

The originally published version of this document contained information that was withheld from publication in accordance with the [ICANN Publication Practices](#). The updated information can be found at ICANN BOARD SUBMISSION NO. 2023-04-30-2e (page 461). To view a redacted or previously withheld version, please see <https://www.icann.org/en/board-activities-and-meetings/board-materials-redaction-archive-register>.

ICANN BOARD PAPER NO. 2023.04.30.1a

TITLE: Appointment of Independent Audit Firms for
Fiscal Year 2023

PROPOSED ACTION: For Board Consideration and Approval

EXECUTIVE SUMMARY:

Section 22.2 of the ICANN Bylaws (<http://www.icann.org/general/bylaws.htm>) requires that after the end of the fiscal year, the books of ICANN must be audited by certified public accountants, which shall be appointed by the Board.

As the Audit Committee has recommended that the Board approve Confidential Negotiation Information
as the independent audit firm(s) for the fiscal year ending
30 June 2023 for any annual ICANN independent audit requirements, the Board is now
being asked to approve the Audit Committee's recommendation.

AUDIT COMMITTEE RECOMMENDATION:

The Audit Committee has recommended that the Board authorize the Interim President and CEO, or her designee(s), to take all steps necessary to engage Confidential Negotiation Information
as ICANN's annual independent audit firm(s) for the fiscal
year ending 30 June 2023, for any annual independent audit requirements in any
jurisdiction.

PROPOSED RESOLUTION:

Whereas, the Board Audit Committee has discussed the recommendation from ICANN
org and has recommended that the Board authorize the Interim President and CEO, or
her designee(s), to take all steps necessary to engage Confidential Negotiation Information
to carry out the independent audit for the fiscal year ending 30 June
2023.

Resolved (2023.04.30.XX), the Board authorizes the Interim President and CEO, or
her designee(s), to take all steps necessary to engage Confidential Negotiation Information
as the audit firm(s) for the financial statements for the fiscal year ending
30 June 2023.

RATIONALE FOR RESOLUTION:

The audit firm Confidential Negotiation Information have been ICANN's independent audit firms since the audit of fiscal year 2022. Based on the report from the organization and the Audit Committee's evaluation of the work performed during last year's audit, the committee has recommended that the Board authorize the Interim President and CEO, or her designee(s), to take all steps necessary to engage Confidential Negotiation Information as ICANN's independent audit firm(s) for fiscal year 2023 for any annual independent audit requirements in any jurisdiction.

This furthers ICANN's accountability to its Mission and processes, and the results of the independent auditors' work will be publicly available. Taking this decision is both consistent with ICANN's Mission and in the public interest as the engagement of an independent audit firm is in fulfilment of ICANN's obligations to undertake an audit of ICANN's financial statements and helps serve ICANN's stakeholders in a more accountable manner.

This decision will have a fiscal impact on ICANN, which is accounted for in the FY23 ICANN Operating Plan and Budget. This decision should not have any direct impact on the security, stability and resiliency of the domain name system.

This is an Organizational Administrative Function not requiring public comment.

Submitted by:	Xavier Calvez
Position:	SVP, Planning and Chief Financial Officer
Date Noted:	18 April 2023
Email:	Xavier.calvez@icann.org

ICANN BOARD SUBMISSION NO. 2023.04.30.1c

TITLE: Recommendation on Board Committee Appointment

PROPOSED ACTIONS: For Board Consideration and Action

EXECUTIVE SUMMARY:

The Board Governance Committee (BGC) is responsible for recommending membership to Board committees and has recommended Nicolas Caballero be appointed to the Board Technical Committee (BTC). The Chair of BTC agrees with the recommendation.

BOARD GOVERNANCE COMMITTEE RECOMMENDATION:

The BGC recommends that the Board appoint Nicolas Caballero to the Board Technical Committee.

PROPOSED RESOLUTION:

Whereas, the Board Governance Committee has recommended that the Board appoint Nicolas Caballero to the Board Technical Committee (BTC) and the Chair of the BTC agrees with the recommendation.

Resolved (2023.04.30.XX), the Board appoints Nicolas Caballero to the Board Technical Committee.

PROPOSED RATIONALE:

Article 7, Section 7.2 and Article 14 of the ICANN Bylaws call for the Board to appoint, among other things, membership of each Board Committee. Nicolas “Nico” Caballero joined the Board in March 2023 as the non-voting Governmental Advisory Committee Liaison to the Board. Upon joining the Board, Nico expressed interest in serving on the Board Technical Committee (BTC). His experience as outlined in his [biography](#) shows that he will bring valuable skills to the BTC.

The appointment of the Board Committee membership is consistent with ICANN’s Mission and is in the public interest as it is important to ensure that the Board and its

Committees have the properly skilled expertise to carry forth ICANN's Mission, Commitments and Core Values. This decision will have no direct fiscal impact on the organization and no impact on the security, stability, or resiliency of the domain name system.

This is an Organizational Administrative Function that does not require public comment.

Submitted By:	Amy A. Stathos
Position:	Deputy General Counsel
Date Noted:	28 April 2023
Email:	amy.stathos@icann.org

ICANN BOARD PAPER NO. 2023.04.30.2a

TITLE: Proposed Global Amendments to the Base gTLD Registry Agreement, Specification 13 of the .BRAND Registry Agreement, and 2013 Registrar Accreditation Agreements to Add Contractual Obligations for Registration Data Access Protocol (RDAP)

PROPOSED ACTION: For Board Consideration and Approval

EXECUTIVE SUMMARY:

ICANN org and members of the gTLD Registries Stakeholder Group (RySG) and the Registrar Stakeholder Group (RrSG), collectively the Contracted Party House Negotiating Team (CPH-NT), worked together to draft proposed Global Amendments to the Base gTLD Registry Agreement (RA) and 2013 Registrar Accreditation Agreement to specify the operational requirements for providing Registration Data Directory Services (RDDS) via the Registration Data Access Protocol (RDAP). The proposed Global Amendments would also phase out the obligation for registry operators and registrars to provide RDDS via the WHOIS services (e.g. WHOIS port-43 and Web-WHOIS) while maintaining certain obligations for the contracted parties that decide to continue offering RDDS via the WHOIS protocols. The proposed amendments are the culmination of a long-standing commitment to the Internet community to replace the WHOIS protocol with a better underlying technology.

The contract amendments negotiated between ICANN org and the CPH-NT include:

- A requirement to comply with the RDAP profile.
- Updated definitions for RDDS-related terms; this includes updating Specification 13 for .BRAND Registry Operators
- Reporting requirements for registries that include changes to address the advice from the ICANN Security and Stability Advisory Committee in [SAC097](#) related to inconsistent reporting of RDDS queries.
- Service Level Requirements for RDAP availability, round-trip time, and update time.

- The sunset of the requirements to provide RDDS via the WHOIS protocol over a period of 18 months from the amendment effective date.
- The requirement for registrars to provide RDAP for all gTLD Domains Under Management, eliminating the option for registrars supporting registries that provide complete contact information in their RDDS to relay the registration data from the registry.
- A change to the language of Specification 4, Section 3.1 of the RA that will permit ICANN org to use the existing Bulk Registration Data Access (BRDA) for research purposes. This amendment will enable ICANN to use BRDA data to conduct important research for projects such as the [Domain Abuse Activity Reporting System \(DAAR\)](#). DAAR is a system for studying and reporting on domain name registration and security threats. The overarching purpose of DAAR is to develop a robust, reliable, and reproducible methodology for [analyzing security threat activity](#), which the ICANN community may use to make informed policy decisions.
- Updates to Uniform Resource Locator (URL) web addresses in the RA and miscellaneous changes (e.g., URLs updated to “https” from “http”) to address outdated links.

On 6 September 2022, ICANN org posted the proposed amendments for [Public Comment](#). The Public Comment proceeding closed on 16 November 2022 and ICANN org received five (5) comments from five (5) organizations. Comments noted in the Public Comment Summary [Report](#) provided general support for the proposed amendments with three (3) organizations offering feedback for ICANN org to consider before additional steps were taken. Following a review of the public comments by ICANN org and the CPH-NT, the comments confirmed that the proposed amendments met the stated objective of creating clear contractual obligations for registry operators and registrars to provide RDDS via the RDAP protocol and phasing out certain obligations to provide RDDS via the WHOIS protocol, though one adjustment was made to the Registry Agreement based on a public comment. While ICANN and the CPH-NT were satisfied that the originally proposed language was a significant improvement over the existing language of the RA, additional language has been added

to the RA amendment to further clarify. Once implemented this will provide additional accuracy for reporting for TLDs in this scenario.

On 19 January 2023, ICANN org initiated a 60-day voting period among applicable registry operators, applicable brand registry operators, and applicable registrars via a third party online voting platform operated by Votenet. For the Global Amendments to be approved by the contracted parties, certain thresholds had to be achieved for gTLD registries and ICANN-accredited registrars. At the conclusion of the voting period, 20 March 2023, all of the required voting thresholds were met.

ICANN ORG RECOMMENDATION:

ICANN org recommends that the ICANN Board approve the proposed Global Amendments. This action is in alignment with stakeholders' comments as summarized in the Public Comment Summary Report and the results of the vote among applicable registry operators, applicable brand registry operators, and applicable registrars.

If approved by the Board, the changes will become effective in each agreement upon sixty (60) days notice to each contracted party by ICANN.

PROPOSED RESOLUTION:

Whereas, the ICANN Board [accepted](#) the advice from SAC051 on 28 October 2011 and directed ICANN org to produce, in consultation with the community, a roadmap for the coordination of the technical and policy discussions necessary to evaluate and adopt a replacement for the WHOIS protocol.

Whereas, the [Base gTLD Registry Agreement \(RA\)](#) and [2013 Registrar Accreditation Agreement \(RAA\)](#) both provide that until ICANN requires a different protocol, the contracted party will operate a WHOIS service available via port 43 in accordance with RFC 3912, and a web-based Directory Service providing free public query-based access in the required format. The RA and RAA further provide that ICANN reserves the right

to specify alternative formats and protocols, and upon such specification, the contracted party will implement such alternative specification as soon as reasonably practicable.

Whereas, ICANN org and members of the gTLD Registries Stakeholder Group (RySG) and the Registrar Stakeholder Group (RrSG), collectively the Contracted Party House Negotiating Team (CPH-NT), worked together to draft proposed Global Amendments to the RA and RAA to specify the operational requirements for providing Registration Data Directory Services (RDDS) via the Registration Data Access Protocol (RDAP).

Whereas, the proposed Global Amendments include reporting requirements for registries that include changes to address the advice from the ICANN Security and Stability Advisory Committee in [SAC097](#) related to inconsistent reporting of RDDS queries.

Whereas, the proposed Global Amendments include a change to the language of Specification 4, Section 3.1 of the RA that will enable ICANN org to use the existing Bulk Registration Data Access (BRDA) for research purposes.

Whereas, the proposed Global Amendments were posted for the contracted parties' approval and received Registry Operator Approval, Registrar Approval, and Brand Registry Operator Approval, as defined in each of the RA, RAA, and Specification 13 of the RA.

Whereas, the Board determined that no further revisions to the proposed Global Amendments are necessary after taking the public comments and voting results into account.

Resolved (2023.04.30), the Board approves the proposed Global Amendments to the Base gTLD Registry Agreement, the 2013 Registrar Accreditation Agreement, and Specification 13 to the Base gTLD Registry Agreement.

Resolved (2023.04.30), the Board directs the ICANN Interim President and CEO, or her designee(s), to take the actions necessary to finalize and effect the Global Amendments.

PROPOSED RATIONALE:

Why is the Board addressing the issue now?

In 2010, the ICANN community held [discussions](#) about the need for the technical evolution of the WHOIS system, citing that the WHOIS protocol did not meet the community's needs. On 19 September 2011, SSAC issued [SAC051](#) advising the ICANN community to evaluate and adopt a replacement for the WHOIS protocol. The SSAC made the recommendation based on the shortcomings found with WHOIS such as the lack of (1) support for internationalization, (2) secure access to data, (3) differentiated access, and (4) standardized query, response, and error responses.

In 2015, the ICANN Board passed a [resolution](#) directing staff to produce, in consultation with the community, a roadmap for the coordination of the technical and policy discussions necessary to implement the recommendations outlined in SAC051. Subsequently, RDAP was developed by the technical community through the Internet Engineering Task Force (IETF) as described in [STD95](#). In 2017, ICANN launched the voluntary [RDAP pilot program](#) at the [request](#) of the gTLD Registries Stakeholder Group and with the support of the Registrar Stakeholder Group.

On 17 May 2018, the ICANN Board passed a [resolution](#) adopting a [Temporary Specification for gTLD Registration Data](#) requiring (1) registry operators and registrars to operate a RDAP service, (2) ICANN org and the community to define the appropriate RDAP profile(s), and (3) registry operators and registrars to implement the service no later than 135 days after being requested by ICANN. Both the 2013 RAA and the RA include an obligation to implement the new RDDS protocol within 135 days of ICANN's request once the IETF produces a standard; and for registries, the implementation of the standard must be considered commercially reasonable in the context of the overall operation of the registry.

In February 2019, pursuant to requirements in the RA, RAA, and the Temporary Specification for gTLD Registration Data, ICANN org triggered the obligations for all registries and registrars to implement RDAP by [26 August 2019](#). Subsequently in October 2019, ICANN org initiated negotiations with the RySG and RrSG to develop

amendments to the [RA](#) and the [RAA](#) to specify the operating requirements for RDAP and to define the plan to sunset obligations to provide RDDS via the WHOIS protocol.

In July 2022, ICANN and the CPH-NT reached agreement on the proposed amendments and the amendments were posted for [public comment](#) from 6 September through 16 November 2022. As set out in the Public Comment Summary [Report](#), ICANN org and the CPH-NT confirmed that the proposed amendments met the stated objective of creating clear contractual obligations for registry operators and registrars to provide RDDS via RDAP and phasing out certain obligations to provide RDDS via the WHOIS protocol.

On 4 January 2023, ICANN org notified applicable registries, applicable brand registries, and applicable registrars of their eligibility to vote on the proposed Global Amendments to the RA, Specification 13 of the RA, and RAA. The 60-day voting period opened at 17:00 UTC on Thursday, 19 January 2023 and closed at 23:59 UTC on Monday, 20 March 2023. Table 1 below provides an overview of the required thresholds to be considered approved by Applicable Registry Operators, Applicable Brand Registry Operators, and Applicable Registrars, respectively. All calculations of the vote were conducted pursuant to Section 7.6(j)(ii) of the RA, Section 9 of Specification 13 to the RA, and Section 1.18.1 of the RAA.

Table 1: Global Amendment Vote Thresholds and Tabulations

	Required Threshold	Final Vote Tabulations
Applicable Registry Operator - Fee Threshold	\$25,668,185.81	\$28,559,070.20
Applicable Brand Registry Operator - Fee Threshold	\$6,639,529.04	\$6,827,060.77
Applicable Registry Operator - Majority Threshold	581	856
Applicable Brand Registry Operator - Majority Threshold	202	272

Applicable Registrar Approval - Threshold	90%	91.74%
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What is the proposal being considered?

The contractual amendments negotiated between ICANN org and the CPH-NT include:

- A requirement to comply with the RDAP profile.
- Updated definitions for RDDS-related terms; this includes updating Specification 13 for .BRAND Registry Operators
- Reporting requirements for registries that include changes to address the advice from the ICANN Security and Stability Advisory Committee in [SAC097](#) related to inconsistent reporting of RDDS queries.
- Service Level Requirements for RDAP availability, round-trip time, and update time.
- The sunset of the requirements to provide RDDS via the WHOIS protocol over a period of 18 months from the amendment effective date.
- The requirement for registrars to provide RDAP for all gTLD Domains Under Management, eliminating the option for registrars supporting registries that provide complete contact information in their RDDS to relay the registration data from the registry.
- A change to the language of Specification 4, Section 3.1 of the RA that will permit ICANN org to use the existing Bulk Registration Data Access (BRDA) for research purposes. This amendment will enable ICANN to use BRDA data to conduct important research for projects such as the [Domain Abuse Activity Reporting System \(DAAR\)](#). DAAR is a system for studying and reporting on domain name registration and security threats. The overarching purpose of DAAR is to develop a robust, reliable, and reproducible methodology for [analyzing security threat activity](#), which the ICANN community may use to make informed policy decisions.
- Updates to Uniform Resource Locator (URL) web addresses in the RA and miscellaneous changes (e.g., URLs updated to “https” from “http”) to address outdated links.

Which stakeholders or others were consulted?

ICANN org conducted a Public Comment proceeding on the proposed Global Amendments from 06 September 2022 through 16 November 2022. The Global Amendments received Registry Operator Approval, Brand Registry Operator Approval, and Registrar Approval in accordance with Section 7.6(j)(ii) of the RA, Section 9 of Specification 13 to the RA, and Section 1.18.1 of the RAA.

What concerns or issues were raised by the community?

ICANN org received five (5) comments from five (5) organizations. Comments noted in the Public Comment Summary [Report](#) provided general support for the proposed amendments with three (3) organizations offering feedback for ICANN org to consider before additional steps were taken. Two organizations, ICANN's Security and Stability Advisory Committee (SSAC) and the Business Constituency, raised the concern that the sunset of web-based WHOIS may have a negative impact for end users as the deployment of RDAP lookup services may vary by registry and the loss of human-readable output to queries via web-based WHOIS may be lost in the transition.

However, tools such as <https://lookup.icann.org> from ICANN org provides a domain name registration data lookup tool, freely available to the general public. This tool uses the RDAP protocol to perform domain registration data queries and provides results in a human-friendly output and similar tools are also readily available. The advantages of the RDAP protocol and the provisions contained in the proposed Global Amendment, such as adherence to certain output requirements (i.e., the RDAP Profile), allow for tools such as these mentioned to exist.

Following a review of the public comments by ICANN org and the CPH-NT, the comments confirmed that the proposed amendments met the stated objective of creating clear contractual obligations for registry operators and registrars to provide RDAP and phasing out certain obligations to provide RDAP via the WHOIS protocol. ICANN org and the CPH NT also determined that based on the comment from the ICANN SSAC, a modification to the proposed RA Specification 3 was appropriate and was made before the amendments were posted for the contracted parties' approval.

What significant materials did the Board review?

As part of its deliberations, the Board reviewed various materials, including, but not limited to, the following materials and documents:

- Base gTLD Registry Agreement (RA)
- [Proposed Global Amendment to the Base gTLD Registry Agreement](#)
- [Proposed REDLINE of the Base gTLD Registry Agreement](#)
- [Proposed CLEAN Base gTLD Registry Agreement](#)
- 2013 Registrar Accreditation Agreement (RAA)
- [Proposed Global Amendment to the 2013 Registrar Accreditation Agreement](#)
- [Proposed REDLINE of the 2013 Registrar Accreditation Agreement](#)
- [Proposed CLEAN 2013 Registrar Accreditation Agreement](#)
- Specification 13 to the Base gTLD Registry Agreement (Spec 13)
- [Proposed Global Amendment to Specification 13 of the Base gTLD Registry Agreement](#)
- [Proposed REDLINE of Specification 13 of the Base New gTLD Registry Agreement](#)
- [Proposed CLEAN Specification 13 of the Base gTLD Registry Agreement](#)
- [Public Comment Summary Report](#)

What factors has the Board found to be significant?

The Board carefully considered the public comments received for the proposed Global Amendments, along with the summary and analysis of those comments. The Board also considered the terms agreed upon by the CPH-NT as part of the negotiations with ICANN org. The Board appreciates the general support from the ICANN community for the new contractual obligations for RDAP negotiated between ICANN and the CPH-NT and for the steps taken to enable the use of BRDA for research purposes, e.g., to combat DNS abuse.

The Board also acknowledges the concern expressed by some community members regarding the sunset of the WHOIS protocol and that the proposed RAA amendment removes the “interactive web page” currently offered by registrars. However, the Board

understands that users will have suitable, if not improved, tools to conduct queries for domain name registration data based on the current implementation of RDAP by all registries and registrars, the lookup tool from ICANN and other similar offerings, and furthered by the requirements set forth in the proposed Global Amendments. Domain Name Registration Data is decentralized as it is held at each of the relevant ICANN Accredited registrars and gTLD registry operators. The interactive web-pages offered by each registrar and registry are no longer necessary as the RDAP protocol allows for user-friendly lookup queries from a centralized client such as the ICANN lookup tool (<https://lookup.icann.org>). Finding sources to look up registration data should not be a challenge as searching for “domain registration lookup” in most search engines today will offer free tools, frequently with the ICANN org tool as the first result. Guiding users to centralized tools where the only required knowledge is the domain name they seek registration data for is a better solution than explaining the number of steps required to find the correct sponsoring registrar and its interactive web page for querying domain name registration data.

The Board further recognizes the input from the Security and Stability Advisory Committee (SSAC) regarding SAC097 and that the originally proposed language in Specification 3 of the amendment to the RA may still report per-TLD statistics inaccurately for TLDs under shared registry systems. While ICANN and the CPH-NT were satisfied that the originally proposed language was a significant improvement over the existing language of the RA, additional language has been added to the RA amendment to further clarify (see below in blue). Once implemented this will provide additional accuracy for reporting for TLDs in this scenario.

For gTLDs that are part of a single-instance Shared Registry System: (1) the fields whois43-queries, web-whois-queries, searchable-whois-queries and rdap-queries in the Registry Functions Activity Report should match the sum of queries reported for the gTLDs in the single-instance Shared Registry System, *(2) in case of queries related to the fields in (1) above for which the Registry Operator cannot determine the TLD to count the query to (e.g., a registrar lookup query for a registrar operating in more than one TLD sharing the same RDAP base URL)*, registries have the flexibility to choose how to allocate those queries across the gTLDs utilizing the single-instance Shared Registry System, and (3) the Registry Functions Activity Report may include the total contact or host transactions for all the gTLDs in the system.

The Board is confident the contractual language added by ICANN org and the CPH-NT following the Public Comment period adequately clarifies what is required and, once implemented, will provide additional accuracy for reporting for TLDs under share registry systems.

Are there fiscal impacts or ramifications on ICANN org (e.g., strategic plan, operating plan, and budget), the community, and/or the public?

There is no significant fiscal impact expected from the approved amendments to the RA, Specification 13, or the RAA. In February 2019, pursuant to requirements in the RA, RAA, and the Temporary Specification for gTLD Registration Data, ICANN org triggered the obligations for all registries and registrars to implement RDAP by [26 August 2019](#) and no additional cost considerations or impacts to registries and registrars should be incurred.

Are there any security, stability or resiliency issues relating to the DNS?

The approved amendments to the RA, Specification 13, and RAA are not expected to create any security, stability, or resiliency issues related to the DNS.

Signature Block:

Submitted by: Theresa Swinehart

Position: Senior Vice President, Global Domains Division

Date Noted:

Email: Theresa.Swinehart@icann.org

ICANN BOARD PAPER NO. 2023.04.30.2b

TITLE: **ICANN FY24-28 Operating and Financial Plan and
ICANN FY24 Operating Plan and Budget Approval**

PROPOSED ACTION: **For Board Approval**

EXECUTIVE SUMMARY:

As required by Article 22, Sections 22.4 (a) and 22.5 (a) of the Bylaws, on 14 December 2022 the Internet Corporation for Assigned Names and Numbers (ICANN) organization posted for public comment the draft ICANN FY24-28 Operating and Financial Plan and draft ICANN FY24 Operating Plan and Budget. In addition, consultations were held with ICANN organization, Board and community members. All of the received comments have been taken into consideration, and where appropriate and feasible, have been incorporated into a Proposed for Adoption ICANN FY24-28 Operating and Financial Plan and Proposed for Adoption ICANN FY24 Operating Plan and Budget. Further, per section 3.9 of the currently effective Registrar Accreditation Agreements, and as needed to develop the budget, the Board must establish the Accreditation Fee and the Variable Accreditation Fee that the Registrars are required to pay. The Registrar Accreditation Fees and Variable Accreditation Fees are set forth in the ICANN FY24 Operating Plan and Budget.

The Board is being asked to approve the Proposed for Adoption ICANN FY24-28 Operating and Financial Plan and Proposed for Adoption ICANN FY24 Operating Plan and Budget; such approval will be considered by the Empowered Community, which has the power to reject that approval.

BOARD FINANCE COMMITTEE (BFC) RECOMMENDATION

After careful consideration of the public comments received and the corresponding responses, and of the plans proposed for adoption, the BFC has recommended that the Board approve the Proposed for Adoption ICANN FY24-28 Operating and Financial Plan and Proposed for Adoption ICANN FY24 Operating Plan and Budget.

PROPOSED RESOLUTION:

Whereas, the draft ICANN FY24-28 Operating and Financial Plan and draft ICANN FY24 Operating Plan and Budget were posted for public comment in accordance with the Bylaws on 14 December 2022.

Whereas, the public comments received were considered and revisions were applied as appropriate and feasible to the Proposed for Adoption ICANN FY24-28 Operating and Financial Plan and Proposed for Adoption ICANN FY24 Operating Plan and Budget.

Whereas, in addition to the public comment process, ICANN organization actively solicited community feedback and consultation with the ICANN Community by other means, including a public session during ICANN 76.

Whereas, at each of its recent regularly scheduled meetings, the Board Finance Committee (BFC) has discussed, and overseen ICANN organization's development of the Proposed for Adoption ICANN FY24-28 Operating and Financial Plan and the Proposed for Adoption ICANN FY24 Operating Plan and Budget.

Whereas, the BFC reviewed and discussed suggested changes to the ICANN FY24-28 Operating and Financial Plan and the ICANN FY24 Operating Plan and Budget resulting from public comment and consultations, as well as those resulting from recent Board decisions, and recommended that the Board approve the Proposed for Adoption ICANN FY24-28 Operating and Financial Plan and the Proposed for Adoption ICANN FY24 Operating Plan and Budget.

Whereas, per section 3.9 of the 2013 Registrar Accreditation Agreements, the Board is to establish the Registrar Accreditation Fees and Variable Accreditation Fees, which must be established to develop the annual budget.

Whereas, the description of the Registrar fees, including the recommended Registrar Accreditation Fees Variable Accreditation Fees, for FY24 are included in the Proposed for Adoption ICANN FY24 Operating Plan and Budget.

Resolved (2023.04.30.xx), the Board adopts the ICANN FY24-28 Operating and Financial Plan, which describes the activities ICANN will undertake and the resources needed to achieve the Board-adopted ICANN Strategic Plan for Fiscal Years 2021-2025.

Resolved (2023.04.30.xx), the Board adopts the ICANN FY24 Operating Plan and Budget including the FY24 ICANN Caretaker Budget that would be in effect in the event the FY24 ICANN Operating Plan and Budget is not in effect at the beginning of FY24.

PROPOSED RATIONALE:

On 14 December 2022, a draft of the ICANN FY24-28 Operating and Financial Plan and draft ICANN FY24 Operating Plan and Budget were posted for public comment. The published draft ICANN FY24-28 Operating and Financial Plan and draft ICANN FY24 Operating Plan and Budget were based on numerous discussions with members of ICANN organization and the ICANN community, including extensive consultations with ICANN Supporting Organizations, Advisory Committees, and other stakeholder groups throughout the prior several months.

Public comments received were considered, as well as recent decisions by the ICANN Board, and revisions were applied as appropriate and feasible to the Proposed for Adoption ICANN FY24-28 Operating and Financial Plan and Proposed for Adoption ICANN FY24 Operating Plan and Budget.

In addition, the following consultation activities were carried out:

- 8 September 2022 – Community webinar held at ICANN 75 Prep Week on the Planning and Finance Update
- 15 December 2022 – Community webinars were held to review the draft ICANN FY24-28 Operating and Financial Plan and draft ICANN FY24 Operating Plan and Budget published for public comment
- 28 February 2023 – the summary of comments received through the public comment process were shared in a public session during the ICANN 76 Prep week, including with representatives of the ICANN bodies that submitted the public comments, to help ensure the comments were adequately understood and appropriate consideration was given to them.
- In addition to the public comment process, ICANN actively solicited community feedback and consulted with the ICANN community by other means, including attendance and presentations for At-Large Operations, Finance, and Budget Working Group, Generic Names Supporting Organization Standing Committee on ICANN Budget and Operations Plan, and Country Code Names Supporting Organisation Strategic and Operational Planning Standing Committee from December 2022 – February 2023.

All comments received were considered in developing the Proposed for Adoption ICANN FY24-28 Operating and Financial Plan and the Proposed for Adoption ICANN FY24 Operating Plan and Budget. Where feasible and appropriate these inputs have been incorporated into the Proposed for Adoption ICANN FY24-28 Operating and Financial Plan and the Proposed for Adoption ICANN FY24 Operating Plan and Budget.

There were no changes to the Operating Plans, Funding or Expenses for the Proposed for Adoption ICANN FY24-28 Operating and Financial Plan and the Proposed for Adoption ICANN FY24 Operating Plan and Budget as a result of public comment. The only changes made to the Proposed for Adoption Plans were the result of Board passing resolutions for the New gTLD Program Next Round and Registration for Data Request implementations after the Draft Plans were posted for public comment. The remainder of the changes were in narrative and presentation only.

In addition to the day-to-day operational requirements, the ICANN FY24 Operating Plan and Budget allocates amounts to various FY24 budget requests received from community leadership. The ICANN FY24 Operating Plan and Budget also discloses financial information on the 2012 Round of the New gTLD Program, relative to expenses, funding and net remaining funds. Further, because the Registrar Fees are key to the development of the Budget, the ICANN FY24 Operating Plan and Budget sets out and establishes those fees, which are consistent with recent years, and will be reviewed for approval by the Registrars.

The ICANN FY24-28 Operating and Financial Plan and the ICANN FY24 Operating Plan and Budget will have a positive impact on ICANN in that together they provide a proper framework by which ICANN will be managed and operated, which also provides the basis for the organization to be held accountable in a transparent manner.

This decision is in the public interest and within ICANN's mission, as it is fully consistent with ICANN's strategic and operational plans, and the results of which allow ICANN to satisfy its mission.

This decision will have a fiscal impact on ICANN org and the Community as is intended. This should have a positive impact on the security, stability and resiliency of the domain name system (DNS) with respect to any funding that is dedicated to those aspects of the DNS.

This is an Organizational Administrative Function that has already been subject to public comment as noted above.

Submitted By: Xavier Calvez, SVP, Planning and Chief Financial Officer
Date Noted: 30 April 2023
Email: xavier.calvez@icann.org

ICANN Fiscal Year 2024 Additional Budget Request Process

Assessment Report and Recommendations
for ICANN Board Consideration

April 2023

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Introduction

The Fiscal Year 2024 (FY24) Additional Budget Request (ABR) process began in October 2022. ICANN organization reviewed [18 requests from eight ICANN community groups](#) that were submitted by the January 2023 deadline. The requests are categorized in five areas: outreach, research, training, travel support, and other.

Based on the anticipated timeline for ICANN Board consideration of the draft FY24 Operating Plan and Budget, ICANN organization conducted an initial assessment of all requests in late March and early April 2023. An evaluation panel comprising the executives of the Finance and Planning, Global Stakeholder Engagement, and Policy Development Support functions reviewed the initial assessment.

ICANN organization prepared this document for the consideration by the ICANN Board Finance Committee (BFC) and the ICANN Board. This document presents the results of the assessment process, including recommendations for the consideration of the BFC and ICANN Board. All amounts are in United States dollars.

Summary of the Assessment Process

Within the assumptions of the draft FY24 Operating Plan and Budget, and consistent with the [ABR principles](#), the assessment process focused on recommending support for requests that will facilitate effective and sustainable ICANN community work. This entails:

- Allocating available resources to requests that are directly and demonstrably related to current ICANN community policy development, advisory, and technical work.
- Addressing capacity development objectives by encouraging collaboration with the Global Stakeholder Engagement and Public Responsibility Support functions, including creation of evergreen materials that can be used for online training.
- Considering both financial and resource commitments of the ICANN organization to support individual and collective requests in an equitable and transparent manner.

To ensure accountability and transparency, several supported requests have reporting requirements. ICANN organization will provide a report template in FY24. In addition, specific conditions and other requirements have been included in certain recommendations.

Further clarity about the proposed use of ABR funds and required reports are helpful tools for the ICANN community and ICANN organization to assess the value of certain activities. Supported requests must adhere to ICANN procurement policies. Accountability and transparency requirements are also useful in determining whether a request supported over multiple years should continue for more refinement or become part of the annual operating plan and budget to the extent that resources are available from year to year.

Statistics

ICANN organization observes the following statistics of the FY24 ABR process:

Number of ICANN community groups submitting requests	8
Number of total requests	18
Number of requests recommended for support	7
Number of requests not recommended for support	11
Estimated costs of requests recommended for support	\$191,000
Estimated costs of additional pilot project	\$109,000
Total allocation	\$300,000

Ongoing Support

The ABR process represents only part of the resourcing available annually for the ICANN community. It should be viewed in the broader context of overall support for the ICANN community, including professional support, intersessional meetings, and engagement activities that are captured elsewhere in the annual operating plan and budget.

The ABR process helps the ICANN Board and ICANN organization better understand and develop resources for present and future ICANN community needs. Now in its twelfth year, the ABR process has helped the ICANN Board and ICANN organization address evolving ICANN community needs through targeted allocations.

The ABR principles state that requests should reflect potential ICANN community activities that are not already included in the annual operating plan and budget. The number of requests has fluctuated over the years, which may reflect the incorporation of previously supported requests into the annual operating plan and budget after successful pilot phases. The ICANN community and ICANN organization have also improved joint planning, prioritization, and implementation efforts.

The ICANN organization appreciates the effort and time that ICANN community groups committed to the FY24 ABR process. Though specific requests may not receive support this year, the ICANN organization recognizes the specific needs in these requests. **ICANN organization supports significant elements of all elevent requests not recommended for support through the FY24 ABR process.** Current support for these requests includes ongoing activities, programs, and resources such as:

- [Community Regional Outreach Program \(CROP\)](#)
- [ICANN Emergency Assistance Program for Continued Internet Access \(EAP\)](#)
- [ICANN Fellowship Program](#)
- [ICANN Learn](#)

Moreover, ICANN organizational functions such as Engineering and Information Technology, Global Communications, Global Stakeholder Engagement, and Policy Development Support allocate significant resources to address ICANN community needs. Through cooperation with the ICANN community, ICANN organization continues to support ICANN community objectives in areas such as capacity development; engagement; language services, including interpretation; and outreach, including travel support.

ICANN organization encourages ICANN community groups to regularly review their current resourcing with their support teams. Requests for future ABR processes should be developed to address any gaps or to enhance existing support.

Recommendations

The Recommendations section of this document has two subsections: [Requests Recommended for Support](#) and [Requests Not Recommended for Support](#). For Requests Recommended for Support, there is an estimated support amount and the name of the ICANN organization member who will lead the coordination of implementation work. There is a fully resolved response for each request within the parameters of the request as stipulated in the ABR principles.

Requests Recommended for Support

ICANN organization recommends that the following requests receive ABR support in the FY24 Operating Plan and Budget.

1. At-Large Campaign Playbook

Request number	FY24-01
Requesting ICANN community group	At-Large Advisory Committee (ALAC)
Estimated support	\$20,000
ICANN organization leads	Heidi Ullrich and Patrick Jones

This is a recommendation for support. Working with the Policy Development Support function and in consultation with the Global Communications and Global Stakeholder Engagement functions, the ALAC will develop a series of templates to promote standardized best practices for outreach across the At-Large community. The ALAC may

also engage an external expert for targeted consultations on a short-term basis. Outreach includes messaging to promote the mission and remit of ICANN and, when appropriate, solicit input from end users about their interests in ICANN policy, advice, or technical work. The templates will be translated from English into Arabic, Chinese, French, Russian, and Spanish by Language Services and collated into a campaign playbook designed by an external resource determined by the Global Communications function. The campaign playbook must be available by the ICANN80 Policy Forum. The ALAC must send a copy of the campaign playbook by 1 July 2024 to abr-reports@icann.org.

2. Production of Outreach Materials

Request number	FY24-04
Requesting ICANN community group	Business Constituency (BC)
Estimated support	\$30,000 total for all applicable ICANN community groups
ICANN organization lead	Andrea Glandon

This is a recommendation for support. At its discretion, ICANN organization recommends that a request from one ICANN community group be granted broadly and consistently to other applicable ICANN community groups. For the last five fiscal years, ICANN organization has consolidated all requests for communications, design, and publication support into a single recommendation. This approach has worked well, allowing ICANN organization to facilitate flexible use within the estimated support for all interested Supporting Organizations, Advisory Committees, Stakeholder Groups, Constituencies, and Regional At-Large Organizations. The Policy Development Support function manages this allocation in collaboration with the Global Communications function. Requests are limited to \$1,500 per ICANN community group per ICANN Public Meeting. Requests must adhere to the ICANN Communications and Style Guidelines. Furthermore, ICANN organization recommends publication design and translation support be included in the annual operating plan and budget going forward.

3. Consensus Playbook Training Tool

Request number	FY24-08
Requesting ICANN community group	Generic Names Supporting Organization (GNSO) Council
Estimated support	\$20,000
ICANN organization lead	Melissa Allgood

This is a recommendation for support. ICANN encourages the GNSO Council to develop a scenario-based training tool that builds on the Consensus Playbook for the benefit of the entire ICANN community. The application of consensus-building techniques is valuable to the entire ICANN multistakeholder model. The GNSO Council may also engage an external expert for targeted consultations on a short-term basis. The training tool will be translated from English into Arabic, Chinese, French, Russian, and Spanish by Language Services and designed by an external resource determined by the Global Communications function. The training tool must be available by the ICANN80 Policy Forum. The GNSO Council must send a copy of the training tool by 1 July 2024 to abr-reports@icann.org.

4. Sign Language Interpretation for ICANN Public Meetings

Request number	FY24-09
Requesting ICANN community group	Governmental Advisory Committee (GAC)
Estimated support	\$20,000
ICANN organization lead	Christina Rodriguez

This is a recommendation for partial support for ICANN organization to conduct initial testing and feasibility analysis of a potential sign language interpretation service pilot during ICANN Public Meetings. The estimated support is intended to allow for a feasibility assessment and does not include an initial pilot, if any. Due to the complex resource implications of providing sign language interpretation, ICANN will evaluate this approved exploratory phase as part of its further consideration of launching a pilot phase. ICANN is committed to inclusion of the deaf and hard of hearing communities during ICANN Public Meetings and welcomes this proposal from the GAC Human Rights and International Law Working Group (HRILWG). Working with the Meetings Technical Services team, the Language Services team will consider the required resourcing, training, and testing for such a potential service and develop a feasibility assessment implementing a pilot effort for such a potential service. The GAC HRILWG must provide a feasibility report informed with input from ICANN organization by 1 July 2024 to abr-reports@icann.org.

5. Caribbean DNS Observatory

Request number	FY24-10
Requesting ICANN community group	Latin American and Caribbean Islands Regional At-Large Organization (LACRALO)
Estimated support	\$20,000
ICANN organization lead	Rodrigo de la Parra

This is a recommendation for partial support limited to one DNS expert in the region and because travel support cannot be used for third parties as stipulated in the ABR principles. Research on mitigating DNS security threats and engagement with Caribbean stakeholders are priorities for ICANN. ICANN encourages the administrative coordinator, as proposed in the request, to work with the Latin American and Caribbean Islands regional team of the Global Stakeholder Engagement function and the regional technical engagement manager to leverage ICANN expertise and resources. The Latin American and Caribbean Islands regional team of the Global Stakeholder Engagement function will coordinate the distribution of support funds and targeted social media support from the Global Communications function for the project. LACRALO must provide a report about the activities of the Caribbean DNS Observatory and Research Center by 1 July 2024 to abr-reports@icann.org.

6. E-Tool Welcome Package

Request number	FY24-16
Requesting ICANN community group	Regional At-Large Organizations (RALOs)
Estimated support	\$25,000 (\$5,000 for each RALO)
ICANN organization lead	Heidi Ullrich

This is a recommendation for support. Working with the Policy Development Support function and in consultation with the Public Responsibility Support function, the RALOs will develop welcome packages to replace their current trifold brochures and beginners guides. The welcome packages will be translated into Arabic, Chinese, English, French, Russian, and Spanish by Language Services and collated into a publication designed by an external resource determined by the Global Communications function. The welcome packages must be available by the ICANN80 Policy Forum. Each RALO must send a copy of its welcome package by 1 July 2024 to abr-reports@icann.org.

7. Travel Support for the Contracted Parties Summit

Request number	FY24-18
Requesting ICANN community group	Registries Stakeholder Group (RySG)
Estimated support	\$56,000 for both stakeholder groups of the GNSO Contracted Parties House
ICANN organization lead	Joseph de Jesus

This is a recommendation for support of eight RySG participants for the next Contracted Parties Summit. At its discretion, ICANN organization recommends that a request from

one ICANN community group be granted broadly and consistently to other applicable ICANN community groups. Therefore, this recommendation also includes travel support for eight Registrar Stakeholder Group (RrSG) participants with an estimated support of \$28,000. The total estimated support is \$56,000. Travel support must adhere to the ICANN Community Travel Support Guidelines.

ICANN encourages the RrSG and RySG to work with the Travel Support team and to consider maximizing travel support as allowed. This recommendation is conditioned on both the RrSG and RySG providing their criteria for selecting supported travelers to ICANN organization. In addition, the RrSG and RySG must submit a report to abr-reports@icann.org within 30 days of the conclusion of the Contracted Parties Summit. Furthermore, ICANN organization recommends this scope of travel support be included in the annual operating plan and budget going forward.

Requests Not Recommended for Support

ICANN organization recommends that the following requests do not receive ABR support in the FY24 Operating Plan and Budget.

1. Support for the Outreach and Engagement Working Group

Request number	FY24-02
Requesting ICANN community group	At-Large Advisory Committee (ALAC)

This is a recommendation for no support. ICANN organization has developed multilingual resources on many topics, including Internationalized Domain Names and Universal Acceptance. Moreover, ICANN Learn already features courses about DNS fundamentals and an introduction to Universal Acceptance, and the ICANN Learn team continuously develops new content. ICANN organization notes that the Policy Development Support function will soon publish a primer about WHOIS as well. Collectively, these resources can support the At-Large Outreach and Engagement Working Group.

2. Leadership Development and Onboarding Support

Request number	FY24-03
Requesting ICANN community group	Business Constituency (BC)

This is a recommendation for no support, in line with the approach from FY20, FY21, and FY23. Although ICANN organization recommended support for a similar request from the BC in FY19, the increased involvement of the Supporting Organizations and Advisory Committees in defining qualifying criteria, selection, and mentoring objectives

of the revised ICANN Fellowship Program (in effect since June 2019) and the continued availability of the Community Regional Outreach Program, provide adequate opportunities for ICANN community groups to promote leadership development and outreach. ICANN organization encourages the BC to work with the Policy Development Support function, the Global Stakeholder Engagement function, and the Public Responsibility Support team to determine how to support its cultivation of members and leaders from developing countries.

3. Development of Specific Training Knowledgebase and Onboarding Materials on ICANN Learn

Request number	FY24-05
Requesting ICANN community group	Business Constituency (BC)

This is a recommendation for no support. ICANN organization notes that the BC submitted a similar request for FY22, which received support and resulted in the “Getting to Know the Business Constituency” ICANN Learn course. A similar request for FY23 did not receive support for similar reasons as this FY24 request. ICANN Learn already features courses about DNS fundamentals and an introduction to Universal Acceptance. The ICANN Learn team continuously develops new content, and ICANN encourages the BC to work with the ICANN Learn team to understand what courses are planned to launch in FY24. Developing ICANN Learn courses about data management and DNS abuse now would only capture a snapshot of ongoing ICANN community discussions. ICANN organization notes that the Policy Development Support function will soon publish a primer about WHOIS as well. Collectively, these resources provide a knowledge base for onboarding of new ICANN community members.

4. Using the Ukrainian Experience in the Development and Evaluation of the ICANN Emergency Assistance Program

Request number	FY24-06
Requesting ICANN community group	European Regional At-Large Organization (EURALO)

This is a recommendation for no support. As of December 2022, the ICANN funds to the Emergency Telecommunications Cluster (ETC), among other projects, have been used to support the establishment and operation of four technology hubs in Ukraine. The ETC is an interagency network of humanitarian, government, and private-sector organizations that provide communication services in humanitarian emergencies. ETC work in Ukraine includes assessments, training, help desk support, and secure Internet access for emergency responders. ICANN organization is available to answer specific questions about the contribution. Moreover, ICANN organization will soon announce the next stage

in the development of the ICANN Emergency Assistance Program for Continued Internet Access.

5. Communications Support

Request number	FY24-07
Requesting ICANN community group	Generic Names Supporting Organization (GNSO) Council

This is a recommendation for no support. ICANN organization notes that the Policy Development Support and Global Communications function work closely to support the work and outcomes of the ICANN community. ICANN encourages the GNSO Council to proactively liaise with the Global Communications liaison to the Policy Development Support function to comprehensively promote specific activities and milestones through announcements, blog posts, newsletter stories, and press releases as appropriate.

6. Digital Day of Indigenous Cyberactivists

Request number	FY24-11
Requesting ICANN community group	Latin American and Caribbean Islands Regional At-Large Organization (LACRALO)

This is a recommendation for no support. ICANN is committed to the inclusion of unserved or underserved tribal or native communities in its work. Moreover, ICANN encourages the event organizers to work with the Latin American and Caribbean Islands regional team of the Global Stakeholder Engagement function on potential sponsorship and programming support as part of the regional strategic plan.

7. LAC Digital Second Edition

Request number	FY24-12
Requesting ICANN community group	Latin American and Caribbean Islands Regional At-Large Organization (LACRALO)

This is a recommendation for no support. ICANN supports engaging the academic, civil society, and government sectors in Latin American and the Caribbean in its work, particularly IDNs and Universal Acceptance. Therefore, ICANN encourages the event organizers to work with the Latin American and Caribbean Islands regional team of the Global Stakeholder Engagement function on potential sponsorship and programming support as part of the regional strategic plan.

8. Second Latin American Cybersecurity and Internet Governance Forum

Request number	FY24-13
Requesting ICANN community group	Latin American and Caribbean Islands Regional At-Large Organization (LACRALO)

This is a recommendation for no support. ICANN supports cybersecurity in Latin America, and the ICANN organization encourages the event organizers to work with the Latin American and Caribbean Islands regional team of the Global Stakeholder Engagement function on potential sponsorship and programming support as part of the regional strategic plan.

9. Strengthening Web Security in Latin America

Request number	FY24-14
Requesting ICANN community group	Latin American and Caribbean Islands Regional At-Large Organization (LACRALO)

This is a recommendation for no support. ICANN supports strengthening web security in Latin America, and ICANN encourages the event organizers to work with the Latin American and Caribbean Islands regional team of the Global Stakeholder Engagement function on potential sponsorship and programming support as part of the regional strategic plan.

10. Universal Acceptance Hackathon

Request number	FY24-15
Requesting ICANN community group	Latin American and Caribbean Islands Regional At-Large Organization (LACRALO)

This is a recommendation for no support. Promoting Universal Acceptance is a priority for ICANN. Therefore, ICANN organization the event organizers to work with the Latin American and Caribbean Islands regional team of the Global Stakeholder Engagement function on potential sponsorship and programming support as part of the regional strategic plan.

11. Zoom Room Support

Request number	FY24-17
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Requesting ICANN community group	Regional At-Large Organizations (RALOs)
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This is a recommendation for no support. Only ICANN organization members may access and manage ICANN Zoom rooms. ICANN encourages the RALOs to proactively work with the Policy Development Support function to arrange use of existing ICANN Zoom rooms. ICANN organization members may open and then drop, for example. ICANN also encourages the RALOs to consider using their discretionary resources to fund Zoom subscriptions that can be accessed and managed only by RALO leaders and members.

