

The Internet Governance Network Transcript of Interview with Fadi Chehadé

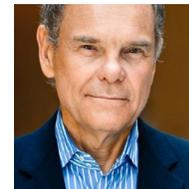
Guest:

Fadi Chehadé, President and CEO of the Internet Corporation for Assigned Names and Numbers (ICANN). His career has been defined by building consensus and promoting collaborative technologies and practices. He has more than 25 years of experience in building and leading progressive Internet enterprises, leveraging relationships with senior executives and government officials across Asia, Europe, the Middle East and the United States.



Interviewer:

Don Tapscott, Executive Director of Global Solution Networks and one of the world's leading authorities on innovation, media and the economic and social impact of technology. He is CEO of the think tank *The Tapscott Group* and has authored 14 widely read books. In 2013, the Thinkers50 organization named him the 4th most important living business thinker.



The Interview:

Tapscott: Fadi, let's begin with the Internet being governed – if we can use that word – by a multistakeholder network. Why is this a good idea? Why not have the Internet governed by states and state-based institutions as we govern most other things on the planet?

Chehadé: Most things we manage today with typical state-based systems are very much designed around the concept of territories and jurisdictional borders. With the Internet, the ability to engage and service users and citizens across borders instantly is unparalleled. Not even air moves this fast. If there is a massive pollution event in one continent, it takes a long time before it gets to another one. With the Internet it's instant. So we need a governance approach that accounts for this.

The multi-stakeholder model is also important because the Internet, unlike most other transnational resources, is truly run largely by the private sector. That can't be said about other types of resources. Most research shows that about 90 percent of the resources that enable the Internet are in private sector hands.

The Internet's users are empowered and enabled in a very different ways than most other resources. They drive, they create, they influence what happens on the Internet in ways that we don't see in other fields. So, the users, both private and public sector, need to be part of the discussion.

Moreover, unlike other environments, the Internet requires rapid decisions and rapid decision implementation. If there is something nefarious going on by a gang on the Internet, stopping them before great damage is done requires speed and coordination across governments, private sector and civil society that is not seen in other environments.

Tapscott: Could you briefly tell us in your own words about ICANN's objectives, quickly who's at the table and how the decision-making works?

Chehadé: ICANN is the global entity organization responsible for the coordination of the unique identifiers that underpin the technical infrastructure of the Internet. The unique identifiers are in three categories; domain names, IP addresses, and protocol parameters. Now, the policies for these three come from different places. The policies for the domain names come from the GNSO and the ccNSO which are two organs of ICANN. The policies for the IP addresses come from the Regional Internet Registries. The policies for the protocol parameters come from the IETF. So, while the policies come from different places, the administration of the implementation of these policies is done by ICANN. That's what ICANN does. So, we essentially have three registries that we run for the planet – one for names, one for IP addresses, and one for protocol parameters – and we have done this for 15 years without a single glitch and it is our job to ensure that it stays glitch-free.

The second part of your question asked who gets involved. Well, everyone is welcome. This is a unique thing about ICANN. There's no membership. There is no fee to get involved. Everything we do is transparent, is open. We're accountable to the global community to perform all of our functions in an open, transparent way that ensures accountability and it is through that that we gain our legitimacy by being accountable to all stakeholders.

Tapscott: You mention legitimacy. What factors make ICANN a legitimate institution and governance process?

Chehadé: Well, let's use protocol parameters as an example. These protocol parameters are produced by the IETF. They own these parameters, we don't, but they have signed an agreement with us that we are the party that will provide the world with a single registry for protocol parameters. That agreement with the IETF community, which is another open, multistakeholder community, legitimizes my role as the administrator of that registry for the

world. Again, this occurs in an accountable and transparent way, and for the public interest, not for the interest of any one party.

And I think the importance of the US decision on Friday, which is momentous, is that the core function they did, which is to give the world confidence that we are performing our function, whilst extremely appreciated by the world over the last 15 years but now has become an impediment for everyone to feel that we're equal partners. So, the US announced on Friday its intent to move away from its unique involvement in providing that confidence and that, once again, enhances the legitimacy of ICANN even further. Now all governments including the US government, along with all private-sector partners, along with civil society and all those who participate at ICANN are now participating in the processes without any limitations.

Tapscott: Okay, we'll come back to that. How does ICANN see itself in relationship to the other organizations that are part of the ecosystem? You mentioned the IETF but there are a whole number of players.

Chehadé: Well, the IETF produces the protocol parameters policies and we implement them. The RIRs produce the IP address policies based on very open multistakeholder processes in each region then, if they need a global policy, they bring it to us and the ICANN board adopts it. That's how we work with them and we have agreements with them that enhance and strengthen this partnership.

Then you have the Generic Names Supporting Organization which is an organ of ICANN. It makes policies for generic domain names. We support and work with GNSO and we ensure that it is accountable and they it behaves in an open, transparent way.

