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VIEWS FROM THE UNITED STATES AND SOUTH KOREA

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P R O C E E D I N G S

MR. WEST: Good afternoon. I'm Darrell West, vice president of Governance Studies and director of the Center for Technology Innovation at The Brookings Institution. And I'd like to welcome you to this event on "Views from the United States and South Korea" about global digital policy.

We all know that Korea is a global leader in technology innovation. We had a very strong response in terms of people being interested, and I'm sure lots of you are here to find out what is happening in Korea and perhaps what lessons you can learn for your own home countries.

Digital access is a high priority in many different countries around the world. It is the part of the economy that is growing rapidly. There is a skyrocketing use of tablets, smartphones, and mobile devices. We also are starting to see sensors and machine-to-machine communications increase substantially, so the Internet of things is starting to really take off.

But there also are questions about global digital policy. The Internet remains inaccessible to billions of people around the world. There are policy challenges in terms of Internet governance, trade, and how technology contributes to economic and social development. And so this challenge calls for creativity in terms of how we think about the future.

Multilateral cooperation is essential to resolving many of these issues. Last year, South Korea hosted an ITU Plenipotentiary Conference on Internet policy, and so today we're going to use that as a starting point to examine global digital policy with experts from both the United States and South Korea.

So today we are pleased to welcome Ambassador Ahn Ho-Young here. He is the ambassador extraordinary and plenipotentiary of the Republic of Korea to the

United States of America. He was appointed to his current position in 2013, and most recently he served as the first vice minister of foreign affairs and trade. Prior to that, he served as the ambassador to Belgium and also on the mission to the European Union. From 2008 to 2011, he was the deputy minister for trade for the Ministry of Foreign Affairs. So he's going to make some opening remarks and talk about the past ITU conference and some of the opportunities that he sees.

Mr. Ambassador, welcome to Brookings.

AMBASSADOR AHN: Well, Mr. West, thank you so much.

Mr. West was asking me if it is my first time at The Brookings Institution. My answer is definitely no. I've been here many different times, but I'm just looking around the hall. And the previous occasions when I came, then, of course, it was to address the audience about Korea-U.S. relationship, about Asia, et cetera, et cetera. And then today I look at you and I'm telling myself maybe I have to deal with a different group of the members of the audience. So this is a new challenge for me, so thank you for being here each and every one of you.

Then I should be thanking Ambassador Sepulveda. Ambassador Sepulveda, of course he will be more appropriately introduced to you later on, but he's ambassador for ICT. And then there is a lot going on between Korea and United States in the area of ICT. And I always tell myself how I could do without Ambassador Sepulveda being there, so that's how I truly feel about Ambassador Sepulveda.

And then Dr. Min Wonki, he's a deputy minister coming from Korea, in charge of, well, among other things, ICT-related matters. But more importantly, he has been my friend for several decades now. So when I knew he was going to serve as a president of a plenipotentiary meeting for the ITU, which was held in Korea last year, I was very, very encouraged about it, knowing who Dr. Min is.

So that's what I have to say in order to thank you, but, at the same time, I should be thanking you for being here this afternoon.

So Dr. West has already said it, which is a good starting point, would be the ITU plenipotentiary meeting. A plenipotentiary meeting, of course, is the highest governing council, governing body of ITU and then it meets every four years. And that's the reason why I call it Olympics in the IT world.

At the same time, I was very encouraged when I knew that Korea was going to be the host for the plenipotentiary meeting. Why? Because one of the very important reasons being IT is such an important sector for Korea. First of all, talking about economy, Korean economy, 9 percent of Korean economy, Korean GDP, rests in the IT sector; 30 percent of our exports rest in the IT sector. So you could understand very well why in terms of economy IT is so important for Korea.

And then the second reason why IT is so important for us is because in the IT technology world in Korea, these days we are talking about ICBM. Are you familiar with ICBM? In the good old days, ICBM, of course, used to stand for "intercontinental ballistic missile." In the brave, new world, especially in Korea, I stands for Internet of Things; and then now you could imagine what C could stand for, cloud computing; B, big data; M, mobile.