Additional Pilot Project

ICANN organization has previously and proactively proposed pilot projects based on its review of available data regarding emerging needs in the ICANN community or trends in the ABR process. The aim of these pilot projects has been to address specific needs. Examples of these pilot projects include the Community Regional Outreach Pilot Program and the Document Development and Drafting Pilot Program. These pilot projects allow ICANN organization to work with the ICANN community to test different approaches as a proof of concept for future projects within the ABR envelope where the results of the pilot project demonstrate obvious benefit to the broader ICANN community. For FY24, ICANN organization proposes one pilot project, continuing the same effort from FY23:

Interpretation for Targeted ccNSO Sessions during ICANN78, 79, and 80

Estimated support	\$109,000
ICANN organization lead	Christina Rodriguez

The Country Code Names Supporting Organization (ccNSO) consists of over 170 country code top-level domain (ccTLD) managers from around the world. According to the ccNSO secretariat, 51 percent of ccNSO members consider Arabic, French, or Spanish their official language, compared to 40 percent indicating English as their official language. ICANN organization proposes continuing the FY23 pilot project in FY24 to better inform its consideration of future resourcing. Providing interpretation in these three target languages will enhance the support for ccNSO sessions during ICANN Public Meetings. This pilot project will benefit the ccTLD community by promoting technical outreach, deepening operational exchanges, and advancing policy development related to ccTLDs, including IDNs. In addition, this pilot project will allow ICANN to assess the costs and feasibility of providing additional interpretation services to the ICANN community based on emerging needs over time. The estimated support covers simultaneous interpretation in Arabic, French, and Spanish for targeted sessions during

ICANN78, 79, and 80. This pilot project will be managed by the Language Services team in consultation with the Policy Development Support function. To facilitate ICANN review of the results of this pilot project, the ccNSO is required to submit a report that details usage of this service by the ccTLD community during ICANN78, 79, and 80 by 1 July 2024 to abr-reports@icann.org.

Proposed-for-Adoption Internet Corporation for Assigned Names and Numbers (ICANN) FY24 Budget

April 2023



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1 Introduction

This document contains the Proposed-for-Adoption Internet Corporation for Assigned Names and Numbers (ICANN) Fiscal Year 2024 (FY24) Budget. ICANN's FY24 comprises the following dates:

1 July 2023 – 30 June 2024

This Proposed-for-Adoption ICANN FY24 Budget includes a detailed overview of ICANN's financial plan for FY24. For operating plans and five-year financial projections, please see the Proposed-for-Adoption [ICANN FY24-28 Operating and Financial Plan and FY24 Operating Plan](#).

Community Input into ICANN's Planning Processes

Enabling stakeholder engagement in ICANN's planning process, through accessible information and effective interaction, is a fundamental part of ICANN's multistakeholder model.

The Draft ICANN FY24 Budget was posted for Public Comment in December 2022. Following the Public Comment period and discussions with stakeholders, ICANN published its [Public Comment Summary Report](#) on 30 March 2023. Publishing the Budget for Public Comment and receiving input from stakeholders is a key element of transparency and community engagement in ICANN's planning process.

ICANN welcomes and recognizes the past, present, and future engagement of all stakeholders into ICANN's planning process, whether it is relative to the Strategic Plan, Operating Plan, Budget, or ongoing operational and financial updates.

The Proposed-for-Adoption ICANN FY24 Budget includes:

- Overview of Total ICANN and separate detailed sections on its components: ICANN Operations, the New Generic Top-Level Domain (gTLD) Program, the Grant Program, Reviews Implementation Prioritization, and the Reserve Fund.
- Activities that are included in the Board-adopted IANA FY24 Operating Plan and Budget.

Monetary figures shown in the document are in millions of United States Dollars (USD), unless stated otherwise. Any arithmetic inconsistencies are due to rounding. Where relevant, comparative information pertaining to FY23 is provided.

IANA Operations

The IANA FY24 Operating Plan and Budget, the draft of which was posted for Public Comment in September 2022, was adopted by the ICANN Board in January 2023.

IANA Operations are part of ICANN Operations and are documented in the ICANN FY24 Operating Plan.

Background Information

Beginning in March 2020, ICANN organization operated amid the COVID-19 pandemic. ICANN74, the June 2022 Public Meeting in The Hague, was ICANN's first Public meeting including a face-to-face component since the start of the pandemic. ICANN has held two other Public meetings including a face-to-face component since then, and expects to continue to do so in FY24.

This budget assumes an impact of global inflation and a potential recession. The World Bank, in its June 2022 publication on global economic prospects, suggests that just after two years of contending with a global recession induced by the COVID-19 pandemic, the world economy is now again likely to experience a sharp deceleration and prolonged slowdown in growth, and further exacerbated by an increase in inflation rates. Frequent expectations show inflation slowing during calendar year 2023, and a return to historic lower levels of inflation in 2024.

Inflation has been factored into the ICANN Operating Plan and Budget, resulting in a slightly negative impact to ICANN's funding and expenses. Conservatively, funding is projected to slightly decline in FY24 followed by gradual increases as the global economy improves. ICANN faces inflationary pressures in the form of rising costs but expects to reprioritize costs and activities in order for spend to remain within available funding. ICANN org will continue to carefully manage expenses and apply caution when evaluating new and backfill resources, the use of contractors or temporary staff, and other costs such as meetings, travel, and external vendors. Inflation and the current economic challenges have been reflected in the plans which are conservative and achievable based on the projected level of funding.

ICANN's role remains crucial to maintaining the security, stability, and resiliency of the unique identifiers system. ICANN's plans are conservative and achievable, and the org can reprioritize activities and reevaluate expenses throughout the fiscal year if necessary. Organizational activities will continue to be carried out under principles of best value, prudence, and with heightened attention to necessity.

2 Planning and Budget Overview

The following illustration depicts the five-year planning cycle for FY24-28. The planning process consists of the ICANN Strategic Plan for FY21-25 and the FY24-28 Operating and Financial Plan, which provide input and a basis for the FY24 Operating Plan and Budget. The process includes consultation and development of the IANA Operating Plan and Budget, which feeds into the total ICANN Operating Plan and Budget.



3 Total ICANN

This section provides an overview of expected Total ICANN funding, expenses, resources, and funds under management.

3.1 Financial Overview

Total ICANN Financials		For the Twelve Months Ending 30 Jun 2024				
In Millions, US dollars	Operating Fund	New gTLD Fund	SFICR	Auction Proceeds	Reserve Fund	Total
Funds Under Management - 30 Jun 2023	\$44	\$57	\$18	\$210	\$164	\$493
Funding	145	-	-	-	-	145
Personnel	(85)	(4)	(3)	(2)	-	(93)
Travel & Meetings	(12)	(0)	(0)	(0)	-	(13)
Professional Services	(29)	(4)	(3)	(2)	-	(38)
Administration	(18)	(0)	(0)	(0)	-	(19)
Capital	(1)	-	-	-	-	(1)
Total Expenses	(145)	(9)	(6)	(4)	-	(164)
Operating Fund Excess Transfers	-	-	-	-	-	-
Grants Distributed	-	-	-	(10)	-	(10)
Investment Income/(Decline)	0.4	0.5	0.1	2.0	1.6	5
Funds Under Management - 30 Jun 2024	\$45	\$48	\$12	\$198	\$165	\$469
Total Average FTE	413	13	9	5	-	440

Please note the following about the table above:

- The Operating Fund includes the day-to-day funding and expenses of ICANN Operations
- New gTLD Fund includes work on the New gTLD Program 2012 Round and the New gTLD Program Next Round
- Supplemental Fund for Implementation of Community Recommendations (SFICR) activity consists of implementation of prioritized Board-approved review recommendations and Registration Data Request Service
- Auction Proceeds are utilized for the Grant Program
- The Reserve Fund beginning balance includes a \$19 million transfer from the Operating Fund in FY23
- All funds assume modest investment gains
- Full-Time Equivalents (FTEs) reflect the average in the fiscal year (please see Glossary for a definition of FTEs)

The table above starts with funds under management and the estimated beginning balance of each fund as of 30 June 2023, which is the end of FY23. The following lines of the table show the expected funding and expense activities of each fund as it relates to operations in FY24. Operating Fund transfers resulting from excess in that fund are not budgeted and will be recommended for Board approval after FY23 concludes. ICANN org is now investing most of its funds under management and has forecasted a positive return for each fund depending on its investment criteria. Following these activities, the ending balance of each fund is shown as of 30 June 2024, which is the end of FY24.

Please see below for additional details regarding each Fund.

Operating Fund

- Funding is \$145 million, which reflects consideration of historical data from the past few years as well as negative impacts resulting from inflation and a potential recession.
- Expenses are \$145 million, balanced to ICANN Operations funding and assume that normal working conditions continue.
 - Personnel expense reflects an average headcount of 413.
 - Travel and meeting expenses assume three face-to-face ICANN Public Meetings and otherwise unrestricted travel.
 - Total expenses include contingency, a placeholder for unknown and hard to predict costs.

New gTLD Fund

- Expenses are \$9 million.
 - \$4 million are costs related to the 2012 Round, including direct expenses and allocations from ICANN Operations.
 - \$5 million are costs related to the Next Round implementation through 31 October 2023, including direct expenses and allocations from ICANN Operations.

SFICR

- Beginning balance is \$18 million, following review implementation activities expected to take place in FY23 costing \$2 million.
- Review implementation expenses are \$4 million, including direct expenses and allocations from ICANN Operations.
- Registration Data Request Service expenses are \$2 million, including direct expenses and allocations from ICANN Operations.

Auction Proceeds

- Beginning balance is \$210 million.
- Up to \$10 million will be made available during the Grant Program's first cycle, which is expected in FY24.
- The FY24 \$4 million for the Program administration is a high-level estimate that includes the end of one-time implementation costs and recurring ones.
- A more detailed and comprehensive cost estimate is being developed at the time of publication of this document as the org's implementation team continues to design the Program.

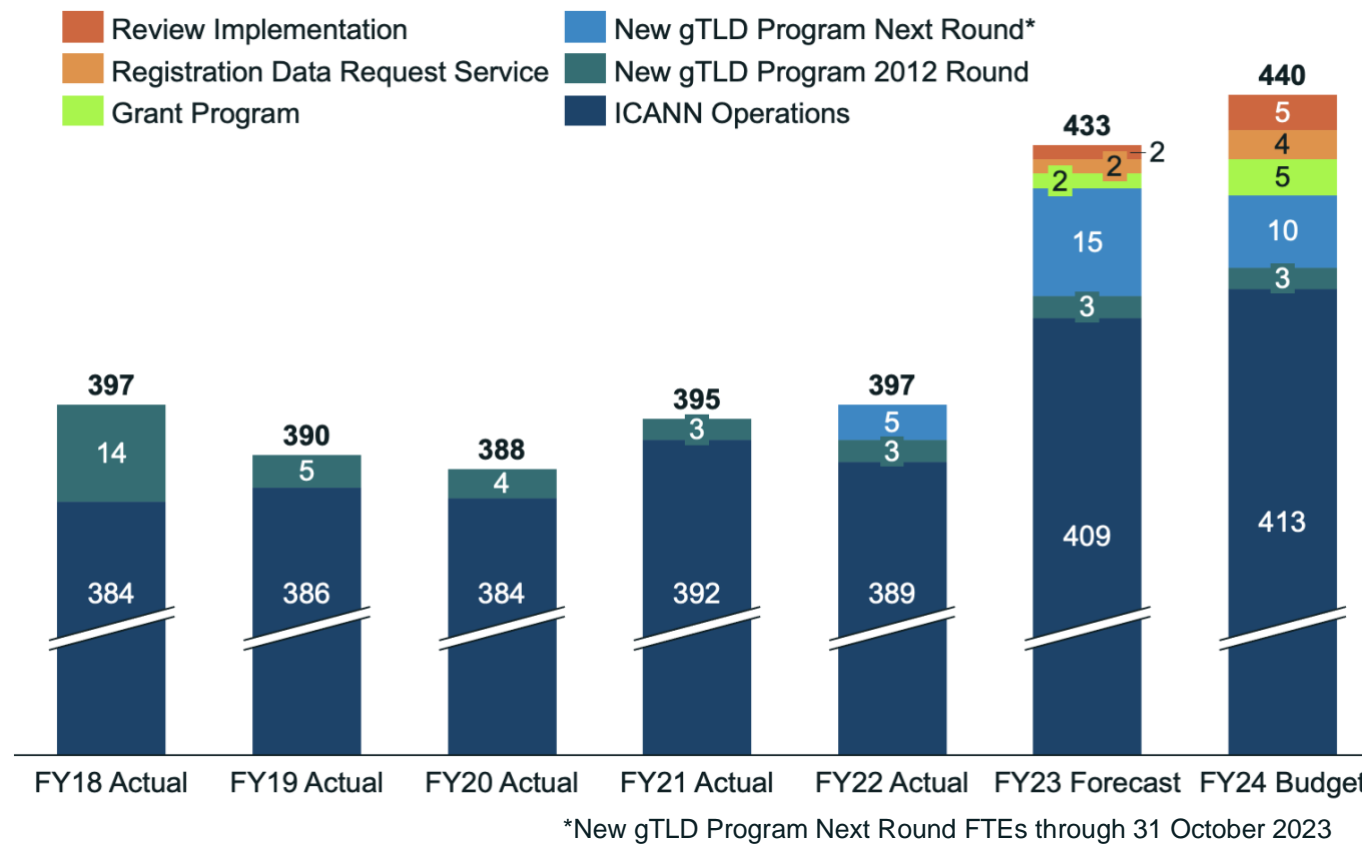
Reserve Fund

- Beginning balance is \$164 million, following a \$19 million transfer in FY23.
- Ending balance is estimated at \$165 million, which is above the 12-month minimum set by the Reserve Fund replenishment strategy approved by the Board in October 2018.

(See Appendix for financial information regarding FY23)

3.2 Average FTEs

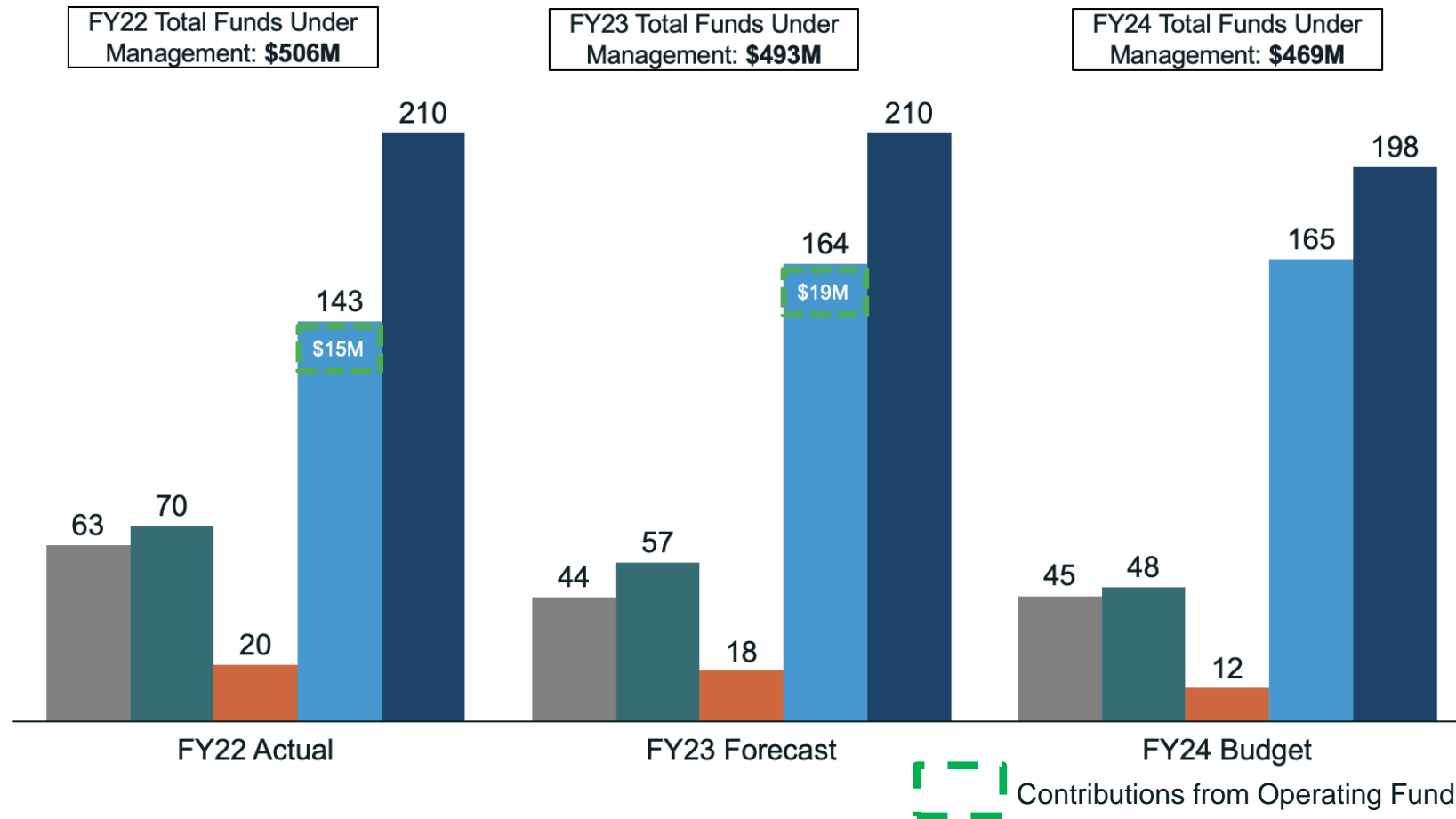
The following chart shows the average number of FTEs working under each segment of Total ICANN. FTEs consist of direct staff and staff allocations from ICANN Operations. New gTLD Program 2012 Round FTEs reflect efforts to process the remaining applications received in 2012. New gTLD Program Next Round FTEs reflect the resources for policy development and implementation through 31 October 2023. The Grant Program, which is funded by Auction Proceeds, began in FY23 and will ramp up in FY24. In addition, prioritized Review Implementation and the Registration Data Request Service, both funded by the SFICR, will begin in FY23 and continue into FY24.



3.3 Funds Under Management

ICANN manages five funds. The chart below shows the expected balance of each fund on 30 June of each fiscal year listed.

Operating Fund
 SFICR
 Auction Proceeds
 New gTLD Fund
 Reserve Fund
 \$ in Millions; Balance on 30 June of each fiscal year



The Operating Fund covers day-to-day operations. The Supplemental Fund for Implementation of Community Recommendations (SFICR) was created to establish segregated resources to increase the capacity of the organization to address projects that are multi-year and focus on community recommendations (for policies or resulting from reviews and cross-community working groups) that are approved by the Board but do not fit within the annual Budget. The Reserve Fund is ICANN's funding of last resort to cover large expenses from unavoidable, unpredictable, or unplanned events (see [Reserve Fund](#) section). All three funds are governed in accordance with the [ICANN Investment Policy](#).

The New gTLD Fund corresponds to the unspent portion of the New gTLD Program 2012 Round application fees collected from applicants during the application window in 2012. The funds are used to evaluate the applications and to cover hard-to-predict cost (including contingency), and starting in FY22, to cover the New gTLD Program Next Round (see [New gTLD Program Next Round](#) section). Auction Proceeds come from ICANN auctions held to resolve string contention in the New gTLD Program 2012 Round. The Auction Proceeds will be used to cover the ICANN Grant Program (see [Grant Program](#) section). Both funds are governed in accordance with the [New gTLD and Auction Proceeds Investment Policy](#).

ICANN org projects to have sufficient cash on hand in the Operating Fund through FY24 despite economic uncertainty. The funds under management listed in the FY24 Budget reflect the following:

- In November 2022, the Board [approved](#) a \$19 million transfer to the Reserve Fund from the Operating Fund based on FY22 net excess.
- Each fund is projecting interest gains according to its corresponding investment policy as referenced above.

4 ICANN Operations

This section provides an overview of ICANN Operations funding and expenses, which are a part of Total ICANN.

4.1 FY24 Budget versus FY23 Forecast

In Millions, USD	FY24 Budget	FY23 Forecast	Under/(Over) vs. FY23 Forecast	
	ICANN Operations	ICANN Operations	\$	%
Funding	\$145	\$148	(\$2)	-2%
Personnel	\$85	\$83	(\$1)	-1%
Travel & Meetings	\$12	\$13	\$1	6%
Professional Services	\$24	\$27	\$4	14%
Administration	\$18	\$18	(\$0)	0%
Capital	\$1	\$2	\$1	29%
Contingency ⁽¹⁾	\$5	\$4	(\$1)	-30%
Total Operating Expenses	\$145	\$148	\$3	2%
Net Operating Excess/(Deficit)	\$0	\$0	\$0	0%
Average Headcount	413	409	(4)	-1%

⁽¹⁾ Contingency represents an amount of budgeted expenses unallocated to specific activities or functions

The following table compares ICANN Operations financials from the FY24 Budget to the FY23 Forecast financials. The FY23 Forecast is based on four months of actual data and eight months of estimates.

Compared to the FY23 Forecast funding, the FY24 Budget funding is \$2 million lower as unfavorable economic trends are projected to persist in FY24. As a result, the FY24 Budget expenses are \$2 million lower than FY23 Forecast expenses.

4.2 Funding

As done in prior years, ICANN org has developed three scenarios to estimate funding. The “Medium” scenario is reflected in the FY24 Budget figures. In addition, ICANN developed “High” and “Low” scenario estimates to consider alternate values for assumptions that have a financial impact on the organization’s funding, thereby providing upper and lower bound values in its projections. While ICANN does not rely on these two scenarios to plan its operations, “High” and “Low” scenarios are helpful in developing alternate plans that address the possibility that such scenarios are realized.

The table below is an overview of ICANN’s funding, using assumptions that support the latest FY24 projections. The information in the “Medium Estimate” column corresponds to the FY24 funding included throughout the FY24 Budget. References to growth and declines are in comparison with the FY23 Forecast.

	Funding Type	Medium Estimate	High Estimate	Low Estimate
Legacy TLDs	Transaction-based Fees	(1%) decline	9% growth	(11%) decline
	Fixed Fees	Decrease of 19 TLDs, starting FY24 with 1,146 and ending with 1,127	Decrease of 11 TLDs, starting FY24 with 1,146 and ending with 1,135	Decrease of 46 TLDs, starting FY24 with 1,146 and ending with 1,100
New TLDs	Transaction-based Fees	(6%) decline	10% growth	(14%) decline
	Application Fees	Reflects 28 new registrar accreditation applications	Reflects 60 new registrar accreditation applications	Reflects no new registrar accreditation applications
Registrar Accreditation	Accreditation Fees	Registrar base grows by 5 accreditations	Registrar base grows by 60 accreditations	Registrar base declines by (148) accreditations
	Per-registrar Variable Fees	\$3.4 million, consistent with prior years	\$3.4 million, consistent with prior years	\$3.4 million, consistent with prior years

The table below shows a breakdown of ICANN Operations funding. Figures from the FY24 Budget reflect the information from the medium estimate shown in the previous table compared to figures from the FY23 Forecast. The high and low scenarios from the previous table are also shown as other scenarios.

In Millions, US Dollars	FY24 Budget	FY23 Forecast	Over / (Under)		Other FY24 Scenarios	
			\$	%	High	Low
Transactions						
Legacy transaction fees	\$ 87.1	\$ 88.3	\$ (1.2)	(1%)	\$ 96.1	\$ 78.5
New gTLD transaction fees	9.2	9.8	(0.6)	(6%)	10.8	8.4
Sub-total	96.3	98.1	(1.8)	(2%)	106.9	86.9
<i>Volume: legacy transactions (millions)</i>	<i>185.8</i>	<i>187.9</i>	<i>(2.1)</i>	<i>(1%)</i>	<i>204.6</i>	<i>167.3</i>
<i>Volume: New gTLD transactions (millions)</i>	<i>24.2</i>	<i>25.7</i>	<i>(1.5)</i>	<i>(6%)</i>	<i>28.2</i>	<i>22.1</i>
Sub-total	210.0	213.6	(3.6)	(2%)	232.8	189.5
<i>Volume: New gTLD billable transactions (millions)</i>	<i>19.3</i>	<i>20.7</i>	<i>(1.4)</i>	<i>(7%)</i>	<i>22.9</i>	<i>17.8</i>
<i>New gTLD Billable rate - average</i>	<i>80.0%</i>	<i>80.7%</i>	<i>(1%)</i>		<i>81.3%</i>	<i>80.3%</i>
Registry Fixed Fees	28.4	28.7	(0.4)	(1%)	28.4	27.6
<i>Count of total Registry TLDs - at end of year</i>	<i>1,127</i>	<i>1,146</i>	<i>(19)</i>	<i>(2%)</i>	<i>1,135</i>	<i>1,100</i>
Registrars Accreditation						
Application fees	0.1	0.4	(0.3)	(71%)	0.2	-
Accreditation fees - annual	9.8	9.9	(0.1)	(1%)	10.0	9.3
Per-registrar variable fees	3.4	3.4	-	-	3.4	3.4
Sub-total	13.3	13.7	(0.3)	(3%)	13.7	12.8
<i>Count of total Registrars - at end of year</i>	<i>2,452</i>	<i>2,447</i>	<i>5</i>	<i>0%</i>	<i>2,507</i>	<i>2,299</i>
Contributions						
SSR Contribution	4.0	4.0	-	-	4.0	4.0
ccTLD	2.3	2.3	-	-	2.3	2.3
RIR	0.8	0.8	-	-	0.8	0.8
Meeting Sponsorships/Other	0.2	0.2	-	-	0.2	0.2
Sub-total	7.3	7.3	-	-	7.3	7.3
ICANN Ops Funding	\$ 145.3	\$ 147.7	\$ (2.5)	(2%)	\$ 156.2	\$ 134.6

4.3 Expenses by Service Group and Functional Activity

The following table shows average FTEs and expenses by ICANN Operations service group in the FY24 Budget. There are five service groups under which ICANN org's functional activities are included. To view the expenses by functional activity, please download the [Excel file](#).

In millions, USD Service Group / Functional Activity	FTE ⁽¹⁾	FY24 Budget Expenses		
		Pers.	Non Pers. ⁽²⁾	Total
Technical and DNS Security	75	\$15.4	\$7.5	\$22.9
Policy Development and Implementation Support	79	\$15.3	\$6.7	\$22.1
Community Engagement & Services	107	\$20.5	\$12.6	\$33.1
ICANN Org Governance	37	\$12.3	\$7.2	\$19.5
ICANN Org Shared Services	115	\$26.7	\$25.4	\$52.1
Subtotal ⁽³⁾	413	\$90.3	\$59.4	\$149.7
Budgeted New Hires	35	\$7.7	n/a	\$7.7
Contingency	n/a	n/a	\$5.2	\$5.2
Allocations to Other Segments ⁽⁴⁾	(35)	(\$13.2)	(\$4.1)	(\$17.4)
Total	413	\$84.7	\$60.6	\$145.3

⁽¹⁾ Full-Time Equivalents, average in the fiscal year

⁽²⁾ Non Personnel Expenses include Travel & Meetings, Professional Services, Administration and Capital

⁽³⁾ Subtotal of allocated Functional Activities. Items below the Subtotal are not allocated and are defined in the Glossary of the Budget document

⁽⁴⁾ Other segments include: the New gTLD Program, Reviews Implementation and Registration Data Request Service (funded via SFICR), and Grant Program (funded via Auction Proceeds)

4.4 Travel and Community Engagement

4.4.1 Constituent Travel

ICANN provides travel support for selected community members to:

- Advance the work of ICANN
- Provide support for those who might otherwise not be able to afford to attend ICANN Public Meetings
- Broaden participation in ICANN's processes

ICANN.org publishes [travel guidelines](#) that form the basis for making travel allocations.

The number, cost, and support of funded seats for Supporting Organization (SO) and Advisory Committee (AC) constituent travel remain at FY23 Budget levels. Likewise, the number of travel seats funded for Fellows and NextGen participants at each of the three ICANN Public Meetings remains the same as FY23 Budget levels.

Constituent / Community Group	Abbreviation
At-Large Advisory Committee	ALAC
Country Code Names Supporting Organization	ccNSO
Governmental Advisory Committee	GAC
Generic Names Supporting Organization	GNSO
Next Generation	NextGen
Root Server System Advisory Committee	RSSAC
Security and Stability Advisory Committee	SSAC
Nominating Committee Selectees	NomCom Selectees

Constituent Travel by Community Group	ICANN 78 - Hamburg		ICANN 79- Puerto Rico		ICANN 80 - TBA	
	Trips	Amount	Trips	Amount	Trips	Amount
ALAC	29	\$70,370	29	\$71,039	29	\$105,680
Fellows	45	\$104,400	45	\$106,587	45	\$158,074
ccNSO	17	\$42,530	17	\$42,616	17	\$63,527
GAC	40	\$92,800	40	\$94,744	40	\$140,510
GNSO	51	\$121,410	51	\$123,149	51	\$182,960
NextGen	15	\$34,800	15	\$35,529	15	\$52,691
RSSAC	6	\$20,100	6	\$18,912	6	\$28,697
SSAC	16	\$40,210	16	\$40,248	16	\$60,014
Incoming Travelers	5	\$11,600	0	\$0	0	\$0
NomCom Selectees	5	\$11,600	0	\$0	0	\$0
Technical Liason Group	8	\$43,280	8	\$18,949	8	\$58,582
Total	237	\$593,100	227	\$551,773	227	\$850,735
ICANN Meetings Subtotal	\$1,995,608					

Other Community Events	Amount
Placeholder for SO-AC Additional Budget Requests	\$300,000
AFRALO General Assembly	\$128,960
APRALO General Assembly	\$135,200
GAC High Level Government Meeting (HLGM)	\$46,400
GAC Capacity Development Workshop	\$38,640
GNSO - GDD Summit/Working Sessions	\$127,620
CROP Program	\$50,000
Total	826,820

ICANN Meetings Total	\$2,822,428
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4.4.2 Additional Budget Requests (ABRs)

The Additional Budget Request (ABR) process is part of the annual ICANN Operating Plan and Budget planning cycle. The ABR process can only be used by ICANN communities that are recognized by the ICANN Board. Requests must be consistent with the charter of the requesting ICANN community group and reflect potential ICANN community activities that are not already included in the annual ICANN Budget. The ABR process helps the ICANN Board and ICANN org better understand and develop resources for present and future ICANN community needs. Both ICANN org and the ICANN Board are committed to an accountable and transparent ABR process for the benefit of the ICANN community. ICANN org encourages ICANN community groups to review and track the FY24 ABR process located on the ICANN wiki [here](#).

The ABR assessment process focuses on facilitating effective and sustainable community work through:

- Granting the available resources for those requests that are directly and demonstrably related to current ICANN policy development, advisory, and technical work.
- Prioritizing travel-related requests linked to events that are intended to take place at an ICANN Public Meeting or other ICANN-organized meeting.

- Addressing capacity building objectives through encouraging collaboration with ICANN's Public Responsibility Support and Global Stakeholder Engagement teams, including development of online (rather than face-to-face) training material.
- Considering the availability of resources, both financial and personnel, to support the individual and collective requests.

Periodically, ICANN org determines that ABRs should be part of its core operations and includes them in the core ICANN Budget. Once an ABR is moved to the core Budget, it need not be the subject of future ABR submissions, so new requests can be considered for the ABR Budget. In FY24, the available ABR Budget remains at \$300,000, which is in line with prior year Budget and approvals.

After review of the FY24 Additional Budget Request Submissions, seven submissions out of the 18 requests are recommended, totaling \$191,000 for the FY24 Budget. ICANN org proposes to keep the remaining \$109,000 for an additional pilot project of interpretation for targeted ccNSO sessions during ICANN78, 79, and 80. More detailed information on the FY24 Additional Budget Requests can be located on the ICANN wiki [here](#).

Request No.	Organization	ABR Title	Approved Amount
FY24-01	ALAC	At-Large Campaign Playbook	20,000
FY24-04	BC	Production of Outreach Materials (for all applicable ICANN community groups)	30,000
FY24-09	GAC	Sign Language Interpretation for ICANN Public Meetings	20,000
FY24-08	GNSO Council	Consensus Playbook Training Tool	20,000
FY24-10	LACRALO	Caribbean DNS Observatory	20,000
FY24-16	RALOs	E-Tool Welcome Package	25,000
FY24-18	RySG	Travel Support for the Contracted Parties Summit (for both stakeholder groups of the GNSO Contracted Parties House)	56,000
Community Contingency	All	Placeholder for additional pilot project: Interpretation for Targeted ccNSO Sessions during ICANN78, 79, and 80	109,000
	Total		\$300,000

4.4.3 ICANN Public Meetings

ICANN Public Meetings are central to ICANN's multistakeholder model and provide a venue for learning about ICANN, advancing policy work, conducting outreach, exchanging best practices, and interacting with members of the ICANN ecosystem. ICANN Public Meetings are held three times each year in different regions of the globe to enable attendees from around the world to participate in their own jurisdiction. Each ICANN Public Meeting held throughout the year has a different focus and duration. Per the calendar year and in order by date, the three Public Meetings are known as the Community Forum, the Policy Forum, and the Annual General Meeting (AGM).

Due to the COVID-19 pandemic, ICANN67 through ICANN73 were conducted in a virtual format, and therefore, reflect cost savings. For the FY24 Budget, the assumption has been made that all ICANN Public Meetings will return to including a face-to-face component.

In Millions, US Dollars	Meeting Format	Actuals	Budget
ICANN80 - TBA	Policy	n/a	\$4.5
ICANN79 - Puerto Rico	Community	n/a	\$4.1
ICANN78 - Hamburg	AGM	n/a	\$4.3
Total FY24 ICANN Meetings		n/a	\$13.0
ICANN77 - DC	Policy	n/a	\$3.7
ICANN76 - Cancun	Community	n/a	\$3.6
ICANN75 - Kuala Lumpur	AGM	\$4.7	\$4.0
Total FY23 ICANN Meetings		n/a	\$11.3
ICANN74 - The Hague	Policy	\$3.6	\$3.5
ICANN73 - San Juan (Virtual)	Community	\$0.5	\$3.8
ICANN72 - Seattle (Virtual)	AGM	\$0.5	\$3.5
Total FY22 ICANN Meetings		\$4.6	\$10.8
ICANN71 - The Hague (Virtual)	Policy	\$0.5	\$3.7
ICANN70 - Cancun (Virtual)	Community	\$0.5	\$3.7
ICANN69 - Hamburg (Virtual)	AGM	\$0.5	\$4.2
Total FY21 ICANN Meetings		\$1.5	\$11.6

4.5 Risks and Opportunities

This section identifies risks and opportunities in the FY24 Budget. Each scenario is classified as related to funding or an expense, includes an estimated U.S. dollar impact, and is assigned a probability of “Low,” “Medium,” or “High.”

A risk is defined as “lower funding” or a “higher expense.” An opportunity is defined as “higher funding” or a “lower expense.”

Risks	Potential Amount	Probability
Funding: Lower than Budget due to more than planned losses of domain registrations and contracted parties	-\$3.0 million	Low
Expense: Increased cost of traveling and operating due to inflation	-\$2.0 million	Medium

Opportunities	Potential Amount	Probability
Expense: Personnel savings from difficulties in hiring new staff	+\$2.0 million	Medium
Funding: Higher than planned due to the economy improving	+\$3.0 million	Medium

4.6 Contingency

The contingency is an amount included in the Budget, but not allocated to any specific activities. This allows for the flexibility to cover the difference between projected and actual costs, expenses impossible to forecast such as litigation costs, or activities that have been confirmed for implementation by the Board after the Budget was finalized.

ICANN org supports the community-led activities that result in review recommendations, cross-community working group recommendations, recommendations following policy development processes, and advisory recommendations. Policies and recommendations progress through various stages such as initiation, development, finalization, Board consideration, implementation planning, and implementation. ICANN org begins designing the expected implementation work only as recommendations and policies move forward and reach the stage of Board consideration. After the Board adopts these recommendations and policies, the implementation work begins.

In an effort to present a comprehensive view of projected ICANN Operations over the five-year period, the Proposed-for-Adoption ICANN FY24–28 Operating and Financial Plan includes areas of work still under discussion within the community or under Board consideration. Please see the [ICANN Rolling Five-Year Roadmap](#) for more details.

The contingency in the FY24 Budget is \$5.2 million (approximately 4% of budgeted expenses).

4.7 IANA Budget

IANA activities are a portion of ICANN Operations, and the planning process for the IANA Budget is part of the overall ICANN planning process. The IANA multiyear plans are part of ICANN's Five-Year Operating and Financial Plan. The IANA FY24 Operating Plan and Budget is a component of ICANN's FY24 Operating Plan and Budget. [Public Technical Identifiers \(PTI\)](#) is an affiliate of ICANN and, through [contracts and subcontracts](#) with ICANN, is responsible for the operations of the IANA functions. PTI has its own Bylaws that require the organization to develop its own annual PTI Operating Plan and Budget at least nine months in advance of the ICANN fiscal year.

Consultations were conducted with stakeholders on the IANA FY24 Operating Plan and Budget priorities. After developing a final proposed draft, the Draft IANA FY24 Operating Plan and Budget was published for Public Comment from 15 September 2022 through 17 November 2022. A report of submissions for Public Comment was published on 19 December 2022. The completed FY24 IANA Operating Plan and Budget was adopted by the ICANN Board on 27 February 2023.

ICANN org receives input from PTI on its Budget and then develops an IANA Budget each year. The IANA FY24 Operating Plan and Budget is \$11.0M, of which \$10.5M is for PTI activities and \$0.6M is for IANA support activities not performed by PTI. The IANA FY24 Budget is \$0.6M higher than the FY23 IANA Budget, primarily due to an increase in personnel costs for inflation, and partially offset by lower costs for depreciation on existing and new assets. The IANA support activities component remains the same compared to the support activities component in the FY23 IANA Budget. Overall, the services remain the same to the FY23 Budget.

FY24 PTI Budget in Millions, USD	FY24 Budget	FY23 Budget	Under/(Over)		FY22 Actuals
			Total	%	
FUNDING	\$10.5	\$9.8	(\$0.6)	-6.5%	\$8.1
Personnel	\$6.7	\$6.3	(\$0.4)	-6.7%	\$6.3
Travel & Meetings	\$0.4	\$0.5	\$0.1	24.9%	\$0.1
Professional Services	\$1.8	\$1.3	(\$0.5)	-41.6%	\$0.9
Administration	\$0.9	\$0.9	(\$0.0)	-3.1%	\$0.8
Contingency	\$0.5	\$0.5	\$0.0	0.0%	\$0.0
Capital	\$0.1	\$0.3	\$0.2	68.3%	\$0.0
Depreciation (a)	\$0.0	\$0.0	\$0.0	0.0%	\$0.0
TOTAL CASH EXPENSES	\$10.5	\$9.8	(\$0.6)	-6.5%	\$8.1
EXCESS/(DEFICIT)	\$0.0	\$0.0	\$0.0	0.0%	\$0.0
Average Headcount (FTE) (b)	22.6	22.0	(0.6)	-2.9%	21.6
(a) Depreciation is treated as a cash expense for PTI since it will be reimbursed to ICANN					
(b) FTE: Full-time staff equivalent					

FY23 IANA Budget in Millions, USD	FY24 Budget	FY23 Budget	Under/(Over)		FY22 Actuals
			Total	%	
PTI Services	\$10.5	\$9.8	(\$0.6)	-6.5%	\$8.1
IANA Support Activities (c)	\$0.6	\$0.6	(\$0.0)	-0.3%	\$0.6
TOTAL	\$11.0	\$10.4	(\$0.6)	-6.1%	\$8.7
Average Headcount (FTE)	24.1	23.5	(0.6)	-2.5%	23.0

(c) IANA Support Activities includes the Root Zone Maintainer function, Customer Standing Committee, Root Zone Evolution Committee and IANA Naming Function reviews
These costs are funded by ICANN Org.

5 New Generic Top-Level Domain (gTLD) Program

The question of how new generic top-level domains (gTLDs) are introduced into the Domain Name System (DNS) is an important topic for many people. The process for adding new gTLDs has evolved over time to meet the demands of today's Internet and the stakeholders who use it, such as community organizations, businesses, intellectual property holders, individuals, and more.

The last time new gTLDs were added was through the New gTLD Program 2012 Round. Efforts to prepare the path forward for a subsequent round of new gTLDs are ongoing and part of a community-wide effort to determine how organizations might apply and be selected.

5.1 New gTLD Program 2012 Round

The New gTLD Program 2012 Round is a \$360 million multiyear program launched in 2012 to create new gTLDs. A key goal of the program is to enhance competition, innovation, and consumer choice.

5.1.1 Multiyear View

ICANN org periodically reviews the total estimated costs of the New gTLD Program 2012 Round and currently estimates that this round will end sometime after fiscal year 2025.

Starting with FY21, all United States public, private, and non-profit entities, including ICANN, were required to adopt a new revenue recognition standard (ASC 606) issued by the Financial Accounting Standards Board. The adoption of ASC 606 had no impact on ICANN's funding or cash balances. The adoption of ASC 606 only impacted the timing of the recognition of the revenue from the application fees associated with the New gTLD Program 2012 Round.

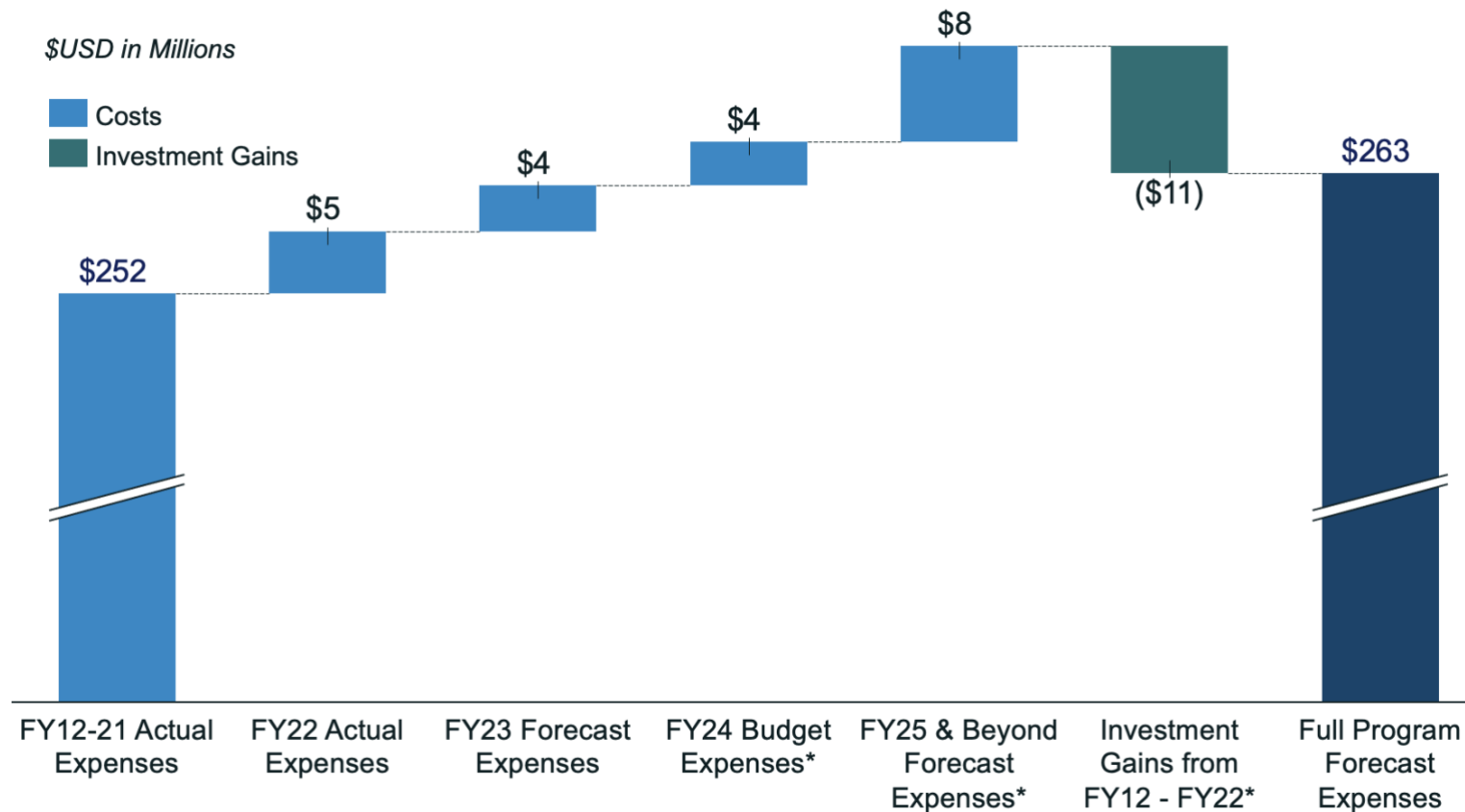
The table reflects the adoption of the new revenue recognition standard in addition to multiyear cost projections. Contingency and investment gains are not estimated for future years.

New gTLD Program 2012 Round	Statement of Activities by Fiscal Year					Statement of Activities for Full Program (Jun 2022) Current Estimate
	FY12 - FY21 Actual	FY22 Actuals	FY23 Forecast	FY24 Budget	FY25 & Beyond Forecast	
New gTLD Applicant Fees	360	(0)	0	0	1	361
Refunds	(52)	0	(0)	(0)	(0)	(53)
Applicant Fees (Net of Refunds)	\$ 308	\$ 0	\$ 0	\$ 0	\$ 0	\$ 308
Initial and Extended Evaluation	(68)	-	-	-	-	(68)
Quality Control and Objection Processes	(11)	-	-	-	-	(11)
Pre-delegation	(12)	-	-	-	-	(12)
Program Costs	(40)	(1)	(2)	(3)	(7)	(53)
Staff Costs	(58)	(2)	(1)	(1)	(1)	(63)
Operating Expenses	\$ (188)	\$ (3)	\$ (3)	\$ (4)	\$ (8)	\$ (206)
Historical Development Costs	(32)	-	-	-	-	(32)
Contingency	(30)	(3)	(1)	-	-	(33)
Non Operating Expenses	\$ (62)	\$ (3)	\$ (1)	\$ -	\$ -	\$ (66)
Other Income/(Expense)	\$ (2)	\$ -	\$ -	\$ -	\$ -	\$ (2)
Investment Income/(Expense)	\$ 11	\$ (0)	\$ 0	\$ -	\$ -	\$ 11
Total Expenses	\$ (241)	\$ (6)	\$ (4)	\$ (4)	\$ (8)	\$ (263)
Net Remaining New gTLD Funds*	\$ 67	\$ (6)	\$ (4)	\$ (3)	\$ (8)	\$ 46

*Note - September 2021 the ICANN Board approved the expenditure of up to US\$9M of New gTLD 2012 Round funds to perform the New gTLD Subsequent Procedures ODP

5.1.2 Cash Expense Analysis

The chart below represents the multiyear forecast in New gTLD Program 2012 Round costs. Application fees collected totaled \$361 million with projected refunds of \$53 million, resulting in net funding of \$308 million. The projected program costs are \$274 million, which are partially offset by investment gains from FY12–FY22 of \$11 million. This results in total costs of \$263 million, equating to projected remaining funds of \$46 million, which will be reserved for unexpected expenses including contingency.



*Contingency and Investment Gains are not estimated for future years

5.1.3 Risks and Opportunities

This section outlines the risks and opportunities of the New gTLD Program 2012 Round in the FY24 Budget. Each scenario is classified as related to funding or expenses; it includes an estimated U.S. dollar impact, and is assigned a probability of “Low,” “Medium,” or “High.”

A risk is defined as “lower funding” or “higher expense.” An opportunity is defined as “higher funding” or “lower expense.”