With respect to ccTLDs, we have a unique relationship with them because each ccTLD in its country is completely independent from ICANN. However, they need us when there are changes to the ccTLD record in the domain name root zone. We perform this as a service at no charge. And then if they have global policies they do them through the ccNSO which is another organ within the ICANN mosaic that produces policies that we then implement.

There are other organizations that organize the ccTLDs in regions called the ccTLD regional organizations. We are all part of a loosely coupled grouping that we attend several times a year just to make sure we are supportive of each other in a loose way. But we're all equal. ICANN just supported the IETF meeting in London and we paid for most of the expenses associated with that. We also coordinate with ISOC, for example, on activities in regions. ISOC has a well-established machine for capacity development, for policy coordination, so we work closely with them on that as well.

Tapscott: Would you say that ICANN has some special relationship to the rest of the ecosystem or that you're one of a number of players? How would you characterize that?

Chehadé: I would say that ICAAN is one of many and that is how we behave. It doesn't make it easier that ICANN has a much larger revenue base. So, we work with our partners to ensure that we're all on the same page and we are all supporting each other in an equal way. This takes extra effort when my budget in this fiscal year is close to \$200 million. So, it just makes this a bit different. But we manage well through it. There's a great spirit of cooperation, participation and sharing of values.

Tapscott: Let's discuss the announcement. The NTIA says its goal is to transition the key internet domain name functions to the global multi-stakeholder community. As a first step they want ICAAN to convene a global stakeholder event or process. I understand that you think that this is a good idea and that it shows that the NTIA understands the multi-stakeholder concept. But what else did you conclude from that announcement?

Chehadé: Let me do this in two parts. First, I will explain the key part of the announcement. Second, I want to explain what this means for ICANN and the community.

The NTIA really has two roles. One role is to administer the root zone management. We and Verisign have separate agreements with them to work on this function. We do different things but the three of us cooperate on the administration of the root zone. The US government leads this because they signed an agreement with me and then they signed a separate agreement with Verisign. They are now saying that basically they do not want to play that role anymore. That's important.

The second thing they announced is that they have a contract with me called the IANA contract. In that contract they really have no operational role but they have, essentially, a role of stewardship over me that ensures that I'm performing the functions across all IANA, because there are multiple functions. There are the three registries: 1) the protocol parameter registry, 2) the names registry – the domain name registry which essentially has the root zone in it – and 3) the IP address registry. So, the IANA contract gives them the tools to hold me accountable to perform these functions. They also said they will essentially let that contract lapse.

Now, what does this mean for us? Let me start with the NTIA no longer administering the root zone management function. This is essentially me running and ensuring that the registry that registers all the domain names – top level domains – is functioning according to the policies that come from the GNSO and the ccNSO, etc. So, I will continue doing this because that's my job.

Moreover the I-star organizations, which are essentially the technical organizations, issued a press release on the same day which we all co-signed in which they ask ICANN to continue being the administrator of also the other registries: the IP address registry and the protocol parameter registry. So, ICANN's role as the administrator, meaning the operational implementer of these registries, which has been our role for 15 years, shall continue uninterrupted to ensure the security and stability of the system.

They also announced that they are not going to be looking over ICANN's shoulder to ensure that ICANN is doing its job. ICANN is mature and has come a long way. So the NTIA is going to pass to ICANN the role of convening its communities to discuss what accountability mechanism would replace the US government's role as outlined in the contract.

Tapscott: What would you foresee that accountability mechanism being?

Chehadé: When people ask this question, the first thing we need to tell them is that there are some accountability mechanisms that exist today in the community for these functions. So, first let's review these. Are they adequate enough? And if they're not, how do we enhance them so they would be acceptable to the world? Let me give you an example. Take the registry for protocol parameters. Who makes the policy? The IETF. Who implements it? We do. We're the administrator of that registry. Who checks on us today that we are performing our functions and implementing the policy correctly? Two parties do that today. The IAB, which is the oversight body of the IETF; they meet with us four times a year; they review how we implemented the policy; they want to make sure we implement it properly and they give us a grade. And they will tell you they're very happy with our implementation. The second body that has oversight over this is the US government by the nature of the contract with them. Now, if you remove the US government what you have left is the IAB process. Is it visible? Is it transparent? Can anybody review it? The answers to these questions will determine if that's sufficient or it needs to be enhanced.

Let's assume they say it is not sufficient and that more is needed. Well, what do you need? Do you need an audit mechanism? Or do you need a decisional body, so that every time I need to put a new protocol parameter, that body says yes or no? I think most people will say that after 15 years of doing this function faithfully, that probably what is needed is clearer transparency and accountability. The ability to audit I would think is critical but the process works and so long as there is auditability that is available to a globally accepted mechanism, then we're okay. And I think that's where we will go.