And just before coming over here I was chatting with both Ambassador Sepulveda as well as Dr. Min, and then Dr. Min reminded me, well, each and every one of those four acronyms, they're important in themselves. That is to say Internet of Things, cloud computing, big data, mobile, they, in fact, are very important in themselves. But at the same time, what is even more important is each and every one of them, they cannot go very well without the three other sectors. They are all interrelated. So you cannot have good IoT without the other three. That, in fact, is a huge challenge, but, at

the same time, there's a big opportunity, as well. So that's in the area of technology.

And then the third area where we, in fact, experience both challenge and opportunity, that is in the area regulation. And then when it comes to regulation of the IT sector, then, of course, there are enormous challenges, both domestically and internationally. And when it comes to international regulation of IT, then I think we have to face a wholly new situation in the sense that regulation, at the end of the day, that is about balancing: balancing between public policy on the one hand and, on the other hand, freedom, freedom of economic activities. So that, in fact, is the essence of regulation in any different areas.

But, at the same time, when it comes to IT, one added dimension of challenge that we have to face is somehow we are of the view that in the case of IT the best way of coming up with best governance system is something called a multi-stakeholder model. And then it is different from the kind of model we have tried in all other areas of regulation, so there is the added dimensional challenge we have to deal with. But we believe in Korea that there is a multi-stakeholder model that served us very well so far and that will continue to serve us in the days to come.

So these are but a few reasons why we were very excited about being a host to an ITU plenipotentiary meeting. But, at the same time, to say the conclusion first, it was held in Korea and then Dr. Min was the chairman of an ITU plenipotentiary meeting. And Ambassador Sepulveda led the most important and largest delegation to ITU plenipotentiary meeting. So these two gentlemen are the most knowledgeable two gentlemen in the whole world, who can fill you in with all the details of what we experienced at the ITU plenipotentiary meeting and, at the same time, how our deliberations as well as outcome from that plenipotentiary meeting are, in fact, related with a large number of issues -- economic issues, technical issues, regulatory issues --

that we are facing and will face in the days to come.

So without any further ado, let me just cede the floor to more knowledgeable two gentlemen. Thank you.

MR. WEST: Okay. Thank you very much, Mr. Ambassador. And I know you wanted to take a seat in the audience and we will turn to our other two experts here.

So before we hear from them, I want to introduce each of them. So Ambassador Sepulveda is the deputy assistant secretary of state and U.S. coordinator for international communications and information policy. In this role he leads and coordinates the department's positions on communications and information policy. And prior to his current role, the ambassador served as a senior advisor to Senator William Mo Cowan of Massachusetts, and he also has served as a senior advisor and member of then-Senator John Kerry's senior management team.

Chairman Min -- Min Wonki is the assistant minister in the Ministry of Science, ICT, and Future Planning for the Republic of Korea. He also serves as the chairman of the ITU Plenipotentiary Council in 2015, and also served as chairman of the 2014 international conference. He has more than 25 years of public service experience with the Korean government and international organizations. And he specializes in Korean ICT policy development at the ministry.

So I'll start with the ambassador. So I know that there have been many conferences held around the world, so can you give us a sense of what we're trying to achieve in that global dialogue? What has happened since the last major conference? And what are the things that you see coming up?

AMBASSADOR SEPULVEDA: Well, thank you very much, Darrell, for having us. And thank you all very much for being here. I want to thank the ambassador for his kind words. He was very welcoming to me when I started this job and we've

established a very strong relationship, and I'm very grateful to him for his mentorship and for his assistance throughout this process.

Dr. Min was the manager of the ITU Plenipotentiary Conference. So for those of you who aren't living this on a day-to-day basis, the ITU is the International Telecommunications Union. It is a specialized body of the United Nations that manages discussions and conversation and international negotiations on communications issues -- satellite, telephone -- and increasingly how the traditional telecommunications infrastructure relates to what is delivered over the Internet and over Internet protocol.

There have been a number of discussions and there was some degree of disagreement in 2012 around the role and responsibilities of the ITU in this given space. And as we've moved into the 2014 plenipotentiary, my dear friend had the responsibility of ensuring that we were able to restore consensus and work together towards an agreement on what was positive and what was possible as a global community moving forward on these issues. And I learned an immense amount from him on how to do that and how to bring people together with disparate points of view.

And we, our two countries and our two governments, have been aligned and have been working closely for a number of years on these issues. It's not coincidence that when Secretary Kerry delivered his biggest address on these issues that that address was delivered in Seoul, and it was done so just recently. And he laid out the core tenets of what we, the United States, believe about the Internet.