Risks	Potential Amount	Probability
Expense: Unable to complete application processing and withdrawals by the projected end date of the program	-\$2.0 million	High
Expense: Litigation and accountability mechanisms	TBD	Medium

Opportunities	Potential Amount	Probability
Expense: The Board acts to bring the 2012 Round application Processing to completion	+\$2.0 million	Low

5.2 New gTLD Program Next Round

Milestones

- On 21 January 2016, the GNSO Council chartered a Policy Development Process (PDP) for the New gTLD Program Next Round.
- On 18 February 2021, the Generic Names Supporting Organization (GNSO) Council voted to approve, by a GNSO Supermajority, the Affirmations, Recommendations, and Implementation Guidance (collectively, referred to as "Outputs") that were determined to have received either 'Full Consensus or Consensus' designations as documented in the [New Generic Top Level Domain \(gTLD\) Subsequent Procedures Policy Development Process Final Report](#) (Final Report).
- On 24 March 2021, the GNSO Council transmitted its recommendations to the ICANN Board and the Board considered the Outputs contained in the Final Report. The Final Report Outputs concern complex operational requirements, and the Board determined further due diligence was needed and initiated an Operational Design Phase (ODP) to inform its deliberations about whether the Final Report Outputs are in the best interests of the ICANN community or ICANN (ICANN Bylaws, Annex A, Section 9 (a)).
- On 12 September 2021, the Board approved a [resolution](#), directing the ICANN President and CEO to conduct the ODP to address the questions outlined in the [New gTLD Subsequent Procedures Operational Design Phase Scoping Document](#). ICANN org estimated that the resources needed to perform the ODP would be between 32-49 staff and contractors, at a total cost of between \$7 and 9 million dollars. The ICANN Board approved the expenditure of up to \$9 million dollars in order to perform the ODP.
- In December 2022, the ICANN org submitted its Operation Design Assessment (ODA) report to the ICANN Board for consideration in adopting the Final Report Outputs.
- On 16 March 2023, the ICANN Board approved a [resolution](#) for US\$9 million to cover implementation costs through 31 October 2023 and that any implementation funding beyond that date must be submitted to Board for consideration at the ICANN78 Public Meeting. In addition, the Board adopted 98 recommendations from the GNSO Final Report with 38 pending items to be resolved by the ICANN78 Public Meeting.

ODP of the New gTLD Program Next Round

ICANN org launched the ODP of the New gTLD Program Next Round on 3 January 2022 to develop and provide the ICANN Board with relevant information to inform the Board's determination of whether the recommendations contained in the Final Report are in the best interest of the ICANN community and ICANN. ICANN org identified resources, set up teams, and outlined work tracks to perform the work of the ODP. The team developed a methodology for analyzing the outputs of the Final Report, and identified

several assumptions and questions related to these outputs. A short list of initial assumptions was shared with the community during a [session](#) at ICANN73. ICANN org continues to share assumptions with the GNSO Council and community and have published four additional [lists](#) of assumptions. These are all posted to the [SubPro ODP workspace](#), the [Community Digest](#), and via the [SubPro ODP mailing list](#).

The ODP team provided an ODA document in December 2022 to the ICANN Board which outlines the operational impacts of accepting the recommendations, including potential obstacles, expected costs, and the timeline to implementation. One of the primary benefits of this upfront work is to streamline the overall implementation timeframe by addressing critical requirements and interdependencies early on. To learn more about the ODP process, please visit the ODP webpage [here](#).

Upon completion of the ODP phase, ICANN org consulted with the ICANN Board regarding the options provided in the ODA document. A consensus was reached that further refinement on program implementation, design, and cost structure was necessary. At the ICANN 76 Public Meeting, the ICANN Board directed the ICANN org to deliver a comprehensive implementation plan by 1 August 2023.

FY23 Forecast and FY24 Budget for the New gTLD Program Next Round

A key component of the expenditures for the New gTLD Program Next Round is additional personnel for ICANN org to increase its capacity. Some of the new resources directly support the program, while some are backfills for existing positions that will transfer to the New gTLD Program. ICANN will be seeking a combination of temporary resources to support this project. Work that is temporary in nature and will no longer continue once the program is completed will be handled by temporary resources; whereas work that is to continue through the multiple phases of the project or become part of ongoing operations will be supported by Full-Time Equivalents.

Estimated expenses includes a line item for investigating whether it is feasible for ICANN org to facilitate small in-person or hybrid community meeting(s) to begin generating awareness in underserved regions regarding the potential opportunities of the next New gTLD Program round, to initiate discussions regarding how ICANN org will provide support for linguistic needs, and Internationalized Domain Names, and to provide information regarding ICANN's mission and the goals of the New gTLD Program.

The funding to pay for the New gTLD Program Next Round development costs before program launch, including those of the ODP, will come from the New gTLD Program 2012 Round remaining application fees. These funds are intended to be used on the program, are not specifically earmarked for a specific round, and are, therefore, being used to fund the work on the next round.

ICANN is working under the general assumption that there will be further rounds of the New gTLD Program. The estimated resource requirements have been calculated to ensure that, under the assumption there will be future rounds, ICANN org will be well positioned to use the additional resources to support design planning, implementation, and ongoing operations of the approved policy recommendations.

Board Approved Funding	Date	Amount
ODP Funding	12 September 2021 Resolution	US\$9 Million
Implementation Costs through 31 October 2023	16 March 2023 Resolution	US\$9 Million

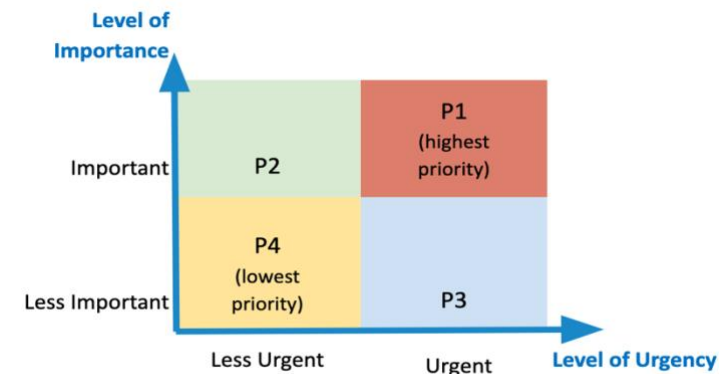
New gTLD Program - Next Round (USD in millions)	Approved ODP Funding (January 2022 through March 2023)	Approved Implementation Funding (April 2023 through October 2023)	Total Approved Funding (January 2022 through October 2023)
Personnel	\$6.0	\$5.1	\$11.1
Travel	\$0.0	\$0.4	\$0.4
Prof Svcs	\$2.7	\$2.1	\$4.8
Admin	\$0.2	\$0.5	\$0.7
Total	\$9.0	\$8.0	\$17.0
Contingency		\$1.0	\$1.0
Total Expenses	\$9.0	\$9.0	\$18.0
FTE Equivalent	15.9	27.5	19.6

6 Reviews Implementation Prioritization

Per the ICANN Investment Policy ([ICANN Investment Policy](#)), the SFICR is to be used to fund projects and initiatives that are specifically approved to be funded in the annual planning and budget process. The funding of these projects by the SFICR occurs, as approved by the Board, when the size, complexity, and length of the project create a challenge to be solely funded by annual funding.

In February 2022, ICANN's Planning team developed a planning prioritization framework (pictured to the right) to help the ICANN ecosystem prioritize its work within the planning cycle in a manner that is transparent, inclusive, and efficient. A pilot with community members was held in the second quarter of calendar year 2022 to focus on Board-approved Specific Review (the third Accountability and Transparency Review; the Competition, Consumer Trust and Consumer Choice Review; the second Security, Stability and Resiliency Review; and the second Registration Directory Service Review) recommendations eligible for prioritization and to rate them using the "Urgency-Importance Matrix" technique. Forty-five

recommendations/recommendation components were rated on priority and feasibility to operationalize. ICANN org has identified thirty recommendations that can be implemented throughout FY23 and FY24 with incremental funding outside of the annual plan and operating budget.



In November 2022, the Board approved a [resolution](#) for the utilization of \$5.8 million from the SFICR to fund one-time efforts for prioritized review implementations. This action is consistent with ICANN's mission and is in the public interest as it is important to ensure that Board-approved recommendations resulting from Specific and Organizational Reviews are implemented according to ICANN's Bylaws and that a healthy multistakeholder model is supported.

ICANN org conducted a cross functional assessment of resources required to complete the implementation of the prioritized Board-approved recommendations. Fifteen functions across the org were identified as having roles in the implementation of recommendations, which require staff and external resources to complete. The one-time effort of implementation will cost \$5.8 million and take approximately one year to complete. All ongoing efforts to maintain service levels and recommendation

requirements, after initial implementation, will be incorporated into ICANN org's annual plan and budget.

One-Time Implementation costs and Recurring Costs for Review Prioritization

Review Prioritization	One-Time Implementation Costs				Recurring Costs			
	Personnel		Non-Personnel	Total	Personnel		Non-Personnel	Total
Activity	FTE	\$	\$	\$	FTE	\$	\$	\$
ATRT3	5.9	\$1.3	\$1.3	\$2.7	0.6	\$0.1	\$0.0	\$0.2
CCT	5.9	\$1.3	\$1.1	\$2.4	3.1	\$0.7	\$0.2	\$0.9
SSR2	1.4	\$0.3	\$0.3	\$0.6	0.3	\$0.1	\$0.0	\$0.1
RDS - WHOIS2	0.6	\$0.1	\$0.0	\$0.2	0.0	\$0.0	\$0.0	\$0.0
Grand Total	13.8	\$3.1	\$2.7	\$5.8	4.1	\$0.9	\$0.3	\$1.2

The one-time implementation costs will be incurred during FY23 and FY24 and the recurring costs will begin in FY24. The \$6 million implementation costs will be funded by the SFICR. Below is a breakdown of the implementation costs by fiscal year:

- FY23 Forecast: ~\$2 million costs
- FY24 Budget: ~\$4 million costs

After implementation, recurring costs will be incorporated into the ICANN Operations budget and will no longer utilize the SFICR as a funding source.

7 Registration Data Request Service

The Registration Data Request Service has had several names and iterations. Below is a milestone summary of key events as well as next steps regarding this initiative which will be funded by the SFICR.

Milestones

- In September 2020, the Generic Names Supporting Organization Council (GNSO Council or Council) [voted to approve](#) all of the recommendations in its [Final Report](#) on the Expedited Policy Development Process on the Temporary Specification for gTLD Registration Data (EPDP) Phase 2.
- In March 2021, the ICANN Board [directed the then President and CEO](#) to proceed with the Operational Design Phase (ODP) for GNSO Council-approved recommendations 1-18 from the EPDP Phase 2 Final Report on the System for Standardized Access/Disclosure (SSAD).
- In January 2022, ICANN published its [Operational Design Assessment](#) (ODA) of the SSAD.
- In April 2022, the Phase 2 Expedited Policy Development Process on the Temporary Specification for gTLD Registration Data Small Team (Small Team), which the GNSO Council tasked to assess the ODA, delivered its [Preliminary Report](#) to the GNSO Council, recommending a "proof of concept" approach.
- The GNSO Council and the ICANN Board consulted regarding the next steps for the SSAD and the GNSO Council [requested on 27 April 2022](#) that the ICANN Board pause its consideration of the recommendations concerning the SSAD while work continues on a "proof of concept".
- In June 2022, the ICANN Board [agreed](#) to the Council's request to pause its consideration of the SSAD policy recommendations.
- In September 2022, ICANN org published a WHOIS Disclosure System (System) [Design Paper](#) based on the "proof of concept" approach outlined by the Small Team.
- The GNSO Council informed [the ICANN Board on 17 November 2022](#) that the Council unanimously accepted the [Addendum to the Preliminary Report](#) (Addendum) prepared by the Small Team. The Council also noted its expectation that the System's name be modified before launch.
- The Board Finance Committee (BFC) reviewed and recommended that the funding for the development and up to two (2) years of operation of the System be sourced from the Supplemental Fund for Implementation of Community Recommendations (SFICR) to which the ICANN Board agreed.

- The ICANN Board supported moving forward with the GNSO Council's recommendation to develop and operate the System as set forth in the Council's 17 November 2022 [letter](#).
- On 27 February 2023, the ICANN Board [approved](#) a resolution to develop and launch the System as requested by the GNSO Council within 11 months from the date of the resolution.

During ICANN76 in Cancún, the Small Team and ICANN org project team agreed to change the name of the System to the Registration Data Request Service (RDRS). ICANN org will operate the RDRS for up to two years from the date of launch, and collect and report on usage data.

The success of the data collection effort facilitated by the RDRS will depend on its usage, including registrar participation and requestor usage. The ICANN Board encouraged the GNSO Council to consider how best to promote and secure comprehensive use of the RDRS by ICANN-accredited Registrars for all data access requests, including through consensus policy development undertaken in parallel with RDRS development. The ICANN Board also urged the GNSO Council to partner with ICANN org and the Small Team to identify and articulate agreed upon success criteria for the RDRS.

8 Grant Program

The ICANN Grant Program is based on the recommendations in the [Final Report](#) of the Cross-Community Working Group on New gTLD Auction Proceeds. The community's recommendations were [adopted](#) by the ICANN Board in 12 June 2022. The Board directed ICANN org to produce a preliminary implementation plan in line with the [ICANN Board Scorecard](#) within 120 days. ICANN org presented the Preliminary Design and Implementation Plan to the Board in October 2022 and is in the process of implementation. ICANN org will consider how to provide opportunities for engagement throughout implementation.

The Grant Program will distribute the proceeds from auctions of last resort in the [New gTLD Program 2012 Round](#). The Program will be open to applications that are supportive of ICANN's mission. The future distribution of this significant amount of funding is an exceptional opportunity to make a difference in the Internet ecosystem, in furtherance of ICANN's mission.

ICANN org will continue to update the Board and community as the implementation of the Program progresses through the end of FY23 and FY24.

Up to \$10 million will be made available in grants during the first cycle. During the preliminary implementation design, ICANN org simulated a scenario of receiving around 200 grant applications for the first cycle and approving approximately 50 grants with an average grant award of \$200 thousand.

The FY24 \$4 million for the Program administration is a high-level estimate that includes the end of the one-time implementation costs (which started in FY23 and relate to the all the cycles of the entire Program), and most of the cost estimate for the first cycle (starting in FY24 and finishing in early FY25). A more detailed and comprehensive cost estimate is being developed at the time of publication of this document as the org's implementation team continues to design the Grant Program. Furthermore, decisions that have still to be made during the implementation design phase of the Program as well as contract with vendors for outsourced services will inform more precise budget figures.

The one-time implementation costs include costs such as creating the Grant Program department and drafting the extensive Program literature and documentation, while the recurring costs cover personnel, awareness and outreach communication campaigns, and outsourced services, including the Independent Assessment Panel.

ICANN org is committed to containing costs and expenditures to reasonable levels in line with industry standards of grant administration costs over the entirety of the pool of funds to be awarded and disbursed.

9 Reserve Fund

The Reserve Fund is invested according to a conservative [Investment Policy](#) which includes limited exposure to fluctuations of the financial markets. Returns are correlated with the trends of the financial markets and therefore any increase or decrease in return is consistent with, but less than, financial market trends resulting from recent events (i.e., Russia-Ukraine conflict, inflation, rising interest rates, and a potential recession).

In FY22, the Reserve Fund investment decline was nine percent. Due to the Reserve Fund's investment strategy and mix of assets, the decline was much lower than most financial benchmarks, which declined 20 percent or more during the fiscal year. The investment decline in the Reserve Fund had no operational impact to ICANN org as these funds are used as a last resort to cover large expenses resulting from unavoidable or unplanned events, which cannot be funded from ICANN's Operations.

The Reserve Fund has a long-term horizon and the investment strategy has been successful over time. During the last five fiscal years, the Reserve Fund has net investment gains of \$9 million, which includes the declines in FY22. Over the last 10 fiscal years, the average investment gain has been about six percent per fiscal year. To further improve the strategy, risk, and efficiency of the Reserve Fund due to the recent changes in the market environment, the Board [approved](#) an Investment Policy update in July 2022. In addition, in November 2022, the Board [approved](#) a \$19 million transfer to the Reserve Fund from the Operating Fund.

In 2018, the Board [approved](#) an eight-year replenishment strategy that included a goal of reaching a fund balance equal to at least 12 months of operating expenses. The Reserve Fund balance is currently above this goal and ICANN org is committed to keeping the balance above one year of budgeted expenses.

10 Appendix

10.1 Registrar Fees

Registrar fees are to be approved by the Board before submitting variable accreditation fees to voting by the registrars after the Budget goes into effect.

Approximately 2,550 registrars are accredited by ICANN as of 31 March 2023. These relationships are governed by the Registrar Accreditation Agreement (RAA), and the most recent version was approved in June 2013. The RAA is a five-year agreement that provides for the following types of fees:

Fee Type	Description
1_Application Fees	<p>Application fees are paid one time by prospective registrars at the time of application.</p> <p>In FY24, application fees are estimated to be \$98,000 based on a volume of 28 applications and a fee of \$3,500 per application.</p>
2_Annual Accreditation Fees	<p>Annual accreditation fees are fees that all registrars are required to pay annually to maintain accreditation. The fee is \$4,000 per year. Registrars have the option of paying the annual \$4,000 accreditation fee in quarterly installments of \$1,000.</p> <p>In FY24, the annual accreditation fees are estimated at \$9.8 million, based on 2,452 registrars renewing and being newly accredited.</p>

Fee Type	Description
3_Variable Accreditation Fees	<p>Variable accreditation fees are based on the transaction type and volume of each registrar. There are two types of fees associated with the variable accreditation fees:</p> <ul style="list-style-type: none"> • Per-registrar variable fee • Transaction-based fee
3.1_Per-Registrar Variable Fees	<p>Per-registrar variable fees are based on a validated concept that ICANN expends the same effort in providing services to a registrar regardless of size. However, if the registrar is considerably small in size and activity, some registrars will continue to be eligible for “forgiveness” of two-thirds of the standard per-registrar variable fee. To be eligible for forgiveness, a registrar must meet both of the following criteria:</p> <ul style="list-style-type: none"> • Less than 350,000 gTLD names under its management • No more than 200 attempted adds per successful net add in any TLD <p>Forgiveness will be granted each quarter to all registrars that qualify.</p> <p>The amount per registrar is calculated each quarter by dividing \$950,000 (one-fourth of \$3.8 million) equally among all registrars that have at least been accredited for one full quarter or have made at least one transaction, taking into consideration the forgiveness factor.</p> <p>In addition, a discount of 10 percent is granted to all registrars operating under the 2013 RAA.</p>
3.2_Transaction-Based Fees	<p>Transaction-based fees are assessed on each annual increment of an add, renewal, or transfer transaction that has survived a related add or auto-renew grace period. If approved again, these fees will be billed at \$0.18 per transaction for registrars operating under the 2013 RAA (resulting from a \$0.20 base fee, discounted by 10 percent to \$0.18).</p>

Since 2013, the Budget has assumed an Add Grace Period (AGP) excess deletion fee to eliminate domain tasting:

- The amount for AGP deletion fees was assumed to be zero in past Budgets and is assumed to be zero for the FY24 Budget.
- AGP excess deletion fees are assessed on each domain name deleted, in excess of the threshold, during an add-grace period. The threshold is the larger of 50 or 10 percent of total add, per month, and per TLD. The rate per excess deletion is \$0.20.

Below is a summary of the estimated registrar fees by fee type.

In Millions, US Dollars	FY24 Budget	FY23 Forecast
Registrar Transaction Fees	\$ 37.8	\$ 38.5
Accreditation Fees - annual	9.8	9.9
Per-registrar Variable Fees	3.4	3.4
Total Registrar Funding	\$ 51.0	\$ 51.8

Other FY24 Scenarios	
High	Low
\$ 41.9	\$ 34.1
10.0	9.3
3.4	3.4
\$ 55.4	\$ 46.9

10.2 Fund Governance

Name of Fund	Description of Fund
1 Operating Fund, SFICR, and Reserve Fund	These are governed in accordance with the ICANN Investment Policy . Extracts are shown below.
1.1 Operating Fund	It funds the day-to-day operations of ICANN, including all items in the ICANN Board-approved annual Budget. The Operating Fund contains enough funds to cover ICANN's expected expenditures for at least three months. Periodically, any excess funds are transferred to the ICANN Reserve Fund or Supplemental Fund for Implementation of Community Recommendations.
1.2 SFICR	The Supplemental Fund for Implementation of Community Recommendations (SFICR) was created to establish segregated resources to increase the capacity of the organization to address projects that are multi-year and focus on Board-approved community recommendations (for policies or resulting from reviews and cross-community working groups) that are approved by the Board. Its funding and expenses are evaluated annually during the planning process as well as periodically by the Board Finance Committee (BFC) and the Board.
1.3 Reserve Fund	<p>The Reserve Fund is ICANN's funding to cover large expenses resulting from unavoidable, unpredictable, or unplanned events, which cannot be funded as ICANN's operations. Any use of the Reserve Fund is restricted by actions of the Board, with a partial delegation of authority to the BFC.</p> <p>The Reserve Fund balance is currently above this goal and ICANN org is committed to keeping the balance above one year of budgeted expenses.</p>

Name of Fund	Description of Fund
2 New gTLD Program and Auction Proceeds	These are governed in accordance with the New gTLD and Auction Proceeds Investment Policy . Please see extracts from this document below.
2.1 New gTLD Program	This corresponds to the unspent portion of the New gTLD Program 2012 Round application fees, collected from applicants during the application window in 2012. The funds are used to evaluate the applications and to cover hard-to-predict costs (including contingency), and starting in FY22, to cover New gTLD Program Next Round.
2.2 Auction Proceeds	The ICANN Auction is a mechanism of last resort to resolve string contention within the New gTLD Program 2012 Round. Auction Proceeds are reserved and earmarked for the Grant Program.

10.3 Additional Financials

10.3.1 Total ICANN FY23 Forecast

Total ICANN Financials		For the Twelve Months Ending 30 June 2023				
In Millions, US dollars	Operating Fund	New gTLD Fund	SFICR	Auction Proceeds	Reserve Fund	Total
Funds Under Management - 30 Jun 2022	\$63	\$70	\$20	\$210	\$143	\$506
Funding	148	-	-	-	-	148
Personnel	(83)	(6)	(1)	(1)	-	(91)
Travel & Meetings	(13)	(1)	(0)	(0)	-	(14)
Professional Services	(27)	(6)	(1)	(1)	-	(35)
Administration	(18)	(1)	(0)	(0)	-	(19)
Capital	(2)	-	-	-	-	(2)
Contingency	(4)	-	-	-	-	(4)
Total Expenses	(148)	(14)	(2)	(2)	-	(166)
Operating Fund Excess Transfers	(19)	-	-	-	19	-
Grants Distributed	-	-	-	-	-	-
Investment Income/(Decline)	0.4	0.6	0.2	2.1	1.6	5
Funds Under Management - 30 Jun 2023	\$44	\$57	\$18	\$210	\$164	\$493
Total Average FTE	409	18	2	2	-	431

Please note the following about the table above:

- The Operating Fund includes the day-to-day funding and expenses of ICANN Operations
- New gTLD Fund includes work on the New gTLD Program 2012 Round and the next round of the New gTLD Program Next Round
- SFICR activity consists of implementation of prioritized Board-approved review recommendations
- Auction Proceeds are utilized for the Grant Program
- The Reserve Fund ending balance includes a \$19 million transfer from the Operating Fund
- All funds assume modest investment gains
- Full-Time Equivalents (FTEs) reflect the average in the fiscal year (please see Glossary for a definition of FTEs)

The table above starts with funds under management and the beginning balance of each fund as of 30 June 2022, which is the end of FY22. Based on four months of actual data and eight months of estimates in FY23, the following lines of the table show the funding and expense activities of each fund as it relates to operations in FY23. Operating Fund transfers resulting from excess in that fund from FY22 have been approved by the Board and are detailed below. ICANN is now investing most of its funds under management and has forecasted a positive return for each fund depending on its investment criteria. The result of these activities shows the ending balance of each fund as of 30 June 2023, which is the end of FY23.

Please see below for additional details regarding each entity and its corresponding fund.

Operating Fund

- Funding is \$148 million, which reflects consideration of historical data from the past few years as well as negative impacts resulting from inflation and a potential recession.
- Expenses are \$148 million, balanced to ICANN Operations funding and assume that normal working conditions continue.
 - Personnel expense reflects an average headcount of 409.
 - Travel and meeting expenses assume three ICANN Public Meetings with a face-to-face component and otherwise unrestricted travel.
 - Total expenses include contingency.

New gTLD Fund

- Expenses are \$14 million.
 - \$4 million is related to the 2012 Round, including direct expenses and allocations from ICANN Operations.

- \$9 million is related to finishing the ODP and ODA for the New gTLD Program Next Round, and beginning implementation, including direct expenses and allocations from ICANN Operations.

SFICR

- Review implementation work is set to begin in FY23 with projected expenses of \$2 million, including direct expenses and allocations from ICANN Operations.

Auction Proceeds

- Grant program work began in FY23 and is projected to cost \$2 million, including direct expenses and allocations from ICANN Operations.

Reserve Fund

- Ending balance is \$164 million, following a \$19 million transfer from the Operating Fund.

10.4 Caretaker Budget

Article 6, Section 6.2 of the [ICANN Bylaws](#), Powers and Acknowledgements, defines the powers and rights attributed to the Empowered Community. One of those powers follows: “(iii) Reject ICANN Budgets, IANA Budgets, Operating Plans as defined in Section 22.5(a)(i), and Strategic Plans as defined in Section 22.5(b)(i).”

After approval by the Board, the IANA and ICANN Budgets each come into effect after giving time for the Empowered Community to consider whether it will raise a petition to reject either Budget. This is typically a 28-day period that includes 21 days to raise a petition and seven days to achieve support. Therefore, even when no petition is raised against the Budget, there is a 28-day waiting period for the Budget to go into effect.

If the Board approves either the IANA Budget or the ICANN Budget for the next fiscal year with less than 28 days remaining before that fiscal year begins, then a Caretaker Budget must be proposed for adoption. Under the ICANN Bylaws, there is both a Caretaker ICANN Budget and a Caretaker IANA Budget described at Annexes E and F, respectively. The respective Budgets:

- Must go into effect if the ICANN Budget or IANA Budget at issue cannot come into full force at the beginning of a fiscal year.
- Remain in effect during any Empowered Community Petition Process, if initiated.
- Continue to be in effect until the Budget at issue is approved by the Board and not rejected by the Empowered Community.

The following steps are a pragmatic approach to define the ICANN or IANA Caretaker Budget:

- Use the Operating Plan and Budget that the ICANN Board approved as a base, while respecting the principles of the Caretaker Budget:
 - Suspend the publication of any new positions for hire effective from the date of the rejection by the Empowered Community (the veto date) until a new Budget is approved by the Board.
 - Reduce by 10 percent the total allowed expenses for the following categories for the period starting on the date of rejection by the Empowered Community until a new Budget is adopted by the Board and not rejected by the Empowered Community, using the monthly breakdown of the Board-approved Budget:
 - Travel and Meetings.
 - Professional Services.
 - Exclude any expense directly associated with the reason for which the Empowered Community rejected the Budget, if such expense can reasonably be isolated and avoided.

11 Glossary of Terms

The following section explains the terms used to describe the fundamental elements of this document. For additional references, please visit the [Acronyms and Terms feature on ICANN.org](#).

11.1 General Budget Terms

Budget

The Budget is a financial estimate for ICANN activities throughout the fiscal year, which begins 1 July and ends 30 June of the following calendar year. The Budget includes estimates for funding and expenses that enable ICANN to carry out its mission. Budget documents are published twice per planning cycle: as a “Proposed-for-Adoption” in December and after the Board approves the “Adopted” in April or May of the following year.

Forecast

Like the Budget, a Forecast is a financial estimate at a point in time. A Forecast is usually meant to be a future iteration of the Budget in light of actual events that have occurred and new information or assumptions regarding future events.

Total ICANN

Total ICANN describes the financial components of ICANN Operations (including IANA), the New gTLD Program 2012 Round, the New gTLD Program Next Round, the Grant Program, and Reviews Implementation Prioritization. It also includes ICANN's funds under management.

ICANN Operations

ICANN Operations consist of the ongoing activities performed to coordinate the Internet's technical functions such as the technical coordination, including the allocation and assignment of names in the root zone, of the domain name system (DNS), facilitation of the coordination of the operation and evolution of the DNS root name server system, and the coordination of the unique identifiers and codes that keep the DNS running smoothly. In addition, ICANN Operations include the coordination of the development and implementation of policies concerning the registration of second-level domain names in generic top-level domains (gTLDs) and contractual compliance, along with all of the services needed to keep these activities operational. These activities include the development of policies designed to maintain the security, stability, and resiliency of the DNS.

New gTLD Program

New gTLD Program consists of the New gTLD Program 2012 Round and New gTLD Program Next Round.

New gTLD Program 2012 Round

The New Generic Top-Level Domain Program 2012 Round (New gTLD Program 2012 Round) is implemented by ICANN org to enable the expansion of the DNS. The New gTLD Program 2012 Round has made it possible for communities, governments, businesses, and brands to apply to operate a gTLD registry, the database of all domain names registered in a top-level domain. The New gTLD Program 2012 Round aims to enhance innovation, competition, and consumer choice.

New gTLD Program Next Round

New gTLD Program Next Round is the subsequent round of the New gTLD Program, which was designed to produce a systemized and ongoing mechanism for applicants to propose new top-level domains. Those policy recommendations remain in place for subsequent rounds of the New gTLD Program unless the Generic Name Support Organization (GNSO) Council decides to modify those policy recommendations via a policy development process. On 18 February 2021, the GNSO Council voted to approve the New Generic Top Level Domain (gTLD) Subsequent Procedures Policy Development Process Final Report (the "Final Report"). In response, ICANN org performed an Operation Design Assessment that will be reviewed by the ICANN Board the beginning of calendar year 2023 to facilitate the Board's determination whether the recommendations contained in the Final Report are in the best interest of the ICANN community or ICANN, in accordance with the ICANN Bylaws.

Public Technical Identifiers

[Public Technical Identifiers](#) (PTI) is a nonprofit organization and affiliate of ICANN that was created in 2016. ICANN org has delegated the performance of most of the Internet Assigned Numbers Authority ([IANA](#)) functions to PTI pursuant to contracts and sub-contracts with PTI. The [IANA functions](#) include maintenance of Internet number resources, management of the DNS [root zone](#), and other operational aspects of coordinating the Internet's unique identifiers.

SSR Initiatives

Security, Stability, and Resiliency (SSR) Initiatives focus on the commitment to enhance the operational stability, reliability, resiliency, security, and global interoperability of the systems and processes, both internal and external, that directly affect or are affected by the Internet's system of unique identifiers that ICANN coordinates.

11.2 Financial Terms

Funding

Funding for ICANN org is similar to revenue at a for-profit company. ICANN org receives most of its funding from its contracted parties in the form of transaction fees for registrations and renewals of domain names, as well as fixed fees. In addition, contributions and sponsorships at ICANN organized meetings make up a small share of the organization's funding. All funding is used to carry out ICANN's Mission to ensure the stable and secure operation of the Internet's unique identifier systems. The funding categories below are the sources of ICANN org's funding.

Funding Categories:

Transactions

ICANN org receives transaction fees for registrations, renewals, and transfers of domain names. Transactions are generally categorized as coming from Legacy TLDs or New gTLDs. Transactions must meet a minimum criterion to be considered billable. Transactions fees are billed for quarterly.

Registry Fixed Fees

Registry Operators pay a fixed fee to ICANN org, which is billed for quarterly.

Registrar Accreditation Application Fees

New registrars can apply to be an accredited registrar with ICANN. Funding is received as applicants apply and is used to cover processing expenses.

Registrar Accreditation Fees

ICANN-Accredited Registrars pay a fixed fee to ICANN org and have the choice to be billed annually or four times per year. Billing dates depend on when the registrar became accredited.

RIR Contribution

Regional Internet Registries (RIR) provide an annual contribution to ICANN org.

ccTLD Contributions

Country code top-level domain (ccTLD) registries make voluntary contributions to ICANN org.

Meeting Sponsorship/Other

This category includes sponsorships for events such as ICANN Public Meetings, and other miscellaneous funding or income. In the Budget document, expenses incurred to support ICANN org's mission are often represented with the cost categories below.

*Expense Categories:***Personnel**

Personnel expenses represent the expenses for all personnel inclusive of standard of living increases, promotions, and health and benefits costs. Careful management of resources has kept the headcount at ICANN org stable and consistent with the Budget. Requests to create new positions or fill existing vacant positions must be approved by the ICANN President and CEO, the SVP, Planning and CFO, and the SVP, Global Human Resources. This rigorous process allows the organization to strategically evaluate each new hire, controlling headcount growth and ensuring proper allocation of resources. In regard to new hires, ICANN org budgets as a whole organization for headcount growth. The new hire figure is represented as a whole and not allocated out to the functional activities since it cannot be predicted at a department level.

Travel and Meetings

Approximately 50 percent of ICANN org's travel and meetings costs support hosting three Public ICANN Meetings a year. Other travel and meetings costs are for travel of personnel to various engagement and non-ICANN meeting events and to support community outreach and engagement.

Professional Services

Generally, about 50 to 60 percent of ICANN org's professional services expenses are related to consulting and temporary staffing services. The largest vendors in this category are engineering and information technology resources that are outsourced due to the changing technical needs of the organization and the lower cost of off-shore resources. About 15 percent is legal services for such items as contracted party agreements, accreditation matters, general advice, and litigation and dispute resolution. About 10 percent covers ICANN's language service needs, such as translation and transcription services related to ICANN Public Meetings. The remaining five to 15 percent of professional services is fragmented across various categories.

Administration

This cost category includes general and administrative expenses associated with ICANN activities, including rent, software licenses, business insurance, and IT support services. Administrative expenses exclude depreciation and bad debt.

Capital

Capital expenses cover purchases for net assets, usually for hardware expenses such as servers and computer equipment. In addition, if internal or external work is performed on a project that is considered an asset, such as a website, these “Personnel” and “Professional Services” costs are moved to “Capital” per the Generally Accepted Accounting Principles (GAAP).

Contingency

Contingency is a placeholder in a Budget or Forecast for unforeseen costs that may occur throughout the fiscal year.

Other categories:

Net Excess/(Deficit)

Net Excess/(Deficit) represents the difference between funding and operating expenses. Net Excess, a positive number, indicates that funding was greater than operating expenses. Net Deficit, a negative number usually shown with parentheses, indicates that expenses were greater than funding.

Full-Time Equivalents

Full-Time Equivalents (FTEs) is a unit that indicates the level of employee resources towards an organizational segment or project. Reporting using FTEs allows organizations to compare levels of resources. For example, a segment with 1.0 FTEs is equivalent to one full-time employee dedicated to that area, while a segment with 0.5 FTEs signals half of a full workload.

Budgeted New Hires

Open positions planned to be hired between the time of publication and the end of FY24. These positions are budgeted at the organizational level instead of being allocated to specific functional activities.

Allocations to Other Segments

This category includes allocations to the New gTLD Program, Reviews Implementation and Registration Data Request Service (funded via SFICR), and Grant Program (funded via Auction Proceeds). A fraction of ICANN org’s expenses, consisting of personnel costs and overhead expenses, are allocated to these segments.

Highlights of the Proposed-for-Adoption ICANN FY24–28 Operating and Financial Plan and ICANN FY24 Operating Plan and Budget

April 2023



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1 Overview

The purpose of the Highlights document is to provide an overview of the ICANN FY24–28 Operating and Financial Plan and ICANN FY24 Operating Plan and Budget.

It accompanies two other documents:

- Proposed-for-Adoption ICANN FY24–28 Operating and Financial Plan and FY24 Operating Plan
- Proposed-for-Adoption ICANN FY24 Budget

In accordance with ICANN’s Bylaws, documents are divided into a five-year operating and financial plan, a one-year operating plan, and a one-year budget.

2 Proposed-for-Adoption Plans Compared to the Draft Plans

Following the Public Comment period, all received comments were taken into consideration, and where appropriate and feasible, incorporated into the Proposed-for-Adoption plans. The [Public Comment Proceeding Summary Report](#) was published in March 2023. The table below summarizes the updates made to the proposed for adoption plans:

Plan Reference	Type of change	Description of the Change	Comments and Rationale
FY24-28 Operating and Financial Plan	Updated Functional Activity: Global Meetings Operations	Update the Meetings schedule to align with FY24 Meetings schedule	In response to Public Comments received
FY24-28 Operating and Financial Plan	Updated Operating Initiative: Promote and Evolve the DNS Through Open and Transparent Processes That Enable Competition and Open Entry in Internet-Related Markets While Ensuring the Stability, Security, and Resiliency of the DNS	Added wording to summarize changes made to the five-year Operating and Financial Plan as a result of Board decisions that occurred after the draft publication on 14 December 2022.	See Board decisions on the Registration Data Request Service and New gTLD Program Next Round

FY24-28 Operating and Financial Plan	Updated Functional Activity: Internationalized Domain Names and Universal Acceptance	Added wording to summarize changes made to the five-year Operating and Financial Plan as a result of Board decisions that occurred after the draft publication on 14 December 2022.	See Board decisions on the Registration Data Request Service and New gTLD Program Next Round
FY24-28 Operating and Financial Plan	Updated Functional Activity: Strategic Initiatives	Added wording to summarize changes made to the five-year Operating and Financial Plan as a result of Board decisions that occurred after the draft publication on 14 December 2022.	See Board decisions on the Registration Data Request Service and New gTLD Program Next Round
FY24 Budget	Updated Total ICANN section: revised costs, Full Time Equivalents (FTEs), and funds under management for New gTLD Program Next Round	Updated financials to reflect revised costs, FTEs, and funds under management for the New gTLD Program Next Round.	See Board decision on the New gTLD Program Next Round
FY24 Budget	Updated Total ICANN section: revised costs, FTEs, and funds under management for Registration Data Request Service (RDRS)	Updated financials to reflect revised costs, FTEs, and funds under management for RDRS.	See Board decision on the Registration Data Request Service
FY24 Budget	Updated New gTLD Program section	Updated milestones and information for steps post Operational Design Phase (ODP) related to the New gTLD Program Next Round.	See Board decision on the New gTLD Program Next Round
FY24 Budget	Added Registration Data Request Service section	Added section to summarize milestones and next steps of the Registration Data Request Service.	See Board decision on the Registration Data Request Service
FY24 Budget	Updated Grant Program section	Updated wording to enhance clarity of the Grant Program.	Improvement identified
FY24 Budget	Added Additional Budget Requests (ABRs) table in ICANN Operations section	Added table of recommended ABRs which includes submitting organization, description, and estimated amount.	Due to the completion of the process

3 Operating Plan Highlights

3.1 Operating Plan Assumptions

Updates to the Strategic Plan: Throughout its life cycle, the Five-Year Strategic Plan is periodically reviewed and adapted as needed to account for significant shifts in existing or new trends. ICANN tracks and monitors trends that impact the Internet ecosystem to update and inform its plans as needed. Between February and April 2022, ICANN convened 13 strategic outlook sessions with 261 participants from the community, Board, and org. Feedback received during those trend sessions was collected and analyzed as strategic outlook trends, risks, opportunities, and potential impacts on ICANN were assessed.

The monitoring of the evolution of the top trends that affect ICANN showed that the strategic objectives of the organization set forth in the FY21–25 Strategic Plan do not need to change at this point. The analysis produced some opportunities for adjustments to the Five-Year Operating and Financial Plan, specifically in how and when objectives are addressed. On 16 November 2022, the [Board resolved](#) that the FY21–25 Strategic Plan shall remain in force and unchanged at this time. The details of this analysis and conclusions have been documented in the FY24 Strategic Outlook Trends Report which can be found [here](#).

Affordability: The FY24–28 Operating and Financial Plan is forward-looking and uses “base” scenario Operations funding projections. However, the financials used beyond FY23 are intended to be flexible to allow ICANN to adjust the level of activity and expenses should future funding levels change. ICANN org plans for operating expenses to remain at or lower than budgeted funding, drawing from designated and available funding sources. Ensuring that Operations expenses do not exceed Operations funding and that sufficient reserves are reached and maintained at all times are two key principles of ICANN’s long-term, financial sustainability.

Face-to-Face meeting and engagement: The COVID-19 pandemic has changed how the ICANN community has worked and interacted since late FY20. As safety protocols have eased, many face-to-face work and engagement activities have returned with hybrid meetings starting from late FY23. While the future is unknown, ICANN’s planning and budgeting forecasts processes for FY24–28 are based on normal, pre-COVID operations including face-to-face ICANN Public Meetings and other types of engagement activity. ICANN will adapt and update operations as required in close collaboration with the Board and community.

Changes from FY22–26 Operating Plan: The draft FY24–28 Operating and Financial Plan updates the FY22–26 Operating and Financial Plan, and continues to demonstrate how ICANN implements its current Strategic Plan. Many of ICANN’s activities to

implement its Mission or operate the organization continue each year. Any new activities or changes to existing ones are marked with a delta (△).

Planning for Board Approved Activities: ICANN org supports the community-led activities that result in review recommendations, cross-community working group recommendations, policy recommendations from policy development processes, and advisory recommendations. Policies and other recommendations progress through various stages such as initiation, development, finalization, Board consideration, implementation planning, and implementation. ICANN begins designing the expected implementation work only as such recommendations move forward and reach the stage of Board approval. After the Board adopts recommendations, the implementation work of design, planning, scheduling and delivery starts.

In an effort to present a comprehensive view of projected ICANN org operations over the five-year period, the FY24–28 Operating and Financial Plan includes areas of work still under discussion within the community or under Board consideration. Please see [Appendix A—ICANN Rolling Five-Year Roadmap](#) for more details.

ICANN org updates its Five-Year Operating and Financial Plan annually to include the latest activities that the org is responsible to implement. While the Five-Year Operating and Financial Plan reflects a high-level roadmap of community-led activities, any implementation activities expected during the coming fiscal year are incorporated into the Annual Operating Plan and Budget.

Planning Prioritization: ICANN’s focus remains firmly on the prioritization and allocation of resources needed to successfully implement the operating initiatives and functional activities in the FY24–28 Operating and Financial Plan and FY24 Operating Plan and Budget.

In the FY23 plans, ICANN org prioritized the implementation of recommendations from the Cross-Community Working Group on ICANN Accountability Work Stream 2 (CCWG-WS2), as well as the implementation of the Enhancing the Effectiveness of ICANN’s Multistakeholder Model work plan. This work continues in FY24.

“Planning at ICANN” is one of the 11 operating initiatives in the ICANN FY24–28 Operating and Financial Plan and the ICANN FY24 Operating Plan and Budget. One component of this operating initiative is to deliver a draft prioritization framework to be used during the annual planning process. The planning prioritization framework project launched at the end of FY21. The FY24 Planning Prioritization process took place in September and October 2022, and [a list of activities](#) were prioritized by community members for ICANN to consider during the development of the Operating Plan.

3.2 Operating Initiatives

Operating initiatives describe how ICANN org will achieve the objectives and goals set out in the ICANN Five-Year Strategic Plan. The 11 operating initiatives listed below represent major areas of work that support the strategic objectives and targeted outcomes identified in the Strategic Plan.

The 11 operating initiatives are:

1. Support the Evolution and Strengthening of the Root Server System and Root Zone Management
2. Facilitate the Domain Name System (DNS) Ecosystem Improvements
3. Evolve and Strengthen the Multistakeholder Model to Facilitate Diverse and Inclusive Participation in Policymaking
4. Evolve and Strengthen the ICANN Community's Decision-making Processes to Ensure Efficient and Effective Policymaking
5. Develop Internal and External Ethics Policies
6. Promote and Evolve the DNS Through Open and Transparent Processes That Enable Competition and Open Entry in Internet-Related Markets While Ensuring the Stability, Security, and Resiliency of the DNS
7. Geopolitical Monitoring, Engagement, and Mitigation
8. Improve Depth of Understanding of the Domain Name Market Drivers that Impact ICANN's Funding
9. Implement New gTLD Auction Proceeds Recommendations as Approved by Board
10. Planning at ICANN
11. ICANN Reserves

Each operating initiative is cross-referenced against the strategic goals identified in the Strategic Plan, so readers can gain a comprehensive understanding of the strong interconnectedness of ICANN org's work. Please refer to Appendix B—Operating Initiatives Supporting the Strategic Plan in the plan for details.

3.3 Functional Activities

Functional activities are those necessary to operate the organization, such as Human Resources or Finance, or implement ICANN's mission, such as Contractual Compliance or the IANA functions. The 33 functional activities have been placed into five service groups which represent the broad categories of work that ICANN org conducts.

The functional activities are:

- **Technical and DNS Security:**
 - Office of the Chief Technology Officer
 - ICANN Managed Root Server
 - Internationalized Domain Names and Universal Acceptance
 - IANA Functions
 - Contractual Compliance
- **Policy Development and Implementation Support:**
 - Policy Development and Advice
 - Policy Research and Stakeholder Programs
 - Contracted Parties Services Operations
 - Technical Services
 - Strategic Initiatives
 - Constituent and Stakeholder Travel
- **Community Engagement and Services:**
 - Global Stakeholder Engagement
 - Regional Offices
 - Public Responsibility Support
 - Governmental and Intergovernmental Organization Engagement
 - GDD Accounts and Services
 - Global Support Center
 - Global Communications and Language Services
- Global Meetings Operations
- Ombudsman
- **ICANN org Governance:**
 - Board Activities
 - Office of the President and CEO
 - Governance Support
 - Nominating Committee Support
 - Complaints Office
 - Reviews Support and Implementation
- **ICANN Shared Services:**
 - Planning
 - Finance and Procurement
 - Risk Management
 - Engineering and Information Technology
 - Global Human Resources and Administrative Services
 - Security Operations
 - Board Operations
 - ICANN Offices

Each Functional Activity within the Operating Plan includes background on the purpose, activities, progress measurement, as well as description of considerations or risks that may impact the work. While the anticipated resources needed by each functional activity for the period of FY24–28 is at a high-level, the planned resources for FY24 are more detailed (please click [here](#) to review).

4 Financial Plan Highlights

4.1 FY24–28 Funding Approach and Assumptions

The FY24–28 financials provide forward-looking information that represents ICANN’s attempt at conservatively estimating its future funding and expenses. The intent is to maximize the chances that such future funding is equal to, if not higher, than these projections would suggest, and thus allow ICANN to plan for a level of activity and expenses that minimize the risk that funding would be lower than expenses in the future.

ICANN uses external information to develop multiple scenarios that incorporate various assumptions of growth or decline for each of its funding categories. These assumptions are developed for the specific purpose of creating reasonably conservative funding assumptions.

5-Year Projections	FY24	FY25	FY26	FY27	FY28
ICANN Operations Funding (In Millions USD)					
Base	\$145.3	\$146.0	\$147.6	\$149.1	\$152.7
Low	\$134.6	\$130.0	\$124.4	\$119.4	\$116.9
High	\$156.2	\$164.4	\$171.5	\$179.1	\$189.5
Transaction Volume (In Millions)					
Base	210.0	213.5	222.2	230.9	239.5
Low	189.5	182.2	176.5	171.6	167.6
High	232.8	250.7	270.4	291.3	313.7
Contracted Parties					
Base	3,575	3,561	3,548	3,536	3,525
Low	3,399	3,254	3,161	3,100	3,067
High	3,642	3,690	3,743	3,795	3,847

Because forecasting relies on assumptions that are hypothetical and can become outdated, ICANN will continue to review its funding forecast regularly and adjust as needed.

4.2 FY24–28 Financial Projections

The table below reflects financial projections for the five-year period FY24–28. The projections define the maximum amount of operational expenses anticipated to be incurred on an annual basis.

