



UNITED STATES DEPARTMENT OF COMMERCE
The Assistant Secretary for Communications
and Information
Washington, D.C. 20230

Dr. Stephen Crocker
Chairman of the Board
Internet Corporation for Assigned Names and Numbers
12025 Waterfront Drive, Suite 300
Los Angeles, CA 90094-2536

JUN 9 2016

Re: NTIA Assessment of IANA Stewardship Transition Proposal

Dear Dr. Crocker:

I am pleased to notify you that NTIA has completed its assessment of the March 10, 2016 IANA Stewardship Transition Proposal. NTIA, along with other U.S. government agencies, has determined that the proposal meets the criteria NTIA outlined in March 2014 when it announced its intent to transition NTIA's stewardship of key Internet domain name functions to the global multistakeholder community. In addition, NTIA followed the U.S. Government Accountability Office's recommendation to examine the proposal against relevant internal controls principles related to organizational environment, risk assessment, and monitoring. NTIA has concluded that the proposal meets those criteria. Further, a panel of corporate governance experts reviewed the proposal and concluded that it is consistent with sound principles of good governance.

Today's report marks an important milestone, but there is still work to be done before the IANA functions stewardship transition can occur. Next steps include:

- Successfully completing the ICANN/Verisign parallel testing process that removes NTIA's authorization/verification role from the root zone management system;
- Completing and publishing the ICANN/Verisign Root Zone Maintainer Agreement that details root zone management after expiration of the IANA contract;
- Putting in place the agreements contemplated in the proposal that establish operational accountability and performance expectations for the IANA functions, such as the Service Level Agreement between the Regional Internet Registries and ICANN, and the Memorandum of Understanding Supplemental Agreement between the Internet Engineering Task Force and ICANN; and
- Working to establish the requisite community tools, such as the Post-Transition IANA, the Customer Standing Committee, and the Root Zone Enhancement Review Committee as called for in the proposal.

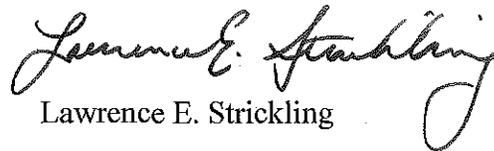
In order to gauge whether all of the transition-related work will be completed prior to the September 30, 2016 expiration of the IANA functions contract, please provide NTIA with an implementation planning status report by August 12, 2016.

In addition, you will see that our report contains a number of recommendations from our internal controls framework assessment. While NTIA does not require the completion of any of these recommendations as a pre-condition to the transition, I do request that you acknowledge

the recommendations and indicate that ICANN and the multistakeholder community will review and consider the recommendations.

I want to thank ICANN and the multistakeholder community for the significant effort and dedication shown in developing a proposal that meets the transition criteria and helps ensure the Internet will remain a global engine for innovation, economic development, and free speech. Please feel free to contact me if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Lawrence E. Strickling". The signature is written in a cursive style with a large, looping final flourish.

Lawrence E. Strickling

cc: Göran Marby, President and CEO, ICANN

Enclosures.