We believe that the Internet should be open and accessible to everyone. We believe it should be interoperable so it can connect seamlessly across international borders. We believe that people have the same rights of free expression online as they possess offline. We believe countries should work together to deter and respond effectively to online threats. And we believe digital policy should seek to fulfill the

Internet's potential as a vehicle for global stability and sustained economic development, as an innovative to enhance the transparency of governments and hold governments accountable, and also as a means for social empowerment through freedom of expression online.

The ITU plenipotentiary is just one of the multiple -- the ITU is an institution and the plenipotentiary has a meeting is just one of multiple institutions and multiple venues in which we seek to pursue these outcome goals. And these are outcome goals that our friends in Korea share with us, so we're able to ensure that we deliver across regions and across cultures the same message, that message of a multi-stakeholder process as an inclusive one that can deliver results for people, that is informed by experts and informed by the community who cares deeply about this global resources. And we've been working together to effectuate and ensure that it is just in its procedures and perceived as just by all of the participants in the world.

Dr. Min also manages the ITU Council this year, which is the governing body between plenipotentiaries for the union, which also successfully was completed. We will be working towards a successful Internet governance forum with our colleagues in Brazil; later this year, a successful world radio conference where we will, hopefully, be able to assign more spectrum for broadband delivery and encourage the future deployment of the underlying access aspects of the Internet; at the World Summit on the Information Society in December, where we will review the last 10 years of the building of the knowledge society and access to it for people around the world; and going into next year our work together at the OECD to ensure that the digital economy and its benefits are spread and delivered much more deeply into economies around the world, so that we see not just the ICT sector in and of itself benefiting from the deployment of communications and technology, but its use and its underlying foundational aspects

benefiting economies across sectors, from agriculture to health care to financial services, which I know is work that Darrell's been doing here at Brookings, to ensure that ultimately ICT is not just an end, but a tool for the development of mankind.

And we share those aspirations and we will continue to work together to bring people towards collaborative and cooperative points of view towards fulfilling that mission.

MR. WEST: Great. Thank you very much. So we've heard a little bit from the U.S. standpoint. Dr. Min, you will be leading the upcoming conference, so from the standpoint of Korea, what are the biggest issues and what are you hoping to accomplish in this and other multinational conferences?

MR. MIN: Thank you. Thank you, Dr. West. First, let me clarify one thing. Actually my respected colleague, Ambassador Ahn, called me "doctor," but I'm not doctor, and then he copied it.

MR. WEST: And then I copied it, too. (Laughter)

MR. MIN: Yeah, okay, that's okay. Because I think I earned my degree at the ITU Plenipotentiary Conference because at that plenipotentiary conference the secretary-general of ITU called me Dr. Min. So after that, many people actually called me Dr. Min. I'm happy about that because I have two M.A. degrees, but I'm not sure adding two M.A.'s equals a Ph.D. But, hopefully, one day I can get one. (Laughter)

Having said that, because today I'm here with Ambassador Ahn and Ambassador Sepulveda, and the last plenipotentiary conference was successful. The success of the last plenipotentiary conference was made of many things. Actually the most important thing was that we have the right person in place, and one of them is Daniel. Actually he was so instrumental for the success of the ITU Plenipotentiary Conference.

As you well know, U.S. is the most influential country in the world, especially in the IT sector. And the experience in (inaudible) in 2012 actually there were concerns about the outcome of the ITU Plenipotentiary Conference. We had many chances to discuss how to bring the outcome in the plenipotentiary conference. It's not just between us. We had to discuss with other colleagues. ITU is composed of 193 countries, not just countries like U.S., UK, or Korea or Japan. There are many developing countries there which have different interests and different views on important issues. But thanks to the support of Daniel and thanks to the support of the Korean government, especially Ambassador Ahn and Ambassador Choi in Geneva. These two ambassadors actually provided a lot of support to the work of ITU Plenipotentiary Conference. We could actually deliver the kind of outcome with full consensus. There was no vote at all and there was no single motion of order in the whole plenipotentiary conference.