ICANN OPERATIONS						
<i>(in Millions USD)</i>						
5-Year Projections	FY24	FY25	FY26	FY27	FY28	5-Year Total
Funding	\$145	\$146	\$148	\$149	\$153	\$741
Expense						
Personnel	\$85	\$87	\$90	\$92	\$95	\$449
Travel and Meetings	\$12	\$12	\$12	\$12	\$12	\$59
Professional Services	\$24	\$22	\$22	\$21	\$21	\$109
Administrative	\$18	\$18	\$17	\$16	\$16	\$85
Capital	\$1	\$1	\$1	\$1	\$1	\$6
Contingency	\$5	\$6	\$6	\$7	\$7	\$31
Total Operating Expenses	\$145	\$146	\$148	\$149	\$153	\$741
Net Operating Excess/(Deficit)	\$0	\$0	\$0	\$0	\$0	\$0
Average Full-Time Equivalent (FTE)	413	413	413	413	413	413

5 Budget Highlights

5.1 Financial Overview

Total ICANN Financials		For the Twelve Months Ending 30 Jun 2024				
In Millions, US dollars	Operating Fund	New gTLD Fund	SFICR	Auction Proceeds	Reserve Fund	Total
Funds Under Management - 30 Jun 2023	\$44	\$57	\$18	\$210	\$164	\$493
Funding	145	-	-	-	-	145
Personnel	(85)	(4)	(3)	(2)	-	(93)
Travel & Meetings	(12)	(0)	(0)	(0)	-	(13)
Professional Services	(29)	(4)	(3)	(2)	-	(38)
Administration	(18)	(0)	(0)	(0)	-	(19)
Capital	(1)	-	-	-	-	(1)
Total Expenses	(145)	(9)	(6)	(4)	-	(164)
Operating Fund Excess Transfers	-	-	-	-	-	-
Grants Distributed	-	-	-	(10)	-	(10)
Investment Income/(Decline)	0.4	0.5	0.1	2.0	1.6	5
Funds Under Management - 30 Jun 2024	\$45	\$48	\$12	\$198	\$165	\$469
Total Average FTE	413	13	9	5	-	440

Please note the following about the table above:

- The Operating Fund includes the day-to-day funding and expenses of ICANN Operations
- New gTLD Fund includes work on the New gTLD Program 2012 Round and the New gTLD Program Next Round
- Supplemental Fund for Implementation of Community Recommendations (SFICR) activity consists of cost for implementation of prioritized Board-approved review recommendations and Registration Data Request Service
- Auction Proceeds are utilized for the Grant Program
- The Reserve Fund beginning balance includes a \$19 million transfer from the Operating Fund in FY23
- All funds assume modest investment gains
- Full-Time Equivalents (FTEs) reflect the average in the fiscal year (please see Glossary for a definition of FTEs)

The table above starts with funds under management and the estimated beginning balance of each fund as of 30 June 2023, which is the end of FY23. The following lines of the table show the expected funding and expense activities of each fund as it relates to operations in FY24. Operating Fund transfers resulting from excess in that fund are not budgeted and will be recommended for Board approval after FY23 concludes. ICANN is now investing most of its funds under management and has forecasted a positive return for each fund depending on its investment criteria. Following these activities, the ending balance of each fund is shown as of 30 June 2024, which is the end of FY24.

Please see below for additional details regarding each Fund.

Operating Fund

- Funding is \$145 million, which reflects consideration of historical data from the past few years as well as negative impacts resulting from inflation and a potential recession.
- Expenses are \$145 million, balanced to ICANN Operations funding and assume that normal working conditions continue.
 - Personnel expense reflects an average headcount of 413.
 - Travel and meeting expenses assume three ICANN Public Meetings with a face-to-face component and otherwise unrestricted travel.
 - Total expenses include contingency, a placeholder for unknown and hard to predict costs.

New gTLD Fund

- Expenses are \$9 million.
 - \$4 million are costs related to the 2012 Round, including direct expenses and allocations from ICANN Operations.

- \$5 million are costs related to the Next Round implementation through 31 October 2023, including direct expenses and allocations from ICANN Operations.

SFICR

- Beginning balance is \$18 million, following review implementation activities expected to take place in FY23 costing \$2 million.
- Review implementation expenses are \$4 million, including direct expenses and allocations from ICANN Operations.
- Registration Data Request Service expenses are \$2 million, including direct expenses and allocations from ICANN Operations.

Auction Proceeds

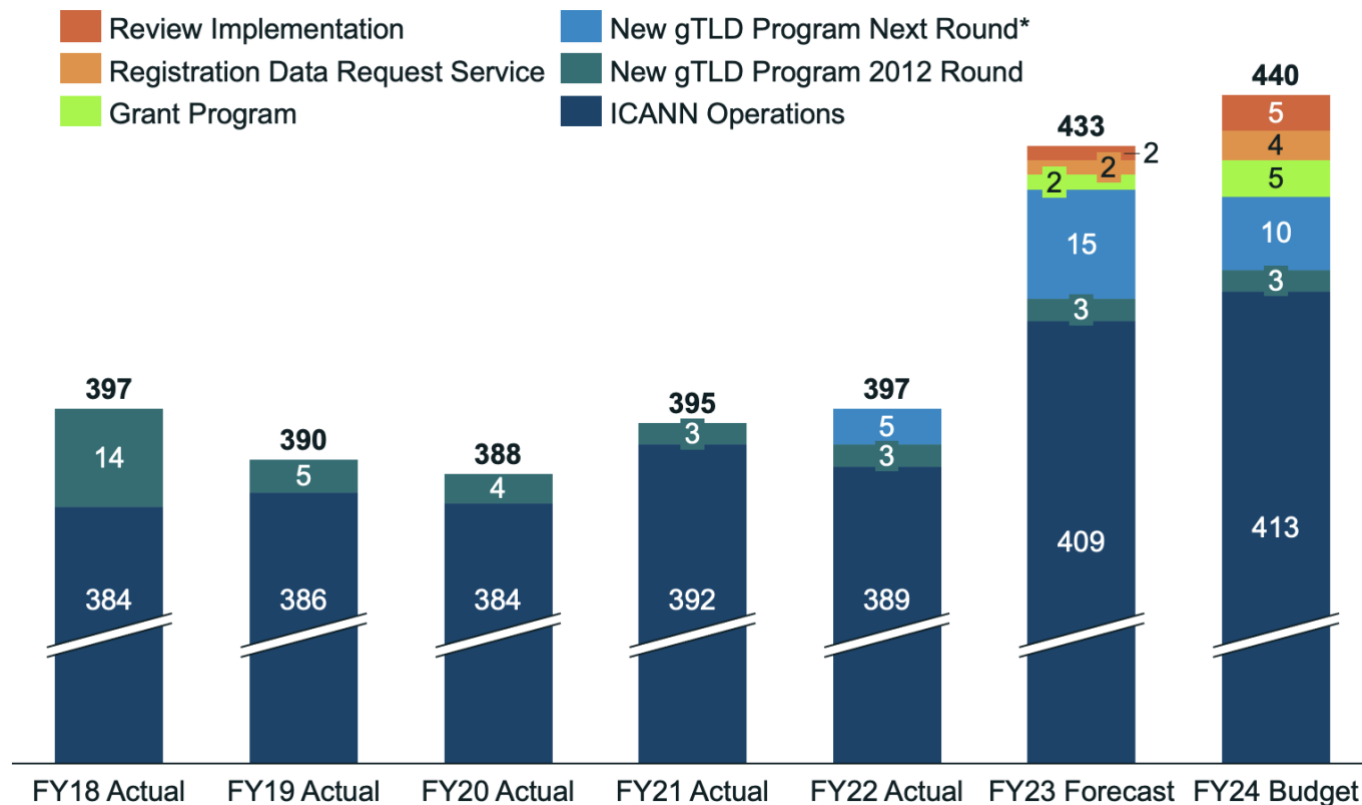
- Beginning balance is \$210 million.
- Up to \$10 million will be made available during the Grant Program's first cycle, which is expected in FY24.
- The FY24 \$4 million for the Program administration is a high-level estimate that includes the end of one-time implementation costs and recurring ones.
- A more detailed and comprehensive cost estimate is being developed at the time of publication of this document as the org's implementation team continues to design the Program.

Reserve Fund

- Beginning balance is \$164 million, following a \$19 million transfer in FY23.
- Ending balance is estimated at \$165 million, which is above the 12-month minimum set by the Reserve Fund replenishment strategy approved by the Board in October 2018.

5.2 Average FTEs

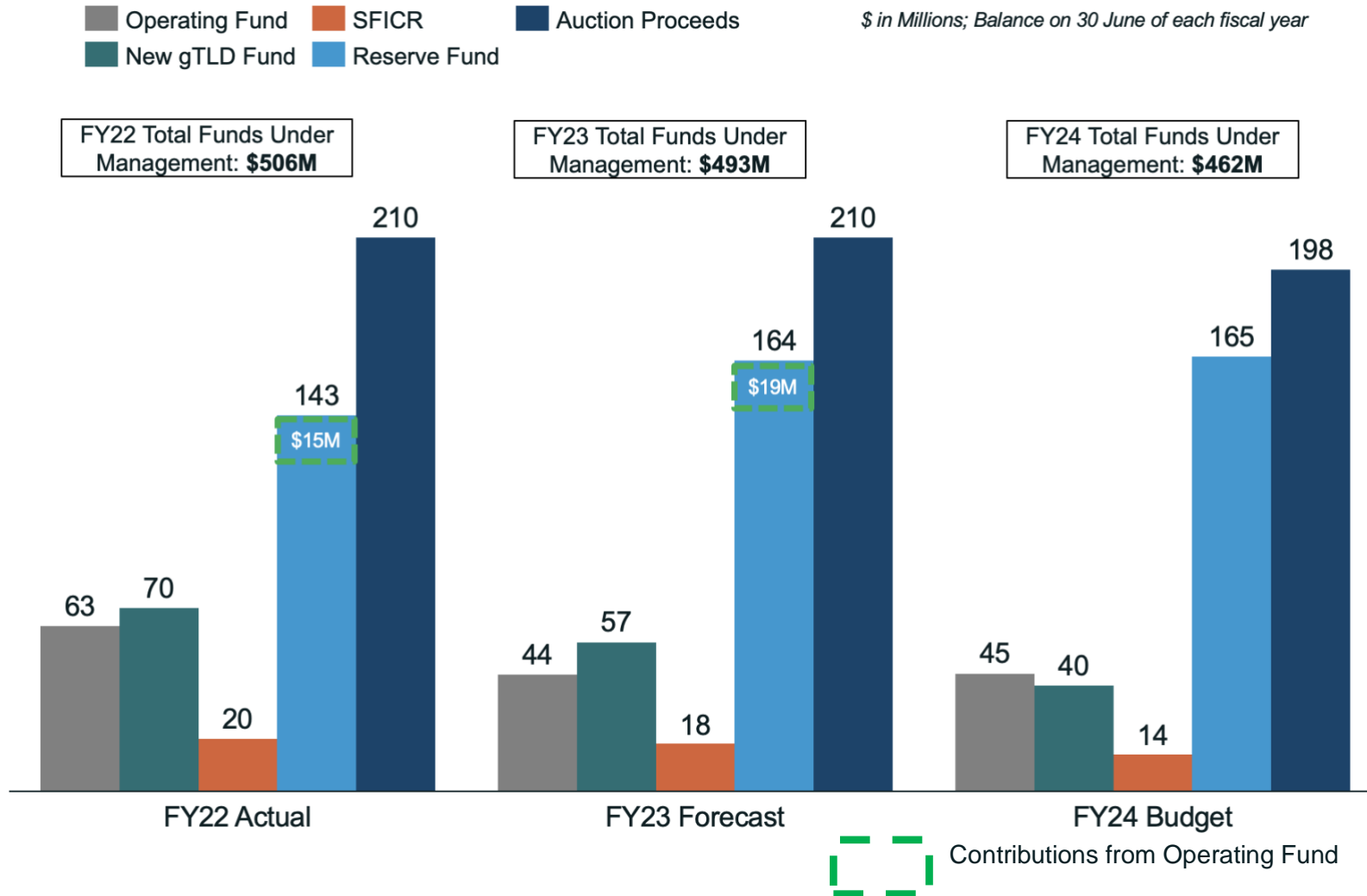
The following chart shows the average number of FTEs working under each segment of Total ICANN. FTEs consist of direct staff and staff allocations from ICANN Operations. New gTLD Program 2012 Round FTEs reflect efforts to process the remaining applications received in 2012. New gTLD Program Next Round FTEs reflect the resources for policy development and implementation through 31 October 2023. The Grant Program, which is funded by Auction Proceeds, began in FY23 and will ramp up in FY24. In addition, prioritized Review Implementation and the Registration Data Request Service, both funded by the SFICR, will begin in FY23 and continue into FY24.



*New gTLD Program Next Round FTEs through 31 October 2023

5.3 Funds Under Management

ICANN manages five funds. The chart below shows the expected balance of each fund on 30 June of each fiscal year listed.



The Operating Fund covers day-to-day operations. The Supplemental Fund for Implementation of Community Recommendations (SFICR) was created to establish segregated resources to increase the capacity of the organization to address projects that are multi-year and focus on community recommendations (for policies or resulting from reviews and cross-community working groups) that are approved by the Board but do not fit within the annual Budget. The Reserve Fund is ICANN's funding of last resort to cover large expenses from unavoidable, unpredictable, or unplanned events (see [Reserve Fund](#) section). All three of these Funds are governed in accordance with the [ICANN Investment Policy](#).

The New gTLD Fund corresponds to the unspent portion of the New gTLD Program 2012 Round application fees collected from applicants during the application window in 2012. The funds are used to evaluate the applications and to cover hard-to-predict costs (including contingency), and starting in FY22, to cover the New gTLD Program Next Round. Auction Proceeds come from ICANN auctions held to resolve string contention in the New gTLD Program 2012 Round. The Auction Proceeds will be used to cover the ICANN Grant Program. Both of these Funds are governed in accordance with the [New gTLD and Auction Proceeds Investment Policy](#).

ICANN org projects to have sufficient cash on hand in the Operating Fund through FY24 despite economic uncertainty. The funds under management listed in the FY24 Budget reflect the following:

- In November 2022, the Board [approved](#) a \$19 million transfer to the Reserve Fund from the Operating Fund based on FY22 net excess.
- Each fund is projecting interest gains according to its corresponding investment policy as referenced above.



OPERATING & FINANCIAL PLANS

FOR FY24-28 (FIVE-YEAR) AND FY24 (ONE-YEAR)

APRIL 2023

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Letter from the SVP, PLANNING & CFO

The Internet Corporation for Assigned Names and Numbers (ICANN) continues to ensure fulfillment of its mission and Bylaws-mandated responsibilities by planning and allocating resources to support the community's work and implement the Board-approved recommendations and carry out ICANN's ongoing activities. ICANN organization (org) remains committed to accountability, transparency, fiscal responsibility, operational excellence, and continuous improvement.

ICANN's planning process continues to focus on org, Board, and community collaboration and prioritization of important activities to achieve the Strategic Plan and ICANN's mission while maintaining high standards of fiscal responsibility.

Over the next five years, ICANN's financial position is expected to remain stable in terms of funding and expenses. As always, ICANN plans for operating expenses to remain at or lower than budgeted funding, drawing from designated and available funding sources, as a result of careful cost control, and for ICANN's Reserve Fund to remain above its minimum target level.

ICANN org developed the Five-Year Operating and Financial Plan for Fiscal Years 2024–2028 and One-Year Operating Plan and Budget for Fiscal Year 2024 by utilizing a forward-looking methodology for funding that incorporates “base” scenario funding projections. This methodology strives to identify predictions about future funding conditions while utilizing a set of basic assumptions that are expected to result in the most realistic outcome for a series of events.

ICANN org continues to focus on prioritization and allocation of resources while maintaining a stable financial position. For FY24, a community-led group completed a prioritization exercise in October 2022 as input to the org's development of the FY24 Operating Plan and Budget (see the [FY24 Planning Prioritization page](#) on the Planning and Finance community workspace). In addition, these plans include the assumption of using the new [Supplemental Fund for Implementation of Community Recommendations](#), which provides a funding source for large, community-led projects and initiatives that last more than one year.

ICANN's Operating Plan includes Operating Initiatives, which are key activities to achieve the Strategic Plan, and Functional Activities, which support the processes and mechanisms that permit the community to complete its work. Several key activities highlighted in these plans include:

- Implementing the Board-approved recommendations from the Cross-Community Working Group on ICANN Accountability Work Stream 2.
- Implementing the Enhancing the Effectiveness of ICANN's Multistakeholder Model Work Plan.
- Implementing prioritized Board-approved recommendations of the Specific Reviews from the FY23 Planning Prioritization Pilot.
- Evolving efforts to educate registry operators, registrars, and others about Domain Name System (DNS) security threats and approaches to measure, prevent, detect, and mitigate DNS security threats within their platforms.

ICANN org is grateful for the continued participation by the community, both as individual members and as organizations, in the annual planning process. ICANN's accountability to the public relies and depends on the fundamental participation of the community in planning activities, which ICANN org knows requires more and more attention and time and for which ICANN org is thankful. Looking forward to many accomplishments in FY24.

Sincerely,

Xavier Calvez

Senior Vice President, Planning and Chief Financial Officer

HIGHLIGHTS

► [Click here](#) to read the highlights of the ICANN FY24–28 Operating and Financial Plan and ICANN FY24 Operating Plan and Budget.

INTRODUCTION

- About ICANN
- ICANN Plans
- FY24–28 Planning Assumptions

ABOUT ICANN

The Internet Corporation for Assigned Names and Numbers' (ICANN's) mission is to help ensure a stable, secure, and unified global Internet. To reach another person on the Internet, you need to type an address – a name or a number – into your computer or other device. That address must be unique so computers know where to find each other. ICANN helps coordinate and support these unique identifiers across the world. ICANN was formed in 1998 as a nonprofit public benefit corporation with a community of participants from all over the world.

ICANN's vision is to be a champion of the single, open, and globally interoperable Internet, by being the independent, trusted, multistakeholder steward of the Internet's unique identifiers, and by providing an open and collaborative environment where diverse stakeholders come together in the global public interest.

ROLES AND RESPONSIBILITIES WITHIN ICANN

ICANN provides a service to the world through the performance of a specific set of technical jobs that play a fundamental role in maintaining the stability and security of the Internet. ICANN is an ecosystem made up of three components: the ICANN community, the ICANN Board of Directors, and the ICANN organization.

The ICANN community works together through a bottom-up process to give advice, make policy recommendations, conduct reviews and propose implementation solutions for issues that may arise that are consistent with ICANN's mission.

A fundamental responsibility of the Board of Directors is to act in the best interests of ICANN and the Internet community as a whole. It is the duty of the Board to oversee management's performance to ensure that ICANN operates with efficiency and effectiveness, in a fiscally responsible and accountable manner, and in a manner that is responsive to the needs of the global Internet community. The Board is also responsible for setting the strategy of ICANN and oversight of ICANN org's development of the Operating Plan for Board consideration.

The ICANN organization (org) is the operational arm of ICANN. ICANN org:

1. Focuses staff and resources on policy development support, event management, registrars and registry operators support, community support, contractual compliance, the Internet Assigned Numbers Authority (IANA) functions, outreach and capacity development, external services for the broader community, and internal staff services.
2. Implements Board-approved community recommendations.
3. Strives for accountability through transparency, financial responsibility, operational excellence, and continuous improvement, while acting in the global public interest in an evolving global environment.

ICANN PLANS

ICANN's planning process has three components: a Five-Year Strategic Plan, a Five-Year Operating and Financial Plan, and an annual Operating Plan and Budget. Input from ICANN constituency groups and other stakeholders, the ICANN Board of Directors and ICANN org is key to the development of these plans, in keeping with ICANN's multistakeholder model.

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FIVE-YEAR STRATEGIC PLAN

Designed to shape ICANN's priorities, the Five-Year Strategic Plan establishes a vision and a set of strategic objectives and goals in service of ICANN's mission. The Strategic Plan enables ICANN to continue to fulfill its mission and meet new and continuously evolving challenges and opportunities. ICANN's Bylaws require the preparation and adoption of a Strategic Plan every five years. The current Five-Year Strategic Plan covers fiscal years 2021 through 2025.

FIVE-YEAR OPERATING AND FINANCIAL PLAN

The Five-Year Operating and Financial Plan articulates the feasibility and timing of activities, and milestones identified to achieve the Strategic Plan's objectives and goals. It is intended to serve as an overarching view of the activities ICANN org is undertaking, or will undertake, in support of the Strategic Plan, to carry out ICANN's mission in the public interest over the next five years. ICANN's Bylaws require the preparation and adoption of a Five-Year Operating Plan at the beginning of each fiscal year.

ANNUAL OPERATING PLAN AND BUDGET

Informed by the Five-Year Operating and Financial Plan, the Annual Operating Plan and Budget further clarifies specific activities and resources for the upcoming year. The Annual Operating Plan and Budget sets forth the focus of efforts and organizational commitments for the current fiscal year. ICANN's Annual Operating Plan and Budget includes the IANA and Public Technical Identifiers Annual Operating Plan and Budget. ICANN's Bylaws require the preparation and adoption of an Annual Operating Plan and Budget prior to the commencement of each fiscal year.

FY24–28 PLANNING ASSUMPTIONS

Below are the assumptions underlying the operations of ICANN, which apply to both the Five-Year and One-Year Operating Plans.

UPDATES TO THE STRATEGIC PLAN

Throughout its life cycle, the Five-Year Strategic Plan is periodically reviewed and adapted as needed to account for significant shifts in existing or new trends. ICANN tracks and monitors trends that impact the Internet ecosystem to update and inform its plans as needed. Between January and April 2022, ICANN convened 13 strategic outlook identification sessions with 261 participants from the community, Board, and org. Feedback received during those sessions was collected and analyzed, including assessment of the trends, risks, opportunities, and potential impacts on ICANN.

On the basis of the analysis of the data collected from the trend identification sessions, some ongoing activities will continue to be emphasized and reflected in the FY24 Operating Plan. On 16 November 2022, the [Board resolved](#) that the FY21–25 Strategic Plan shall remain in force and unchanged, with no restatement needed at this time. The details of this analysis and conclusions have been documented in the [FY24 Strategic Outlook Trends Report](#).

AFFORDABILITY

The FY24–28 Operating and Financial Plan is forward-looking and uses “base” scenario operation funding projections. However, the financials used beyond FY24 are intended to be flexible to allow ICANN org to adjust the level of activity and expenses should future funding levels change. ICANN org plans for operating expenses to remain at or lower than budgeted funding, drawing from designated and available funding sources. Ensuring that operating expenses do not exceed operation funding and that sufficient reserves are reached and maintained at all times are the two key principles of ICANN’s long-term financial sustainability. In 2018, the Board [approved](#) an eight-year reserved fund replenishment strategy, which included a goal of reaching a fund balance equal to at least 12 months of operating expenses per the current year’s budget. The Reserve Fund balance is currently above this goal and ICANN org is committed to keeping the balance above one year of budgeted expenses.

FACE-TO-FACE MEETINGS AND ENGAGEMENT

The COVID-19 pandemic has changed how the ICANN community has worked and interacted since late FY20. Resulting safety protocols shifted nearly all face-to-face work and engagement activities online since FY21. While the future is unknown, ICANN org has elected to conduct its planning and budgeting forecast processes for FY24–28 based on best-in-class hybrid ICANN Public Meetings, as well as Board, org, and community travel according to the planned meetings schedule. ICANN org will adapt and update its operational plans as required in close collaboration with the Board and community.

PLANNING FOR BOARD-APPROVED ACTIVITIES

ICANN org supports the community-led activities that result in review recommendations, cross-community working group recommendations, policy recommendations from policy development processes, and advisory recommendations. Policies and other recommendations progress through various stages such as initiation, development, finalization, Board consideration, implementation planning, and implementation. ICANN begins designing the expected implementation work only as such recommendations are Board-approved and prioritized by the Planning Prioritization process.

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In an effort to present a comprehensive view of projected ICANN org operations over the five-year period, the FY24–28 Operating and Financial Plan includes areas of work still under discussion within the community or under Board consideration. Please see [Appendix A – ICANN Rolling Five-Year Roadmap](#) for more details.

ICANN org updates its Five-Year Operating and Financial Plan annually to include the latest activities that the org is responsible for implementing. While the Five-Year Operating and Financial Plan reflects a high-level roadmap of community-led activities, any implementation activities expected during the coming fiscal year are incorporated into the Annual Operating Plan and Budget.

PLANNING PRIORITIZATION

ICANN’s focus remains firmly on the prioritization and allocation of resources needed to successfully implement the Operating Initiatives and Functional Activities in the FY24–28 Operating and Financial Plan and FY24 Operating Plan and Budget.

Planning Prioritization is an enhanced step in the annual planning process. This is an improvement to the annual planning process as a result of the Planning at ICANN Operating Initiative. The FY24 Planning Prioritization process took place in September and October 2022, and a [list of activities were prioritized](#) by community members for ICANN org to consider during the development of the Operating Plan. For more details, please see the [FY24 Planning Prioritization page](#) on the Planning and Finance community workspace.

This plan also includes work that was prioritized in the FY22 and FY23 plans. In FY22, ICANN org prioritized the implementation of recommendations from the Cross-Community Working Group on ICANN Accountability Work Stream 2, as well as the implementation of the Enhancing the Effectiveness of ICANN’s Multistakeholder Model work plan. In FY23, ICANN org, in collaboration with the community, prioritized 45 recommendations from the Specific Reviews. These efforts will continue in FY24.

FY24-28 OPERATING PLAN

- Approach
- FY24-28 Operating Initiatives
- FY24-28 Functional Activities

APPROACH

The FY24–28 Operating and Financial Plan includes descriptions of the major work ICANN org will undertake to achieve its Strategic Plan, operate the organization, and implement its mission.

Within the FY24–28 Operating and Financial Plan, ICANN org describes 11 Operating Initiatives and 33 Functional Activities for the upcoming five-year period. Each entry within this document includes background on the purpose, scope, and activities related to each major work stream, as well as a description of needed resources and considerations or risks that may impact the work.

The Operating Initiatives and Functional Activities provide what can be considered ICANN org’s statement of intention, outlining planned activities while acknowledging the challenges and dependencies that could impact ultimate delivery.

It is important for readers to consider that planning over a five-year horizon is quite different from budgeting for the next year. A five-year plan is much more high-level and relies on more assumptions and fewer facts than a one-year budget does. This is simply because there is more unknown information in a longer horizon and therefore less specificity can be provided. This is particularly well illustrated by the lack of specificity that can be provided to the financial information supporting a five-year plan.

OPERATING INITIATIVES

FY24-28

Operating Initiatives describe how ICANN org will achieve the objectives and goals set out in the Five-Year Strategic Plan. The 11 Operating Initiatives listed below represent major areas of work that support the Strategic Objectives identified in the **Strategic Plan**. Operating Initiatives were published for **Public Comment** and presented to the ICANN Board for feedback.

Each Operating Initiative is cross-referenced against the strategic goals identified in the Strategic Plan, so readers can gain a comprehensive understanding of the strong interconnectedness of ICANN org's work. Please refer to [Appendix B – Operating Initiatives Supporting the Strategic Plan](#) for details.

- Support the Evolution and Strengthening of the Root Server System and Root Zone Management
- Facilitate the Domain Name System (DNS) Ecosystem Improvements
- Evolve and Strengthen the Multistakeholder Model to Facilitate Diverse and Inclusive Participation in Policymaking
- Evolve and Strengthen the ICANN Community's Decision-Making Processes to Ensure Efficient and Effective Policymaking
- Evolve and Improve Internal and External Ethics Policies
- Promote and Evolve the DNS Through Open and Transparent Processes That Enable Competition and Open Entry in Internet-Related Markets While Ensuring the Stability, Security, and Resiliency of the DNS
- Geopolitical Monitoring, Engagement, and Mitigation
- Improve the Depth of Understanding of the Domain Name Market Drivers That Impact ICANN's Funding
- Implement New gTLD Auction Proceeds Recommendations as Approved by the Board
- Planning at ICANN
- ICANN Reserves

Support the Evolution and Strengthening of the Root Server System and Root Zone Management

PURPOSE

As the Root Server System evolves due to change in demand, new technologies, and governance models, ICANN will continue to support and collaborate with key stakeholders to ensure the stable, secure, and resilient operation of the Domain Name System (DNS) root zone for the global Internet community. In conjunction with the support of the Root Server System, ICANN will coordinate the continued advancement of the technology platform used to provide root zone management services. This system manages the workflow of customer change requests, automates many aspects of the processing, and ensures the work's quality, accuracy, and timeliness. Root zone management today continues to evolve toward more complex requirements to meet higher customer expectations. Work to improve the platform and service offerings adapt based on these requirements in order to retain high levels of customer satisfaction and continue to adhere to advancing policy requirements.

SCOPE

This initiative covers these work areas:

- ICANN org's Policy Advice and Development team supporting the implementation of the Root Server System Advisory Committee (RSSAC) document [RSSAC037](#), "A Proposed Governance Model for the DNS Root Server System," and [RSSAC038](#), "RSSAC Advisory on a Proposed Governance Model for the DNS Root Server System," both published on 15 June 2018.
- ICANN org's Office of the Chief Technology Officer (OCTO) team will support the eventual outcome of RSSAC037 and RSSAC038 that could propose a plan for the coordination of an appropriate response to any Root Server System incidents.
- Develop a prototype Root Server System Metric Monitoring System to collect data on the operation of the Root Server System as discussed in [RSSAC047](#). This will be complete by the end of FY23.
- Leveraging lessons learned from the first root zone key signing key (KSK) rollover, define and publish a long-term root zone KSK Rollover Policy, and implement the next rollover in accordance with that policy. See more details in the Internet Assigned Numbers Authority (IANA) Functions.
- Identify and implement features to enhance the Root Zone Management System (RZMS) to improve operations while ensuring the accuracy, quality, and timeliness of business processes.
- Develop technical and operational solutions that meet new community requirements, such as those resulting from the New Generic Top-Level Domain (gTLD) Subsequent Procedures and Internationalized Domain Names (IDNs) Policy Development Processes.

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones and reports to ensure that initiatives advance. The following measures will be used over the five-year period for this initiative:

- Monitor and report on the implementation of the Root Server System governance changes proposed in RSSAC037 and RSSAC038. Initial implementation is expected before FY23. Over time, the RSSAC may ask the org to do a complete implementation with possible evolution of the metric monitoring system. ICANN org will also do an internal implementation solely for research purposes. The metric as defined within RSSAC047 is to ensure that the root server operators operate their respective root servers within the defined thresholds.
- Occurrence of the KSK rollover.
- FY24: Launch of a new authorization model that improves the user management experience, including allowing existing managers and operators of top-level domains (TLDs) to better control their representatives' access and approval levels.
- FY24: Launch of customer application programming interface access.
- FY24–FY28: Implementation of Board-approved policy recommendations on IDNs.
- FY24–FY28: Implementation of approved policy recommendations on New gTLD Subsequent Procedures, including training of ICANN org's Operations team.
- FY24–FY28: Audit criteria of the RZMS needs to be updated, documented, and managed.

RESOURCES

Effective cross-functional collaboration is an essential element for success in most of ICANN org's work. Specific examples of collaboration needed for this initiative are:

- The progression of RSSAC037 and RSSAC038, such as development of a coordinated emergency response, requires collaboration between the OCTO and Policy Development Support functions.
- Awareness about the implementation plan for RSSAC037 and RSSAC038 will require collaboration with ICANN org's Global Stakeholder Engagement and Government Engagement functions to reach audiences and coordinate messaging.
- OCTO will need support from ICANN org's Communications team to develop tailored messaging for relevant stakeholders.
- Resources to support ICANN's efforts to preserve and enhance the security, stability, and resiliency of the DNS including Root Server System governance, mitigation of DNS security threats, promotion and facilitation of Domain Name System Security Extensions (DNSSEC) deployment, mitigation of name collisions, and DNS operations research.
- Staff who are assigned a percentage of their time to these initiatives, along with minor additional ad hoc resources for tasks such as security testing of the applications prior to deployments.
- Full-time equivalents within ICANN org's Engineering and IT and OCTO functions perform software development and project management and on the IANA team provides product management, design, and requirement.
- Activities support ICANN's efforts to preserve and enhance the security, stability, and resiliency of the DNS including Root Server System governance, mitigation of DNS security threats, promotion and facilitation of DNSSEC deployment, the mitigation of name collisions, and DNS operations research. Learn more about ICANN's overall approach in [Appendix D – ICANN Security, Stability, and Resiliency \(SSR\) of the Unique Internet Identifiers](#).

CONSIDERATIONS

The following risks and considerations exist for this initiative and may impact its advancement:

- Political considerations surrounding root server operators.
- Continued unforeseen risks surrounding future KSK rollovers.
- Ensuring the Root Server System continues to meet requirements as defined by the Internet community.
- Success depends heavily on the stability and commitment of engineering resources.
- The greatest risk is the possible loss of development resources that are prioritized to other objectives.
- The inability of the IANA team to provide sufficient designs and requirements settings to inform development given its limited resources.
- Policy development work being done in the ICANN community, such as the policy development process for New gTLD Subsequent Procedures and for Internationalized Domain Names, must be monitored by someone with IANA expertise to ensure RZMS and the associated business processes will meet those emerging requirements. ■

Facilitate the Domain Name System Ecosystem Improvements

PURPOSE

This initiative encompasses efforts to understand, document, maintain, and improve the Domain Name System ecosystem in order to prevent emergencies and limit the impacts of any incidents or threats.

SCOPE

The scope of this initiative covers three main work areas:

• Advocate and Promote Improvements to DNS Security Infrastructure

- Advocate for developers to enable DNSSEC, both signing and validation, by default.
- Support the implementation of DNS-based Authentication of Named Entities (DANE).

• Technical Engagement and Capacity-Development

- Continue to improve and deliver capacity-development training on key Internet technologies that support a secured DNS ecosystem aligned with ICANN's technical remit, such as DNSSEC and DANE. Work internally to expand ICANN org's technical remit, such as DNSSEC and DANE.
- Expand ICANN org's technical training footprint through new course material and virtual lab environments.
- Expand programs for DNS ecosystem security and technical engagement. Training and programs on DNS ecosystem security have been expanded and a new initiative is underway to specifically engage with Computer Emergency Readiness Teams globally to provide them with additional training and collaboration.
- Work with the community to develop and promote commonly agreed norms for a secure DNS ecosystem, a project known as Knowledge-sharing and Instantiating Norms for DNS and Naming Security (KINDNS).
 - This was launched on 09 September 2022. Please see <https://kindns.org> for more information.
- Evolve efforts to educate registry operators, registrars, and others about DNS security threats and approaches to measure, prevent, detect and mitigate DNS security threats within their platforms.

• Research

- Continue to collect data, analyze, and publish fact-based, unbiased, objective information on how the DNS is used and abused.
- Research, report, and raise community awareness on emerging identifiers technologies and how they impact and compare with the DNS through the OCTO series of documents and other avenues of publication.
- Research the use of machine learning to enhance understanding and identification of abusive trends in DNS registration. This project will launch in FY23, but there will be ongoing spending in FY24 and beyond to keep the program active.

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones and reports to ensure that initiatives advance. These measures will be used over the five-year period for this initiative:

- Establishment of community agreement on the needs for the DNS Security Facilitation Center. The DNS Security Facilitation Initiative (DSFI) will investigate and promote activities with reach into the DNS community and other communities, as appropriate. The goal is to establish and promote best practices, facilitate communications between ecosystem participants, and implement processes to help the community handle threats.
 - The community-led DSFI work party has completed its assessment and the org is undergoing a feasibility assessment of the recommendations resulting from the assessment. Implementation of approved recommendations will commence in alignment with ICANN org's budgeting and prioritization efforts.
- Formalization of the Special Interest Forums on Technology ([SIFT](#)) program.
- Implementation of data collection and gathering for various statistical analyses.

RESOURCES

Effective cross-functional collaboration is an essential element for success in most of ICANN org's work. Specific examples of collaboration needed for this initiative are:

- Training and outreach activities require collaboration with the ICANN community as well as ICANN org functions, such as Global Stakeholder Engagement, Communications, and Government and Intergovernmental Organization (IGO) Engagement.
- Emergency preparedness efforts also support the work of teams such as Contractual Compliance.
- Activities support ICANN's efforts to preserve and enhance the security, stability, and resiliency of the DNS including Root Server System governance, mitigation of DNS security threats, promotion and facilitation of DNSSEC deployment, mitigation of name collisions, and DNS operations research.

Learn more about ICANN's overall approach in [Appendix D – ICANN Security, Stability, and Resiliency \(SSR\) of the Unique Internet Identifiers](#).

CONSIDERATIONS

The following risks and considerations exist for this initiative and may impact its advancement:

- Care must be taken not to exceed ICANN's remit.
- Privacy considerations may impact activities.
- Lack of access to all the relevant data may impede activities.
- Key stakeholders may not agree with norms developed. ■

Evolve and Strengthen the Multistakeholder Model to Facilitate Diverse and Inclusive Participation in Policymaking

PURPOSE

This initiative aims to ensure that participation in the policy development work of ICANN's three Supporting Organizations (SOs) and policy advice developed by the four Advisory Committees (ACs) is globally representative. The work of the SOs and ACs is carried out through the informed participation in the policy process by diverse groups and interests, with clearly demonstrated levels of stakeholder support and commitment to reaching consensus.

SCOPE

The scope of this initiative includes these work areas:

- Implementation of the Cross-Community Working Group on Enhancing ICANN Accountability (CCWG-Accountability) Work Stream 2 (WS2) recommendations approved by the Board that are directed at the community, in particular those recommendations relating to diversity and SO and AC accountability. This involves documenting existing community efforts to enhance diversity of participation across all the SOs and ACs as well as identifying and implementing opportunities for improvement and reporting. This work will allow the community to inventory, document, and improve its processes and efforts to ensure diverse and inclusive participation in its work on a continuing basis.
- Evaluating the progress made in relation to the specific community-led initiatives identified in the [“Enhancing the Effectiveness of ICANN’s Multistakeholder Model”](#) paper, which was revised in October 2020, including initiatives that support representation and inclusivity. This exercise will allow the community to consider what additional work may be needed over the next few years to ensure that ICANN’s multistakeholder model of policymaking and consensus-building remains sound, inclusive, and globally representative.
- Facilitate the development of a final governance model for the Root Server System to ensure that its structures and business models continue to meet accountability, transparency, and other key governance requirements. One of the core principles that inform this community-driven work, as approved by the ICANN Board, requires collaboration and engagement by all stakeholders.
- Evolving and enhancing community governance, including revisions to constituency and stakeholder group charters and improvements to election processes.
- Implementing a new Policy Transition Program to provide ICANN Fellows and other newcomers with specific knowledge about current policy issues through facilitated topical discussions with subject-matter experts. The first year will be a pilot project for certain groups that will be expanded to other groups in subsequent years as needed.
- As part of the ICANN community’s continuous improvement efforts, planning for and implementation of the Pilot Holistic Review, as recommended by the Third Accountability and Transparency Review Team and approved by the ICANN Board in November 2020. One objective of this effort is to determine if the existing SOs and ACs continue to have a purpose within the ICANN structure as they are currently constituted, or if changes may be needed to improve the overall effectiveness of ICANN as well as to ensure optimal representation of community views. During the pilot Planning Prioritization Framework exercise conducted in FY22, the Pilot Holistic Review was accorded the highest priority status by the community participants.

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones and reports to ensure that initiatives advance. These measures are examples of those that will be used over the five-year period for this initiative:

- Metrics related to diversity and global representation in membership and participation in SOs, ACs, and Generic Names Supporting Organization (GNSO) Stakeholder Groups and Constituencies.
- Tracking community implementation of CCWG-Accountability WS2 recommendations relating to diversity and SO and AC accountability.
- Completion of implementation of Board-approved recommendations from Organizational Reviews.
- Implementation of an improved review process for GNSO Stakeholder Group and Constituency charters and other community governance documents.
- Metrics related to Public Comment proceedings.
- Trends based on reports and statistics for ICANN Prep Week and ICANN Public Meetings.

RESOURCES

Effective cross-functional collaboration is an essential element for success in most of ICANN org's work. Specific examples of collaboration needed for this initiative are:

- In addition to the Policy Development Support function, ICANN org's Communications, Language Services, Meetings, Meetings Technical Services, and Engineering and IT functions each provide services that facilitate diverse, global, and inclusive participation and directly impact community service levels and work. Extensive coordination and planning across all these functions are required to ensure continuous improvements and consistent delivery of community services.
- ICANN org's Policy Development Support function also collaborates with the Global Domains and Strategy, Policy Research, Government and IGO Engagement, and Global Stakeholder Engagement teams to reach targeted audiences and facilitate informed stakeholder participation in policy development and advice work.

CONSIDERATIONS

Risks and considerations exist for this initiative and may impact its advancement:

- As newer stakeholders and community participants emerge, the community's needs and expectations for facilitation and other support from the Policy Development Support function increase. The ability to maintain strong professional support for existing policy development and advisory work while also facilitating community work on other important topics that require collaborative discussion to prioritize and execute creates pressure on staff and other resources. Staffing and resource planning that does not meet the changing community needs and priorities could increase the risk of:
 - Lower levels of service to the community and regional disparity.
 - Delayed policy and advisory outputs.
 - Community frustration and loss of active participants.
 - Potential staff burnout.
- To participate effectively, newer community members need time to get used to ICANN participation and working methods and veteran community members need to adjust to any new tools and platform changes.
- As the policy challenges facing the community become more legally and technically complex, the need for participants in the policy process to have the requisite expertise and experience could result in less diverse participation.
- As ICANN returns to hybrid meetings, the impact of COVID-19 on stakeholder interest and participation in policy discussions remains to be seen. ■

Evolve and Strengthen the ICANN Community's Decision-Making Processes to Ensure Efficient and Effective Policymaking

PURPOSE

This initiative focuses on the facilitation of more efficient, timely, and effective policy development work by ICANN's three SOs and advice by the four ACs. Staff support is provided for developing, documenting, and implementing changes and improvements to community procedures and processes intended to reflect a commitment to reaching consensus and effective policymaking.

SCOPE

The scope of this initiative includes these work areas:

- Periodic review by community groups of their internal procedures and requirements to address new challenges and gaps, such as improvements to consensus decision-making, leadership transition, and tracking of policy work.
- Improvement of community templates and procedures in relation to the Empowered Community powers and other Bylaws-mandated processes.
- Improvements to community collaborative processes, including development of agreed terms of reference and community-agreed guidelines for representative cross-community groups.

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones and reports to ensure that initiatives advance. Milestones and progress for this initiative are tracked through indicator metrics aimed at measuring and reporting out on community activity. These include:

- Updates to processes and requirements for SO and AC decision-making, including Empowered Community actions.
- Tracking how policy working groups consider and respond to Public Comment proceedings.
- Milestone reporting by policy working groups.
- Tracking of the duration of policy deliberations and time to decisions.

RESOURCES

Effective cross-functional collaboration and org support of tools needed for community work is an essential element for success in most of ICANN org's work. Specific examples of collaboration and support needed for this initiative are:

- Deployment of project and program management tools to better track and manage community-driven projects and activities.
- Implementation of a Community Engagement System to allow for accurate, timely reporting and more efficient management of community work.
- Continued engagement to ensure that expectations are realistic and aligned across the Board, org, and community as to workload, resources available, and prioritization.
- Increased collaboration across multiple functions (e.g., Engineering and IT, Communications, Legal, Policy, and Meetings Technical Services) to develop, review, and execute a cohesive org-wide strategy to evaluate and deploy new technological tools and improvements in service of the community's needs for policy work, both throughout the year and at ICANN Public Meetings.

- Implementation and review of the GNSO Policy Development Process (PDP) 3.0 Improvements Project and the Consensus Playbook to identify methods and best practices that can be adapted for other SOs and ACs as appropriate.
- Implementing training and research opportunities for interested staff to improve writing and analytical skills to support development of community policy recommendations.

CONSIDERATIONS

The following risks and considerations exist for this initiative and may impact its advancement:

- Effective prioritization by community groups, both internally for their own work and collectively across the community, remains a challenge even as new projects are launched to address policy issues identified as requiring solutions in the near term.
- The growing complexity of the issues being worked on, along with their broad impact and diversity of stakeholder interests, means that significant time and effort needs to be expended on scoping the issue and understanding multiple viewpoints in order to find consensus.
- Increased community work leading to increased expectations and needs for high-quality, consistent staff support on policy as well as non-policy topics will require additional resources, the lack of which runs the risk of:
 - Lower levels of service to the community.
 - Delayed policy and advisory outputs.
 - Community frustration and loss of active participants.
 - Potential staff burnout.
- Reliance on virtual meeting tools and other collaborative mechanisms means that ICANN org must constantly evaluate improvements to existing tools and new options as well as improve and expand its support for the tools necessary to support community work.
- As policy issues become more legally and technically complex, there is an increasing need for consistent, academic-quality policy research and data gathering and analysis that existing, qualified staff may not be able to meet due to workload and bandwidth issues.
- Lack of robust data collection to date means that data-driven policy work has been difficult and time-consuming, and decisions may be made based on anecdotal rather than comprehensive factual evidence.
- The growing complexity of the policy issues for which community-developed solutions are required means that more time is needed to understand the issues and reach consensus, which affects project timelines and increases the amount of time required for decision-making. ■

Evolve and Improve Internal and External Ethics Policies

PURPOSE

This Operating Initiative focuses on the continuous evolution and improvement of internal and external ethics policies to guide behavior within ICANN org and the community. The internal Ethics Policy will provide additional guidance and direction for ICANN org staff. This will continue to improve the confidence that the ICANN community places in org staff, by providing further transparency into how ICANN org expects staff to conduct their work.

The ICANN Community Ethics Policy will provide transparency and guidance regarding how members of the ICANN community should approach their ICANN-related work and interact with one another.

SCOPE

The scope of this initiative covers these work areas:

- Assess, improve, and implement an internal ICANN org Ethics Policy.
- Assess, develop, and support an ICANN Community Ethics Policy.

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones and reports to ensure that initiatives advance. The following steps will be taken over the five-year period for this initiative:

- Improve and Implement org Ethics Policies to provide additional guidance and direction for FY24–25.
- Collaborate with the ICANN community to develop the ICANN Community Ethics Policy for FY24–25.

RESOURCES

Effective cross-functional collaboration is an essential element for success in most of ICANN org’s work. Specific examples of collaboration needed for this initiative are:

- The Legal team leads this initiative and coordinates with Human Resources.
- Collaboration with ICANN org’s Engineering and IT function to help with tracking mechanisms.

CONSIDERATIONS

The primary risks that may impact this initiative’s advancement are the lack of internal and external awareness of the work and resulting lack of buy-in to the effort. ■

Promote and Evolve the DNS Through Open and Transparent Processes That Enable Competition and Open Entry in Internet-Related Markets While Ensuring the Stability, Security, and Resiliency of the DNS

PURPOSE

This initiative encompasses ICANN org activities in support of a competitive environment in the DNS marketplace. This goal is supported by key projects as well as ongoing activities, such as providing and improving services for gTLD registry operators and ICANN-accredited registrars that enable and facilitate compliance with their respective agreements and community-developed consensus policies, implementing ICANN Board-approved GNSO consensus policy recommendations, conducting research and analysis to better understand the DNS ecosystem, and sharing that information with the community in the form of data and papers.

This initiative is a key part of building and promoting the multilingual Internet, and incorporates efforts to ensure the Universal Acceptance of domain names and email addresses. UA is important to promoting global consumer choice and providing broader access to end users around the world, supporting the continued evolution of the DNS.

The UA efforts require the coordination of work occurring at the org, community, and broader Internet ecosystem levels – to strengthen and evolve ICANN org’s bandwidth for strategy and engagement, as well as supporting the ICANN community on the technical and policy fronts and helping to reach new stakeholders.

This initiative tracks project work in preparation for the launch of additional rounds of new gTLDs, based on community-developed policy recommendations for subsequent rounds and by applying knowledge gained through the implementation of the 2012 round and subsequent reviews evaluating different aspects of the program. ICANN org is in the preplanning phase of a potential subsequent round of new gTLDs, including review and analysis of the policy recommendations developed by the community, supporting Board discussions, and estimating anticipated resource requirements.