Similarly for the other two registries. You know, on the IP addresses registry we have the same type of discussion with the ASO and the NRO; the NRO being the organization that brings together all the regional internet registries. They will ask what else needs to be done. Probably an audit mechanism. That's where I hope the community will go. But one of the genius moves of the US government on Friday is that they did not prescribe what that mechanism should be. They simply said they are believers in the multi-stakeholder model and that this group should come up with the right mechanism. They believe that ICANN can run that process openly and with accountability. I mean, as I said to some reporters all weekend, this is a triumph of the multi-stakeholder model, right there.

Tapscott: Exactly, yes.

Chehadé: It is a triumph. It's remarkable. And they set up a backstop. They said, look, we're going to stay in our role, nothing changes, everybody carry on. Go talk to the community, come

back to us. And they set conditions. If I come back to them and say, yes, the ITU will happily do this, they'll say no because that violates their safeguards. They were very specific. The announcement had both process and substance. For example, on the process they said, first, it has to be multi-stakeholder. Second, it has to ensure the Internet's reliability and stability. Third, it cannot be replaced by a multilateral organization. These are amazing safeguards.

And then on the substance they said, look, nothing will change if these things don't happen. We're not under some gun. The contract can be reviewed. You know, let's go and solve for this but change can only occur when and if these conditions are met. So what I tell those who are concerned that the time to attack is not now. What we all need to do now is to join the US government in its courageous and gracious decisions.

As an immigrant, I view as an incredible validation of the American spirit. I mean, this is why I came to America. We invent something and then we give it to everybody. It's remarkable. So, let's not take away from the world a moment of great American graciousness. But let's also be careful and take the right measures and safeguards. What should replace the stewardship of the United States government is a true, open, multistakeholder mechanism – not institution – but mechanism. And it should be agreeable to all people as a good mechanism for the planet.

Tapscott: I would like to touch on some of the bigger policy issues. And so there are global multistakeholder panels that are under way; the IGF, and the Brazil meeting coming up. As you say, so far it works perfectly from a technical standards and operational point of view. How far can we get into these broader and tougher issues for which there are big national differences, such as intellectual property, privacy, spam, pornography, security, and so on? Can we make more progress on these important issues?

Chehadé: We have to. And I'm so glad you asked this question because a lot of the discussion wrongly focuses on the work of ICANN since we are so visible. ICANN works so everybody talks about us. The US government's Friday announcement will remove the last, let's say, barrier that many people have placed on accepting that the multistakeholder model at ICANN works fantastically.

Now, we move into issue after issue that have been left open and unanswered. You saw at the WCIT when people would say, I want to solve issue A, issue B, whatever. And the answer at the WCIT was largely, yes, we agree it's an issue but you cannot solve it here. Where can I solve it? Well, it's got to be multistakeholder. Okay, can you tell me where to go fix it in a multistakeholder way? And our answer was again, not here.

This is no longer sustainable. We owe it to the world to engage in this dialogue. Now, this is not ICANN's job. This is a job much larger than ICANN and, frankly, much larger than all the technical organizations. But we who have addressed these issues at the technical layer level have a unique responsibility to protect what we have done but also to contribute in the public interest to solving the bigger questions. So, now I come to answer your question. Is it possible? By god we're going to give it a shot. I have assembled the high-level panel of President Ilves

[President of Estonia, Toomas Hendrik Ilves]. We're working diligently. Our report will be out in May proposing to the world a framework for Internet governance of both technical and non-technical issues at the local, regional, national and global levels. We believe any solution needs to address the fact that there will be issues that need to be solved globally, others that need to be solved nationally or regionally, as appropriate. But then how do you devolve an issue? How do you decide an issue needs to be devolved? These are mechanisms that are needed, that we need to think about, and we're going to propose some ideas around that.

Then we also need to appreciate how to enable these solutions and we're talking about distributed models of governance that we will be proposing through this panel. Brazil will attempt to do the same, including coming up with some common principles. So, I think there is huge momentum towards devising mechanisms and solutions to address broader issues. It's taking a lot of my time personally, as well as the time of many of my colleagues in the community. People are asking how to solve spam or how to solve cyberbullying. And we're trying to tell people before we solve any one issue let's agree on a framework to solve all issues or, at least, the majority of issues.

This is no different from the meetings that happened after World War II at Lake Placid and in San Francisco. Leaders of the world did not discuss disarmament or rebuilding. They discussed a framework and a charter to solve problems together. We have many fora ahead of us this year. I hope that with goodwill and hard work we will actually address the framework question first. If we have a framework that can be operationalized next year, then we can start seeing the potential for addressing issues on a global basis. As I already said, you need to solve for the spheres which I called local, national, regional and global. You need to solve for how do you assemble distributed governance networks and you need to solve for how do you enable them with tools, experts and capabilities?

Tapscott: Thank you again for your time.

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