(Interruption; cell phone rings)

MR. MIN: Sorry. This is a kind of (inaudible) call. (Laughter)

So because I'm a little deviated from the question Dr. West asked, actually he asked about what is the vision of Korea, Korea is luckily one of the leading countries in the ICT sector. But, at the same time, this ICT sector is just part of the whole economy. What we need to do is to translate kind of the advantages and strengths we have in the IT sector, to translate that into the kind of new economic growth in the whole economy because Korea is now facing a low economic growth rate and kind of jobless growth with that low economic growth rate. This is "new normal." Actually nowadays, the U.S. is the only exception. The whole global economy is suffering from this new normal situation. So we hope that the kind of competitiveness we have in the ICT sector can boost the whole economy so we can make a kind of second jump.

We actually made the first economic jump in the 1970s and 1980s. Since then Korea has achieved phenomenal economic growth. We were, at one point, a poorer country than Ethiopia. Now Korea is about number 10 in terms of the size of economy, so that was a huge achievement. But we cannot be complacent because there are countries which also want to raise that level. You can see that kind of development in China and India and Taiwan and many other countries. So what we have to do is actually make another jump using this kind of ICT technology.

And what we know here is we cannot do that alone because, by definition, this IT sector and Internet economy itself is a kind of global phenomenon, so we have to work together with our colleagues, especially the countries which are maybe in line with us or more advanced with us, which is the U.S. and a few other countries. So we want to work together with those countries. At the same time, I think the U.S. and Korea have (inaudible) as one of the leading countries of ICT sector to share our experience and knowledge with developing countries. We are living in this one world.

We are talking about Internet. Internet by definition means we are all connected together. So when we see a certain problem in certain countries, that's not their problem alone. It's our problem. We have to solve those problems together.

So I hope that Korea can make the contribution for the growth of the global economy and we want to work together with our partners.

MR. WEST: Okay, thank you very much. So we know that one of the issues in global digital policy is the ICANN transition. And there's been a lot of discussion about Internet governance, the need for what some countries view as better geographic balance, how the whole multi-stakeholder process works. So I'd like to ask each of you to give your thoughts, both on Internet governance in general and the ICANN transition in particular, in terms of what you would like to see happen and kind of your assessment of

how the conversation is unfolding.

Mr. Ambassador, we'll start --

AMBASSADOR SEPULVEDA: No, please, Mr. --

MR. WEST: Oh, Chairman Min.

MR. MIN: Okay. This IANA transition thing is a big thing. A big thing. Actually 2014, last year, Daniel mentioned about the kind of events which comes from now on, that there are so many important events, WSIS+10 review and we'll have this OECD (inaudible) in Mexico, but there are so many things. But when you look back to the year 2014, I think one of the most historic announcements was the NTIA's announcement to hand over its IANA function, kind of management of IANA function to the Internet community. And according to the original plan it's supposed to be September of this year. Apparently, there will be some delay, but that actually changed the whole picture of the Internet governance.

Now, most of the stakeholders, I should say, multi-stakeholders are focusing on how we can smoothly transit this IANA function from NTIA to the Internet community. And last year, we also had this ITU Plenipotentiary Conference and NETmundial (inaudible). And NETmundial is another very important event in a sense that that was the kind of -- we have had this idea, but in this IGF annual meeting, we have not discussed the kind of concrete issues what should be the Internet governance model in the future. And we could not get the kind of consensus on that matter, although we have discussed this matter since the first WSIS in 2003 in Geneva. In NETmundial last year in Sao Paulo, we could make some agreement -- not agreement, consensus on matters, even though there were countries like India and Russia, which actually made it public that they could not accept the outcome of that NETmundial. But NETmundial actually endorsed the multi-stakeholder model as a kind of approach to address the

Internet governance issue.

So NETmundial and the plenipotentiary conference last year actually gave the kind of recognition to the international community that the multi-stakeholder model would be the model to address the Internet governance issue. So nowadays we are not talking much about the multilateralism. So in the world of Internet governance it should be the kind of multi-stakeholder approach that could bring the best outcome or best kind of benefit to the whole community.

Having said that, when you look at the current Internet world, only one-third of people are connected to the Internet. Even though we are talking about the Internet multi-stakeholder approach, two-thirds are not involved in this discussion, which actually gives us a kind of idea how we can build a more inclusive Internet governance model.

In my view, ensuring more equitable participation in the discussion of Internet governance is very important to justify this multi-stakeholder approach. And that should be reflected in the restructuring of ICANN based on the notion that there will be IANA function transition from NTIA to ICANN. And in order to ensure that (inaudible) geographical balance should be one element that needs to be reflected in this whole discussion.

I'll stop here.