The policy recommendations from the GNSO’s New gTLD Subsequent Procedures (SubPro) Policy Development Process (PDP) Working Group have been delivered to the Board, and the Board has directed the ICANN organization to begin work on implementation toward an additional round of new gTLDs.

SCOPE

The scope of this initiative covers these work areas:

- Implementation of community-developed recommendations relating to gTLD registry operators and ICANN-accredited registrars, that the Board approves and directs ICANN org to implement.
- Production of the Domain Name Marketplace Indicators and other supporting analysis.
- Development of new services and improvement to existing services for gTLD registry operators and ICANN-accredited registrars.
- Planning and implementation of an operational infrastructure (systems, processes, and people) to support the ongoing operations of the New gTLD Program.
- Development and execution of capacity-development, outreach and engagement, and global communications and awareness plans for future gTLD application rounds.
- Outreach to providers of standards, programming languages, tools, and platforms to support UA.
- Raising the awareness and capacity of technology developers to develop or update applications to be UA-ready.

- Raising the awareness and capacity of email tools and service providers to support Email Address Internationalization.
- Raising awareness in the public sector for governments to require UA readiness in their tendering processes.
- Updating ICANN org's relevant technical systems to be UA-ready.

HOW PROGRESS IS TRACKED

Work relating to future rounds of the New gTLD Program is expected to occur in three distinct tracks, dependent on ICANN Board and community actions:

- **Planning and Preparation:** As per the Consensus Policy Implementation Framework, ICANN org has helped to prepare the Board for making a decision on policy recommendations, including by the completion of an Operational Design Assessment.
- **Policy Implementation:** As the Board has now approved a number of the community-developed recommendations and directed ICANN org to implement them, the org will work with the community to implement these recommendations. Activities may include a detailed assessment of the recommendations, drafting and development of documentation to support the execution of an application process, and building on work done in the planning and preparation phase.
- **Operational Readiness:** To bring the organization to operational readiness for supporting a new service or enforcing a new policy, ICANN org engages and trains vendors and internal resources, tests systems and tools, conducts exercises using the defined processes and tools, and continues executing the relevant communications and training activities. In the case of work on a new application round of the New gTLD Program, opening the application window marks the end of this track.

As of this FY24 planning process, the org has nearly completed an Operational Design Phase(ODP) on the recommendations from the GNSO's New gTLD SubPro PDP Final Report. This PDP resulted in a set of affirmations, recommendations, and implementation guidance. In March 2023, the ICANN Board adopted a set of these recommendations and placed others in a pending status to allow for further work. This action by the Board provided for the org to initiate implementation work with the community and to continue operational planning, as well as authorizing up to US\$9 million in existing New gTLD Program funds to carry out this continued work

The org is now commencing implementation work toward opening a future application round, and will share its progress on a dedicated webpage to be launched in support of the implementation work. The org is also continuing to support the Board and community on further work related to the pending recommendations.

Specific measures on Universal Acceptance progress are tracked via regular reporting and documentation covering:

- The extent of remediation of underlying technology, e.g., programming languages, email tools, etc.
- The extent of deployment of UA-ready systems, e.g., websites, email servers, and other applications.
- The extent of training for technical stakeholders on developing and deploying UA-ready software.
- The amount of outreach for creating public sector awareness of making government and citizen-focused services UA-ready.

RESOURCES

Effective cross-functional collaboration is an essential element for success in most of ICANN org's work. Specific examples of collaboration needed for this initiative are:

- The ICANN community, particularly the At-Large Advisory Committee and Governmental Advisory Committee (GAC), and ICANN org functions including Communications, Technical Engagement, Global Stakeholder Engagement, and Government Engagement, will need to help raise awareness of UA.
- Support is also needed for the Universal Acceptance Steering Group and other community-based working groups addressing UA at a global level as well as for local initiatives focusing on specific geographies.

This initiative will require significant cross-functional collaboration and support from functions such as Legal, Communications, Global Stakeholder Engagement, Human Resources, Finance, Global Domains and Strategy, OCTO, IANA, and Engineering and IT.

Based on the recommendations of the SubPro PDP Working Group, the processing of applications received through future application rounds for new gTLDs is expected to remain subject to the principle of cost recovery, meaning that funding the necessary preparatory and development expenses (as well as future processing fees) comes from fees paid by applicants.

CONSIDERATIONS

The following risks and considerations exist for this initiative and may impact its advancement:

- Given the scale of the anticipated implementation work of developing a new gTLD application round, advance planning and preparation are essential to ensure successful implementation.
- Planning for a new round requires an upfront commitment to design and build the operational infrastructure (people, processes, and systems) without precise knowledge of, or insight into, the volume of applications in the next and future rounds. Determining the scope and level of investment will need to be based on certain assumptions. ICANN org has developed a set of [operational planning assumptions](#) that has been shared with the Board and community. ICANN org has refined these assumptions over the course of the SubPro ODP based on further analysis of the affirmations, recommendations, and implementation guidance in the New gTLD SubPro Final Report; these [assumptions](#) have been shared with the community for review and input.
- Efforts to increase UA readiness include globally reaching and activating stakeholders beyond the conventional ICANN community that may have different priorities.
- Raising awareness of the need to incorporate UA as a mainstream design consideration for private and public sector technical systems may require considerable effort and time. ■

Geopolitical Monitoring, Engagement, and Mitigation

PURPOSE

In an effort to keep the Operating Initiatives streamlined, and avoid overlap, all ICANN org activity concerning geopolitics is now included in this single Operating Initiative.

Increasingly, governments and IGOs develop policies, legislation, and regulations that have the potential to indirectly, or in some cases, directly impact the Internet. Some of these actions may also impact ICANN's ability to develop policies, run its operations, and fulfill its mission. To address these issues and to ensure a single, globally interoperable Internet, ICANN identifies where these discussions and initiatives are taking place and determines whether, when, and how ICANN org should engage.

Identifying, monitoring, and reporting on geopolitical legislative and regulatory developments around the world that could have an impact on ICANN's ability to fulfill its mission are part of ICANN's work within this initiative. This includes analyzing the legal and technical impacts of proposed policy, regulatory, or legislative initiatives. The purpose is to assess whether, when, and how to engage to avoid unintended consequences of governmental actions. The nature of engagements can span technical training, targeted briefings, or providing additional protocol information to governments to help ensure that lawmakers have the full benefit of ICANN's technical expertise.

ICANN org's Government and IGO Engagement team prioritization and targeting of engagement is informed by identifying trends and monitoring governmental activity. Through targeted engagement, ICANN org focuses on two areas: working with governments and IGOs engaged with ICANN org and the policy development process through ICANN's GAC and, more broadly, working with governments and IGOs on issues beyond those being addressed through an ICANN policy development process.

SCOPE

The scope of this initiative covers the following work areas:

- Strengthening existing relationships and identifying new actors as an ongoing activity. In conjunction with legislative and regulatory tracking, this will give ICANN org another layer of insight and help to prioritize targeted engagement. This includes an ongoing review of alliances based on emerging issues or changes in the focus of other organizations.
- Developing an approach to align engagement through face-to-face and virtual gatherings for organizations and actors within the global Internet ecosystem that are relevant to ICANN's remit.
- Identifying new opportunities for informing global Internet processes and the discussion of issues.
- Participating in targeted policy and technical Internet governance briefings, forums, webinars, and events.
- Creating targeted information and capacity-development materials to better equip government stakeholders around the world, enabling them to become more knowledgeable, and, therefore, more active participants in ICANN's policymaking processes.
- Assessing expectations of government participants in capacity-development activities to identify needs.
- Assessing the scope of global events and processes relevant to ICANN on topics such as cybersecurity and the unique identifiers.

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones and reports to ensure that initiatives advance. The following milestones will be used over the five-year period for this initiative:

- Publish reports on government-related activity such as ICANN-led briefings and capacity-development events for diplomats from the Permanent Missions to the U.N., as well as other U.N. agencies or other IGOs.
- Work in conjunction with local government hosts and GAC members to deliver periodic High-Level Governmental meetings.
- Develop reports and statistics on participation in outreach, technical briefings, and capacity-development sessions for the GAC as well as through collaboration with other organizations in the ecosystem.
- Conduct comparison of before and after GAC capacity-development event surveys to measure delivery of information against expectations and knowledge gained.
- Provide contributions to open consultations over legislative, regulatory, policy or standards initiatives and technical briefings to policymakers. These contributions will be published on the [Government Engagement page](#).
- Continually review existing Memorandums of Understanding for continuing alignment with goals.
- Track data on the number of countries and IGOs represented in the GAC as well as the number of countries and IGOs actively participating in the GAC and ICANN policy development processes.
- Provide geopolitical initiatives tracking updates and briefings through geopolitical plenaries at each ICANN Public Meeting.
- Publish reports on legislative or regulatory events with the potential to touch on ICANN's mission.
- Conduct technical assessments or use cases on the potential impact of various legislative or policy initiatives as needed.

RESOURCES

Effective cross-functional collaboration is an essential element for success in most of ICANN org's work. While the Government and IGO Engagement team (GE) will lead global strategy and political and environmental assessments of global IGOs and initiatives, collaboration from other functions will be needed as follows:

- Regional Global Stakeholder Engagement teams to identify proposed policies or legislation that might impact ICANN. Communications team to develop narratives to ensure consistent messaging on key issues.
- Legal team to provide analysis on the potential impact of proposed legislative or regulatory activity or policy initiatives on ICANN's ability to deliver its mission.
- Public Responsibility Support team to develop online courses.
- Support from OCTO to develop technical capacity-development curriculum to assist Government and IGO engagement with training and capacity-development through the GAC's Underserved Regions Working Group work plans and other collaborative initiatives in the Internet governance ecosystem.
- OCTO to assess the impact of proposed legislation on the DNS and to conduct use case analyses as applicable.
- GAC Support Team to identify which countries are not part of, or are not active participants, in the GAC.

Resources for this initiative are included in the Functional Activities of the financial plan and therefore no incremental resources are needed.

CONSIDERATIONS

The following risks and considerations exist for this initiative and may impact its advancement:

- Possible increased resources needed to cover new venues with additional technical resources for engagement with other organizations and stakeholders.
- Possibility of forging an alliance with an organization that takes the contrary position to ICANN's on a common issue.
- Potential perception from some in the community that reassignment of work might lead to a change in funding or reducing participation in events from a level to which the community previously had become accustomed.
- Need to allocate adequate resources to sufficiently monitor global trends and align with the Strategic Plan.
- Ensuring broad and informed participation across the GAC that reflects the functional, geographic, and cultural diversity of the Internet in order to mitigate against overrepresentation by any single interest.
- Need for resources to monitor and compare information across various venues to detect the “weak signals” early enough to identify trends and evaluate actions to address possible challenges. In certain cases, deliberations on issues related to ICANN's mission take place within multilateral settings behind closed doors without much, if any, information being released publicly.
- Political judgment is crucial in determining when to move from monitoring to active engagement efforts addressing proposed regulatory, legislative, or policy initiatives.
- Capacity constraints limiting the ability to provide briefings, technical training, and other engagement efforts in some governmental or IGO bodies. ■

Improve the Depth of Understanding of the Domain Name Marketplace Drivers That Impact ICANN's Funding

PURPOSE

The domain name marketplace has evolved and matured following the 2012 round of the New gTLD Program. ICANN org must analyze its funding model within the context of this evolving marketplace, reviewing key market enablers and challenges that have an impact on ICANN's funding. ICANN must also use these inputs effectively to provide a solid foundation for funding projections. This initiative brings together those activities.

SCOPE

The scope of this initiative covers these work areas:

- Further enrich the quality of feedback received from the market participants. Review and analyze the trends and driving forces of the domain name industry marketplace that impact ICANN's funding.
- Seek to validate and improve forecasting accuracy through review of other data sets that could provide predictive value for funding projections.

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones and reports to ensure that initiatives advance. The following measures will be used over the five-year period for this initiative:

- Firmly integrate market intelligence collection and review as part of the process to develop and update ICANN's funding projections.
- Annual delivery of funding assumptions and projections for the next five fiscal years.
- Continued enhancement of the funding model, leveraging high-value data sets as required, in relation to the forecasting process.

RESOURCES

Effective cross-functional collaboration is an essential element for success in most of ICANN org's work. Specific examples of collaboration needed for this initiative are:

- The skills of ICANN org's Global Domains and Strategy, Finance (and the Economist), OCTO, and Global Stakeholder Engagement functions are needed to collect and contextualize market intelligence and various data sets deemed relevant to the funding forecast process.
- Processes and tools are in place to effectively prioritize and periodically reprioritize work.

CONSIDERATIONS

The following risks and considerations exist for this initiative and may impact its advancement:

- It is not clear how threats to the DNS might impact ICANN's funding model. ICANN org must continue to expand its understanding and knowledge of the potential impact these threats may have on future funding.

Implement New gTLD Auction Proceeds Recommendations as Approved by the Board

PURPOSE

This initiative relates to preparations for the implementation of the Board-approved recommendations arising from the Cross-Community Working Group on New gTLD Auction Proceeds (CCWG-AP).

SCOPE

The scope of this initiative covers these work areas:

- ICANN org will complete the implementation design of the actions needed to implement the Board-approved CCWG-AP recommendations and launch the ICANN Grant Program, through which the auction proceeds will be disbursed to eligible applicants and projects.
- ICANN org will launch and evaluate the first grant cycle, and will plan the launch of future grant cycles to cover all the Grant Program objectives.

HOW PROGRESS IS TRACKED

Work within this initiative will happen in stages. The specific milestones guiding next steps are:

- Board approval of CCWG-AP recommendations (completed in FY22).
- Presentation of the high-level program design to the Board (completed FY23).
- Creation of the Grant Program department (FY23).
- Launch of the first grant cycle (tentatively FY24).
- Evaluation of the first grant cycle and preparation of subsequent cycle (FY24–25, depending on the launch of the first cycle).

RESOURCES

Effective cross-functional collaboration is an essential element for success in most of ICANN org's work. To ensure the success of this initiative and of the Grant Program:

- There will be close collaboration between ICANN org subject-matter experts to define and design the work in specific areas such as administrative and procedural, communications, legal, and technical.
- The final recommendations approved by the Board and the design of the implementation plan will determine costs, which will be funded by the auction proceeds.
- There will be an in-depth resource assessment conducted based on the implementation design of the recommendations to better determine estimated workload, needed skills, and the need for potential new hires.
- As implementation progresses, the auction proceeds will fund any resource supporting this work.

Resources for this initiative are included within the Functional Activities of the financial plan core budget and therefore, no incremental resources are needed. As implementation progresses, dedicated resources might be added. They will be funded by the auction proceeds.

CONSIDERATIONS

This work relies on elements and dependencies that might be identified during the implementation design phase. ■

Planning at ICANN

PURPOSE

Careful planning of ICANN activities helps safeguard ICANN's long-term financial sustainability and ensure that ICANN org is accountable to the public in its stewardship of ICANN's mission. This initiative defines and implements improvements to the planning process over the duration of the ICANN Strategic Plan for fiscal years 2021–2025.

SCOPE

- Delivery of a Planning Prioritization Framework to enhance and improve ICANN's overall annual planning process. The Planning Prioritization Framework was developed in FY22 in collaboration with the community. During FY23, ICANN org enhanced the FY24 planning process by implementing the prioritization step. Moving forward, the planning prioritization process will continue to be part of the annual planning process, which is described and measured under the Planning Functional Activity.
- Improvement of progress measurement toward achievement of the Strategic Plan. ICANN org will analyze the current progress reporting mechanisms and identify gaps. Then evolve the progress reporting mechanisms to better report out performance against the Operating Plan and Strategic Plan.

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones and reports to ensure that initiatives advance. For this initiative these include:

- Evolution of ICANN's planning processes, including integration of the strategic outlook and strategic planning processes into an overall rolling planning process. This milestone was completed in FY21.
- Planning Prioritization Framework:
 - In FY23, implement the prioritization framework during the planning process for FY24 Operating Plan and Budget. This milestone will be worked on during FY23.
- Progress Reporting Framework:
 - Starting in FY23, analyze and identify gaps in the current progress reporting mechanisms, then design a plan to evolve the progress reporting mechanisms.
 - In FY24, develop and deliver a progress reporting framework.
 - In FY25, implement the progress reporting framework to monitor achievement toward the 1 Year Operating Plan and Strategic Plan.

RESOURCES

Resources for the planning prioritization framework are included within the planned Functional Activities and continuing operations budget and no incremental resources are needed. Additional resources for the progress reporting framework are required and will be drawn from available funds.

CONSIDERATIONS

The following risks and considerations exist for this initiative and may impact its advancement:

- Newer community members need time to get used to ICANN's planning process and may not fully engage in webinars, consultations, and Public Comment proceedings on these initiatives.
- ICANN will need to provide information and engagement opportunities to ensure that the Bylaws-mandated review and Empowered Community timelines are achievable as written. ■

ICANN Reserves

PURPOSE

To safeguard ICANN's long-term financial sustainability and ensure that ICANN org is accountable to the public in its stewardship of ICANN's mission, the level of ICANN reserves must be continuously set, reached, and maintained, consistent with the complexity and risks of ICANN's environment.

SCOPE

The scope of this initiative covers these work areas:

- Ensure implementation of the October 2018 Board resolution to replenish the Reserve Fund to an amount equal to one year of operating expenses as the minimum target level of the Reserve Fund.
- Maintain minimum target level of the Reserve Fund as operating expenses change.

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones and reports to ensure that initiatives advance. The following measures will be used over the five-year period for this initiative:

- ICANN org has made \$36M in contributions to the Reserve Fund since the Board approved the replenishment strategy in October 2018.
- FY22 year-end balance of \$143M is slightly below 12 months of budgeted operating expenses.
- Since then, the initiative consists of closely and continuously monitoring the Reserve Fund level to ensure continued compliance with policy.
- Future allocations to the Reserve Fund will occur, leading to further strengthening of ICANN's financial sustainability.

RESOURCES

Resources for this initiative are included within the Functional Activities of the financial plan core budget and therefore no incremental resources are needed.

CONSIDERATIONS

The success of the replenishment strategy is dependent on:

- The stability of ICANN's funding.
- No events requiring Board-approved withdrawals from the Reserve Fund during the period.
- The stability of the minimum target level for the Reserve Fund. ■

FUNCTIONAL ACTIVITIES

FY24–28

Functional Activities are those necessary to operate the organization, such as Human Resources or Finance, or implement ICANN’s mission, such as Contractual Compliance or the IANA function. These 33 Functional Activities describe ICANN’s continuing operations for the period of FY24–28.

The 33 Functional Activities have been placed into five service groups:

- Technical and Domain Name System (DNS) Security
- Policy Development and Implementation Support
- Community Engagement and Services
- ICANN Org Governance
- ICANN Org Shared Services

These service groups were selected because they represent the broad categories of work that ICANN org conducts in fulfillment of its mission. The five service groups express the Functional Activities at a high level.

The FY24–28 Operating Plan updates the FY23–27 Operating Plan and continues to demonstrate how ICANN org implements its current Strategic Plan. Many of ICANN org’s Functional Activities are to implement its mission or operate the organization that continues each year. Any new activities or strategic changes to existing ones are marked with a delta (Δ).

FIVE SERVICE GROUPS:

TECHNICAL & DNS SECURITY

POLICY DEVELOPMENT & IMPLEMENTATION SUPPORT

COMMUNITY ENGAGEMENT & SERVICES

ICANN ORG GOVERNANCE

ICANN ORG SHARED SERVICES

FUNCTIONAL ACTIVITIES

FY24-28

TECHNICAL & DNS SECURITY

- Office of the Chief Technology Officer
- ICANN Managed Root Server
- Internationalized Domain Names and Universal Acceptance
- IANA Functions
- Contractual Compliance

TECHNICAL & DNS SECURITY

Office of the Chief Technology Officer

PURPOSE

ICANN org's Office of Chief Technology Officer (OCTO) aims to constantly improve knowledge about the identifiers that ICANN helps coordinate, to disseminate this information to the Internet community, to improve the technical operation of the Internet's system of unique identifiers, and to improve ICANN's technological stature.

OPERATING INITIATIVE CONTRIBUTIONS

- Lead: Support the Evolution and Strengthening of the Root Server System and Root Zone Management.
- Lead: Facilitate DNS ecosystem improvements.
- Support: Geopolitical Monitoring, Engagement, and Mitigation

ACTIVITIES

- **External Operations:** Activities that have an external impact, such as the DNS Security Facilitation Initiative (complete) and exploring the expansion of the Domain Name Security Threat Information Collection and Reporting (DNSTICR) (in process).
- **Technical Engagement and Outreach:**
 - Support and provide training, engagement, and outreach to the technical community on current and upcoming technologies.
 - Support other ICANN org teams such as Global Stakeholder Engagement and Government Engagement with technical expertise as needed.
- **Research:** Activities centered on the analysis of the impact of new and existing technologies on the Internet's unique identifier systems as well as the investigation of new technologies and how they may impact the unique identifier ecosystem. ICANN org will continue work related to the Name Collision Analysis Project (NCAP) studies.
- **Reporting:**
 - Continue reporting on various aspects of the unique identifier ecosystem via Domain Abuse Activity Reporting (DAAR) and Identifier Technologies Health Indicators (ITHI).
- **Internal Operations:**
 - Activities that have an internal impact or recurring activities such as support of the Action Request Register and implementation of recommendations from Specific Reviews and policy development processes.
 - Collaboratively working with ICANN's Public Responsibility Support team on online learning development.

TECHNICAL & DNS SECURITY

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones, metrics, and reports to track Functional Activities. The following measures will be used over the five-year period for this Functional Activity:

- **External Operations:** Much of the progress and milestones will be tracked via the Operating Initiatives, such as:
 - The progression of recommendations within “[RSSAC037](#): A Proposed Governance Model for the DNS Root Server System” and “[RSSAC038](#): RSSAC Advisory on a Proposed Governance Model for the DNS Root Server System,” both published on 15 June 2018.
 - Formalization of the Special Interest Forums on Technology (SIFT) program (in progress).
 - Establishing community agreement on the DNS Security Facilitation Initiative (completed).
 - Items related to root zone availability service being deployed.
 - Operation of DNSTICR (in progress).
- **Technical Engagement and Outreach:**
 - Deliver at least 90 percent of mutually agreed-on engagement and outreach activities requested by the community or our internal partners.
- **Research:**
 - Track and support recommendations for Name Collision Analysis Project (NCAP) Studies 2 and 3.
 - Operate an internal RSS Metric Monitoring System as described in RSSAC047 for internal research purposes. (Will be complete by the end of FY23.)
- **Reporting:**
 - Publish data or reports relevant to the various efforts underway, such as DAAR and ITHI reporting, technical papers, etc.
 - Implement data collection and gathering for various statistical analyses.

RESOURCES

Resource requirements are expected to increase.

TECHNICAL & DNS SECURITY

CONSIDERATIONS

The following risks and considerations exist for this functional activity and may impact its advancement:

- Bandwidth constraints or competing demands on the available staff resources due to a resource acting as a subject-matter expert for internal and community efforts.
- Assumptions regarding community interest in security and stability could be reduced, which may cause a reprioritization of staff time and effort.
- Community appetite for technical outreach, training, and engagement is strong but this could change, which may lead to reprioritization.
- During FY24–28, ICANN org anticipates that a number of OCTO-led implementations will be forthcoming resulting from the Board-approved recommendations from the Second Security, Stability, and Resiliency Review (SSR2).
- As some projects are completed, the intent is to convert them to programs that will operate indefinitely. The assumption is that there will be sufficient budget to support these programs moving forward. ■

TECHNICAL & DNS SECURITY

ICANN Managed Root Server

PURPOSE

Through the ICANN Managed Root Server (IMRS) program, ICANN org provides trusted technical expertise and solutions to support the global Internet by building and maintaining a sustainable, stable, and resilient root server that is able to respond to identified and vetted technical needs.

OPERATING INITIATIVE CONTRIBUTIONS

There are no linked initiatives at this time. This supports ICANN's ongoing activities.

ACTIVITIES

- Deliver and maintain a highly secure, stable, and resilient root server.
- Respond to defined strategic initiatives and vetted community expectations of the RSS.
- Maintain a low total cost of operations while developing capacity, good engineering practices, and RSS community engagement.

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones, metrics, and reports to track Functional Activities. The following measures will be used over the five-year period for this Functional Activity:

- Tracking the number of IMRS instances deployed every 12 months.
- Tracking the number of IMRS service outages every 12 months.

RESOURCES

Resource requirements are expected to increase.

- Additional locations of large IMRS clusters will require additional year-on-year funding to cover connectivity, colocation, and power costs.
- Additional locations of large IMRS clusters will require year-zero capital expenses funding followed by year-two maintenance and hardware upgrades to maintain stability and resiliency.

CONSIDERATIONS

Risks and considerations exist for this Functional Activity and may impact its advancement:

- Hiring and retaining expert-level staff continues to be challenging in the current economic climate.
- Staff may leave if clear paths for professional development are not implemented. ■

TECHNICAL & DNS SECURITY

Internationalized Domain Names and Universal Acceptance

PURPOSE

This Functional Activity supports ICANN org and community work and leads internal operations for Internationalized Domain Names (IDNs) and Universal Acceptance (UA) efforts.

OPERATING INITIATIVE CONTRIBUTIONS

- Lead: Promote and Evolve the DNS Through Open and Transparent Processes That Enable Competition and Open Entry in Internet-Related Markets While Ensuring the Stability, Security, and Resiliency of the DNS

ACTIVITIES

- Review IDN tables for generic top-level domains (gTLD) registries for security and stability in a consistent and transparent manner, and publish these in the IANA Repository of IDN Practices.
- Work with relevant communities to develop Reference Label Generation Rules for the second level.
- Support the application and evaluation of IDN country code top-level domains (ccTLD) Fast Track Process.
- Support the maintenance of Root Zone Label Generation Rules (RZ-LGR) by the community.
- Support policy development and implementation work on IDNs, including IDN variant top-level domains (TLDs).
- Conduct outreach to software developers and system administrators to promote UA readiness in applications and email services.
- Develop and conduct training for technology developers and email tools and service providers to promote UA readiness.
- Reach out to the public sector to promote UA readiness awareness and demand.
- Support the community-driven Universal Acceptance Steering Group to undertake work toward achieving UA.
- Manage the internal IDN and UA Steering Committee to coordinate ICANN org's IDN and UA-related activities across functions.

TECHNICAL & DNS SECURITY

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones, metrics, and reports to track Functional Activities. The following milestones will be used over the five-year period for this Functional Activity:

- The Reference IDN Tables are published at <http://icann.org/idn> and the updated IDN Table review process is implemented for further transparency and consistency using the Reference IDN tables.
- ICANN org implements IDN Guidelines version 4.1 following based on Generic Names Supporting Organization (GNSO) input and ICANN Board approval.
- ICANN org conducts outreach to communities using the remaining scripts identified in the Maximal Starting Repertoire to develop proposals for RZ-LGR.
- Continued community progress on UA based on its annual action plans, which are developed with the support of UA Program, both through global working groups and local initiatives.
- Continued progress of ICANN org in making its own systems UA-ready.
- IDN variant TLDs for gTLDs and ccTLDs are implemented based on the policies finalized by the GNSO and the Country Code Names Supporting Organization (ccNSO) and approved by the ICANN Board.
- Track and report progress through annual reports on IDNs (e.g., the “[IDN Annual Report 2022](#)”) and UA readiness (e.g., the “[UA Readiness Report for FY22](#)”).

RESOURCES

Resource requirements are expected to increase to support greater technical outreach to promote the universal acceptance of domain names and email addresses and support UA Day activities.

CONSIDERATIONS

The following risks and considerations exist for this functional activity and may impact its advancement:

- The work on the implementation of IDN variant TLDs depends on the finalization of the respective policies by the GNSO and ccNSO. The ICANN Board has asked the Supporting Organizations to develop a consistent set of policies for variant TLDs.
- Work on UA is based on influencing technology developers and policymakers who may have other priorities and may not be part of the ICANN community. ■

TECHNICAL & DNS SECURITY

IANA Functions

PURPOSE

The purpose of the IANA functions is to assign unique identifiers for the Internet in accordance with relevant policies, and to be the registry of record for those allocations. This work is essential to promoting Internet interoperability by ensuring devices on the Internet communicate in a standardized manner. This work is administered through contracts that provide accountability to the respective communities that use these services.

ICANN's affiliate Public Technical Identifiers (PTI) performs these functions on behalf of ICANN org according to service level agreements (SLAs) and other obligations defined in the contracts. PTI has a separate operating plan and budget process. The PTI Operating Plan and Budget constitutes a large component of the IANA Operating Plan and Budget and is included in the ICANN Operating Plan and Budget. Read the [FY24 PTI and IANA Operating Plans and Budgets](#).

OPERATING INITIATIVE CONTRIBUTIONS

- Lead: Support the Evolution and Strengthening of the Root Server System and Root Zone Management.
- Support: Facilitate Domain Name System ecosystem improvements.
- Support: Promote and Evolve the Domain Name System through open and transparent processes that enable competition and open entry in Internet-related markets while ensuring the Stability, Security, and Resiliency of the Domain Name System.

ACTIVITIES

- **Operations:** Daily activities required to provide the IANA functions in accordance with SLA and contractual obligations, and maintaining systems and processes to ensure secure and high availability of IANA-critical Internet infrastructure.
- **Operational Excellence:** Monitoring and improving operations through regular analysis and review that include third-party audits, customer engagement and satisfaction surveys, and organizational assessments. Validate IANA's contingency and continuity of operations and disaster recovery plans through regular tabletop exercises.
- **Technical Services:** Development of new tools and systems, software enhancements, website administration, and other discrete development projects to improve delivery of the IANA functions. Improvements to key management facilities to mitigate security threats and maintain facility quality.
- **Governance:** Regularly engage with stakeholders within the ICANN community and oversight bodies such as the PTI Board, the Regional Internet Registries, the Internet Engineering Task Force, and the Customer Standing Committee. Provide support to the IANA team through regular performance management and professional development training opportunities, and provide IANA subject-matter expertise to support org-wide initiatives. The work in this area also supports ICANN org in its governance efforts to sustain and improve openness, inclusivity, accountability and transparency.

TECHNICAL & DNS SECURITY

HOW PROGRESS IS TRACKED

- **Operations:** Continue to report on IANA performance against its SLAs and maintain the transparency of key signing key (KSK) ceremony administration practices.
- **Operational Excellence:** Continue to analyze customer feedback received through surveys as well as areas for improvement identified through external audits and use the results to drive operational improvements.
- **Technical Services:** Launch systems and tools according to the expectations of the IANA functions customers, receive an exception-free System and Organization Controls 3 (SOC3) Audit Report; perform KSK ceremonies in compliance with the DNSSEC Practice Statement; Complete root zone key management facilities upgrades in the Eastern and Western U.S. regions.
- **Governance:** Continue to engage with key stakeholders to ensure suggested improvements are implemented to the systems, processes, and facilities. Manage and report on project condition, staff performance, budget, risk, strategy implementation, and resource allocation.

RESOURCES

An increase in head count is expected in order to meet the objectives set forth in the PTI FY21–24 Strategic Plan, as well as new requirements driven by community-developed policies. In addition to being highly specialized, most roles in the IANA team currently lack redundancies, so losing staff can significantly impact the progress of key projects such as the Root Zone Management System, the Registry Workflow System, and the IANA website improvements.

- Professional services are a cost-effective, flexible way to supplement full-time equivalents that don't require highly specialized skills, and should be considered along with additional hiring.

CONSIDERATIONS

The following risks and considerations exist for this Functional Activity and may impact its advancement:

- Ongoing customer satisfaction relies on the evolution of IANA systems. Meeting growing customer volume while adhering to SLAs depends on increasing systems advancement. Customer expectations of the level of sophistication in those systems grows over time.
- Increased demands relating to the operating envelope around the KSK management. This includes more regular hardware replacement cycles, more frequent key replacement cycles (rollovers), and new security facilities.
- Without additional resources, IANA does not have bandwidth to deliver additional anticipated activities such as recommendations from the SSR2 and policy implementation.
- Losing staff can significantly impact the function. Most roles in the team lack redundancy and filling positions when staff depart has often proved challenging.
- A higher number of gTLDs may impact the root zone. ■

TECHNICAL & DNS SECURITY

Contractual Compliance

PURPOSE

The Contractual Compliance function ensures that gTLD registry operators and ICANN-accredited registrars comply with community consensus policies and their contractual agreements with ICANN.

OPERATING INITIATIVE CONTRIBUTIONS

There are no linked initiatives at this time. This supports ICANN's ongoing activities.

ACTIVITIES

- Conduct audits, monitoring, and outreach to ensure contracted parties are in compliance with agreements.
- Receive and resolve complaints regarding potential compliance issues with contracted parties.
- Support policy development processes (PDPs), Organizational and Specific Reviews, and the Registrar Accreditation Agreement and Registry Agreement contracting process by providing input from the contractual compliance perspective. Implement recommendations arising from Specific Reviews and PDPs as necessary and appropriate.
- To enhance operational excellence, the Contractual Compliance team plans to improve business operations, methods, and processes, including looking to increase automation in FY24–28.
- The team reduced professional services by migrating complaint processing to the Naming Services Portal (NSp) in FY23. The team also plans to increase its head count to support Contractual Compliance audit and reporting activities.
- Participate in outreach and training activities with contracted parties, or others (as needed), to raise awareness of contractual obligations.
- Provide metrics and data on complaints received that can help inform community discussions on contractual requirements.

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones, metrics, and reports to track Functional Activities. The following measures will be used over the five-year period for this Functional Activity:

- Number of low-complexity complaints processed.
- Number of high-complexity complaints processed.
- Turn-around time for processing low-complexity complaints.
- Closure rate of high-complexity complaints processed.
- The number of TLDs audited.
- High-risk issues mitigated through audits.

TECHNICAL & DNS SECURITY

- Contracted parties and reporter satisfaction level measured via perception survey.
- Number of outreach activities engaging with contracted parties, or others (as needed), through formal and informal means.
- Number of plans for remediating noncompliance, as presented by contracted parties, and monitored for recurrence by Contractual Compliance.
- Number of newly implemented proactive monitoring initiatives and projects.
- Number of formal enforcement actions conducted.

RESOURCES

Resource requirements are expected to be stable.

- Migration to NSp can potentially reduce outside vendor expenditures.
- Adding staff to provide in-house performance and metrics reporting and reducing expenditures on third-party vendors.

CONSIDERATIONS

The following risks and considerations exist for this functional activity and may impact its advancement:

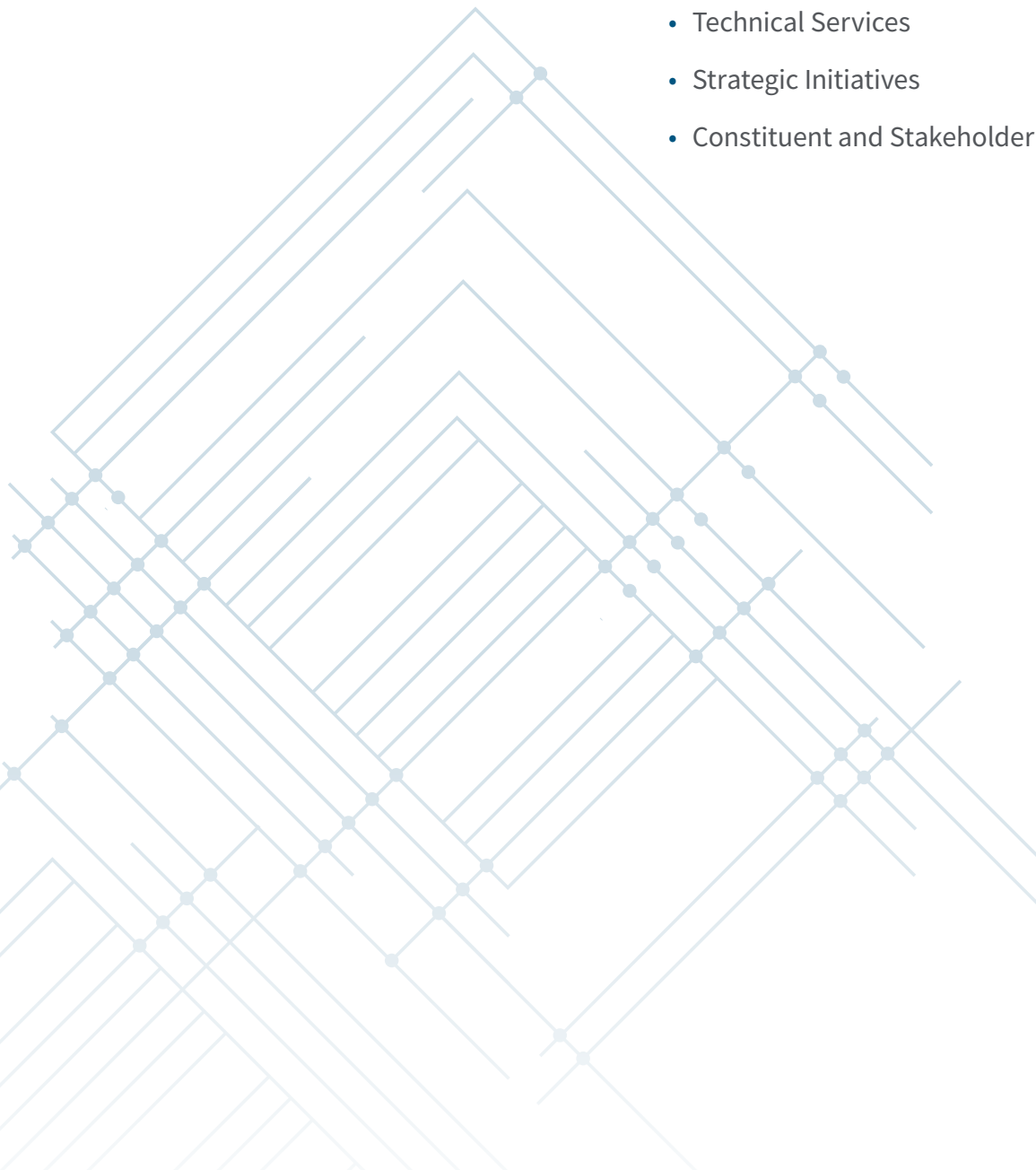
- Successful execution of recurring activities depends on hiring and training for backfill positions.
- Opportunities to reduce spending depend on timely, successful, and complete (including metrics) migration to the Contractual Compliance ticketing platform.
- Cross-functional work related to supporting reviews and policy development reduces Contractual Compliance resources available to execute core functions.
- Unknown impact on volume, type, and complexity of complaints submitted to Contractual Compliance as a result of unknown registry directory service (RDS) obligations.
- Complaints may increase in volume, type, and complexity. This may lead to a reallocation of existing resources among queues as well as to a need for additional staff. Implementing new requirements or projects may have an unknown impact on the volume, type, and complexity of complaints submitted to Contractual Compliance. ■

FUNCTIONAL ACTIVITIES

FY24-28

POLICY DEVELOPMENT & IMPLEMENTATION SUPPORT

- Policy Development and Advice
- Policy Research and Stakeholder Programs
- Contracted Parties Services Operations
- Technical Services
- Strategic Initiatives
- Constituent and Stakeholder Travel



POLICY DEVELOPMENT & IMPLEMENTATION SUPPORT

Policy Development and Advice

PURPOSE

The Policy Development Support function facilitates the policy development and advisory work of the ICANN community. It provides governance and process management, subject-matter expertise, and administrative and professional secretariat support to ICANN's Supporting Organizations (SOs), Advisory Committees (ACs), and other formally chartered community structures, including the Empowered Community Administration, the Customer Standing Committee, and the Root Zone Evolution Review Committee.

OPERATING INITIATIVE CONTRIBUTIONS

- Lead: Evolve and Strengthen the Multistakeholder Model To Facilitate Diverse and Inclusive Participation In Policymaking.
- Lead: Evolve and Strengthen the ICANN Community's Decision-making Processes To Ensure Efficient and Effective Policymaking.
- Support: Support the Evolution and Strengthening of the Root Server System and Root Zone Management.
- Support: Promote and evolve the DNS through open and transparent processes that enable competition and open entry in Internet-related markets while ensuring the Stability, Security, and Resiliency of the Domain Name System.
- Support: Geopolitical Monitoring, Engagement, and Mitigation.
- Support: Planning at ICANN.

ACTIVITIES

- Facilitate policy deliberations and consensus-development by managing the policy process from start to end for all community-driven policy-related projects. This work includes:
 - Conducting research and analysis, drafting reports, tracking recommendations, preparing briefings, and updating working drafts as policy work progresses.
 - Providing secretariat operations and administrative services such as meeting planning, record keeping, and process management.
 - Providing impartial and neutral advice on procedural and strategic approaches for successful consensus-building and effective policy outcomes.
 - Publishing papers, conducting webinars and presentations, and producing other materials to inform community members and the public about policy initiatives.

POLICY DEVELOPMENT & IMPLEMENTATION SUPPORT

- Manage community governance processes, and build and maintain relationships across multiple and diverse stakeholders globally.
- Manage Public Comment proceedings, which is a key mechanism for obtaining public feedback on all pending policy proposals before the ICANN Board considers them.
- Support the management and oversight work performed by the various SO and AC councils and community leadership teams by providing process guidance and subject-matter expertise, coordinating SO and AC strategic planning and related discussions, and tracking the progress of all community-managed efforts.
- Manage key channels for information about current and pending policy issues, including ICANN Prep Week sessions, the Community Digest, plenary sessions at ICANN Public Meetings, and regular policy briefing papers and updates.
- Facilitate effective organizational management and reporting of community activities, including milestones, work plans, and outcomes, through the adoption of a uniform project management-based approach and ICANN org's planned Community Engagement System (CES) platform.
- Continue the transition to and implementation of the CES to manage and report on community participation in ICANN policy processes, including working group enrollment, record keeping, status reporting, and membership management for each SO and AC.
- Implement comprehensive strategy in partnership with Engineering and IT supporting community work via the improvement of communication and collaboration tools, including the migration of SO and AC websites to the Information Transparency Platform and evaluating improvements to community-requested services in collaboration with Engineering and IT, Language Services, Legal, Meetings Technical Services, and other org functions.
- Complete the functionwide adoption of uniform project management tools and framework.
- Develop and deploy uniform program management tools to facilitate community planning and prioritization of policy work and other activities.
- Improve processes for more robust data collection and analysis (if funded) in support of policy development processes and operationally feasible, data-driven policy recommendations.

POLICY DEVELOPMENT & IMPLEMENTATION SUPPORT

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones, metrics, and reports to track Functional Activities. The following measures will be used over the five-year period for this Functional Activity:

- Tracking progress of community-driven projects (e.g., number and duration of projects and activities, volume and extent of community work including meeting hours, webinars, and preparation time required) and publication of resolutions, policy recommendations, and other community decisions.
- Reporting on community enrollment, membership, and participation in ICANN policy processes.
- Documenting and reporting on Public Comment proceedings and other community consultations managed by the Policy Development Support function.
- Progress on migration and transition to CES platform.
- Reporting on community activities at ICANN Public Meetings, including:
 - ICANN Prep Week reports and statistics.
 - ICANN Public Meetings reports and statistics.
 - Annual ICANN Public Comment proceedings reports.
 - ICANN Public Meeting Policy Outlook and Policy Outcomes reports.

RESOURCES

Resource requirements are expected to increase.

- There is a clear upward trend in the number and scope of policy initiatives across the ICANN community. In addition, current strategic objectives and strategic goals call for increased, diverse, and meaningful participation that will require org support and improved reporting. Without deliberately capping the number of active policy efforts in concurrent operation, these trends will require a correlated increase in resources (e.g., staff, travel, and professional services).
- Based on current trends and expected workload, it is anticipated that additional full-time policy staff positions at the analyst, specialist, or higher level with research, data analysis, and process management skills will be required to adequately support the community work.
- Professional services are a cost-effective, flexible way to supplement full-time equivalents that don't require highly specialized skills, and should be considered along with additional hiring.

POLICY DEVELOPMENT & IMPLEMENTATION SUPPORT

CONSIDERATIONS

The following risks and considerations exist for this activity and may impact its advancement:

- There is a continuing need to align community expectations for increased facilitation and other support from the Policy Development Support team that match the community's own workload with the Board's and org's understanding of the community's needs and priorities. This requires robust discussions of costs and benefits, with decisions that are informed by effective prioritization, including through the new Planning and Prioritization Framework.
 - Maintaining existing staff levels in the face of increasing work will affect the ability to provide consistent high-quality support for the community's work.
 - It may be necessary to defer or reduce the number of new policy projects, which may require trade-offs across the community about what to prioritize given the divergence of stakeholder interests.
- As noted under the Five-Year Operating Initiatives, if community expectations of support levels are not met and there is inadequate understanding of the priorities or ways that org resources are allocated, there is a risk of:
 - Lower levels of service to the community and regional disparities.
 - Delayed policy and advisory outputs.
 - Community frustration and loss of active participants.
 - Potential team member burnout.
- Discussions on the alignment of expectations, needs, and priorities need to be conducted in the context of the following considerations:
 - Prioritization of policy work that is integral to ICANN's mission.
 - Emphasis of support for community operations central to ICANN governance processes.
 - Organizational support for efforts to ensure global, diverse volunteer participation that provides legitimacy to ICANN's multistakeholder model.
- Prioritization remains a challenge for individual community groups and in cross-community work, although the new Planning and Prioritization Framework may alleviate some of the difficulties by providing a uniform tool for the Board, org, and community.
- Cross-functional, organization-wide coordination and communication of how and what technological tools are assessed, provided, and supported remains necessary and important in the face of community requests for expanded support as hybrid meetings remain the norm.
- As the complexity of policy work increases, the skills and experience levels required of staff to support this work will increase. This will require resources and commitment to training for motivated staff.
- The focus on data-driven policy development and advice work may require additional resources, either in-house or provided by third-party experts and service providers (e.g., professional survey designers). ■

POLICY DEVELOPMENT & IMPLEMENTATION SUPPORT

Policy Research and Stakeholder Programs

PURPOSE

The Policy Research and Stakeholder Programs functional activity leads and supports the implementation of key policies and cross-functional projects, provides research and thought leadership capabilities to support relevant organizational work, and leads and supports community-based work to develop and promote a multilingual Internet and secure user experience.

This function also ensures cross-functional coordination and subject-matter support for the Board's and org's activities around relevant recommendations and advice from the multistakeholder community.

OPERATING INITIATIVE CONTRIBUTIONS

- Lead: Promote and Evolve the DNS Through Open and Transparent Processes That Enable Competition and Open Entry in Internet-related Markets While Ensuring the Stability, Security, and Resiliency of the DNS.

ACTIVITIES

- Supporting Board consideration of GNSO consensus policy recommendations. See [Appendix A – ICANN Rolling Five-Year Roadmap](#) showing current and anticipated policy activities.
- Managing organizational activities around implementation of Board-approved GNSO consensus policy recommendations.
- Managing periodic reviews of Consensus Policies.
- Executing and supporting data, research, and study requests from internal and external stakeholders.
- Providing subject-matter support to internal and external stakeholder projects, including support during development of recommendations by SOs and ACs.
- Managing implementation of relevant Board-approved AC advice and Specific Review recommendations.
- Supporting the development of Root Zone Label Generation Rules for multiple scripts.
- Supporting policy development and implementation work on IDNs, including IDN variant top-level domains.
- Providing support for Operational Design Phase analysis prior to Board consideration of policy recommendations resulting from the multistakeholder process.

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones, metrics, and reports to track Functional Activities, as follows:

- Progress on implementation of Board-approved policy recommendations is reported on a dedicated consensus policy implementation webpage. Milestones include draft policy language, terms and requirements, analysis of input received on implementation via Implementation Review Team feedback and Public Comment, and the announcement of policy effective dates.

