN to have more accountability with respect to its budgeting process on both the revenue and expense sides. Specifically, ICANN must be responsible for following the consensus rules and procedures established by the ICANN community in fulfilling its mission.

ICC acknowledges the efforts underway in ICANN for earlier Board review and input on the strategic and operating plans, and encourages this initiative. Recent efforts to improve information and accessibility to it are also responsive to the community's needs. ICC supports ICANN's continued focus on making further improvements in particular with respect to information about the budget and planning processes.

---

[1] ICC's EBITT Commission's leadership include representatives from Talal Abu-Ghazaleh International, Oracle Corporation, British Telecom, The Boeing Company, Trustweaver, Hunton & Williams, TwoBirds, John Venn & Sons and Sify Ltd. Member companies are from a wide range of sectors and geographies and include companies such as: Deutsche Telecom, Nokia, Nokia-Siemens Networks, Cisco Systems, Verizon, Telecom Italia, Ericsson, Microsoft, IBM, NewsCorporation, Telefonica,Intel Corporation, Fujitsu, and France Telecom.
[2] http://www.icann.org/transparency/owt-report-final-2007.pdf
[3] *Ibid* page 38

In order to deliver greater transparency and accountability, ICC offers the following actions for ICANN's consideration:

- ICANN should avoid making policy decisions through closed-door discussions. ICANN should also disclose who is involved in discussions, where consensus is achieved, and provide advance notice of how and when decisions are to be made.

- For the most important decisions, specifically those that relate to policy considerations, the Board should consider producing a report (separate from the minutes) that explains how all stakeholder input was used in coming to a final decision.

- New ICANN policies should only be established through a defined bottom- up process.

- Given the representative nature of ICANN constituencies, conflicts of interest should be actively avoided by requiring appropriate disclosures across all constituent groups.

- Contracts should be made available for public comment prior to being executed. The Internet community should be provided with the information necessary to determine if contracts, especially those implementing ICANN policies, are being enforced. In addition, consensus policy made via the bottom-up process should be respected when considering any ad hoc changes to contracts with suppliers.

- ICANN's bylaws should require a periodic third party review of the accountability mechanisms and require appropriate action be taken based on any recommendations that result from the review.

Structural, meeting and policy development process improvements to increase business participation

ICC is aware of the technical and complex nature of the ICANN issues and the wide range of businesses and interest groups affected by its work. Given the importance of ICANN issues, ICC and its members have noted the need for increased involvement in ICANN and its supporting structures by business from around the world. In order to more effectively engage ICC members globally, in ICANN issues, we recommend the following improvements be considered by ICANN:

1. Make meeting agendas, at least once a year, attractive for business by focusing on key business issues so they will participate.

2. Make one meeting a year that focuses on business issues in a hub city that is easily accessible from many places in the world. This would reduce the amount of travel time and costs, making it more affordable for participants. This would also allow business representatives and other participants to meet travel budget requirements that are often not supportive of travel to meetings in locations that require over a certain amount of travel time to get to the meetings and back from them. Meetings in remote locations are often not looked upon favorably.

3. Balance the agendas so that people do not have to come to all three meetings each year or stay for the whole duration of a given meeting.

4. Post agendas well in advance with sufficient detail to assist in travel planning, and also to help business representatives and other participants decide whether they should attend. This would raise awareness early about the issues that will be discussed and would help to justify the time and financial expenditures to participate. This would also allow members to discuss and, where necessary, gain internal approval from within their own organizations on key issues.

5. ICC, as well as other business organizations and companies, have internal review or approval processes that they have to follow to contribute to policy development processes. ICC has a comprehensive consensus building process that requires a layered review and comment process to develop new ICC positions on any substantive issue. Thus, it is important for ICANN requests for input to take into account that organizations, like ICC, have to comply with their own review processes to ensure that members can reach consensus on substantive issues before they can provide input to ICANN.

6. Continue efforts to internationalize ICANN's structures, both through its presence in different regions, and the involvement of stakeholders from more parts of the world.

ICC fully recognizes the immense importance of ICANN's role in ensuring a well functioning Internet. Ensuring further improvements to ICANN's transparency and accountability as an organization is essential. ICC and its global and diverse membership look forward to a continued close and productive working relationship with ICANN.

ICC Commission on E-Business, IT and Telecoms (EBITT)

Business leaders and experts drawn from the ICC membership establish the key business positions, policies and practices on e-business, information technologies and telecommunications through the EBITT Commission. With members who are users and providers of information technology and electronic services from both developed and developing countries, ICC provides the ideal platform to develop global voluntary rules and best practices for these areas. Dedicated to the expansion of cross-border trade, ICC champions liberalization of telecoms and development of infrastructures that support global online trade. ICC has also led and coordinated the input of business around the world to the World Summit on the Information Society, Geneva 2003, Tunis 2005, and continues this effort in the activities established in the Tunis Agenda, through its initiative, Business Action to Support the Information Society (BASIS).

For more information please visit:

http://www.iccwbo.org/BASIS
http://www.iccwbo.org/policy/ebitt/

About ICC

The International Chamber of Commerce is the largest, most representative business organization in the world. Its thousands of member companies in over 130 countries have interests spanning every sector of private enterprise.

A world network of national committees keeps the ICC International Secretariat in Paris informed about national and regional business priorities. More than 2000 experts drawn from ICC's member companies feed their knowledge and experience into crafting the ICC stance on specific business issues.

The United Nations, the World Trade Organization, and many other intergovernmental bodies, both international and regional, are kept in touch with the views of international business through ICC.

For more information please visit: www.iccwbo.org