MR. WEST: Okay.

MR. MIN: Just thinking about this matter, yeah. Thank you.

MR. WEST: Mr. Ambassador, Internet governance and the ICANN transition.

AMBASSADOR SEPULVEDA: Yes, sir. The ICANN transition is being very ably managed by my colleague and friend, Larry Strickling, out of the NTIA.

NTIA holds the contract for the management of the IANA functions, which is currently operated by the organization known as ICANN and has been operated by ICANN since 1998. The current term of that contract expires in September, but it is only the base period for the existing contract which can be renewed for two years twice, at which point it would then again be put out for bid if the contract authority has not been transferred. The idea that our colleagues at NTIA initiated and which did help change the dynamics of the conversation around the world was that the Internet community, the global Internet community, would be gathered by ICANN as a facilitator for the conversation of how to transfer the authority over the contract away from NTIA and to ICANN or whatever subsidiary organization the community decided upon to execute the IANA functions.

Now, the IANA functions themselves operate under a contract to the registries, to the IETF, to the naming community. And the question becomes then how do you ensure that ICANN, once separated from the contract, it remains accountable to the community as a whole and remains within its technical parameters of operation?

So the other things that my colleague talked about, the point that two-thirds of the world remains unconnected to the Internet, that is true. That is not a problem that ICANN is going to solve. ICANN doesn't build networks, it doesn't deploy networks, it doesn't operate networks. ICANN makes sure that the names and numbers of the Internet, ensure that every device can reach every other device that is connected to the network.

So the IANA functions transition authority is a big deal. It was originally envisioned when ICANN was created in 1998, and this is its natural evolution. We intended to do this for many years and we have gone through an extensive process that actually, again, our colleagues have led out of commerce, but has really been self-

operated by the community, through working groups of people volunteering and working very hard to come up with proposals for a transition. And that process has actually moved fairly steadily along the way. And I think by the fall we'll have seen, if not completion, significantly progress on the proposals themselves. And then there will have to be a time for consideration.

But, again, the questions of Internet governance as a whole, the umbrella of Internet governance, contains ICANN underneath it, but that is only one component of the larger conversation, which does include these questions about inclusion, social justice, and the bridging of the digital divide around the world.

And then within each of those questions are subsidiary questions. How do you ensure that local content is created and that people aren't simply consumers of communications services over the networks, but are producers of them, as well? How do you ensure that all people in any given country have the capacity to use those networks for productive purposes, whether they be men or women, poor or wealthy, live in rural or urban communities?

And again, those are challenges that are far outside the scope of ICANN's authority or mission, but they are the responsibility -- our joint responsibility, not simply as governance, but as a community as a whole. And the community as a whole has a self-interest in meeting that responsibility. It is in the interest of everyone on the network to ensure that more people are added to the network just due to the function of network effects. And it is in our mutual interest as nations to ensure that our people can communicate with each other and that we can freely express ourselves and engage in commerce across international borders in as frictionless a way as possible.

So I think that there's an immense amount of cooperative work to be done here, both within and outside of the ICANN transition. The ICANN transition is, in part,

symbolic because it is a declaration of the United States' commitment to the multi-stakeholder process and to our faith in the idea that the community can govern the operations of the Internet itself.

MR. WEST: Okay, thank you very much. Why don't we open the floor to questions from the audience. If you have a question, just raise your hand and we have someone with a microphone who is coming around. Don't be shy.

Well, if there are no questions from the audience, then I will ask a question. So each of you mentioned the issue bridging the digital divide and how ICT can serve as a vehicle for sustained economic development. So what do each of you see as the opportunities in this area? What are the barriers? How can we overcome those barriers?

MR. MIN: Previously, when we discussed about this digital divide, it was the issue of access to the telecommunications services. But nowadays, not many people see that as an issue because when you look at the mobile penetration rate even in Africa, it's almost 100 percent. So in terms of the access to basic telecommunications services, I think, more or less, that's achieved. The issue is a kind of broadband gap.

So when you look at access to the broadband and Internet services, the broadband gap between developed and developing countries is deepening. When we set up the WSIS target in 2005, there were many action lines and most of those action lines we could see the developments. But when we actually set up the kind of targets in 2005, there were not like the social media, big data, cloud computing. Those kinds of things were not there at the time. But now we are living here in the era of ICBM, so we are living in a totally different new world. So the target we set in the 2005 does not have a kind of relevance to the world we are living right now.