POLICY DEVELOPMENT & IMPLEMENTATION SUPPORT

- Progress on implementation of relevant advice items is reported on a dedicated webpage that provides the status of advice to the Board from ACs. Milestones include confirmation of understanding, exchanges and discussions with the relevant AC, and closure of the advice item.

For many of this function's activities, the timing and milestones depend on factors such as community decisions and engagement, and Board consideration and direction. The team communicates progress by direct engagement with the relevant SOs, ACs, and other stakeholder groups, by sharing work plans and draft documents for community comment and consultation, publishing blogs and announcements, and holding webinars and public meeting sessions.

RESOURCES

Resources requirements are expected to increase. Increased resources will likely be needed to deliver this work, as major policy efforts move into implementation, operational readiness planning continues to support future gTLD applications and operations, activity increases in the IDN policy space, and the need for UA coordination rises. Existing staff will collaborate with other functions including:

- Legal, Contractual Compliance, Communications, OCTO, Policy Development Support, and Global Stakeholder Engagement.

Additionally, increased resources will likely be needed to support the implementation of Board-approved review team recommendations, including:

- Particular study and research requests, which may require the procurement of professional services, e.g., consumer or registrant surveys, extension of statistical analysis of DNS abuse, or economic analysis.

CONSIDERATIONS

- A number of Board-approved recommendations from the Competition, Consumer Trust, and Consumer Choice (CCT) Review, Registration Data Services (RDS-WHOIS) Review, and SSR Review teams relate to this function's areas of responsibility. Prioritization and resource allocation for these activities is subject to the inputs of the Planning process.
- In this five-year period, this function plans to support numerous policy implementation efforts for Board-approved recommendations, including but not limited to Rights Protection Mechanisms Phase 1, Proxy & Privacy Services Accreditation, Translation & Transliteration, and Expedited Policy Development Process (EPDP) on the Temporary Specification for gTLD Registration Data Phase 2a.
- This function also anticipates that the org will be directed to take on significant new policy implementation efforts, including work on registration data and planning for future gTLD application rounds.
- The specific organization and resource allocation for these projects will be based on resource availability and prioritization discussions. ■

POLICY DEVELOPMENT & IMPLEMENTATION SUPPORT

Contracted Parties Services Operations

PURPOSE

Contracted Parties Services Operations delivers defined, high quality, repeatable services and processes to applicants and contracted parties in a timely, consistent, and predictable manner.

OPERATING INITIATIVE CONTRIBUTIONS

No linked Operating Initiatives. This function supports ICANN's continued operation.

ACTIVITIES

- Process contracted party service requests. Continually improve procedural aspects related to delivery of service requests.
- Manage contracted party agreements, including these steps:
 - Facilitate agreement execution.
 - Generate and execute contract amendments as a result of service requests.
 - Process agreement terminations.
- Manage registrar application and evaluation process.
- Monitor certain conditions required by contracted party agreements and execute outbound communications to facilitate contracted party compliance with agreements.
- Manage all aspects of vendor life cycle from procurement to operations for vendors that provide contracted party services, applicant evaluation, or related needs.
- Support the 2012 round of the New gTLD Program, including:
 - Application processing (evaluation, contention resolution, application change requests, etc.).
 - Contracting (Registry Agreement execution, Specification 13, and Code of Conduct Exemption Amendments).
 - Pre-delegation activities (pre-delegation testing, onboarding, and transition to delegation).
 - Support for ICANN org's Legal team on New gTLD Program-related Accountability Mechanisms and litigation.

POLICY DEVELOPMENT & IMPLEMENTATION SUPPORT

HOW PROGRESS IS TRACKED

ICANN org uses a combination of metrics and reports to track Functional Activities. The following milestones will be used over the five-year period for this Functional Activity:

- Service level targets will continue to be monitored and modified as per operational needs.
- Reporting of service delivery against service level targets will continue.
- Monitor contracted party transactional survey responses.

RESOURCES

Resource requirements are expected to be stable.

CONSIDERATIONS

The following risks and considerations exist for this functional activity and may impact its operation:

- Services defined by contracts and policies are varied, complex, and difficult to automate. Critical thinking and human judgment are required to complete transactions.
- Operations resources are in high demand both internally and outside the organization. Providing development opportunities and career growth to retain staff is critical to successful ongoing operations.
- New gTLD Program 2012 Round support activities are currently projected to run through FY24. Changes to that timeline would impact resources and activities.
- Accountability Mechanisms and litigation pertaining to the New gTLD Program typically require significant and unplanned time and effort, and may require significant expenditure of resources to manage. ■

POLICY DEVELOPMENT & IMPLEMENTATION SUPPORT

Technical Services

PURPOSE

The Technical Services function provides technical knowledge and data inside ICANN org regarding the DNS and works to maintain the security and stability of the DNS.

OPERATING INITIATIVE CONTRIBUTIONS

- Support: Promote and Evolve the DNS Through Open and Transparent Processes That Enable Competition and Open Entry in Internet-Related Markets While Ensuring the Stability, Security, and Resiliency of the DNS.
- Support: Facilitate the DNS Ecosystem Improvements.

ACTIVITIES

- Manage systems such as the Service Level Agreement Monitoring, Technical Compliance, Registration Reporting Interface (RRI), Technical Onboarding, Monitoring System Application Program Interface (MoSAPI), Zone File Access, Bulk Registration Data Access, Controlled Interruption monitoring, and the Centralized Zone Data Service (CZDS). Coordinate and support ICANN initiatives, such as Registration Data Access Protocol (RDAP) implementation.
- Manage services such as the Emergency Back-end Registry Operation and Registry System Testing (RST).
- Develop and maintain technical specifications used by the contracted parties, such as data escrow, Trademark Clearinghouse, RRI, and MoSAPI.
- Engage with the technical community.

HOW PROGRESS IS TRACKED

- Deliver new and updated systems.
- Update services as needed.
- Maintain up-to-date technical specifications.

POLICY DEVELOPMENT & IMPLEMENTATION SUPPORT

RESOURCES

Resource requirements are expected to increase. Additional resources will potentially be needed due to:

- EPDP on the Temporary Specification for gTLD Registration Data Phase 2 implementation.
- Operational readiness planning to support future gTLD applications and operation.
- Increased responsibilities, e.g., CZDS, RST, Technical Onboarding re-platforming, implementing the RDAP amendment, and implementing changes related to the Registration Data Policy.

CONSIDERATIONS

An additional increase of resources would be needed when unbudgeted projects are assigned or delegated to the team. ■

POLICY DEVELOPMENT & IMPLEMENTATION SUPPORT

Strategic Initiatives

PURPOSE

The Strategic Initiatives functional activity leads and provides support for strategic initiatives and evolving issues that impact ICANN org's remit and its stakeholders. It includes supporting work undertaken by the community, such as the coordination of ICANN org's strategy as it relates to compliance with the European Union's General Data Protection Regulation (GDPR) and other global data protection and privacy legislation. It also includes cross-functional strategic efforts related to all of the following initiatives: mitigating DNS security threats, New gTLD Subsequent Procedures, the operationalization of RDAP, IDNs and UA-related topics, and ICANN's Registrant Program.

OPERATING INITIATIVE CONTRIBUTIONS

- Support: Evolve and Strengthen the Multistakeholder Model To Facilitate Diverse and Inclusive Participation In Policymaking.
- Support: Promote and Evolve the Domain Name System (DNS) Through Open and Transparent Processes That Enable Competition and Open Entry In Internet-related Markets While Ensuring the Stability, Security, and Resiliency of the Domain Name System.
- Support: Monitor Legislation, Regulation, Norms, Principles, and Initiatives That May Impact the ICANN Mission.

ACTIVITIES

- **New gTLD Subsequent Procedures:**
 - Support the preparation for and implementation of Board-approved recommendations developed through the New gTLD Subsequent Procedures Policy Development Process.
- **Registrant Program:**
 - Development of materials to educate registrants about their rights and responsibilities as well as their roles within the DNS.
 - Raise awareness via outreach and engagement events and other capacity-development efforts about issues and challenges impacting registrants.
 - Ensure that registrants' perspectives are represented in ICANN org's work when implementing policies and services.
- **Data Protection and Privacy Issues:**
 - Cross-functional coordination as it relates to data protection and privacy issues, including Registration Directory Service (RDS) compliance with GDPR and other relevant laws.
 - Continued engagement and activities related to implementation of the EPDP on Temporary Specification for gTLD Registration Data Policy Phase 2A, and management of the EPDP Phase 2 recommendations on a System for Standardized Access/Disclosure (SSAD) to Nonpublic gTLD Registration Data, including tracking progress and reporting on the operation of the Registration Data Request Service.
 - Cross-functional coordination of various work streams related to the launch of RDAP services in the gTLD name space.

POLICY DEVELOPMENT & IMPLEMENTATION SUPPORT

- **DNS Security Threat Mitigation:**

- Continued coordination of org-wide strategy to ensure ICANN org is recognized as a trusted source of information; provide tools to the community to mitigate DNS security threats; and enforce related contractual provisions.

- **IDNs and UA:**

- Provide support for ICANN org's IDN and UA Steering Committee to develop and execute an effective cross-functional strategy for increasing IDN implementation and UA-readiness globally.

HOW PROGRESS IS TRACKED

Standard project management tracking will ensure timely completion of deliverables and coordination among functions as they relate to strategic initiative support.

- **New gTLD Subsequent Procedures:**

- Provide support for implementation of Board-approved policy recommendations resulting from the New gTLD Subsequent Procedures Policy Development Process.

- **Registrant Program:**

- Continue to produce content, including blogs, reports, and other communications, to inform registrants of their rights as domain name holders, and how they fit within the domain name ecosystem.
- Continue to raise awareness, through engagement and capacity-development activities and events, about issues and challenges impacting registrants.

- **Data Protection and Privacy Issues:**

- Provide support for implementation of policy recommendations resulting from EPDP Phase 2 should the Board adopt the recommendations, or decide to implement another solution in consultation with the GNSO Council.
- Coordinate ICANN org's strategy and related activities across functions to ensure alignment with org's goals related to ensuring that RDS and access to nonpublic gTLD registration data meet requirements of data protection and privacy laws, including the GDPR.

- **RDAP Program:**

- Track progress and ensure adherence to project plan to meet necessary milestones for the launch of RDAP services in the gTLD name space.

- **DNS Security Threat Mitigation:**

- Continued coordination of org-wide strategy, including the org's participation in ICANN community discussions on DNS security threat topics.

- **IDNs and UA:**

- Provide support for tracking the progress of cross-functional strategy for increasing IDN implementation and UA-readiness globally.

POLICY DEVELOPMENT & IMPLEMENTATION SUPPORT

RESOURCES

Resource requirements are expected to increase, though this depends on the direction provided by Board-approved recommendations from the New gTLD Subsequent Procedures Policy Development Process and EPDP Phase 2 recommendations.

CONSIDERATIONS

The following risks and considerations exist for this Functional Activity and may impact its advancement:

- Activities related to recommendations from the New gTLD Subsequent Procedures Policy Development Process and EPDP Phase 2 are expected to be a major effort during this period. Ongoing project planning will inform when additional resources are necessary to support required activities in this time period. ■

POLICY DEVELOPMENT & IMPLEMENTATION SUPPORT

Constituent and Stakeholder Travel

PURPOSE

The purpose of the Constituent and Stakeholder Travel function is to provide travel support for community members selected through appropriate processes and broaden participation in ICANN's processes.

OPERATING INITIATIVE CONTRIBUTIONS

- Support: Evolve and Strengthen the Multistakeholder Model To Facilitate Diverse and Inclusive Participation In Policymaking.
- Support: Evolve and Strengthen the ICANN Community's Decision-making Processes To Ensure Efficient and Effective Policymaking.

ACTIVITIES

- Provide travel support for community members selected through appropriate processes following Travel Support Guidelines.
- Update Travel Support Guidelines as needed and solicit Public Comment on updates.

HOW PROGRESS IS TRACKED

The following measure will be used over the five-year period for this functional activity:

- Publication of reports following each ICANN Public Meeting with details of the travel support provided.

RESOURCES

FY24–28: Resource requirements are expected to be stable. The number, cost, and level of support of funded seats for Supporting Organization and Advisory Committee constituent travel is stable.

CONSIDERATIONS

The following risks and considerations exist for this initiative and may impact its advancement:

- Allocating limited travel funding among ICANN community members requires prioritization.
- Advance planning is needed to ensure cost-effective pricing. ■

FUNCTIONAL ACTIVITIES

FY24-28

COMMUNITY ENGAGEMENT & SERVICES

- Global Stakeholder Engagement
 - Regional Offices
- Public Responsibility Support
- Governmental and Intergovernmental Organization Engagement
- GDD Accounts and Services
- Global Support Center
- Global Communications and Language Services
- Global Meetings Operations
- Ombudsman

COMMUNITY ENGAGEMENT & SERVICES

Global Stakeholder Engagement

PURPOSE

ICANN org's Global Stakeholder Engagement (GSE) team leads engagement and outreach around the world with stakeholders about ICANN and its mission. Through local coverage in ICANN's regions, the team is a point of contact for ICANN org and the ICANN community. Its purpose is:

- Raising awareness and understanding of ICANN's role and remit.
- Encouraging participation in ICANN policy development.
- Establishing and maintaining partnerships in ICANN technical activities.
- Enhancing ICANN org's operating model across all regional offices and ensuring alignment of regional engagement efforts with ICANN org strategic and operational priorities.
- Building relationships, developing understanding among stakeholders, and where possible developing trust.

OPERATING INITIATIVE CONTRIBUTIONS

As GSE's role is to lead engagement and outreach for ICANN org, it provides direct and indirect support for many of the Operating Initiatives, such as:

- Evolve and Strengthen the Multistakeholder Model to Facilitate Diverse and Inclusive Participation in Policymaking.
- Implement New gTLD Auction Proceeds Recommendations as Approved by the Board.
- Facilitate the Domain Name System Ecosystem Improvements.

ACTIVITIES

- Cross-functional regional engagement related to technical and policy initiatives, participation in relevant national and regional discussions related to ICANN's mission, and delivery of regional engagement strategies, with consideration given to the ongoing impact of the COVID-19 pandemic on travel and in-person gatherings.
- Capacity-development to increase understanding of ICANN's mission and to diversify participation in ICANN's core activities.
- Delivery on President and CEO goals to target stakeholders and key influencers who may impact ICANN but often do not participate in ICANN meetings and who may or may not be aware of the role of ICANN in the DNS ecosystem.
- Engagement measurement, planning, and administration.
- Support for cross-organizational collaboration for legislative tracking, government engagement, operational and strategic planning, and other functions.

COMMUNITY ENGAGEMENT & SERVICES

- Ongoing implementation of engagement activities related to the implementation of Specific and Organizational Reviews and community work on New gTLD Subsequent Procedures PDP recommendations. For example, ICANN org expects there to be more outreach and awareness-raising activities following delivery of the Operational Design Assessment for the next round of new gTLDs.
- Support of other ICANN org team initiatives at a regional level, including OCTO, Government and IGO Engagement (GE), and others.
- Participation in internal subject matter expert teams on the implementation of Organizational and Specific Reviews.

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones, metrics, and reports to track Functional Activities. The following milestones and metrics will be used over the five-year period for GSE:

- Status of alignment of regional engagement strategies with the Strategic Plan.
- Data on ICANN's geographical presence and services to regional stakeholders.
- Number of capacity-development and training events and analysis of community feedback.
- Incorporation of stakeholder journeys data into the ICANN org Open Data Initiative.
- Metrics related to cross-functional work on DNS ecosystem security, DNSSEC deployment, Universal Acceptance, and IMRS instances.
- Engagement reporting for CCT Review and RDS-WHOIS2 Review recommendations implementation.
- Support of community prioritization efforts at the regional level to participate in Public Comment periods.
- DNSSEC statistics from regional trainings and local adoption levels by top-level domains, Internet service providers, and others.

RESOURCES

Resource requirements are expected to increase.

- △ GSE anticipates the need for increased funding to support the demand for: engagement stemming from Operating Initiatives; implementation of Board-approved Organizational Review recommendations; raising awareness for potential future rounds of new gTLDs; regional capacity-development requests; and collaboration with Government Engagement at the regional level on potential legislation and ministerial briefings on ICANN and the multistakeholder model.
- △ GSE plans to hold regional ICANN DNS Forums or meetings in collaboration with Global Domains and Strategy (GDS) and OCTO to raise awareness of DNS security issues, technical Internet governance, DNS industry issues, and policy development.
- △ GSE also assumes that travel will return to pre-pandemic levels and community demand for support with regional events will likely continue to increase. Meanwhile, the team plans to continue providing hybrid events using lessons learned from the delivery of world-class virtual meetings.

COMMUNITY ENGAGEMENT & SERVICES

CONSIDERATIONS

The following considerations exist for the GSE team, some of which may pose risks:

- Close integration of engagement activities across the GDS, OCTO, and Government and IGO engagement functions will continue and these functions rely on cross-organizational collaboration to deliver on ICANN priorities.
- Improvements in collaboration made in FY21–22 will continue into FY23–24 with the Managing Directors network for the regional offices. Continued attention to staff retention, development, and performance is important during this period.
- The organizational priority on legislative tracking continues to require resources and engagement.
- The community prioritization effort may identify the need to recruit new stakeholders, which will involve the GSE team to target new active participants.
- Work continues on full deployment of software tools through the ICANN Customer Relationship Management (CRM) to enable cross-functional collaboration, request management, and performance tracking.
- Hybrid meetings will return at a regional level, but participation levels need to be monitored as some stakeholders may no longer be able to participate in ICANN work.
- Changes in the ecosystem post-COVID-19 may affect the ability for newcomers to participate in ICANN technical and policy work and may impact on the volunteers in the ICANN community. ■

COMMUNITY ENGAGEMENT & SERVICES

Regional Offices

ICANN has regional offices in Brussels, Belgium; Istanbul, Turkey; Montevideo, Uruguay; and Singapore. ICANN has engagement centers in Nairobi, Kenya; Washington, D.C., USA and Beijing, China.

PURPOSE

The primary purpose of the regional offices is stakeholder engagement. Besides bringing ICANN's functions closer to stakeholders, the offices facilitate the functions housed in the region to achieve the goals set out in the Strategic Plan.

OPERATING INITIATIVE CONTRIBUTIONS

As each regional office leads stakeholder engagement in its region and collaborates with other ICANN functions at a regional level, each regional office directly or indirectly supports all Operating Initiatives.

ACTIVITIES

ICANN's regional offices work with the community to help them obtain the support and services they need from ICANN org. Each office provides a broad range of localized services to the community. The regional offices are often a first point of contact for stakeholders in the area, and serve as the regional interface for ICANN org.

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones, metrics, and reports to track Functional Activities. Key measures for the regional offices in the five-year period are:

- Facilitate collaboration to achieve identified cross-functional goals based on the Strategic Plan. The success of this collaboration will be tracked against the goals.
- Collaborate to address engagement gaps, develop an engagement gaps matrix, and incorporate into an org-wide platform.

RESOURCES

Brussels: Resource requirements are expected to increase.

- △ Staff needs are expected to increase in order to support increased engagement around technical and legislative issues and new initiatives such as the possible future rounds of new gTLDs. There is a need to add support for staff covering Eastern Europe and Central Asia, and for post-Brexit engagement in the United Kingdom.
- △ Support for community and engagement meetings.

Istanbul: Resource requirements are expected to remain stable.

- △ Staff needs are expected to increase in order to support engagement activities in the African region.
- △ Upgraded audio-visual equipment is needed in support of community and engagement meetings.
- △ Allocation of adequate resources is needed for Istanbul-based staff to support ICANN org engagement activities in the region.

COMMUNITY ENGAGEMENT & SERVICES

Montevideo: Resource requirements are expected to increase.

- △ Increased funding needed for regional staff to attend annual capacity-development week and officewide meetings.
- △ Staff needs are expected to increase to support the contracted parties in the region and administrative support to the regional office.

Singapore: Resource requirements are expected to increase.

- △ Resource needs are expected to increase in order to support increased engagement activities related to the possible future rounds of new gTLDs, growing IDNs in South and Southeast Asia.

CONSIDERATIONS

The following risks and considerations exist for the success of the regional offices and may impact their progression:

- Work depends on other functions, which may have other priorities.
- Functional teams should have region-specific plans and goals in place.
- Use of a CRM platform will help better coordinate regional requests and assign resources.
- Adequate budget allocation is needed for GSE staff and regional support.
- Willingness of the community to use the regional offices for ICANN-supported face-to-face meetings.
- The Istanbul office may need to be expanded if the demand for larger face-to-face meetings in that region increases. ■

COMMUNITY ENGAGEMENT & SERVICES

Public Responsibility Support

PURPOSE

The Public Responsibility Support (PRS) team provides the community with the necessary support and tools to carry out public responsibility activities that support ICANN's mission. Increasing diversity and lowering barriers to participation are central to these efforts.

OPERATING INITIATIVE CONTRIBUTIONS

- Support: Implement a new gTLD Auctions Program as Approved by the Board.
- Support: Facilitate the DNS Ecosystem Improvements.
- Support: Evolve and Strengthen the Multistakeholder Model To Facilitate Diverse and Inclusive Participation In Policymaking.
- Support: Evolve and Strengthen the ICANN Community's Decision-making Processes To Ensure Efficient and Effective Policymaking.
- Support: Geopolitical Monitoring, Engagement, and Mitigation.

ACTIVITIES

- **Research and expertise:** PRS provides subject-matter expertise and global good practices advice for public responsibility initiatives within ICANN's remit in the areas of diversity, human rights, anti-harassment, and public interest, and supports the implementation of the ICANN Grant Program.
 - **Diversity programs:** PRS manages the Fellowship Program, NextGen@ICANN, the Internet Access Reimbursement Program, and the ICANN Community Childcare Grants Pilot.
 - **Capacity-development initiatives:** ICANN Learn, the Leadership Program, the Chairing Skills Program, the ICANN for Beginners Virtual Program, and the ICANN History Project. New online curricula and virtual programming are in development for the Chairing Skills Program.
- △ Develop ICANN Learn as the main capacity-development tool across ICANN, featuring a robust catalog of technical and skill-building courses.
 - △ Improve linkages between newcomers and individuals and groups that perform policy development and advice work.
 - △ Implement a more data-driven approach to diversity issues, program management, and evaluation.
 - △ Establish a pilot program that provides emergency financial support for continued Internet access, building on the initial contribution made in support of the Internet community in Ukraine in 2022.
 - △ Evaluate and improve PRS programs on a rolling basis; conduct a five-year review for the Fellowship Program in FY24 and for NextGen@ICANN in FY25.

COMMUNITY ENGAGEMENT & SERVICES

- △ Phase out ICANN History Project work beginning in FY21 and reduce to minimal maintenance levels in FY25.
- △ Evaluate new engagement opportunities for Fellows and NextGen@ICANN alumni such as mentorship activities and resources and periodic meetups.
- △ Facilitate support for ICANN human rights and diversity initiatives.
- △ In conjunction with the Leadership Program and following community requests, PRS will facilitate a community-led Intercultural Awareness Program training session aimed at raising community awareness and understanding of cultural norms and best practices across regions.

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones, metrics, and reports to track Functional Activities. The following measures will be used over the five-year period for this Functional Activity:

- Research and expertise:
 - Develop a standard process to support the community and the ICANN Board in their diversity assessment efforts recommended in the Cross-Community Working Group (CCWG) on Enhancing ICANN Accountability Work Stream 2 (WS2) Final Report by FY24.
 - Support community groups and the ICANN Board in conducting regular diversity assessments starting in FY24.
 - CCWG-Auction Proceeds: Support outreach efforts related to the ICANN Grant Program.
- Diversity programs: Fellowship Program, NextGen@ICANN, ICANN Community Childcare Grants Pilot, and Internet Access Reimbursement Program
 - ICANN Community Childcare Grants Pilot will be evaluated in FY23 to determine whether the program will continue as a recurring activity.
 - Five-year reviews of diversity programs: Fellowship in FY24 and NextGen@ICANN in FY25.
 - Fellowship and NextGen@ICANN metrics include:
 - Number of participants by region and sector
 - Number of pen holders on policy reports and documents
 - Number of mailing list contributors
 - Number of Public Comment contributors
 - Number of alumni in leadership positions

COMMUNITY ENGAGEMENT & SERVICES

- Capacity-development initiatives include:
 - Phasing out ICANN History Project work began in FY21 and will reduce to minimal maintenance levels by FY25.
 - Online Learn (ICANN Learn) metrics include:
 - Number of active users
 - Number of new courses
 - Number of multilingual courses
 - Other capacity-development delivery will be evaluated and improved on a rolling basis.

RESOURCES

PRS resources will remain at FY23 levels (adjusted annually for inflation).

CONSIDERATIONS

The following risks and considerations exist for this functional activity and may impact its advancement:

- Work depends on clear community and organizational public responsibility priorities and cross-functional collaboration.
- There is a risk of new volunteers dropping off and participants in ICANN's multistakeholder processes not reflecting the evolution of the broader Internet user base.
- Reputational risks may arise from failure to provide sufficient transparency and ability to demonstrate impact and return on investment of programs. This includes failure to support educated and informed stakeholders and a perceived lack of diversity in PRS programs.
- Continued improvement to PRS operations is needed, increasing transparency, scalability, and responsiveness to the community.
- The demand for self-paced, online capacity-development opportunities across the ICANN community continues to rise each year. Over 2,000 learners have actively taken training in the last 12 months. ICANN Learn should be leveraged to improve scalability of capacity-development efforts and resources to manage the expansion of training content.
- Per ICANN Board's direction, org is currently evaluating whether and how to provide emergency financial support for continued Internet access as an ongoing program. Outcomes from this assessment will impact PRS's operations and resource needs. ■

COMMUNITY ENGAGEMENT & SERVICES

Governmental and Intergovernmental Organization Engagement

PURPOSE

ICANN org's Government and Intergovernmental Organization Engagement (GE) team is responsible for outreach and engagement with national and regional government and intergovernmental organizations (IGOs) to protect the remit and mandate of ICANN.

The team acts as a central point of contact to help governments and IGOs understand and be mindful of the way the Internet functions and the role ICANN plays in technical Internet governance. The team's goal in engagement is to provide information to make governments aware of or mitigate the sometimes unintended consequences of government action on areas within ICANN's remit or on policies developed through ICANN's multistakeholder processes. The team specifically provides information about ICANN's role in the management of the Internet's unique identifiers, including the global Domain Name System, IP addresses, and protocol parameters.

The Government and IGO engagement team works with the Governmental Advisory Committee (GAC) as the constituency that is the home of governments and IGOs within ICANN. The team also represents the mission of ICANN with government ministries and IGOs.

OPERATING INITIATIVE CONTRIBUTIONS

Lead: Geopolitical Monitoring, Engagement, and Mitigation.

ACTIVITIES

- Assessment of risks to ICANN org due to legislative or regulatory processes or through global activity by IGOs.
- Facilitation of global, regional, and national government engagement strategies reflecting geopolitical challenges and changes and, if necessary, reflecting the changes in the Strategic Plan.
- Ongoing cross-functional regional engagement related to technical and policy work, participation in relevant national and regional discussions.
- Capacity-development.
- Supporting cross-organizational collaboration for legislative tracking, government engagement, operational and strategic planning, and other functions.
- Reviewing and revising the global government and IGO engagement strategies to align with the Strategic Plan.
- Update demand-driven government capacity-development activities against the Strategic Plan, and ensure these activities align with the new Strategic Objectives for ICANN.
- Evaluate the government engagement events ICANN org currently supports to determine effectiveness and modify engagement strategy as needed.

COMMUNITY ENGAGEMENT & SERVICES

- Develop and implement an annual engagement plan for the global Internet Governance Forum (IGF), to coordinate ICANN activities and maximize involvement through speaking engagements, workshops, the Open Forum, social media, booths, and flash sessions. In addition, work with the local host and the IGF Secretariat on opportunities for intersessional engagement with parliamentarians about technical Internet governance and ICANN's role managing the unique identifier system. Each year's engagement is a basis for the following year's work and uses the IGF Secretariat report, the community questions and feedback, views and attendance participation information, and feedback from presenters to assess and plan for the following year's work.
- Annually reviewing and revising engagement strategies for ITU, ITU-D, and WSIS+20.
- Monitor and report on developments at the United Nations (U.N.), International Telecommunication Union (ITU), and other U.N. agencies, dealing with the World Summit on the Information Society (WSIS) +20 review, as well as development of the U.N. Cybercrime Convention and other relevant U.N. and ITU documents.

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones, metrics, and reports to track Functional Activities. The following measures will be used over the five-year period for this Functional Activity:

- Delivery of the postponed High-Level Governmental meeting may occur in FY24 as a hybrid (virtual and in-person) event in conjunction with an ICANN meeting, depending on pandemic safety protocols and discussions with the GAC. Subsequent High-Level Governmental meetings could potentially occur biennially.
- Reports and statistics on participation in outreach, technical briefings, and capacity-development sessions for the GAC and through collaboration with other organizations in the ecosystem.
- Comparison of surveys conducted before and after GAC capacity-development events to measure information learned and delivery of information against expectations.
- Completed review of existing Memorandums of Understanding for continuing alignment with goals.
- Metrics related to the number of countries and intergovernmental organizations represented in the GAC and the number of countries and IGOs actively participating in the GAC and ICANN policy processes.

RESOURCES

Increased resources will be needed to address:

- △ Growth in risks to ICANN org through intended or unintended consequences of the legislative and regulatory actions of governments and IGOs.
- △ Growth in risks to the single, stable, global Internet through new technologies, lack of government understanding of those technologies, or political initiatives to address challenges governments believe are posed by those technologies.
- △ Increased stakeholder demand for engagement and capacity-development through the GAC's Underserved Regions Working Group and Public Safety Working Group.
- △ Increased regional capacity-development workshops, technical briefings, and training delivered by ICANN or in collaboration with other organizations within the Internet ecosystem.

COMMUNITY ENGAGEMENT & SERVICES

- △ Increased activity in the cybersecurity areas reflecting growing governmental concerns and proactive and preemptive behavior to address or exploit possible vulnerabilities in the critical Internet infrastructure.
- △ Increased need for professional service contracts to cover specialized events, such as but not limited to coverage of U.N. and other IGO sessions, negotiations, and hearings in Brussels, Geneva, and New York City, as well as regional events as part of IGO global processes. FY24–28 Operating and Financial Plan encompasses activity that will involve the U.N. Open-Ended Working Group, the Ad Hoc Committee, the Cybercrime convention discussions, the next round of the WSIS discussions, as well as the ITU Plenipotentiary 26 and many other geopolitical processes with the potential to impact ICANN’s mission and the community’s ability to make policy regarding the unique identifiers. There is also an increased need for service contracts related to information gathering and analysis in regions.
- △ Increased participation required in arenas that ICANN has not previously engaged in due to shifts in the locus of political action that can impact ICANN.
- △ Increased operational responsibilities in FY24–28 will require increased head count.

CONSIDERATIONS

The following risks and considerations exist for this Functional Activity and may impact its advancement:

- Changes in the assessment of the risk environment.
- Changes in functional resources and team allocation. Expanding geopolitical activity and global spread will require increasing collaboration with and demand on the resources of GSE, OCTO, Global Communications, and other community-facing functions in ICANN org. ■

COMMUNITY ENGAGEMENT & SERVICES

GDD Accounts and Services

PURPOSE

The Global Domains Division (GDD) Accounts and Services function is responsible for the effective implementation of Generic Names Supporting Organization (GNSO) Consensus Policy and contract-related services. Its team builds and maintains relationships with the ICANN-accredited registrars, gTLD registries, and their respective stakeholder groups. The team is also responsible for identifying indicators and trends for the evolution of the DNS ecosystem and leading the organization's DNS Security Threat Mitigation Program.

OPERATING INITIATIVE CONTRIBUTIONS

- Lead: Improve the Depth of Understanding of the Domain Name Market Drivers That Impact ICANN's Funding.
- Support: Promote and Evolve the Domain Name System (DNS) Through Open and Transparent Processes That Enable Competition and Open Entry In Internet-related Markets While Ensuring the Stability, Security, and Resiliency of the Domain Name System.

ACTIVITIES

- Continue to build and maintain relationships with ICANN's contracted parties.
- Collect and contextualize market intelligence about the domain name industry ecosystem.
- Implement GNSO policy recommendations after adoption by the ICANN Board.
- Implement and enhance services for the contracted parties.
- Develop the annual and five-year funding forecast and funding assumptions.
- Support the contracted parties transition to the RDAP-based technology platform for registration data directory services as called for in amendments to the Base gTLD Registry Agreement and Registrar Accreditation Agreement.
- Implement assigned Specific Review recommendations.
- Lead efforts to prepare to evolve the Registry Agreement and Registrar Accreditation Agreement in anticipation of a next round of gTLDs.
- Coordinate ICANN's efforts to conduct research and provide tools, factual information, and education for the ICANN community regarding DNS security threats and DNS abuse.
- Collaborate and coordinate with industry actors on reducing DNS security threats (botnets, malware, pharming, phishing, and spam when used as vectors).
- Work with the community to identify gaps in addressing DNS security threats within ICANN's remit and means to reduce DNS security threats.

COMMUNITY ENGAGEMENT & SERVICES

- Host an annual Contracted Parties Summit, which provides ICANN org and contracted parties an opportunity to engage and address issues of mutual interest and importance.

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones, metrics, and reports to track Functional Activities. The following measures will be used over the five-year period for this Functional Activity:

- Production of funding forecast and forecast assumptions for quarterly and annual budgeting processes.
- Implementation of adopted consensus policies.
- Periodic survey of contracted parties.

RESOURCES

Resource requirements are expected to increase. Increased staffing levels are required to support the implementation of several GNSO PDPs that have been completed or are currently in progress as well as the Specific Review recommendations approved by the Board. Additional resources are also required to lead and support the evolution of the Registry Agreement and the Registrar Accreditation Agreement in advance of a next round of gTLDs. As the next application round approaches, account management resources are likely to require an increase to provide account management support to a larger base of registries and registrars as more are added through subsequent rounds of new gTLDs.

The team has also added responsibility to lead ICANN org's coordinated efforts related to mitigating DNS security threats and combating DNS abuse. Additionally, the increased level of focus and priority on the funding forecasting requires more effort for market analysis and improved financial models.

CONSIDERATIONS

- Implementation of approved GNSO Council-developed policy recommendations partially depends on volunteer-based Implementation Review Teams.
- Implementation of several of the Board-approved Specific Review recommendations require consultation with contracted parties and potential changes to agreements.
- Any changes to the Registry Agreement or Registrar Agreement require agreement with relevant contracted party stakeholder groups and approval by a supermajority of the relevant contracted parties. ■

COMMUNITY ENGAGEMENT & SERVICES

Global Support Center

PURPOSE

A number of ICANN org teams provide services to users, stakeholders, and interested parties around the world. The most notable services include ICANN Global Support, [Correspondence](#) and [Board Advice](#) tracking, and WHOIS Accuracy Reporting System (ARS) functions. This group supports various aspects of ICANN's mission and strategy with a particular emphasis on continual improvement.

OPERATING INITIATIVE CONTRIBUTIONS

No linked initiatives. These are ongoing operational functions.

ACTIVITIES

- Tier one support for ICANN org functions.
- Contracted party support and communications management.
- New gTLD applicant support.
- Account and contact management.
- Registrant and community support.
- Correspondence and Board Advice tracking.
- WHOIS ARS functions, when and if they resume.

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones, metrics, and reports to track Functional Activities. During FY24–28, the following will be monitored:

- Service-level targets will continue to be monitored and modified as per operational needs.
- Customer satisfaction will continue to be measured through transactional surveys and reported regularly.

RESOURCES

Resource requirements are expected to remain stable.

COMMUNITY ENGAGEMENT & SERVICES

CONSIDERATIONS

The following risks and considerations exist for this Functional Activity and may impact its operations:

- Future demand for the Global Support Center cannot be estimated with high confidence. Regional and world events may result in an unanticipated and severe increase in volume.
- Policies and contractual obligations continuously evolve and Global Support Center must stay abreast of the changing landscape in order to provide accurate responses to contracted parties and community members.
- The effectiveness and efficiency of the Global Support Center is highly dependent on the operating systems and tools on which it relies. Specifically, the team is highly reliant on the Naming Services Portal.
- Global Support Center resources are in high demand both internally and outside the organization. Retaining staff is critical to successful ongoing operations.
- Correspondence and Advice volume is highly variable. ■

COMMUNITY ENGAGEMENT & SERVICES

Global Communications and Language Services

PURPOSE

ICANN org's Global Communications and Language Services function is responsible for creating awareness of ICANN and its role in supporting the public interest, and ensuring that ICANN is represented accurately and consistently in all forms of communication. This is accomplished by:

- Demonstrating successes, knowledge, and thought leadership through compelling, clear, and consistent messaging.
- Continuing to grow, globalize, and diversify communications efforts and channels for geographic and target-audience reach.
- Expanding and engaging with new audiences by reaching outside of traditional forums.
- Leveraging media and industry contacts to amplify key messages.
- Increasing external understanding of and participation in ICANN's policy development process and multistakeholder model.
- Explaining the role of the IANA functions and ICANN's technical remit.
- Educating internal audiences and supporting staff activities.
- Facilitating access to ICANN by providing translations, interpretation, and transcription services in the six U.N. languages for ICANN Public Meetings and other events.

The secondary purpose is to provide communication tools to staff and the community to advance their work.

OPERATING INITIATIVE CONTRIBUTIONS

- Support: Facilitate DNS Ecosystem Improvements.
- Support: Evolve and Strengthen the Multistakeholder Model To Facilitate Diverse and Inclusive Participation In Policymaking.
- Support: Evolve and Strengthen the ICANN Community's Decision-making Processes To Ensure Efficient and Effective Policymaking.
- Support: Promote and Evolve the Domain Name System (DNS) through open and transparent processes that enable competition and open entry in Internet-related markets while ensuring the Stability, Security, and Resiliency of the DNS
- Support: Support the Evolution and Strengthening of the Root Server System and Root Zone Management
- Support: Geopolitical Monitoring, Engagement, and Mitigation
- Support: Implement New gTLD Auction Proceeds Recommendations As Approved by the Board.

COMMUNITY ENGAGEMENT & SERVICES

ACTIVITIES

- To ensure professional, consistent messaging that properly positions ICANN in the community, and the org, using traditional media, social media, and other sources. This team is responsible for brand and usage standards, website content, social media, graphic design, writing, proofing, and editing.
 - The team will continue the development and implementation of the Information Transparency Platform (ITP) by adding more features to icann.org and transitioning the community sites to the new user experience.
 - The Global Communications function supports capacity-development efforts in the regional offices through public relations, media facilitation, and communication strategy.
 - This function is part of the strategic communications planning and implementation (drafting, editing, content review, and scorecard development) for many of the functions within ICANN org, as well as internal communications, editing, writing, and communications planning support for internal functions such as Engineering and IT, Finance, and HR.
- △ In FY24–28, Global Communications anticipates adding a writer, a media specialist, and a graphic designer to the team to better support each function.
- △ Several sets of community recommendations are now moving to Board consideration and, if approved, eventual implementation. The Board-approved recommendations that will require strategic communications planning and content support include those from the New gTLD Subsequent Procedures Working Group, Expedited Policy Development Process on Temporary Specification for gTLD Registration Policy Phase 2, and the Cross-Community Working Group on New gTLD Auction Proceeds.
- △ Over this period, the team will develop a roadmap for the Open Data program and manage the progress of the program.

HOW PROGRESS IS TRACKED

The Global Communications team will use tools, such as social listening and media monitoring, to track key metrics including: press release, blog, and announcement reach, content likes, retweets, shares, etc.

RESOURCES

Resource requirements are expected to increase, as the team has requested the addition of staff to increase capacity.

CONSIDERATIONS

The following risks and considerations exist for this functional activity and may impact its advancement:

- Overall, unclear or inconsistent communications and messaging to stakeholders can negatively impact ICANN's reputation or put ICANN org at legal risk.
- Advance notice of special projects or initiatives that will require communications support is key to ensuring that resources are available to provide assistance. Other functions are strongly encouraged to involve the team as early as possible.
- Promoting a shared understanding of key and current issues requires that staff throughout ICANN org work with the Global Communications team to access accurate and consistent information on topics of interest.
- Translated materials that are costly to produce are not well used in some of the languages. ■

COMMUNITY ENGAGEMENT & SERVICES

Global Meetings Operations

PURPOSE

Global Meetings Operations supports face-to-face and virtual meetings hosted by ICANN globally. For face-to-face meetings, the team ensures that the selected cities, venues, meeting facilities, and services provide an environment conducive to an effective meeting. They work in close collaboration with the community to establish the meeting schedule and provide travel support for funded travelers and staff.

For hybrid meetings, the team works with the community and the org to establish the schedule and ensure an effective participation strategy for the online and in-person participants.

OPERATING INITIATIVE CONTRIBUTIONS

No linked initiatives at this time. This supports ICANN's ongoing activities.

ACTIVITIES

The team provides extensive preplanning and on-site and virtual support for:

- Three ICANN Public Meetings a year.
- Three Board workshops a year.
- Community face-to-face and virtual meetings, the number of which varies from year to year.

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones, metrics, and reports to track Functional Activities. The following measures will be used over the five-year period for this Functional Activity:

- Meaningful stakeholder participation increases, demonstrated by community members effectively engaged in multistakeholder model processes and committed to cooperating toward an agreed-on global public interest.
- Continued efforts of the ICANN Board, community, and org to facilitate the inclusion and participation of all stakeholders.
- Meetings team: Number of meetings supported.
- Travel Support: Number of travelers supported.

COMMUNITY ENGAGEMENT & SERVICES

RESOURCES

Resource requirements are expected to increase. As face-to-face and virtual meeting demand continues to increase and consume available resources, the team's ability to complete work in a timely manner is increasing direct and indirect costs due to reduced lead times. The team anticipates needing additional resources in FY24–28.

CONSIDERATIONS

The following risks and considerations exist for this functional activity and may impact its advancement:

- There is a need to define the purpose of ICANN Public Meetings and work toward internal alignment within ICANN org.
- ICANN org is seeing an upward trend in the number of face-to-face and virtual meetings, even with flat funding.
- ICANN org has confirmed locations through October 2023 and is in the process of finalizing contracting for some meeting venues. Changes to the number or type of meetings could incur cancellation penalties.
- The COVID-19 pandemic-related disruption is likely to affect the format and cost of meetings conducted face-to-face or virtually in FY23. ■

COMMUNITY ENGAGEMENT & SERVICES

Ombudsman

PURPOSE

The Office of the Ombudsman is a neutral dispute resolution practitioner for the ICANN community. The principal function of the Ombudsman is to provide an independent internal evaluation of complaints by members of the ICANN community who believe that the ICANN org, Board, or an ICANN constituent body has treated them unfairly. The Ombudsman serves as an objective advocate for fairness, and seeks to evaluate and resolve complaints about unfair or inappropriate treatment by ICANN org staff, the Board, or ICANN constituent bodies, clarifying the issues and using conflict resolution tools such as negotiation, facilitation, and “shuttle diplomacy” to achieve these results.

The Ombudsman also has a formal role in conducting a substantive review of Reconsideration Requests. However, the Ombudsman recuses the office from such a review if the office has been previously involved in the subject matter of the Reconsideration Request.

OPERATING INITIATIVE CONTRIBUTIONS

No linked initiatives at this time. This supports ICANN’s ongoing activities.

ACTIVITIES

The primary role of the Ombudsman includes:

- Complaint management.
- Raising awareness of Expected Standards of Behavior and Community Anti-Harassment Policy within the community, Board, and org. There is currently good awareness, but actions in FY24 and plans over the next five years aim to increase visibility and activity.
- Substantive evaluation of Requests for Reconsideration under ICANN Bylaws, Article 4, section 4.2.1.
- Ongoing education to empower leadership in community via ICANN Learn and providing training for community leaders to empower and educate on conflict resolution.
- Implementation of recommendations related to the Ombudsman from the Cross-Community Working Group on Enhancing ICANN Accountability Work Stream 2.

COMMUNITY ENGAGEMENT & SERVICES

HOW PROGRESS IS TRACKED

ICANN Bylaws require the Office of the Ombudsman to produce an annual report with consolidated analysis of the year's complaints and resolutions, documentation of adherence to confidentiality obligations and concerns, as well as recommendations for steps to minimize future complaints.

RESOURCES

Resource requirements are expected to be stable. The number of Reconsideration Requests also affects the resources required. The Ombudsman collaborates with several teams within the org including: Communications, Public Responsibility Support, Legal, Meetings, as well as the Board and the community.

CONSIDERATIONS

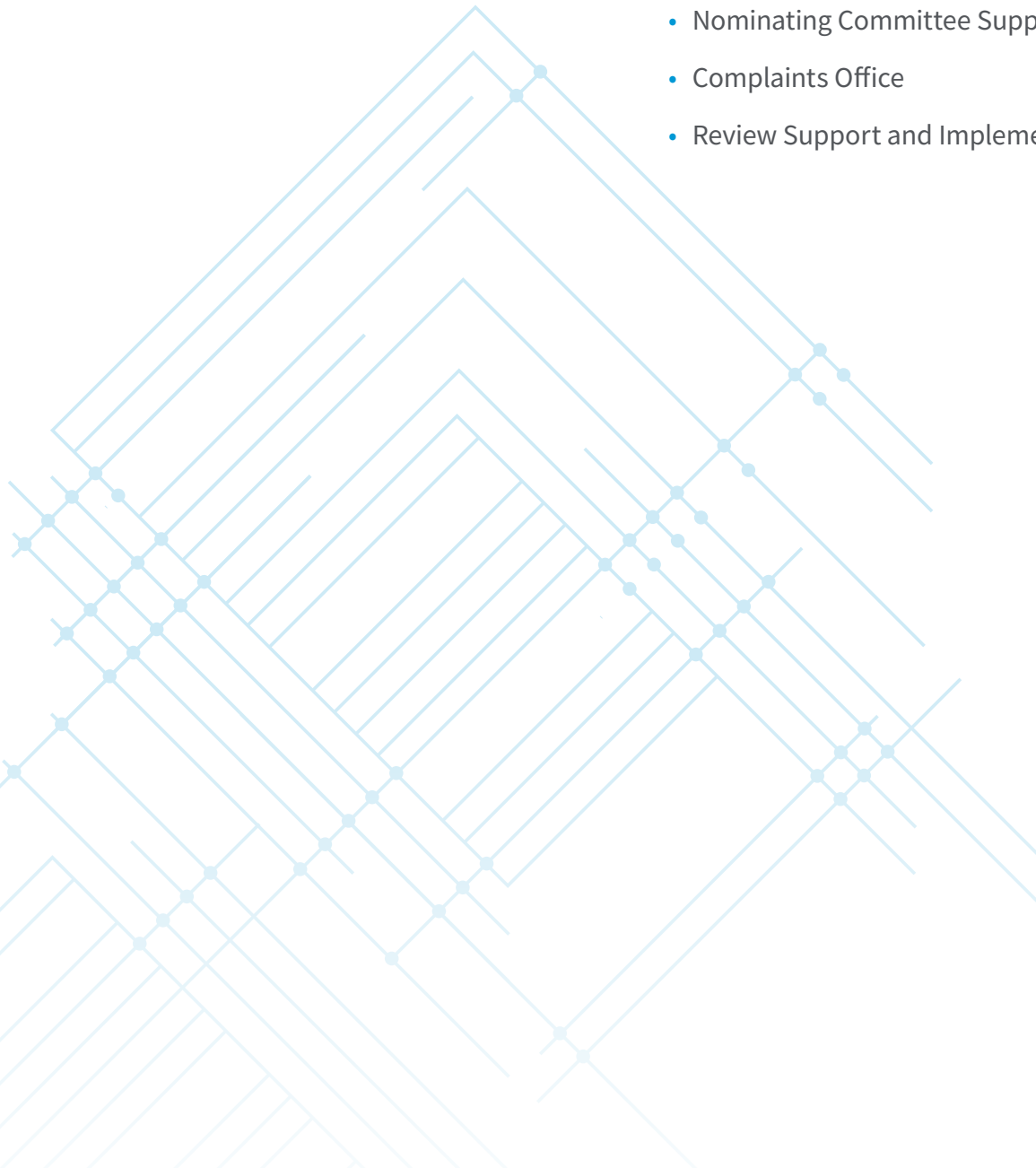
Work Stream 2 of the Cross-Community Working Group on Enhancing ICANN Accountability issued recommendations that have been accepted by the Board, relating to the Office of the Ombudsman. This portion of the plan will be updated as the planning work continues. ■

FUNCTIONAL ACTIVITIES

FY24-28

ICANN ORG GOVERNANCE

- Board Activities
- Office of the President and CEO
- Governance Support
- Nominating Committee Support
- Complaints Office
- Review Support and Implementation



ICANN ORG GOVERNANCE

Board Activities

PURPOSE

The Board Activities Functional Activity represents the work and responsibilities of the ICANN Board of Directors. Among its duties, the ICANN Board:

- Ensures that ICANN remains at all times true to its mission, commitments, and core values.
- Oversees ICANN org's performance to ensure it operates with efficiency and effectiveness in a fiscally responsible and accountable manner and, where practicable and not inconsistent with ICANN's other obligations under the Bylaws, in a manner that is responsive to the needs of the global Internet community.
- Oversees development and periodic revisions of the Strategic Plan and Operating Plan.
- Ensures that ICANN operates pursuant to the highest ethical standards, complies with applicable laws, and considers adherence to best practices in all areas of operation.
- Ensures all policy development and decision-making processes are transparent, open, reflective of the public interest, and accountable to all stakeholders.