And Daniel rightly mentioned that ICANN does not have a responsibility

to build a network, but the international community, global community has. We have to work together to support the developing countries to build this infrastructure, broadband infrastructure, not just kind of ensuring the accessibility, but we should make these services affordable, especially for low-income countries. If the service charges too access the broadband service is set too high, the general public could not take advantage of these services.

The real issue here, if you do not have broadband access it just doesn't stop there. You cannot enjoy the benefit of the whole Internet economy. We are talking about FINTAC and we are talking about open data and data application, location-based services. All those things are only possible when you are connected to the Internet. And these kinds of things create a new value to the economy and developing countries are lacking that kind of infrastructure and which actually means that they do not have opportunity to take advantage of the benefit of the Internet economy.

So how can we address this issue? Multinational development banks, entities like the World Bank, African Development Bank, these kind of organizations can do something. But, at the same time, the countries, the influential countries, like the U.S. and major European countries, including Japan and Korea, I think we can do something to support developing countries to build the capacity and to loan -- not loan, to share our experiences how to use this technology to benefit other parts of the economy. Because right now this IT sector is not just -- IT technology is not a kind of component of the IT sector. ICT technology is a kind of enabler for the whole economy.

When you just drive your BMW, I think half of the value comes from the IT component. And when you take this Boeing 777, most of the value comes from the IT part. So without IT technology you cannot make competitive goods which can be sold in the marketplace.

So putting these developing countries in the situation to take advantage of ICT is not just giving them a chance to make access to the ICT, it gives them a lifeline to build a whole economy and train the whole (inaudible). So I think this is kind of a new burden we should share together, not by just one country or one institution, but the whole global community should think about this matter together and need to make a better (inaudible).

MR. WEST: Mr. Ambassador?

AMBASSADOR SEPULVEDA: I think I would only build on what my colleague has said. What we're trying to do is create an enabling environment in specific markets and in different parts around the world for investment in the deployment of networks and services. So right now 3.2 billion people on the planet have access to the Internet. That access is not equal. The capacity issues, as my colleague has pointed out, remain.

And then the question becomes what do you do once people have access? How do you make sure that it's affordable? How do you make that they have the skills necessary to enable them to use it in whatever aspect of productive pursuit or social pursuit that they wish to engage in? And so that's about human capacity building.

And there is a role for each community within the group of what we call the multi-stakeholder community of the technical community, of private enterprise, of the nongovernmental organizations, and of government working together to ensure that we're engaging in the right kind of investment in human beings as well as networks to ensure that the benefits of ICT are deployed widely.

Let's remember that South Korea is the most connected in the world. Eighty percent of the people of South Korea are online, and they are online in very robust networks. There have been many developments since 2003/2005: the rise of big data,

cloud computing, social networks, the Internet of Things. But all of those are still dependent on having robust networks available to you. So we will continue and have done so through organizations, like the Alliance for Affordable Internet, to promote public policy within countries that encourages competition, that encourages investment, that removes regulatory friction from the market, and ensures that we have people engaged in the process of connecting human beings to each other.

So basically, the challenges around the world that remain are the same challenges that exist in all networked economies. You have challenges where people are not closely put to each other, so each individual person added to the network costs more than it does in an urban community. And you have challenges of ensuring robust services are delivered at an affordable rate without imposing any kind of restriction on the market for innovation. And you're seeing creative ways through mostly wireless technologies at the moment to deliver services to more people at affordable rates. But we do have billions of people on Earth who live on less than \$2 a day and we're going to have to figure out a way to ensure that they have access either at public points of access or within their own means to be connected to everyone else. And that will require some creative thinking that we can come together not just as governments, but as a global community to ensure that we meet this responsibility going forward.

MR. WEST: Questions from the audience. Right here on the aisle. This gentleman right here. Actually can you give us your name and organization?

SPEAKER: Hi. I'm Rohan (inaudible; audio drop). What do we intend to (inaudible; audio drop) social public and private sectors have (inaudible; audio drop)?

AMBASSADOR SEPULVEDA: I think it depends on the issue and the institution in question. So for the traditional technical operations of the Internet, whether it be the Internet Engineering Task Force or ICANN or the Internet Society or the regional

registries, the multi-stakeholder community is open to all who wish to come and participate.

There are issues that require international discussion at a public policy level, so you have the Human Rights Commission, the Human Rights Council, you have the government group of experts at the United Nations, you have the International Telecommunications Union which still plays a critical role on the underlying telecommunications networks and how telecommunications regulators speak to each other. And then within countries you have multiple processes.

We out of the Department of Commerce have tried to -- are using the multi-stakeholder process for a variety of different policy challenges, including privacy and other issues. You're seeing it being exercised in Brazil and in other parts of the world, as well. But it is a relatively new construct and it's an evolving process, and we're trying to perfect it with each additional event.

But when we talk about Internet governance, we're talking about such a broad umbrella because everything -- there's one network for every use or one interconnected network or networks for every use that you can't talk about a single rule for everything or a single institution to control everything. And it requires a significantly greater degree of cooperation and collaboration than we've had historically and we're learning and we're proceeding as we go along.

But what I would say is that we have to recognize the success that has been achieved to date: 3.2 billion people connected to the network since the late 1990s or early 1990s is a huge human achievement. And it's been done almost exclusively through voluntary arrangements and we have to recognize that what works should not be broken. That doesn't mean that there aren't challenges or that we don't need to think about new ways to address those challenges. But we have to make sure, you know, to

use a metaphor, that you don't kill the goose who laid the golden egg when you're trying to solve these problems.

MR. WEST: Chairman Min, your thoughts on this?

MR. MIN: Thank you for bringing this topic on the table. This is such an important issue.

I do agree with Ambassador Sepulveda that this multi-stakeholder model has worked very well for this development of the Internet and this model has achieved a huge accomplishment. At the same time, this is a little bit complicated issue. When you look at the development of civil society across the country there are different levels.

Daniel mentioned about this Brazilian model, CGI.br. Actually this is (inaudible) model and they have this local Internet governance model which is truly multi-stakeholder, which takes a truly multi-stakeholder approach. But that multi-stakeholder approach is a little bit different from that of the United States because the government -- that model, CGI.br, is composed by the government directive, law, (inaudible) law, and they actually are located, this law, locates the kind of the number of representatives from the government, industry, civil society, academic, something like that. So there is more like a kind of representation of sector and there are kind of areas of sectors represented in that multi-stakeholder model.

So when we are talking about -- and actually, even though there is a consensus about the multi-stakeholder approach and this Internet governance issue, when you ask about the definition of multistakeholderism you can find that there are so many different versions of definition on this multi-stakeholder approach. What I want to emphasize here is we don't need the kind of definition here. What we need is a kind of spirit, just this open approach, so ensure and encourage all the (inaudible) interested parties and make a contribution on the development of the Internet.

Sure, I once again I want to emphasize that still two-thirds of people are not connected to the Internet. So they are excluded from the discussion at this point, how this Internet should be (inaudible). And this Internet governance model needs to be flexible to accommodate future stakeholders into this discussion.

Let me stop here.

MR. WEST: Okay. There was a gentleman right there on the aisle who had a question. Right there.

SPEAKER: (inaudible; audio drop)

AMBASSADOR SEPULVEDA: Right. That is actually sort of the central challenge. The Internet grew organically out of experiments in communications between really academics and governmental institutions across the United States and Europe and then throughout the rest of the world. And so now that it is relatively a global resource and you have people operating on it under different jurisdictions, how to ensure that jurisdictional rules don't create such conflict that you have what people have feared, which is a fracturing of the Internet, which is what is essentially 80,000 networks that seem to operate as a single network.

The virtue of the single network is economies of scale and freedom of mobility, of ideas, and information. And the innovation that that freedom drives is what we're trying to preserve and protect.

That said, as you've pointed out, nations have a right to make law and they do. And one of the areas of law in which you're seeing different regimes of philosophy in terms of operation be created is in the area of privacy. You can have two nations that respect privacy equally and choose to implement legally how those protections are executed in different ways. And what we're trying to do is have a civil conversation about the best mechanisms by which you protect outcomes and ensure that

you don't break the ability for information to travel across international lines while, at the same time, respecting not just the privacy of individuals, but the rights of governments to set rules and procedures for the people who live in their countries, obviously as long as they're within the lines of internationally agreed-upon human rights and other issues.