OPERATING INITIATIVE CONTRIBUTIONS

No linked initiatives at this time. The Board supports ICANN's ongoing activities.

ACTIVITIES

- Board Committees form a fundamental part of Board activities. Committees allow a smaller group of Board members to work together when a more focused approach is needed. The list of Committees as well as the scope of their duties and activities can be found on this [page](#).
- When necessary, the Board may also establish working groups or caucuses that are focused on a specific topic or issue.
- Board members focus on serving ICANN and the global public interest.
- Board members participate in external events in order to develop effective relationships across the global Internet ecosystem. The Board advocates for ICANN's mission and its multistakeholder model of governance within the Internet governance ecosystem.

ICANN ORG GOVERNANCE

HOW PROGRESS IS TRACKED

The ICANN Board fulfills its objectives and outcomes by directing the President and CEO to implement the Board's decisions. The following measures will be used over the five-year period:

- **Outcomes:**

- Successful implementation of the Strategic Plan and the Operating and Financial Plan.
- Implementation of the work plan to improve the effectiveness of ICANN's multistakeholder model.
- Strengthen DNS and Root Server System security.
- Evolution of unique identifier systems.
- ICANN's long-term financial sustainability.

- **Performance metrics:**

- Timely revision of the Strategic Plan and the Operating and Financial Plan.
- Amount of funds transferred into the Reserve Fund, per the [Board resolution](#), for replenishment.
- Number of geopolitical issues impacting ICANN's mission identified on time and successfully addressed.
- Number of additional stakeholders that join ICANN globally.
- Number of effective relationships with key actors in the global Internet ecosystem established.

RESOURCES

Resource requirements are expected to be stable. This may change as community recommendations related to new gTLD auction proceeds and subsequent rounds of new gTLDs move to the Board for consideration and eventual implementation.

CONSIDERATIONS

The following risks and considerations exist for the ICANN Board in its activities:

- Workload and competing priorities may slow down progress in key areas of work.
- Maintaining institutional knowledge is helped if there is stability in the Board's composition over the long term.
- The ability to select and retain qualified and diverse Board members is dependent on factors such as available candidate pool, time commitments required, and compensation.
- Failure to identify trends impacting ICANN and subsequent adaptation of the Strategic Objectives could have important repercussions.
- The COVID-19 pandemic has limited travel and face-to-face gatherings, which may impact the ability to establish effective relationships with key actors in the global Internet ecosystem. ■

ICANN ORG GOVERNANCE

Office of the President and CEO

PURPOSE

The Office of the President and CEO provides support to the President and CEO, who has fiduciary responsibility for the organization. The goals of the President and CEO are achieved through work conducted by ICANN org.

OPERATING INITIATIVE CONTRIBUTIONS

The Office of the President and CEO supports all of ICANN's ongoing operations and activities.

ACTIVITIES

The nature of the Office of the President and CEO is to provide ongoing support to the President and CEO, to effectively manage ICANN org.

Activities include:

- Support the President and CEO in day-to-day activities, including travel and meetings arrangement and other administrative tasks.
- Provide strategic direction to the Executive Team to achieve organizational goals.
- Meet regularly with Supporting Organization and Advisory Committee leadership and the ICANN Board to ensure ICANN org effectively implements policy.
- Ensure ICANN org is accountable to the Board and community.

RESOURCES

Resource requirements are expected to be stable.

HOW PROGRESS IS TRACKED

Progress of the Office of the President and CEO is related to the progress made on the established [goals](#) of the President and CEO, which are approved by the ICANN Board. Additionally, the President and CEO and Executive Team provide [regular reports](#) to the Board and the community ahead of ICANN Public Meetings. ■

ICANN ORG GOVERNANCE

Governance Support

PURPOSE

Governance Support legally safeguards ICANN org and mitigates adverse litigation and regulatory impacts to ICANN org.

OPERATING INITIATIVE CONTRIBUTIONS

- Lead: Evolve and Improve Internal and External Ethics Policies.
- Support: Evolve and Strengthen the ICANN Community's Decision-making Processes To Ensure Efficient and Effective Policymaking.
- Support: Promote and Evolve the DNS Through Open and Transparent Processes That Enable Competition and Open Entry in Internet-related Markets While Ensuring the Stability, Security, and Resiliency of the DNS.
- Support: Facilitate DNS Ecosystem Improvements.
- Support: Support the Evolution and Strengthening of the Root Server System and Root Zone Management.
- Support: Geopolitical Monitoring, Engagement, and Mitigation.
- Support: Implement New gTLD Auction Proceeds Recommendations As Approved by the Board.

ACTIVITIES

- Litigation and Accountability Mechanisms support, such as maintaining litigation readiness, monitoring, and managing ICANN litigation matters and issues, and Accountability Mechanism proceedings.
- General legal internal support.
- Advice to senior management.
- Contractual support, such as contract review, analysis, recommendations, risk assessments, and amendments.
- Secretarial support to ICANN Board and PTI Board, such as performing duties related to notices, meetings, corporate records, and implementation of Board and committee decisions.
- Service as Chief Data Protection Officer, with a focus on ICANN organization-level data to ensure ICANN's internal data protection and privacy program is compliant and up-to-date.
- Support for anticipated implementation of the New gTLD Subsequent Procedures policy recommendations.
- Support for anticipated implementation of a WHOIS Disclosure System as well as a standardized system for accessing registration data.

ICANN ORG GOVERNANCE

- Support for implementation of Board-approved recommendations from Specific Reviews, including the Holistic Review.
- Support for implementation of the ICANN Grant Program.
- Support the anticipated implementation of the Board-approved recommendations from the Root Server System Governance Working Group.
- Establishment of a contract management database. In the current global environment, there has been an increase in the support services provided by Governance Support to aid the org's response to the pandemic.

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones, metrics, and reports to track Functional Activities. The following measures will be used over the five-year period for this Functional Activity:

- Achieving functional purpose within funding allowance.
- Sufficient contingency funds to cover unforeseen legal events (e.g., skilled in looking at past trends, present environment, and future projections to derive contingency fund amounts year-over-year).

RESOURCES

The governance team is preparing for a significant increase in needed resources, including to address the operationalizing of the New gTLD Subsequent Procedures, the continued design of the system for standardized access disclosure for gTLDs, the operation of the ICANN Grant Program, and anticipated Specific Reviews activity. While some of this work is anticipated to be absorbed by existing budgeted resources, the need for additional full-time equivalents is anticipated to support the range of work. Additionally, significant support from outside legal counsel from one or more firms may be needed. Additional full-time equivalents are anticipated to be needed including additional lawyers, paralegals, project managers, analysts, and administrative support professionals.

ICANN ORG GOVERNANCE

CONSIDERATIONS

The following risks and considerations exist for this functional activity and may impact its advancement:

- Changing landscape of privacy regulations.
- Outcomes related to litigation or general internal legal support are dependent on when the Legal team is engaged on matters or issues.
- Advance notice of special projects or initiatives that will require legal services is key to ensuring that budget and resources are available. Other functions are strongly encouraged to involve the Legal function as early in the planning stages as possible.
- Large scale initiatives such as the next round of new gTLDs require not just substantive support from the Governance Support function, but also require scaling to meet growth in other areas of the organization. One of the key areas of work of the Governance Support function is to provide legal advice and guidance in support of human resources, finance, and other such internal services to ICANN org. If, for example, 50 new employees or contracted staff are added across ICANN org to help implement the Subsequent Procedures Program, such staff increases also require additional legal support and guidance to the Human Resources team to scale to the heightened organizational demand. Given that each function is potentially proposing to add new resources as part of program implementation, this will impact the amount of additional legal support needed.
- Within programs such as Subsequent Procedures and the ICANN Grant Program, timing, quantity, and scale issues still need to be accounted for, such as supporting multiple requests for proposals that all have to be launched at the same time, or new processes that need to be designed. The timing and scale of effort needed, which is not yet defined, could impact the amount of legal resources that need to be available.
- In order to provide meaningful legal support and guidance to program-related activities, it is important to stress the time and effort that would need to be undertaken to prepare attorneys at all levels. This includes any lawyers to be hired in-house as well as outside counsel. Such training is needed in order to ensure that those working on the program will be able to contribute in a meaningful way. ■

ICANN ORG GOVERNANCE

Nominating Committee Support

PURPOSE

The Nominating Committee Support function provides support and coordination for the ICANN Nominating Committee (NomCom), an independent committee responsible for appointing leadership positions to the ICANN Board, PTI Board, At-Large Advisory Committee, Country Code Names Supporting Organization, and Generic Names Supporting Organization. The NomCom acts on behalf of the interests of the global Internet community and within the scope of ICANN's mission and the Bylaws.

OPERATING INITIATIVE CONTRIBUTIONS

Support: Evolve and Strengthen the ICANN Community's Decision-making Processes To Ensure Efficient and Effective Policymaking.

ACTIVITIES

This team supports the NomCom by providing:

- Systems Administration: Configuring systems and tools for NomCom use including the NomCom application system, web pages, and workspace.
- Meeting Planning: Plans and coordinates telephonic, face-to-face, and virtual NomCom meetings.
- Meeting Support: Facilitates the work of the NomCom, including maintaining process and procedures documents and agendas.
- Training: Access current NomCom training programs and develop new training programs that meet the recommendation of the NomCom Recommendation Implementation Working Group (e.g., Unconscious Bias Training, Leadership Training, Interview Skills Training, etc).
- Vendor Management: Procure, negotiate, contract, and manage vendors in support of NomCom functions.
- Coordination of media and communication program.

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones, metrics, and reports to track Functional Activities. In FY24–28, the following metrics will be used for this Functional Activity:

- Number of face-to-face meetings supported.
- Number of telephonic or virtual meetings supported.
- Number of leadership positions filled.
- Number of committee training sessions completed to meet the requirements of the recommendations of the NomCom Recommendation Implementation Working Group.

ICANN ORG GOVERNANCE

RESOURCES

Resource requirements may need to be reviewed in order to complete the implementation work of the ICANN Board-approved recommendations made by the NomCom Recommendation Implementation Working Group.

CONSIDERATIONS

The following risks and considerations exist for this functional activity and may impact its advancement:

- Implementation work to be undertaken by NomCom support staff to implement Board-approved recommendations of the NomCom Recommendation Implementation Working Group may exceed the skills and capacity of existing resources.
- Ongoing NomCom operational costs may increase as a result of the NomCom Recommendation Implementation Working Group recommendations.
- Due to the fluid status of NomCom leadership, ICANN org must be prepared to revise operating procedures and approach.
- Due to the COVID-19 pandemic, more of NomCom's work is conducted virtually, which will impact how progress is tracked and what resources are needed or available in a remote environment. ■

ICANN ORG GOVERNANCE

Complaints Office

PURPOSE

The Complaints Office enables ICANN org to transparently identify and resolve issues in one centralized location. The Complaints Office handles complaints regarding ICANN org that do not fall into an existing complaints mechanism, such as Contractual Compliance, Request for Reconsideration, or the Office of the Ombudsman.

The Complaints Office reviews verifiable information to ensure recommendations and resolutions are based in fact. It strives to be open and transparent, responsive and accountable to all parties, and to make recommendations that are constructive and actionable. Above all, the Complaints Office acts with the utmost integrity in service of ICANN's mission.

OPERATING INITIATIVE CONTRIBUTIONS

No linked initiatives at this time. This supports ICANN's ongoing activities.

ACTIVITIES

The Complaints Office responsibilities include:

- Receiving, researching, analyzing, and responding to submitted complaints.
- Reporting.
- Business and communications planning and implementation.
- Internal and external engagement.

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones, metrics, and reports to track Functional Activities. The following measures will be used over the five-year period for this Functional Activity:

- Number of complaints received.
- Number of complaints received in scope.
- Number of complaints resolved.
- May consider reporting turnaround time in FY24–28.

ICANN ORG GOVERNANCE

RESOURCES

Resource requirements are expected to be stable.

CONSIDERATIONS

The following risks and considerations exist for this functional activity and may impact its advancement:

- Shifting to a centralized system for complaints depends on ICANN org's prioritization and resource availability.
- The function has limited staff, which creates risk that could lead to slow or stalled delivery on commitments.
- As awareness and visibility regarding the Complaints Office increases over time, the number of in-scope complaints could escalate rapidly. ■

ICANN ORG GOVERNANCE

Review Support and Implementation

PURPOSE

The ICANN Bylaws-mandated reviews represent a fundamental mechanism to continuously improve ICANN's multistakeholder model. The improvements result from the implementation of Board-approved recommendations made by community-led review teams for Specific Reviews or by external independent reviewers for Organizational Reviews.

The org's functional support of the reviews process is provided by two complementary teams actively involved in the process from inception of the review to the conclusion of the implementation:

- The Review Support and Accountability (RSA) team of the GDS function facilitates and supports both the Specific and Organizational Reviews. This work includes the evolution of review processes and support from review inception through Board action on the recommendations made by the review team.
- The Implementation Operations (IO) team in the Office of the Chief Financial Officer function is responsible for overseeing the implementation of Board-approved non policy recommendations. This includes, but is not limited to, output from Specific Reviews, as well as other community-led working groups, such as the Cross-Community Working Group (CCWG) on Enhancing ICANN Accountability Work Stream 2 and on New gTLD Auction Proceeds, and the Enhancing the Effectiveness of ICANN's Multistakeholder Model project.

OPERATING INITIATIVE CONTRIBUTIONS

- Lead: Implement New gTLD Auction Proceeds recommendations as approved by the Board.
- Support: Evolve and Strengthen the Multistakeholder Model to Facilitate Diverse and Inclusive Participation in Policymaking.
- Support: Planning at ICANN.

ACTIVITIES

- Supporting ICANN org cross-functional engagement in the review process from inception to implementation of Board-approved recommendations, facilitating and supporting the work of the Organizational Effectiveness Committee of the ICANN Board, including support of its annual work plan and activities.
- Developing the Life Cycle of Reviews Project to introduce improvements to the end-to-end reviews process and support its evolution and launching the Life Cycle of Reviews Program to continue to identify, develop, implement, and manage improvements to the reviews process as part of continuous improvement. These activities include:
 - Supporting revisions to the Bylaws, as appropriate, and Operating Standards for Specific Reviews.
 - Developing a framework for the retirement of recommendations.
 - Continuing to evaluate the effectiveness of review recommendations as part of informing the next cycle of each review, and also in a broader sense to ensure that all reviews deliver on community and Board expectations.

ICANN ORG GOVERNANCE

- Overseeing the implementation of prioritized Specific Review-related recommendations and possible, related Bylaws amendments.
- Facilitating the Continuous Improvement program for SOs, ACs, and the NomCom.
- Implementing recommendations from the Second Organizational Review of the NomCom.
- Supporting ongoing activities resulting from completed Organizational Reviews (from the second Organizational Review cycle).
- Conducting the Pilot Holistic Review and starting the Pilot Continuous Improvement Program, including monitoring their progress as they relate to the deferral of Organizational Reviews and Review timing over the next three-to-five-year period.
- Supporting any prioritization effort related to the Specific Review recommendations or other subjects.
- Overseeing the implementation of Board-approved recommendations from the CCWG on Enhancing ICANN Accountability Work Stream 2.
- Furthering the implementation of the [Enhancing the Effectiveness of ICANN's Multistakeholder Model](#) project.
- Continuing to work on the implementation design of the ICANN Grant Program. This Program is the instrument through which ICANN org is going to distribute the auction proceeds funds.
- Delivering, reporting, and documenting the implementation of Board-approved and prioritized recommendations emerging from the Competition, Consumer Trust and Consumer Choice Review (CCT), the Third Accountability and Transparency Review (ATRT3), the second Registration Directory Service Review (RDS-WHOIS2), and the second Security Stability and Resiliency Review (SSR2) (See [Appendix C](#)).
- Continuing to work on Specific Reviews recommendations placed into various pending categories, to prepare the Board to take dispositive action.

HOW PROGRESS IS TRACKED

The specific milestones guiding the work are:

- Implementation of Board-approved prioritized Specific Reviews recommendations (throughout FY24–28).
- Implementation of Board-approved Work Stream 2 recommendations (by FY27).
- Completion of the implementation design for the Grant Program (Operating Initiative 13) and launch of the grant cycles (throughout FY24–28).
- Development of the Life Cycle of Reviews Project (throughout FY24–28).
- Implementation of the Enhancing the Effectiveness of ICANN's Multistakeholder Model project (throughout FY24–28).
- Production of quarterly reports on the status of implementation of Board-approved recommendations resulting from reviews and cross-community working groups, including adherence to work plans (throughout FY24–28).
- Production of the Annual Review Implementation Report, in compliance with the Bylaws (yearly throughout FY24–28).
- Update of the Operating Standards for Specific Reviews, in compliance with the ICANN Bylaws.

ICANN ORG GOVERNANCE

- Approval and publication of modified Bylaws sections pertaining to Reviews.
- Publication and maintenance of Reviews schedule.
- Publication and maintenance of the Continuous Improvement Program for SOs, ACs, and NomCom.

RESOURCES

To ensure the the success of the activities listed above:

- There will be a close collaboration and interaction between the RSA and IO teams, as well as with ICANN org subject-matter experts to move forward the implementation of Board-approved recommendations.
- Resourcing adjustments will be introduced as reviews are streamlined and improvements or changes made to how ICANN org supports reviews throughout their life cycle in alignment with the Board-directed actions resulting from ATRT3 recommendations and improvement introduced by the Life Cycle of Reviews Project.
- Grant Program resources will be defined while the Program implementation design progresses.

CONSIDERATIONS

The following elements may impact the progress of the work to implement the above mentioned activities:

- Possible review process refinements from the Life Cycle of Reviews project.
- Outcome of the Pilot Holistic Review.
- Findings of the evaluation of the projects and initiatives associated with the Enhancing the Effectiveness of the ICANN's Multistakeholder Model.
- High-level reprioritization of ICANN org work. ■

FUNCTIONAL ACTIVITIES

FY24-28

ICANN ORG SHARED SERVICES

- Planning
- Finance and Procurement
- Risk Management
- Engineering and Information Technology
- Global Human Resources and Administrative Services
- Security Operations
- Board Operations
- ICANN Offices

ICANN ORG SHARED SERVICES

Planning

PURPOSE

The purpose of this Functional Activity is to support the development, implementation, monitoring, and evolution of ICANN's planning activities to ensure that ICANN org is accountable to the public in its stewardship of ICANN's mission. The Planning function leads and coordinates all planning activities with the ICANN community, org, and Board. The long-term objective of the Planning function is to continuously increase the organization's effectiveness through adequate planning and performance measurement. The Planning function also includes the economist function, which contributes to the strategic planning activities and analysis on economic trends. The role serves as a subject-matter expert and adviser on DNS market analysis and provides advisory and programmatic support throughout the organization through research and analysis utilizing market and macroeconomic data.

OPERATING INITIATIVE CONTRIBUTIONS

- Lead: Planning at ICANN.
- Support: Improve the Depth of Understanding of the Domain Name Marketplace Drivers that Impact ICANN's Funding.

ACTIVITIES

- Lead ICANN's annual planning processes, including strategic outlook and strategic planning, operating planning, budgeting and progress reporting.
- Communicate and engage on the planning processes, timelines, and milestones with ICANN org, Board, and community.
- Manage the development of all plans per ICANN Bylaws' requirements.
- Ensure alignment of regional and other planning programs and implementation efforts with ICANN plans.
- Manage progress reporting and measurement.
- Conduct research and analysis.
- Provide advisory and programmatic support.
- Conduct economic research and analysis.

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones, metrics, and reports to track Functional Activities. The following measures will be used over the five-year period for this Functional Activity:

- Timely delivery of ICANN's Five-Year Strategic Plan, Five-Year Operating and Financial Plan, and Annual Operating Plan and Budget per ICANN's Bylaws requirement.

ICANN ORG SHARED SERVICES

- Regular completion of trends identification. Ability to factually inform trends based on public data.
- Regular completion of trends, prioritization, and impacts analysis.
- Regular decision to revise or prolong the Strategic Plan.
- As needed, revision of the Strategic Plan.
- Regular production of reports on achievements and progress against the ICANN plans.
- Evolve and improve ICANN's planning processes, including the strategic planning process, operating planning process, budgeting process, and process reporting process.
- Monitor global macroeconomic conditions, DNS marketplace, and Internet-related economic sectors.

RESOURCES

Resource requirements are expected to increase.

- △ Support establishing a systematic set of activities to support the annual planning process of a five-year horizon.
- △ Strengthening of Strategic Outlook trends monitoring.
- △ Start the work of the Five Year Strategic Plan for Fiscal Years 2026–2030.
- △ Procure data and related services to assist with macroeconomic research and analysis.

CONSIDERATIONS

The following risks and considerations exist for this functional activity and may impact its advancement:

- Lack of planning tools, including data collection and analysis, to facilitate org-wide prioritization and progress reporting can impact the efficiency and effectiveness of planning activities.
- Cross-functional collaboration and resources are needed and progress will depend on their availability.
- The function is largely dependent on functions and personnel, and outcomes are dependent on ongoing policy work and progress at ICANN.
- Global macroeconomic and financial conditions are subject to change. Any assessment is done with base-level parameters and expectations. Unanticipated changes in the global economic environment can therefore render prior assessments and opinions outdated or invalid.
- Global macroeconomic factors may change priority areas, as the economic climate may prompt additional research needs for the organization. ■

ICANN ORG SHARED SERVICES

Finance and Procurement

PURPOSE

The Finance and Procurement function is the steward of ICANN's public funds, and the champion of financial accountability and transparency. It provides timely, accurate, and reliable financial and procurement services that support responsible decision-making.

OPERATING INITIATIVE CONTRIBUTIONS

- Lead: ICANN Reserves.
- Support: Formalize the ICANN Org Funding Model and Improve Understanding of the Long-term Drivers of the Domain Name Marketplace.
- Support: Planning at ICANN.

ACTIVITIES

The Finance and Procurement function handles all accounting, auditing, financial analysis, financial reporting, statutory reporting, taxes, payroll, billing and collections, insurance, treasury (including payments), procurement, and sourcing for ICANN operations, IANA functions, and Public Technical Identifiers as applicable.

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones, metrics, and reports to track Functional Activities. The following measures will be used over the five-year period for this Functional Activity:

- Continuous improvement of processes to gain efficiency and improve quality.
- Continuous improvement of financial analysis.
- Measuring and reporting service-level metrics.
- Tracking of ICANN's Reserve Fund replenishment.
- Contribute to the Operating Initiative Planning at ICANN.

ICANN ORG SHARED SERVICES

RESOURCES

FY24: Resources are expected to increase as there is currently open head count, and additional head count is being evaluated.

FY24–28: Resources will continue to increase as the Board approves recommendations from the New gTLD Subsequent Procedures Working Group and the org begins to implement the Board-approved recommendations.

CONSIDERATIONS

No new risks or considerations noted. ■

ICANN ORG SHARED SERVICES

Risk Management

PURPOSE

The role of the Risk Management function is to facilitate the identification and articulation of risks faced by ICANN so that the org may make informed decisions about planning for and managing those risks. Through the established Risk Management Framework, the function focuses on developing a risk-aware culture that incorporates the risk framework into the org's activities and planning.

OPERATING INITIATIVE CONTRIBUTIONS

Support: Risk Management supports all Operating Initiatives.

ACTIVITIES

- Work with org functions to actively identify and articulate the risks to ICANN allowing for informed decisions to be taken regarding risks.
- Ensure awareness of risks so that risks are managed before they become a threat to fulfilling ICANN's objectives. While adverse events will occur, the goal is to proactively manage risks and minimize surprises.
- Foster a risk-aware culture where all staff feel empowered to identify and escalate risk concerns.
- Provide facilitating support to staff and functions in owning the risks and responses related to their activities.
- Provide concise and insightful reporting to executive management and the Board.

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones, metrics, and reports to track Functional Activities. The following measures will be used over the five-year period for this Functional Activity:

- Consistency of Risk Management process, such as risk identification, monitoring, and reporting.
- Disciplined risk planning.
- Risk Appetite Statement referenced by staff.
- Risk ownership by staff.

ICANN ORG SHARED SERVICES

RESOURCES

Resource requirements are expected to be stable.

CONSIDERATIONS

The Strategic Plan does not create any new risks or challenges in itself for the Risk Management function. The Strategic Risks in the Strategic Plan are included in the work done by the Risk Management function in its normal operations. The existing challenges and dependencies of working with multiple other functions apply to managing any new risks added to the Risk Register from the Strategic Plan.

The largest consideration for this functional activity is the team's dependency on other functions and staff, who have many other priorities. The function relies on Risk Liaisons representatives from each function to actively participate in risk-management initiatives. ■

ICANN ORG SHARED SERVICES

Engineering and Information Technology

PURPOSE

Engineering and Information Technology (E&IT) provides trusted technical expertise to support the global multistakeholder model and ICANN org by:

- Building a sustainable and resilient team that is able to respond to organizational needs.
- Fostering trusted, transparent relationships with stakeholders through collaborative planning and data-driven decisions.
- Delivering secure, effective, and accessible services through innovation and persistence.

OPERATING INITIATIVE CONTRIBUTIONS

- Support: Evolve and Strengthen the Multistakeholder Model To Facilitate Diverse and Inclusive Participation In Policymaking.
- Support: Support the Evolution and Strengthening of the Root Server System and Root Zone Management.
- Support: Promote and Evolve the DNS Through Open and Transparent Processes That Enable Competition and Open Entry in Internet-related Markets While Ensuring the Stability, Security, and Resiliency of the DNS.
- Support: Formalize the ICANN Org Funding Model and Improve Understanding of the Long-term Drivers of the Domain Name Marketplace.

ACTIVITIES

- Align E&IT delivery capacity along the organization's long-term strategy.
- Enable organizational effectiveness through efficient use of ICANN's digital services.
- Provide effective support to ICANN's international office strategy.
- Maintain financial soundness and business continuity.
- Achieve lower total cost of ownership while developing capacity.
- Secure ICANN's digital services and systems.
- Support all functions within ICANN org, Board, and community via end-user support, business analysis, custom application development, off-the-shelf software selection and support, infrastructure support, security monitoring, and network services.
- Continue to emphasize portfolio management and a platform reduction mindset.
- Rough cut capacity planning tool for organizational capacity planning to define, develop, and deliver on requests to the organization.
- Investigate professional development opportunities to improve retention, provide greater clarity to staff, and help identify resource gaps.

ICANN ORG SHARED SERVICES

- Expect to move from Capability Maturity Model (CMM) Level 3 to CMM Level 4, with process definition, redesign, measurement, and improved transparency being some of the desired outcomes.
- Continue to prioritize platform rationalization and consolidation.

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones, metrics, and reports to track Functional Activities. The following measures will be used over the five-year period for this Functional Activity:

- Number of projects and services requested and completed every six months.
- Number of projects delayed or canceled every six months.
- Evaluation of financial management through review of planned and actual budgets.
- Digital services availability.
- Universal Acceptance readiness of icann.org systems.
- Completed phases of adoption and use of the National Institute of Standards and Technology Cybersecurity Framework.

RESOURCES

Continued platform rationalization should yield some efficiencies but not enough to offset the demand for net new services from the organization and the community (e.g., the next round of the New gTLD Program). Therefore resource requirements are expected to increase. The internal resource count and mix could also be impacted if a new platform technology is sourced to support new initiatives.

CONSIDERATIONS

The following risks and considerations exist for this functional activity and may impact its advancement:

- Completion of strategic projects depends on Board and community efforts.
- Staff may leave, but improvements in process documentation will lessen new staff onboarding time and costs.
- Staff may leave if initiatives offering career progression are not implemented.
- Business decisions may mean ICANN org is not able to reduce the number of platforms it uses. This may lead to retaining talent to deal with potential issues. A possible mitigation is to make platform reduction part of the functional business strategies.
- There is a lack of understanding of the function's capacity and capability among the ICANN Board and community, leading to unrealistic scope and delivery expectations. ■

ICANN ORG SHARED SERVICES

Global Human Resources and Administrative Services

PURPOSE

The primary purpose of Global Human Resources is to attract and retain top talent, and enable high performance for ICANN org. This includes talent acquisition, onboarding and offboarding of staff, administration of global compensation and benefit plans, performance management, employee relations, investigations, learning and development, employment policies and workplace compliance, global mobility and immigration, team member morale and engagement activities, Enterprise Resource Planning data integrity and reporting, and organizational planning and development.

The primary purpose of Administrative Services is to provide office administrative support and facilities management for ICANN org across all locations. This includes real estate and lease management, construction management, ergonomics program management, office security access controls management, and special events planning for employee morale activities and events.

OPERATING INITIATIVE CONTRIBUTIONS

- Support: Promote and Evolve the DNS Through Open and Transparent Processes That Enable Competition and Open Entry in Internet-related Markets While Ensuring the Stability, Security, and Resiliency of the DNS.
- Support: Implement New gTLD Auction Proceeds Recommendations.

ACTIVITIES

Global Human Resources activities include:

- Throughout FY24–28, Global Human Resources will ensure appropriate staff (full-time and part-time staff) levels as needed for initiatives including support of technical platforms, implementation of Board-approved recommendations.
- In partnership with the Legal team, Global Human Resources will support the development of ethics policies as applicable to staff.
- Global Human Resources will provide the internal programs necessary for leadership training and professional development of staff in order to maximize the engagement and retention of talent.
- Following the implementation of a new Career Framework for all staff to provide more clarity on options for career paths and growth, consistent criteria for advancement, and a refreshed salary grade structure, managers are able to incorporate this into ongoing staff development discussions, which support retention efforts.
- Because of the strong foundation of an established Career Framework, the focus to improve understanding of talent across geographies and functions will enable retention of critical knowledge and transferable skills.

ICANN ORG SHARED SERVICES

Administrative Services activities include:

- Continue to monitor market conditions to ensure lease negotiations remain competitive and support business needs.
- Provide support for a healthy work environment in ICANN offices and for those working remotely.
- Support the safety readiness of ICANN offices as staff return from working remotely as a result of the COVID-19 pandemic.

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones, metrics, and reports to track Functional Activities. The following measures will be used over the five-year period for this Functional Activity:

- Global Human Resources will focus on maintaining staff engagement by sustaining ICANN's organizational culture seamlessly across offices, regions, and remote working while continuing to build diversity to best represent the community ICANN org serves.
 - A primary measure is the annual staff engagement survey, which gathers structured feedback from global staff on their employment experience. The survey results allow the org to understand priority areas of focus to make meaningful improvements toward ensuring staff engagement across the organization.
- Administrative Services will ensure lease negotiations result in favorable outcomes to maintain budgetary commitments.

RESOURCES

Resource requirements are expected to be stable.

CONSIDERATIONS

The following risks and considerations exist for the Global Human Resources component:

- Maintaining productivity and efficiency when staff have to balance work with personal isolation, concerns for family health, safety and schooling, political turmoil, and prevailing economic challenges during the ongoing uncertainty surrounding the COVID-19 pandemic.
- Geographic spread across several countries and multiple U.S. states makes it challenging to efficiently handle staff issues with existing policies.
- A more competitive labor market as economies recover from the impact of the COVID-19 pandemic and the anticipated resources required for upcoming initiatives mean hiring full-time and part-time staff will be more challenging.

The following risks and considerations exist for the Administrative Services component:

- Continued uncertainty in the global real estate market as a result of the COVID-19 pandemic may create instability in cost for office space in the next five years.
- Maintain a flexible workspace environment for staff remotely and in offices during the COVID-19 pandemic and as staff return to ICANN facilities. ■

ICANN ORG SHARED SERVICES

Security Operations

PURPOSE

The purpose of Security Operations is to provide a safe and secure environment in which the community, Board, and ICANN org operate.

OPERATING INITIATIVE CONTRIBUTIONS

No linked initiatives at this time. This function supports ICANN's ongoing activities.

ACTIVITIES

- **Event Security:** Provide on-site event health, safety, and security support to ICANN Public Meetings and other ICANN-hosted events in line with ICANN's COVID-19 Return to Normal Operations (RTNO) Framework and Implementation Plan – Travel and Events.
- **Travel Security:** Assess, approve, and support org and Board travel in line with RTNO Framework and Implementation Plan – Travel and Events and ICANN's long-standing travel security best practices.
- **Security Intelligence:** Research and provide key security information and situational awareness for ICANN's presence around the world, including offices, staff, events, and travelers.
- **Response Planning:** Furnish ICANN with the necessary tools to successfully respond to any incident at both tactical (emergency response) and strategic (crisis management) levels.
- **Physical Security:** Ensure that ICANN's global offices are sufficiently secured. Implement physical security upgrades and enhancements where warranted and feasible.
- **Knowledge Management:** Create and deliver comprehensive training to ensure ICANN org has consistent, relevant, and actionable information and skills to address security and safety needs.
- **Threat Management:** Detect, assess, mitigate, and respond to ICANN's internal and external security threats.

HOW PROGRESS IS TRACKED

- **Risk Identification, Assessment, and Security Planning**
 - Leverage new Event Security Planning and Travel Security mechanisms developed within ICANN's RTNO Framework and Implementation Plan – Travel and Events to ensure Security Operations continues to play a pivotal role in event location selection and planning and that a risk-driven review and approval process is applied to travel and face-to-face business activities.
 - Ensure that Security Operations continues to support ICANN Public Meetings and events as cost-effectively and efficiently as possible while sufficiently mitigating identified risks.
- △ Establish and maintain a regular cadence of collaboration between Security Operations, Risk Management, Information

ICANN ORG SHARED SERVICES

Security, Administrative Services, IANA, and OCTO teams to ensure ICANN's comprehensive risk profile is sufficiently understood and managed.

- **Culture of Security Awareness**

- Continue to promote a culture of security awareness to inform the org's decision-makers and furnish staff with the tools and know-how to operate and travel safely and securely in an increasingly insecure threat landscape. All those with ICANN org are "street-smart" and "travel-savvy."

- **Bolster Incident Response Capabilities**

- Complete annual training for the Global Crisis Management Team and office Emergency Response Teams .
- Promote synergy between ICANN's various response mechanisms to ensure a unified, optimized response to crisis events impacting the org.

RESOURCES

Resource requirements are expected to increase.

CONSIDERATIONS

The following risks and considerations exist for this functional activity and may impact its advancement:

- ICANN's mission and engagement requires the org to send travelers to and host events within locations of highly variable risk profiles. These risks have only increased in response to the global COVID-19 pandemic. In addition, many of these risks may be unknown at any given moment in time. As a result, ICANN may be required to conduct engagement in rapidly changing, higher-risk locations, requiring planning flexibility and increased and more costly Security Operations support. While Security Operations does not control where ICANN hosts events or travels, the team is still responsible for sufficiently supporting events and travel as safely and cost-effectively as possible.
- Security Operations will continue its efforts to develop and bolster an organizational culture of security awareness. This will both inform the decision-making of the organization's key stakeholders and empower individuals to proactively mitigate security risks and reduce the likelihood of safety incidents.
- Security Operations will continue to ensure that the org is sufficiently prepared to respond to emerging threats and crises. ■

ICANN ORG SHARED SERVICES

Board Operations

PURPOSE

The purpose of this function is to support the ICANN and Public Technical Identifiers (PTI) Boards, and to serve as liaison between the ICANN Board and org. This includes coordinating with ICANN org to provide substantive content and logistical support to the ICANN Board, as well as its committees and subgroups. This function also facilitates the interaction between the Board and the community.

OPERATING INITIATIVE CONTRIBUTIONS

No linked initiatives at this time. This supports ICANN's ongoing activities.

ACTIVITIES

- Content management: Supports the agenda development of Board meetings and workshops; facilitates preparation and submission of org-wide materials for Board Meetings, workshops, committees, and other subgroup meetings; manages Board materials publication; supports drafting of Board operational priorities, Board Correspondence, and Board Public Comments submissions; and facilitates preparation for Board and stakeholder meetings.
 - Logistics management: Manages Board members' travels and expenses, manages vendors, manages and reports Board budget, and facilitates and organizes calls and meetings.
 - Training and capacity-development: Supports the Board training programs and tools, including Board members; onboarding, development, and mentorship programs.
 - Board communications and engagement: Supports and facilitates the Board's communications and engagement efforts with the community as well as participation in other meetings, events, and speaking engagements.
 - Org cross-functional improvements efforts: Participates in cross-functional ICANN org teams and projects aimed at improving effectiveness and cost management.
- △ The team does not anticipate any significant changes, but will embark on operational excellence and team member development efforts that focus on process improvements and tools enhancement. One team member's role has been shifted to focus on collaborating with Engineering and IT and other org teams on cross-functional tools and processes development.

ICANN ORG SHARED SERVICES

HOW PROGRESS IS TRACKED

- Outcome Measurement:
 - Smooth operations of the Board activities (content, logistics, skills development, etc.) and continuous advancement in Board best practices.
 - Continuous advancement of org-wide support to Board.
- Performance Measurement:
 - Content Management: Bylaws compliance, accountability and transparency metrics.
 - Percent of Board materials ready prior to Board meetings.
 - Percent of Board meeting agendas published prior to meeting per Bylaws.
 - Logistic Management:
 - Number of trips booked for the Board.
 - Number of expense reports managed for the Board.
 - Training and capacity-development:
 - Number of Board members completing the onboarding process.
 - Number of trainings attended by individual Board members.
 - Number of trainings attended by the full Board.
 - Improvements in Board members' skill sets.

RESOURCES

Resource requirements are expected to be stable.

CONSIDERATIONS

The following risks and considerations exist for this functional activity and may impact its advancement:

- The team works closely with ICANN org, including the Legal team, to timely deliver content to the Board and publish Board materials, but that support depends on the workload and priorities of other functions within the org that prepare the initial drafts.
- The loss of institutional knowledge on the Board could have a negative impact on the Board's operational effectiveness and subsequent negative impact to ICANN org. The team plans to continue working with the President and CEO and the General Counsel and Secretary to advance Board and committees manuals, process documentation, training and development, and more. ■

ICANN ORG SHARED SERVICES

ICANN Offices

PURPOSE

ICANN offices are located around the world and work together to serve the global community. Brussels, Istanbul, Montevideo, and Singapore have detailed plans described in the Global Stakeholder Engagement section of the FY24–28 Operating and Financial Plan.

RESOURCES

Resource requirements are expected to increase. ■

FY24-28 FINANCIAL PLAN

- Approach
- FY24-28 Funding Assumptions and Projections
- FY24-28 Financial Projections

APPROACH

The following FY24–28 financials provide forward-looking information that represents ICANN’s attempt to conservatively estimate its future levels of funding and expenses. The intent is to maximize the chances that such future funding is equal to, if not higher, than these projections would suggest, and thus allow ICANN org to plan for a level of activity and expenses that minimize the risk that funding will be lower than expenses in the future.

The information contained within this document is based on reasonable assumptions derived from the most current information available at the time of the FY24–28 Operating and Financial Plan’s publication. However, the use of such forward-looking information involves risks and uncertainties. As a result, actual funding levels could differ materially from those projected in this document in any given year.

The FY24–28 financials are not fully costed. Instead, they are a high-level overview of ICANN org’s financial assumptions. The financials are intended to be flexible, and ICANN org anticipates that these numbers will shift as time passes and be adjusted accordingly. This also allows for activities to be reprioritized based on the current environment.

Please note the following considerations:

- The FY24–28 financials do not include head count at the function level, which allows for flexibility in internal staff and external resources.
- Many of the activities in the FY24–28 financials will require substantial internal resources, meaning other activities will have less resources available. The Resources section of the ICANN FY24–28 Operating and Financial Plan highlights the cross-collaboration within the org.

This document will be supplemented by ICANN org’s annual plans and budgets, which will provide fully costed financial information for their respective years.

It is important to note that the Five-Year Operating and Financial Plan will be reviewed and updated on an annual basis, and any activity, initiative, or financial estimate included in the Five-Year Operating and Financial Plan will be reevaluated periodically throughout the five-year period.

FY24–28 FUNDING ASSUMPTIONS AND PROJECTIONS

ICANN org uses external information to develop multiple scenarios that incorporate various assumptions of growth or decline for each of its funding categories. These assumptions are developed for the specific purpose of creating reasonably conservative funding assumptions. They are not intended to convey ICANN org’s views or positions on any specific aspect of the Domain Name System (DNS) ecosystem. Other parties may use the same information but for different purposes, which can lead them to draw different conclusions. Read the report on the [Five-Year Funding Forecast Assumptions](#).

The funding assumptions and forecasts outlined in this document have been prepared amid expectations of challenging global macroeconomic prospects. The World Bank, in its June 2022 publication on global economic prospects, suggests that just after two years of contending with a global recession induced by the COVID-19 pandemic, the world economy is now again likely to experience a sharp deceleration and prolonged slowdown in growth, further exacerbated by a steep increase in inflation rates. In light of these unprecedented circumstances and as a good practice, this document presents a number of forecast scenarios, each with varying assumptions and thresholds, to depict plausible viewpoints of how ICANN’s funding might evolve over the five-year horizon.

This document describes ICANN’s “base-case” funding scenario, along with “low” and “high” funding scenarios and further outlines the prospective impacts that these scenarios have on ICANN’s funding. This is consistent with ICANN’s approach to developing funding forecast assumptions, which are regularly evaluated and calibrated as additional data becomes available.

ICANN org used a three-step process to forecast its future funding levels over the next five years. Considering the uncertainty on the timing of the release into the root of new generic top-level domain names resulting from a new round of applications, it is assumed that no funding from such new top-level domains will be generated over the five-year period. Below, each step of the process is explained in greater detail.

1. Marketplace Horizon Scan

A marketplace horizon scan was performed to take a comprehensive look at the key factors expected to affect the DNS industry over the forecast horizon. ICANN org engaged with an independent industry analyst to summarize key industry drivers and inhibitors. The results of this activity, which is based on interviews with industry representatives and a review of publicly available information, is summarized within Section 1 of the Five-Year Funding Forecast Assumptions document.

2. Formulation of Assumptions

Based on the trends identified in the marketplace horizon scan, and supplemented by developments in domain name transaction counts and the size of its contracted party base, ICANN org reviews its existing forecast assumptions and updates these as required.

For example, a key finding from the marketplace horizon scan pointed to uncertainty in the near-term growth rates of total domains under management due to the potential risk of slower global growth having a negative impact on the demand for domains. Notwithstanding this, the scan affirmed the continued importance of domain names in establishing a digital presence on the global Internet.

Accordingly, the forecast assumes that irrespective of any short-term weakness that mirrors global macroeconomic conditions, domain transactions will not witness any long-lasting dislocations. “Base-case” and “high” funding scenario assumptions were developed anticipating that domain transactions would likely continue to see some growth over the forecast horizon, albeit at varying levels. An additional more pessimistic “low” funding scenario was created that factored in a future decline in total domain name transaction counts over the entire five-year forecast period, owing to the potential of an acceleration in the pace of DNS industry maturation and the negative impacts of a protracted stagflationary environment.

FY24–28 Funding Assumptions and Projections, Cont’d.

3. Forecast Generation

With the scenarios in place, ICANN org assigned values to produce a range of projections related to ICANN’s future funding, which are outlined in the table below.

5-Year Projections	FY24	FY25	FY26	FY27	FY28
ICANN Ops Funding <i>(In Millions USD)</i>					
Base	\$ 145.3	\$ 146.0	\$ 147.6	\$ 149.1	\$ 152.7
Low	\$ 134.6	\$ 130.0	\$ 124.4	\$ 119.4	\$ 116.9
High	\$ 156.2	\$ 164.4	\$ 171.5	\$ 179.1	\$ 189.5
Transaction Volume <i>(In Millions)</i>					
Base	210.0	213.5	222.2	230.9	239.5
Low	189.5	182.2	176.5	171.6	167.6
High	232.8	250.7	270.4	291.3	313.7
Contracted Parties					
Base	3,575	3,561	3,548	3,536	3,525
Low	3,399	3,254	3,161	3,100	3,067
High	3,642	3,690	3,743	3,795	3,847

Because forecasting relies on assumptions that are hypothetical and can become outdated, ICANN org will continue to review its funding forecast regularly and adjust as needed.

The FY24–28 Financial Plan also includes a contribution to support ICANN’s efforts to preserve and enhance the security, stability, and resiliency of the DNS, including Root Server System governance, mitigation of DNS security threats, promotion and facilitation of DNS Security Extensions deployment, the mitigation of name collisions, and DNS operations research.

In January 2020, ICANN and Verisign, the registry operator of the .com top-level domain, announced a proposed framework for working together on initiatives related to the security, stability, and resiliency of the DNS in the form of a binding Letter of Intent (LOI) as approved on 27 March 2020. This LOI also provides that Verisign will contribute a total of \$20M over five years starting in calendar year 2021.

The FY24–28 Financial Plan includes the funding of these initiatives over the five-year period in support of the activities described above, which will primarily be carried out as part of the following planned Operating Initiatives:

FY24–28 Funding Assumptions and Projections, Cont’d.

- Support the Evolution and Strengthening of the Root Server System and Root Zone Management.
- Facilitate the DNS Ecosystem Improvements.

These initiatives and related expenses will be the subject of continued monitoring and reporting over the five-year period in a transparent manner, to ensure full accountability of the funds collected and used.

FINANCIAL SUSTAINABILITY PRINCIPLES AND APPLICATION

Over the FY24–28 period, ICANN’s expenses will be funded from the annual funding available. This reflects the application of two key principles of ICANN’s long-term financial sustainability:

- Expenses do not exceed funding.
- Sufficient reserves are reached and maintained at all times.

ICANN’s activities will be carried out under a principle of increased prudence and frugality, and with heightened attention to necessity. It is important to understand that all activities previously planned will be reevaluated with this new perspective and mindset. These considerations apply to all ICANN activities and expenses.

FY24–28 FINANCIAL PROJECTIONS

The table below reflects financial projections for the FY24–28 period. The projections define the maximum amount of operational expenses to be incurred on an annual basis.