MR. MIN: I think if there would be less regulation, then there would be less variance on this regulation. And in his remark, Ambassador Ahn mentioned the importance of balance between regulation and ensuring innovation. Regulation does have its own rationale. Sometimes we need regulations in order to protect privacy and in order to ensure the security, but in the field of Internet, we need to be careful because the Internet is evolving very fast. If the government wants to put certain regulations here, there is a possibility when the regulation is in place it would be already outdated.

So I think in this area governments need to (inaudible) from exercising its power. Even though it has the power to regulate something, if it does not have a kind of belief or conviction it'll be good for the whole economy, they should (inaudible) from exercising those kinds of powers.

So Internet economy is evolving very fast. We should keep that in our mind, even for the whole government, governments across the region. And I'm a government officer and I do not know technology very much. When you're sitting at the desk and read the documents and try to set up such-and-such regulations, I think that will not work in this (inaudible) Internet. So my recommendation to the governments, do less regulation in this field. And there will be any conflict across the border, that kind of issue can be settled down by bilateral or multilateral negotiations.

MR. WEST: Okay, I think we have time for one more question. There's a question over here, a gentleman with his hand up. There's a microphone coming up behind you.

MR. REISMAN: Thank you. I'm Matthew Reisman from Microsoft. This has been a great panel and I appreciated how you articulated in broad brush objectives that you each have, that our governments have for Internet governance and how you might work together on those. I wondered if you could speak specifically about the WSIS review that was mentioned earlier and any specific objectives you could identify. And again, are there areas where our government overlap and are there areas where we need to bring in other governments? Any insights you could share? Thank you.

AMBASSADOR SEPULVEDA: Sure. Again, the World Summit on the Information Society took place in 2003 and 2005 in Geneva and Tunis. And out of that, out of those events, came a series of action lines and a series of goals for the world to meet in terms of access and connectivity. And they were tied essentially to the Millennium Development Goals, and the idea that as we were shifting from an industrial society to an information society, all of the world's people would have access to that information society and be able to reap the benefits of being participants in that information society.

At that time, our colleagues had to cut some pretty hard deals, negotiated outcomes to ensure that everyone felt that their views had been represented properly in the document and they agreed that 10 years later, which I think many of them assumed would never come, we would do a review. Well, 10 years have passed and the review is due.

So we're coming together in December. We will be having a series of preparatory meetings that will have multi-stakeholder components going into that meeting. And the goal of the WSIS+10 review is to assess how well we've done relative to the commitments and goals we established for ourselves in 2003 and 2005. And where gaps remain what we need to do moving forward to ensure that all of the world's

people have the access and benefits necessary of participation in what has become an information society.

I think there's very little daylight between the United States and Korea on the goals and the mechanisms. We both share a common commitment to the multi-stakeholder process. We both share a common commitment to a people-centered innovation society where we're working to deliver and drive the benefits of the information community as deep into the economy and in societies as possible. And we'll be working together to ensure that we bring our colleagues together along those lines.

I think from the United States' perspective we would like to see a reaffirmation of the multi-stakeholder system of Internet governance, a renewed commitment to bridging the digital divide, and a renewed commitment to bridging the divides that exist not just across economic class or across nations, but that exists within nations and across disenfranchised communities or the gender divides that exist, the lack of access for people with disabilities, and human rights issues, as well.

MR. MIN: The goal of the previous WSIS at the (inaudible) was (inaudible) people-centered, includes the development-oriented information society. And in this upcoming WSIS+10 meeting we're review whether we actually have achieved that goal.

The Korean government actually shared a view of the U.S. Government, that we should lead (inaudible) importance of the multi-stakeholder approach to deal with the Internet-related public policy issues. And, at the same time, we have to find ways to support developing countries and to bridge their broadband gap across countries. And we also need to think about how to mainstream this ICT technologies into the social and economic policies.

In that specific point, I think it's very important to include this ICT

complement to the post-2015 agenda and this SDN -- Sustainable Development Goal, SDG. Because when you look at the whole preparation discussions on this SDG and post-2015 agenda, ICT has not been well reflected. So I think it's important through this WSIS+10 review we could put some kind of approach to include this ICT into the future global agenda. Thank you.

MR. WEST: Okay. On that note, I want to thank Ambassador Sepulveda, Chairman Min, Ambassador Ahn Ho-Young. Thank you very much for joining us and thank you very much for coming out. And we certainly look forward to future cooperation between the United States and Korea. Thank you very much. (Applause)

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