ICANN Operations <small>(In Millions USD)</small>						
5-Year Projections	FY24 Budget	FY25 Projections	FY26 Projections	FY27 Projections	FY28 Projections	5-Year Total
Funding	\$145	\$146	\$148	\$149	\$153	\$741
Expenses						
Personnel	\$85	\$87	\$90	\$92	\$95	\$449
Travel and Meetings	\$12	\$12	\$12	\$12	\$12	\$59
Professional Services	\$24	\$22	\$22	\$21	\$21	\$109
Administrative	\$18	\$18	\$17	\$16	\$16	\$85
Capital	\$1	\$1	\$1	\$1	\$1	\$6
Contingency	\$5	\$6	\$6	\$7	\$7	\$31
Total Operating Expenses	\$145	\$146	\$148	\$149	\$153	\$741
Net Operating Excess/ (Deficit)	\$0	\$0	\$0	\$0	\$0	\$0
Average FTE	413	413	413	413	413	413

Full-Time Equivalent (FTE)

FY 24–28 Financial Projections, Cont’d.

OPERATING INITIATIVES RESOURCES

The Operating Initiatives are strategic activities included in the Five-Year Operating and Financial Plan that support the ICANN FY21–25 Strategic Plan. There are 11 Operating Initiatives included in the plan, of which nine have resources within the Functional Activities of the ICANN Operations Budget. Two of the Operating Initiatives will be separately funded (see table below).

Any project-based work within an Operating Initiative will follow ICANN’s Project Management Framework to plan the activities and seek funding once the project plan is approved. All approved projects will be considered for funding once approval of the resource requirements for the plans has been approved.

	Operating Initiatives	Assumptions
1	Support the Evolution and Strengthening of the Root Server System and Root Zone Management	Resources for this initiative are included within the Functional Activities of the financial plan.
2	Facilitate Domain Name System (DNS) Ecosystem Improvements	Resources for this initiative are included within the Functional Activities of the financial plan.
3	Evolve and Strengthen the Multistakeholder Model to Facilitate Diverse and Inclusive Participation in Policymaking	Resources for this initiative are included within the Functional Activities of the financial plan.
4	Evolve and Strengthen the ICANN Community’s Decision-Making Processes to Ensure Efficient and Effective Policymaking	Resources for this initiative are included within the Functional Activities of the financial plan.
5	Evolve and Improve Internal and External Ethics Policies	Resources for this initiative are included within the Functional Activities of the financial plan
6	Promote and Evolve the DNS Through Open and Transparent Processes That Enable Competition and Open Entry in Internet-Related Markets While Ensuring the Stability, Security, and Resiliency of the DNS	Included in this initiative, the next round will be separately funded. Resources for Universal Acceptance related activities are included within the Functional Activities of the financial plan.
7	Geopolitical Monitoring, Engagement, and Mitigation	Resources for this initiative are included within the Functional Activities of the financial plan.
8	Improve the Depth of Understanding Domain Name Marketplace Drivers That Impact ICANN’s Funding	Resources for this initiative are included within the Functional Activities of the financial plan.
9	Implement New gTLD Auction Proceeds Recommendations as Approved by the Board	This initiative will be separately funded by auction proceeds.
10	Planning at ICANN	Resources for this initiative are included within the Functional Activities of the financial plan.
11	ICANN Reserves	Resources for this initiative are included within the Functional Activities of the financial plan.

FY24 OPERATING PLAN

- Approach
- FY24 Operating Initiatives
- FY24 Functional Activities

APPROACH

The FY24 Operating Plan includes descriptions of the major work ICANN org will undertake to achieve its Strategic Plan, operate the organization, and implement its mission.

Operating Initiatives describe how ICANN org will achieve the objectives and goals set out in the FY21–25 Strategic Plan. Functional activities are those necessary to operate the organization, such as Human Resources or Finance, or implement its mission, such as Contractual Compliance or the Internet Assigned Numbers Authority (IANA) functions.

Each of the 11 Operating Initiatives and 33 Functional Activities provide what can be considered ICANN org's statement of intention, outlining planned activities while acknowledging the challenges and dependencies that could impact ultimate delivery.

OPERATING INITIATIVES

FY24

The 11 Operating Initiatives listed here represent major areas of work that support the strategic objectives identified in the Strategic Plan. Each Operating Initiative describes the importance of the initiative as well as what ICANN org aims to achieve. Operating Initiatives describe how ICANN org will achieve the objectives and goals set out in the ICANN Strategic Plan. Operating Initiatives were published for [Public Comment](#) and presented to the ICANN Board for feedback.

Each Operating Initiative is cross-referenced against the strategic goals identified in the Strategic Plan, so readers can gain a comprehensive understanding of the strong interconnectedness of ICANN org's work. Please refer to [Appendix B – Operating Initiatives Supporting the Strategic Plan](#) for details.

- Support the Evolution and Strengthening of the Root Server System and Root Zone Management
- Facilitate the Domain Name System (DNS) Ecosystem Improvements
- Evolve and Strengthen the Multistakeholder Model to Facilitate Diverse and Inclusive Participation in Policymaking
- Evolve and Strengthen the ICANN Community's Decision-Making Processes to Ensure Efficient and Effective Policymaking
- Evolve and Improve Internal and External Ethics Policies
- Promote and Evolve the DNS Through Open and Transparent Processes That Enable Competition and Open Entry in Internet-Related Markets While Ensuring the Stability, Security, and Resiliency of the DNS
- Geopolitical Monitoring, Engagement, and Mitigation
- Improve the Depth of Understanding Domain Name Market Drivers That Impact ICANN's Funding
- Implement New gTLD Auction Proceeds Recommendations as Approved by the Board
- Planning at ICANN
- ICANN Reserves

Support the Evolution and Strengthening of the Root Server System and Root Zone Management

PURPOSE

As the Root Server System evolves due to change in demand, new technologies, and governance models, ICANN will continue to support and collaborate with key stakeholders to ensure the stable, secure, and resilient operation of the Domain Name System (DNS) root zone for the global Internet community. In conjunction with the support of the Root Server System, ICANN will coordinate the continued advancement of the technology platform used to provide root zone management services. This system manages the workflow of customer change requests, automates many aspects of the processing, and ensures the work's quality, accuracy, and timeliness. Root zone management today continues to evolve toward more complex requirements to meet higher customer expectations. Work to improve the platform and service offerings adapt based on these requirements in order to retain high levels of customer satisfaction and continue to adhere to advancing policy requirements.

SCOPE

This initiative covers these work areas:

- ICANN org's Policy Advice and Development team supporting the implementation of the Root Server System Advisory Committee (RSSAC) document [RSSAC037](#), "A Proposed Governance Model for the DNS Root Server System," and [RSSAC038](#), "RSSAC Advisory on a Proposed Governance Model for the DNS Root Server System," both published on 15 June 2018.
- ICANN org's Office of the Chief Technology Officer (OCTO) team will support the eventual outcome of RSSAC037 and RSSAC038 that could propose a plan for the coordination of an appropriate response to any Root Server System incidents.
- Develop a prototype Root Server System Metric Monitoring System to collect data on the operation of the Root Server System as discussed in [RSSAC047](#). This will be complete by the end of FY23.
- Leveraging lessons learned from the first root zone key signing key (KSK) rollover, define and publish a long-term root zone KSK Rollover Policy, and implement the next rollover in accordance with that policy. See more details in the Internet Assigned Numbers Authority (IANA) Functions.
- Identify and implement features to enhance the Root Zone Management System (RZMS) to improve operations while ensuring the accuracy, quality, and timeliness of business processes.
- Develop technical and operational solutions that meet new community requirements, such as those resulting from the New Generic Top-Level Domain (gTLD) Subsequent Procedures and Internationalized Domain Names (IDNs) Policy Development Processes.

ACTIVITIES

During FY24, ICANN will:

- Finalize the prototype and begin internal operation of Root Server System Metric Monitoring System.
- Publish and implement the KSK Rollover Policy.
- Continue to enhance the Root Zone Management System (RZMS).
- Continue to monitor the policy development work being done in the ICANN community (most notably through the New gTLD Subsequent Procedures Policy Development Process and on Internationalized Domain Names) to ensure RZMS will meet those emerging requirements.

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones and reports to ensure that initiatives advance. These measures are examples of those that will be used in FY24 for this initiative:

- Monitor and report on the implementation of the Root Server System governance changes proposed in RSSAC037 and RSSAC038. Initial implementation is expected before FY23. Over time the RSSAC may ask the org to do a complete implementation with possible evolution of the metric monitoring system. ICANN org will also do an internal implementation solely for research purposes. The metric as defined within RSSAC047 is to ensure that the root server operators operate their respective root servers within the defined thresholds.
- Occurrence of the KSK rollover.
- FY24: Launch of a new authorization model that improves the user management experience, including allowing existing managers and operators of top-level domains (TLDs) to better control their representatives' access and approval levels.
- FY24 Launch of customer application programming interface access.
- FY24-FY28 Implementation of Board-approved policy recommendations on IDNs.
- FY24-FY28 Implementation of approved policy recommendations on New gTLD Subsequent Procedures, including training of ICANN org's Operations team.
- FY24-FY28 Audit criteria of the RZMS needs to be updated, documented, and managed.

RESOURCES

Effective cross-functional collaboration is an essential element for success in most of ICANN org's work. Specific examples of collaboration needed for this initiative are:

- The progression of RSSAC037 and RSSAC038, such as development of a coordinated emergency response, requires collaboration between the OCTO and Policy Development Support functions.
- Awareness about the implementation plan for RSSAC037 and RSSAC038 will require collaboration with ICANN org's Global Stakeholder Engagement and Government and IGO Engagement functions to reach audiences and coordinate messaging.
- OCTO will need support from ICANN org's Communications team to develop tailored messaging for relevant stakeholders.
- Resources to support ICANN's efforts to preserve and enhance the security, stability, and resiliency of the DNS including Root Server System governance, mitigation of DNS security threats, promotion and facilitation of Domain Name System Security Extensions (DNSSEC) deployment, mitigation of name collisions, and DNS operations research.

- Staff who are assigned a percentage of their time to these initiatives, along with minor additional ad hoc resources for tasks such as security testing of the applications prior to deployments.
- Full-time equivalents within ICANN org's Engineering and IT and OCTO functions perform software development and project management and on the IANA team provides product management, design, and requirement.
- Activities support ICANN's efforts to preserve and enhance the security, stability, and resiliency of the DNS including Root Server System governance, mitigation of DNS security threats, promotion and facilitation of DNSSEC deployment, the mitigation of name collisions, and DNS operations research. Learn more about ICANN's overall approach in [Appendix D – ICANN Security, Stability, and Resiliency \(SSR\) of the Unique Internet Identifiers](#).

CONSIDERATIONS

The following risks and considerations exist for this initiative and may impact its advancement:

- Political considerations surrounding root server operators.
- Continued unforeseen risks surrounding future KSK rollovers.
- Ensuring the Root Server System continues to meet requirements as defined by the Internet community.
- Success depends heavily on the stability and commitment of engineering resources.
- The greatest risk is the possible loss of development resources that are prioritized to other objectives.
- The inability of the IANA team to provide sufficient designs and requirements settings to inform development given its limited resources.
- Policy development work being done in the ICANN community, such as in the New gTLD Subsequent Procedures Policy Development Process and for Internationalized Domain Names, must be monitored by someone with IANA expertise to ensure RZMS and the associated business processes will meet those emerging requirements. ■

Facilitate Domain Name System Ecosystem Improvements

PURPOSE

This initiative encompasses efforts to understand, document, maintain, and improve the Domain Name System ecosystem in order to prevent emergencies and limit the impacts of any incidents or threats.

SCOPE

The scope of this initiative covers three main work areas:

- **Advocate and Promote Improvements to DNS Security Infrastructure**

- Advocate for developers to enable DNSSEC, both signing and validation, by default.
- Support the implementation of DNS-based Authentication of Named Entities (DANE).

- **Technical Engagement and Capacity-Development**

- Continue to improve and deliver capacity-development training on key Internet technologies that support a secured DNS ecosystem aligned with ICANN's technical remit, such as DNSSEC and DANE. Work internally to expand ICANN org's technical remit, such as DNSSEC and DANE.
- Expand ICANN org's technical training footprint through new course material and virtual lab environments.
- Expand programs for DNS ecosystem security and technical engagement. Training and programs on DNS ecosystem security have been expanded and a new initiative is underway to specifically engage with Computer Emergency Readiness Teams globally to provide them with additional training and collaboration.
- Work with the community to develop and promote commonly agreed norms for a secure DNS ecosystem, a project known as Knowledge-sharing and Instantiating Norms for DNS and Naming Security (KINDNS).
 - This was launched on 09 September 2022. Please see <https://kindns.org> for more information.
- Evolve efforts to educate registry operators, registrars, and others about DNS security threats and approaches to measure, prevent, detect and mitigate DNS security threats within their platforms.

- **Research**

- Continue to collect data, analyze, and publish fact-based, unbiased, objective information on how the DNS is used and abused.
- Research, report, and raise community awareness on emerging identifiers technologies and how they impact and compare with the DNS through the OCTO series of documents and other avenues of publication.
- Research the use of machine learning to enhance understanding and identification of abusive trends in DNS registration. This project will launch in FY23, but there will be ongoing spending in FY24 and beyond to keep the program active.

ACTIVITIES

During FY24, ICANN will:

- Finalize the prototype and begin internal operation of the RSS Metric Monitoring System.
- Operate a prototype root zone distribution service (hyperlocal) for testing purposes.
- Publish and implement KSK Rollover Policy.

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones and reports to ensure that initiatives advance. These measures are examples of those that will be used in FY24 for this initiative:

- Establishment of community agreement on the needs for the DNS Security Facilitation Center. The DNS Security Facilitation Initiative (DSFI) will investigate and promote activities with reach into the DNS community and other communities, as appropriate. The goal is to establish and promote best practices, facilitate communications between ecosystem participants, and implement processes to help the community handle threats.
 - The community-led DSFI work party has completed its assessment and the org is undergoing a feasibility assessment of the recommendations resulting from the assessment. Implementation of approved recommendations will commence in alignment with ICANN org's budgeting and prioritization efforts.
- Formalization of the Special Interest Forums on Technology ([SIFT](#)) program.
- Implementation of data collection and gathering for various statistical analyses.

RESOURCES

Effective cross-functional collaboration is an essential element for success in most of ICANN org's work. Specific examples of collaboration needed for this initiative are:

- Training and outreach activities require collaboration with the ICANN community as well as ICANN org functions, such as Global Stakeholder Engagement, Communications, and Government and Intergovernmental Organization (IGO) Engagement.
- Emergency preparedness efforts also support the work of teams such as Contractual Compliance.
- Activities support ICANN's efforts to preserve and enhance the security, stability, and resiliency of the DNS including Root Server System governance, mitigation of DNS security threats, promotion and facilitation of DNSSEC deployment, mitigation of name collisions, and DNS operations research.

Learn more about ICANN's overall approach in [Appendix D – ICANN Security, Stability, and Resiliency \(SSR\) of the Unique Internet Identifiers](#).

CONSIDERATIONS

The following risks and considerations exist for this initiative and may impact its advancement:

- Care must be taken not to exceed ICANN's remit.
- Privacy considerations may impact activities.
- Lack of access to all the relevant data may impede activities.
- Key stakeholders may not agree with norms developed. ■

Evolve and Strengthen the Multistakeholder Model to Facilitate Diverse and Inclusive Participation in Policymaking

PURPOSE

This initiative aims to ensure that participation in the policy development work of ICANN's three Supporting Organizations (SOs) and advice developed by the four Advisory Committees (ACs) is globally representative. The work of the SOs and ACs is carried out through the informed participation in the policy process by diverse groups and interests, with clearly demonstrated levels of stakeholder support and commitment to reaching consensus.

SCOPE

The scope of this initiative includes these work areas for FY24:

- As part of the ICANN community's continuous improvement efforts, planning for and implementation of the pilot Holistic Review is underway, as recommended by the Third Accountability and Transparency Review Team (ATRT3) and adopted by the ICANN Board in November 2020. This will involve community input during the planning and scoping phase as well as participation in implementation. One of the ATRT3 objectives for such a review is to determine if the existing SO and ACs continue to have a purpose within the ICANN structure as they are currently constituted, or if any changes may be needed to improve the overall effectiveness of ICANN as well as ensure optimal representation of community views. As such, the pilot Holistic Review will play a key role in identifying any new participation gaps and challenges, and developing and assessing possible short- and long-term solutions. This work can supplement ongoing community work in relation to diversity assessment and reporting, and efforts to update group governance documents to enhance outreach and participation.
- Implementation of the Cross-Community Working Group on Enhancing ICANN Accountability (CCWG-Accountability) Work Stream 2 (WS2) recommendations approved by the Board that are directed at the community, in particular those recommendations relating to diversity and SO and AC accountability. This involves documenting existing community efforts to enhance diversity of participation across all the SOs and ACs as well as identifying and implementing opportunities for improvement and reporting. This work will allow the community to inventory, document, and improve its processes and efforts to ensure diverse and inclusive participation in its work on a continuing basis.
- Evaluating the progress made in relation to the specific community-led initiatives identified in the "[Enhancing the Effectiveness of ICANN's Multistakeholder Model](#)" paper, which was revised in October 2020, including initiatives that support representation and inclusivity. This exercise will allow the community to consider what additional work may be needed over the next few years to ensure that ICANN's multistakeholder model of policymaking and consensus-building remains sound, inclusive, and globally representative.
- Developing a final governance model for the Root Server System to ensure that its structures and business models continue to meet accountability, transparency, and other key governance requirements. One of the core principles that inform this community-driven work, as approved by the ICANN Board, requires collaboration and engagement by all stakeholders.
- Implementing a new Policy Transition Program to provide ICANN Fellows and other newcomers with specific knowledge about current policy issues through facilitated topical discussions with subject-matter experts.

ACTIVITIES

In FY24, activities relevant to this initiative include:

- Facilitating the community's implementation of those recommendations from the CCWG-WS2 that are directed at the community and that relate to diversity and SO and AC accountability.
- Continuing cross-functional coordination within the org to engage the community in evaluating progress on the priority areas highlighted in the current work on Evolving ICANN's Multistakeholder Model, with a view toward considering next steps.
- Working with community leaders to improve planning of inclusive hybrid ICANN Public Meetings, including through assessment and updates of community-agreed guidelines, Prep Week, and plenary sessions.
- Launching a Community Engagement System to provide accurate records of reporting in relation to membership and participation in policy processes.
- Launching a pilot for the new Policy Transition Program to assess the feasibility of developing facilitated learning modules on selected policy issues for Fellows and newcomers to policy participation in the community.

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones and reports to ensure that initiatives advance. These measures are examples of those that will be used in FY24 for this initiative:

- Reporting of membership and participation in SOs, ACs, stakeholder groups, and constituencies to track diversity and global representation.
- Reporting on progress in the community's implementation of the CCWG-Accountability WS2 recommendations relating to diversity and accountability of SOs and ACs and outcomes of revisions of stakeholder group and constituency charters and other community governance documents.
- Metrics related to Public Comment proceedings to evaluate the new format launched under the org's Information Transparency Initiative (ITI).
- Analysis of statistics for ICANN Prep Week and ICANN Public Meetings to detect participation trends and changes over a specific period.

RESOURCES

The FY24 level of resources is generally expected to be consistent with the current level of staff, assuming that open positions are filled and a continuing ability to rely on professional services contractors for additional needs. Resources for increased use of virtual meeting tools and more face-to-face or intersessional meetings will be needed to advance or complete major policy projects as well as ensure continued global participation in these projects.

CONSIDERATIONS

Risks and considerations exist for this initiative and may impact its advancement:

- To participate effectively, newer community members need time to get used to ICANN participation and working methods and veteran community members need to adjust to any new tools and platform changes.
- As the policy challenges facing the community become more legally and technically complex, the need for participants in the policy process to have the requisite expertise and experience could result in less diverse participation.
- As ICANN returns to hybrid meetings, the impact of COVID-19 on stakeholder interest and participation in policy discussions remains to be seen. ■

Evolve and Strengthen the ICANN Community's Decision-Making Processes to Ensure Efficient and Effective Policymaking

PURPOSE

This initiative focuses on the facilitation of more efficient, timely, and effective policy development work by ICANN's three SOs and advice by the four ACs. Staff support is provided for developing, documenting, and implementing changes and improvements to community procedures and processes intended to reflect a commitment to reaching consensus and effective policymaking.

SCOPE

The scope of this initiative includes these work areas:

- Periodic review by community groups of their internal procedures and requirements to address new challenges and gaps, such as improvements to consensus decision-making, leadership transitions, and tracking of policy work.
- Improvement of community templates and procedures in relation to the Empowered Community powers and other Bylaws-mandated processes.
- Improvements to community collaborative processes, including development of agreed terms of reference and community-agreed guidelines for representative cross-community groups.

ACTIVITIES

In FY24, activities for this initiative include:

- Supporting individual SOs, ACs, stakeholder groups, and constituencies in their evaluations of and revisions to their internal processes to improve decision-making and ensure accountability, and transparency, including implementing relevant CCWG-WS2 recommendations and Empowered Community processes.
- Continuing cross-functional work on the ITI, including improvements to community websites and webpages.
- Continuing collaboration among ICANN org Meetings, Language Services, Meetings Technical Services, Communications, Legal, Board Operations, Policy Development Support and other functions to evaluate and implement improvements to ICANN meeting planning and execution.
- Continuing collaboration between ICANN org's Planning and Policy Development Support functions to engage the community in collaborative prioritization of community work in view of limited resources.

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones and reports to ensure that initiatives advance. These measures will be used in FY24 for this initiative:

- Tracking progress on community implementation of CCWG-WS2 recommendations and other work in progress to refine decision-making as well as participation in the Empowered Community.
- Assess implementation of Generic Names Supporting Organization (GNSO) Policy Development Process (PDP) 3.0 Improvements and use of the Consensus Playbook.

- Use of Smartsheet and other process and project management tools to facilitate timely reporting and decision making by policy working groups.
- Tracking progress on migration to Community Engagement System (CES) platform.

RESOURCES

The FY24 level of resources is generally expected to be consistent with the current level of staff, assuming that FY22–23 hiring requests are fulfilled and continuing the ability to rely on professional services contractors for additional needs. Resources may be needed for additional face-to-face or intersessional meetings to advance or complete major policy projects.

CONSIDERATIONS

The following risks and considerations exist for this initiative and may impact its advancement:

- Effective prioritization by community groups, both internally for their own work and collectively across the community, remains a challenge even as new projects are launched to address policy issues identified as requiring solutions in the near term.
- The growing complexity of the issues being worked on, along with their broad impact and diversity of stakeholder interests, means that significant time and effort needs to be expended on scoping the issue and understanding multiple viewpoints in order to find consensus.
- Increased community work leading to increased expectations and needs for high-quality, consistent staff support on policy as well as non-policy topics may require additional resources, the lack of which runs the risk of:
 - Lower levels of service to the community.
 - Delayed policy and advisory outputs.
 - Community frustration and loss of active participants.
 - Potential staff burnout.
- Reliance on virtual meeting tools and other collaborative mechanisms means that ICANN org must constantly evaluate improvements to existing tools and new options as well as improve and expand its support for the tools necessary to support community work.
- As policy issues become more legally and technically complex, there is an increasing need for consistent, academic-quality policy research and data gathering and analysis that existing, qualified staff may not be able to meet due to workload and bandwidth issues.
- Lack of robust data collection to date means that data-driven policy work has been difficult and time-consuming, and decisions may be made based on anecdotal rather than comprehensive factual evidence.
- The growing complexity of the policy issues for which community-developed solutions are required means that more time is needed to understand the issues and reach consensus, which may affect project timelines and increase the amount of time required for decision-making. ■

Evolve and Improve Internal and External Ethics Policies

PURPOSE

This Operating Initiative focuses on the evolution and improvement of internal and external ethics policies to guide behavior within ICANN org and the community. The internal Ethics Policy will provide additional guidance and direction for ICANN org staff. This will continue to improve the confidence that the ICANN community places in org staff, by providing further transparency into how ICANN org expects staff to conduct their work.

The ICANN Community Ethics Policy will provide transparency and guidance regarding how members of the ICANN community should approach their ICANN-related work and interact with one another.

SCOPE

The scope of this initiative covers these work areas:

- Assess, improve, and implement an internal ICANN org Ethics Policy.
- Assess, develop and support an ICANN Community Ethics Policy.

ACTIVITIES

Over FY24, ICANN org will:

- Improve internal ICANN org Ethics Program for FY24.
- Implement an ICANN org Ethics Program to provide additional guidance and direction for ICANN org staff for FY24–25.
- Collaborate with the ICANN community to develop an ICANN Community Ethics Policy for FY24–25.

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones and reports to ensure that initiatives advance. These measures are examples of those that will be used in FY24 for this initiative:

- Gather all existing policies that will make up elements of the ethics policies and conduct gap analysis.
- Conduct an assessment to understand the baseline ethics level as of FY23.
- Develop a plan or policies to fill the gaps.
- Assessment of the current Ethics Policy.

RESOURCES

Effective cross-functional collaboration is an essential element for success in most of ICANN org's work. Specific examples of collaboration needed for this initiative are:

- The Legal team leads this initiative and coordinates with Human Resources and Policy Development Support.

CONSIDERATIONS

The primary risks that may impact this initiative's advancement are the lack of internal and external awareness of the work and resulting lack of buy-in to the effort, as well as availability of community resources to meaningfully engage in discussion. ■

Promote and Evolve the DNS Through Open and Transparent Processes That Enable Competition and Open Entry in Internet-Related Markets While Ensuring the Stability, Security, and Resiliency of the DNS

PURPOSE

This initiative encompasses ICANN org activities in support of a competitive environment in the DNS marketplace. This goal is supported by key projects as well as ongoing activities, such as providing and improving services for gTLD registry operators and ICANN-accredited registrars that enable and facilitate compliance with their respective agreements and community-developed consensus policies, implementing ICANN Board-approved GNSO consensus policy recommendations, conducting research and analysis to better understand the DNS ecosystem, and sharing that information with the community in the form of data and papers.

This initiative is a key part of building and promoting the multilingual Internet. UA is important to promoting global consumer choice and providing broader access to end users around the world, supporting the continued evolution of the DNS.

The UA efforts require the coordination of work occurring at the org, community, and broader levels – to strengthen and evolve ICANN org’s bandwidth for strategy and engagement, as well as supporting the ICANN community on the technical and policy fronts and helping to reach new stakeholders.

This initiative tracks project work in preparation for the launch of additional rounds of new gTLDs, based on community-developed policy recommendations for subsequent rounds and by applying knowledge gained through the implementation of the 2012 round and subsequent reviews evaluating different aspects of the program. ICANN org is in the preplanning phase of a potential subsequent round of new gTLDs, including review and analysis of the policy recommendations developed by the community, supporting Board discussions, and estimating anticipated resource requirements.

The policy recommendations from the GNSO’s New gTLD Subsequent Procedures (SubPro) PDP Working Group have been delivered to the Board. With this policy work complete, it is possible that an additional round of new gTLDs will be launched within this five-year period. Each year the five-year Operating and Financial Plan will be progressively updated to reflect the latest policy developments related to subsequent rounds of new gTLDs.

SCOPE

The scope of this initiative covers these work areas:

- Implementation of community-developed recommendations relating to gTLD operators and ICANN-accredited registrars, that the Board adopts and directs ICANN org to implement.
- Production of the Domain Name Marketplace Indicators and other supporting analysis.
- Development of new services and improvement to existing services for gTLD registry operators and ICANN-accredited registrars.
- Planning and implementation of an operational infrastructure (systems, processes, and people) to support ongoing operations of the New gTLD Program.
- Development and execution of capacity-development, outreach and engagement, and global communications and awareness plans for future gTLD application rounds.
- Outreach to providers of standards, programming languages, tools, and platforms to support UA.
- Raising awareness and capacity of technology developers to develop or update applications to be UA-ready.
- Raising awareness and capacity of email tools and service providers to support Email Address Internationalization.

- Raising awareness in the public sector for governments to require UA readiness in their tendering processes.
- Updating ICANN org's relevant technical systems to be UA ready.

ACTIVITIES

Activities for this initiative include:

- Supporting the Board by developing information and analysis necessary to inform its decisions on the Subsequent Procedures policy recommendations, including supporting Board deliberation and follow-up action on the findings of the SubPro Operational Design Phase.
- If the policy recommendations regarding a new round of new gTLD applications are approved by the Board:
 - Developing program documentation for the application process in line with new policy guidance.
 - Planning and executing operational readiness activities including systems, tools, process definition, procurement, and other activities.
 - Planning and executing communications and outreach to support the program.
 - Convening the Implementation Review Team and supporting their work of reviewing and providing input on the implementation plan.
- Conducting gap analyses of tools and systems for UA readiness.
- Continue reaching out to technology tool providers for UA remediation.
- Continue raising awareness and capacity of technology developers and system administrators for UA readiness through local initiatives in different geographies.
- Supporting the community-based UA working groups on technology, email address internationalization, communications, and measurements as well as local initiatives in different countries to promote UA readiness.
- Engaging with the At-Large Advisory Committee and Governmental Advisory Committee (GAC) and work with ICANN org's Global Stakeholder Engagement and Government and Intergovernmental Organization (IGO) Engagement teams to raise awareness especially among public sector organizations, e.g., by organizing the annual UA Day.
- Developing materials for integrating into IT curricula within academic programs at universities.
- Engaging with TLD registry and registrars to encourage them to make their systems UA-ready.

HOW PROGRESS IS TRACKED

Work relating to future rounds of the New gTLD Program is expected to occur in three distinct tracks, dependent on ICANN Board and community actions:

- **Planning and Preparation:** As per the Consensus Policy Implementation Framework, ICANN org prepares the Board for making a decision on policy recommendations.
- **Policy Implementation:** Once the Board approves community-developed recommendations and directs ICANN org to implement them, the org works with the community to implement the recommendations. Activities may include a detailed assessment of the recommendations, drafting and development of documentation to support the execution of an application process, and building on work done in the planning and preparation phase.

- **Operational Readiness:** To bring the organization to operational readiness for supporting a new service or enforcing a new policy, ICANN org engages and trains vendors and internal resources, tests systems and tools, conducts exercises of the defined processes and tools, and continues executing the relevant communications and training activities. In the case of work on a new application round of the New gTLD Program, opening the application window marks the end of this track.

As of this FY24 Planning process, the org has completed an ODP on the recommendations from the GNSO PDP of New gTLD Subsequent Procedures. This PDP resulted in a set of affirmations, recommendations, and implementation guidance. In recognition that this ODP effort will require significant resources to execute, the Board resolution provided for a period of internal project organization and authorized spending of up to \$9 million of New gTLD Program funds to execute the work of the ODP. It is expected that the ODP will be completed and follow-on work will occur within the FY24–28 time period.

The ODP will result in an assessment being delivered to the Board. After receiving this assessment, the Board will deliberate and take action on the policy recommendations. Should the Board accept the recommendations, it will direct the org to commence implementation work toward opening a future application round. Should the Board refer some recommendations back to the community for further work, or take other action, ICANN org will support the required work.

Specific measures on Universal Acceptance progress are tracked via regular reporting and documentation covering:

- The extent of remediation of underlying technology, e.g., programming languages, email tools, etc.
- The extent of deployment of UA-ready systems, e.g., websites, email servers, and other applications.
- The extent of training for technical stakeholders on developing and deploying UA-ready software.
- The amount of outreach for creating public sector awareness of making government and citizen-focused services UA-ready.

RESOURCES

Effective cross-functional collaboration is an essential element for success in most of ICANN org's work. Specific examples of collaboration needed for this initiative are:

- The ICANN community, particularly the At-Large Advisory Committee and Governmental Advisory Committee (GAC), and ICANN org functions including Communications, Technical Engagement, Global Stakeholder Engagement, and Government Engagement will need to help raise awareness of UA.
- Support is also needed for the Universal Acceptance Steering Group and other community-based working groups addressing UA at a global level as well as for local initiatives focusing on specific geographies.

If determined to proceed, the preparation of the next round is expected to require significant additional resources, estimates of which are to be included in the Operational Design Assessment. This project would be funded by the New gTLD Program funds, composed of the remaining funds from the 2012 round.

This initiative will require significant cross-functional collaboration and support from functions such as Legal, Communications, Global Stakeholder Engagement, Human Resources, Finance, Global Domains and Strategy, OCTO, IANA, and Engineering and IT.

Based on the recommendations of the SubPro PDP Working Group, the processing of applications received through future application rounds for new gTLDs is expected to remain subject to the principle of cost recovery, meaning that funding the necessary preparatory and development expenses (as well as future processing fees) comes from fees paid by applicants.

CONSIDERATIONS

The following risks and considerations exist for this initiative and may impact its advancement:

- Given the scale of the anticipated implementation work of developing a new gTLD application round, advance planning and preparation are essential to ensure successful implementation. The commencement of such planning and preparatory work is dependent on Board action on community-developed recommendations.
- Planning for a new round requires an upfront commitment to design and build the operational infrastructure (people, processes, and systems) without precise knowledge of, and insight into, the volume of applications in the next and future rounds. Determining the scope and level of investment will need to be based on certain assumptions. ICANN org has developed a set of [operational planning assumptions](#) that has been shared with the Board and community. ICANN org has refined these assumptions over the course of the SubPro ODP based on further analysis of the affirmations, recommendations, and implementation guidance in the New gTLD SubPro Final Report; these [assumptions](#) have been shared with the community for review and input.
- Efforts to increase UA readiness involve globally reaching and activating stakeholders beyond the conventional ICANN community that may have different priorities.
- Raising awareness to incorporate UA as a mainstream design consideration for private and public sector technical systems may require considerable effort and time. ■

Geopolitical Monitoring, Engagement, and Mitigation

PURPOSE

In an effort to keep the Operating Initiatives streamlined, and avoid overlap, all ICANN org activity concerning geopolitics is now included in this single Operating Initiative.

Increasingly, governments and IGOs develop policies, legislation, and regulations that have the potential to indirectly, or in some cases, directly impact the Internet. Some of these actions may also impact ICANN's ability to develop policies, run its operations, and fulfill its mission. To address these issues and to ensure a single, globally interoperable Internet, ICANN identifies where these discussions and initiatives are taking place and determines whether, when and how ICANN org should engage.

Identifying, monitoring, and reporting on geopolitical legislative and regulatory developments around the world that could have an impact on ICANN's ability to fulfill its mission are part of ICANN's work within this initiative. This includes analyzing the legal and technical impacts of proposed policy, regulatory or legislative initiatives. The purpose is to assess whether, when, and how to engage to avoid unintended consequences of governmental actions. The nature of engagements can span technical training, targeted briefings, or providing additional protocol information to governments to help ensure that lawmakers have the full benefit of ICANN's technical expertise.

ICANN org's Government and IGO Engagement team prioritization and targeting of engagement is informed by identifying trends and monitoring governmental activity. Through targeted engagement, ICANN org focuses on two areas: working with governments and IGOs engaged with ICANN org and the policy development process through ICANN's GAC and, more broadly, working with governments and IGOs on issues beyond those being addressed through an ICANN policy development process.

SCOPE

The scope of this initiative covers the following work areas:

- Strengthening existing relationships and identifying new actors as an ongoing activity. In conjunction with legislative and regulatory tracking, this will give ICANN org another layer of insight and help to prioritize targeted engagement. This includes an ongoing review of alliances based on emerging issues or changes in the focus of other organizations.
- Developing an approach to align engagement through face-to-face and virtual gatherings for organizations and actors within the global Internet ecosystem that are relevant to ICANN's remit.
- Identifying new opportunities for informing global Internet processes and discussion of issues.
- Participating in targeted policy and technical Internet governance briefings, forums, webinars, and events.
- Creating targeted information and capacity-development materials to better equip government stakeholders around the world, enabling them to become more knowledgeable, and, therefore, more active participants in ICANN's policymaking processes.
- Assessing expectations of government participants in capacity-development activities to identify needs.
- Assessing the scope of global events and processes relevant to ICANN on topics such as cybersecurity and the unique identifiers.

ACTIVITIES

In FY24, ICANN org will:

- Continue to monitor and assess the potential impact of the implementation of the Internet Governance Forum evolution on ICANN based on the United Nations Secretary-General's Roadmap for Digital Cooperation released in June 2020.
- Maintain and update as needed cross-functional assessment work in collaboration with other ICANN functions to inform ICANN org on ongoing engagement work.
- Continue collaboration with other organizations in the Internet governance ecosystem in order to address challenges that arise in various IGO arenas.
- Maintain and update as needed engagement plan to reflect the prioritization or reprioritization of targeted engagement.
- Continue socializing ICANN's remit and concepts such as technical Internet governance through speaking engagements.
- Continue to present a regular plenary session at ICANN meetings to update the community on geopolitical developments.
- Prepare for the possibility of three capacity-development events per year.
- Continue creating targeted materials for government participants, as needed. This may include informational papers on various IGO processes, resolutions, and issues so that participants at these IGOs understand the potential impacts of the resolutions or initiatives on the global, interoperable Internet.
- Deliver the postponed FY22 High-Level Governmental meeting if it is not presented in FY23.
- Continue monitoring and assessing legislative and regulatory developments around the world that could have an impact on ICANN's ability to fulfill its mission.
- Conduct outreach and informational activities through webinars and other speaking opportunities focused on governments and their activities.
- Plan informational briefings at the United Nations in New York, Geneva, or Brussels, and plan capacity-building sessions for governments.
- Publish papers explaining how international, national, and regional Internet-related initiatives might touch on ICANN's mission.

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones and reports to ensure that initiatives advance. The following milestones will be used over the one-year period for this initiative:

- Publish reports on government-related activity such as ICANN led briefings and capacity-development events for diplomats from the Permanent Missions to the U.N., as well as other U.N. agencies or other IGOs.
- Work in conjunction with local government hosts and GAC members to deliver periodic High-Level Governmental meetings.
- Develop reports and statistics on participation in outreach, technical briefings and capacity-development sessions for the GAC as well as through collaboration with other organizations in the ecosystem.
- Conduct comparison of before and after GAC capacity-development event surveys to measure delivery of information against expectations and knowledge gained.
- Provide contributions to open consultations over legislative, regulatory, policy or standards initiatives and technical briefings to policymakers. These contributions will be published on the [Government Engagement page](#).

- Continually review of existing Memorandums of Understanding for continuing alignment with goals.
- Track data on the number of countries and IGOs represented in the GAC as well as the number of countries and IGOs actively participating in the GAC and ICANN policy development processes.
- Provide geopolitical initiatives tracking updates and briefings through geopolitical plenaries at each ICANN Public Meeting.
- Publish reports on legislative or regulatory events with the potential to touch on ICANN's mission.
- Conduct technical assessments or use cases on the potential impact of various legislative or policy initiatives as needed.

RESOURCES

Effective cross-functional collaboration is an essential element for success in most of ICANN org's work. While the Government and IGO Engagement team (GE) will lead global strategy and political and environmental assessments of global IGOs and initiatives, collaboration will be needed as follows:

- Regional Global Stakeholder Engagement teams to identify proposed policies or legislation that might impact ICANN. Communications team to develop narratives to ensure consistent messaging on key issues.
- Legal team to provide analysis on the potential impact of proposed legislative or regulatory activity or policy initiatives on ICANN's ability to deliver its mission.
- Public Responsibility Support team to develop online courses.
- Support from OCTO to develop technical capacity-development curriculum to assist Government and IGO engagement with training and capacity-development through the GAC's Underserved Regions Working Group work plans and other collaborative initiatives in the Internet governance ecosystem.
- OCTO to assess the impact of proposed legislation on the DNS and to conduct use case analyses as applicable.
- GAC Support Team to identify which countries are not part of, or are not active participants in the GAC.

Resources for this initiative are included in the Functional Activities of the financial plan and therefore no incremental resources are needed.

CONSIDERATIONS

The following risks and considerations exist for this initiative and may impact its advancement:

- Possible increased resources needed to cover new venues with additional technical resources for engagement with other organizations and stakeholders.
- Possibility of forging an alliance with an organization that takes the contrary position to ICANN's on a common issue.
- Potential perception from some in the community that reassignment of work might lead to a change in funding or reducing participation in events from a level to which the community previously had become accustomed.
- Need to allocate adequate resources to sufficiently monitor global trends and align with the Strategic Plan.
- Ensuring broad and informed participation across the GAC that reflects the functional, geographic, and cultural diversity of the Internet in order to mitigate against overrepresentation by any single interest.
- Need for resources to monitor and compare information across various venues to detect the “weak signals” early enough to identify trends and evaluate actions to address possible challenges. In certain cases, deliberations on issues related to ICANN's mission take place within multilateral settings behind closed doors without much, if any, information being released publicly. Political judgment is crucial in determining when to move from monitoring to active engagement efforts addressing proposed regulatory, legislative or policy initiatives.
- Capacity constraints limiting ability to provide briefings, technical training, and other engagement efforts in some governmental or IGO bodies. ■

Improve the Depth of Understanding Domain Name Marketplace Drivers That Impact ICANN's Funding

PURPOSE

The domain name marketplace has evolved and matured following the 2012 round of the New gTLD Program. ICANN org must analyze its funding model within the context of this evolving marketplace, reviewing key market enablers and challenges that have an impact on ICANN's funding. ICANN must also use these inputs effectively to provide a solid foundation for funding projections. This initiative brings together those activities.

SCOPE

The scope of this initiative covers these work areas:

- Further enrich the quality of feedback received from the market participants. Review and analyze trends and driving forces of the domain name industry marketplace that impact ICANN's funding.
- Seek to validate and improve forecasting accuracy through review of further data sets that could provide predictive value for funding projections.

ACTIVITIES

In FY24, ICANN org will:

- Continue to increase ICANN's overall domain market intelligence in relation to the forecasting process. For instance, ICANN org must continue to build its understanding of the prospective impacts of the COVID-19 pandemic on its future funding.
- Continue to improve in cross-functional knowledge-sharing to identify and contextualize market intelligence and high-value data sets in relation to the forecast.
- Annual delivery of funding assumptions and projections for the next five fiscal years.

HOW PROGRESS IS TRACKED

CANN org uses a combination of milestones and reports to ensure that initiatives advance. These measures are examples of those that will be used in FY24 for this initiative:

- Build and establish a process to develop the funding model.
- Annual delivery of funding assumptions and projections for the following five fiscal years.
- Continued enhancement of the funding model and increasing the team's market intelligence in relation to the forecasting process.

RESOURCES

Effective cross-functional collaboration is an essential element for success in most of ICANN org's work. Specific examples of collaboration needed for this initiative are:

- The skills of ICANN org's Global Domains and Strategy, Finance (and the Economist), OCTO, and Global Stakeholder Engagement functions to collect and contextualize market intelligence and various data sets deemed relevant to the funding forecast process.
- Processes and tools are in place to effectively prioritize and periodically reprioritize work.

CONSIDERATIONS

It is not clear how threats to the DNS might impact ICANN's funding. ICANN org must continue to expand its understanding and knowledge of the impact these threats may have on future funding. ■

Implement New gTLD Auction Proceeds Recommendations as Approved by the Board

PURPOSE

This initiative relates to the implementation of the Board-approved recommendations from the Cross-Community Working Group on New gTLD Auction Proceeds (CCWG-AP).

SCOPE

The scope of this initiative covers these work areas:

- ICANN org will complete the implementation design of the actions needed to implement the Board-approved CCWG-AP recommendations and launch the ICANN Grant Program through which the auction proceeds will be disbursed to eligible applicants and projects.
- ICANN org will launch the first grant cycle and will plan the launch of future grant cycles to cover all the Grant Program objectives.

ACTIVITIES

In FY24, ICANN org will:

- Further refine the implementation design of the Grant Program.
- Launch the first grant cycle.
- Review the first grant cycle and, eventually, introduce program refinements.

HOW PROGRESS IS TRACKED

Work within this initiative will happen in stages. The FY24 specific milestones are:

- Implementation of ICANN Grant Program according to plan.
- Launch of the first grant cycle.
- Review of the first grant cycle and possible introduction of program refinements.

RESOURCES

Effective cross-functional collaboration is an essential element for success in most of ICANN org's work. To ensure the success of this initiative and the Grant Program:

- There will be close collaboration between ICANN org subject matter experts to define and design the work in specific areas such as administrative/procedural, communications, legal, and technical.
- The final recommendations approved by the Board and the design of the implementation plan will determine costs, which will be funded by the auction proceeds.
- Resource needs, including estimated workload, needed skills, and potential new hires, will be determined based on the implementation design of the recommendations.
- As implementation progresses, the auction proceeds will fund any resource supporting this work.

CONSIDERATIONS

This work relies on elements and dependencies that might be identified during the implementation design phase. ■

Planning at ICANN

PURPOSE

Careful planning of ICANN activities helps safeguard ICANN's long-term financial sustainability and ensure that ICANN org is accountable to the public in its stewardship of ICANN's mission. This initiative defines and implements improvements to the planning process over the duration of the ICANN Strategic Plan for fiscal years 2021–2025.

SCOPE

- Delivery of a Planning Prioritization Framework to enhance and improve ICANN's overall planning process. Moving forward, the planning process will continue to be part of the annual planning process, which is described and measured under the Planning Functional Activity.
- ICANN org will analyze the current progress reporting mechanisms and identify gaps. Then evolve the progress reporting mechanisms to better report out performance against the Operating Plan and Strategic Plan.

ACTIVITIES

In FY24, ICANN org will:

- Research, develop, and engage with the community and Board regarding a draft progress measurement framework.

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones and reports to ensure that this initiative advances during FY24. ICANN org plans to:

- Develop and deliver the progress reporting framework.

RESOURCES

Resources for the planning prioritization framework are included within the planned Functional Activities and continuing operations budget and no incremental resources are needed. Additional resources for the progress reporting framework are required and will be drawn from available funds.

CONSIDERATIONS

The following risks and considerations exist for this initiative and may impact its advancement:

- Newer community members need time to get used to ICANN's planning process and may not fully engage in webinars, consultations, and Public Comment proceedings on these initiatives.
- ICANN will need to provide information and engagement opportunities to ensure that the Bylaws-mandated review and Empowered Community timelines are achievable as written. ■

ICANN Reserves

PURPOSE

To safeguard ICANN's long-term financial sustainability and ensure that ICANN org is accountable to the public in its stewardship of ICANN's mission, the level of ICANN reserves must be continuously set, reached, and maintained consistent with the complexity and risks of ICANN's environment.

SCOPE

The scope of this initiative covers these work areas:

- Ensure implementation of the October 2018 Board resolution to replenish the Reserve Fund to an amount equal to one year of operating expenses as the minimum target level of the Reserve Fund.
- Maintain minimum target level of the Reserve Fund as operating expenses change.

ACTIVITIES

For information on FY24 finances, please see the [FY24 Budget](#) for the Reserve Fund balance and planned replenishment. ■

FUNCTIONAL ACTIVITIES

FY24

Functional Activities are those necessary to operate the organization, such as Human Resources or Finance, or implement ICANN's mission, such as Contractual Compliance or the IANA function. These 33 Functional Activities describe ICANN's continuing operations for FY24.

The 33 Functional Activities have been placed into five service groups:

- Technical and DNS Security
- Policy Development and Implementation Support
- Community Engagement and Services
- ICANN Org Governance
- ICANN Org Shared Services

These service groups were selected because they represent the broad categories of work that ICANN org conducts in fulfillment of its mission. The five service groups express the Functional Activities at a high level.

The FY24 Operating Plan updates the FY23 Operating Plan and continues to demonstrate how ICANN org implements its current Strategic Plan. Many of ICANN org's Functional Activities are to implement its mission or operate the organization that continues each year. Any new activities or strategic changes to existing ones are marked with a delta (Δ).

FIVE SERVICE GROUPS:

TECHNICAL & DNS SECURITY

POLICY DEVELOPMENT & IMPLEMENTATION SUPPORT

COMMUNITY ENGAGEMENT & SERVICES

ICANN ORG GOVERNANCE

ICANN ORG SHARED SERVICES

FUNCTIONAL ACTIVITIES

FY24

TECHNICAL & DNS SECURITY

- Office of the Chief Technology Officer
- ICANN Managed Root Server
- Internationalized Domain Names and Universal Acceptance
- IANA Functions
- Contractual Compliance

TECHNICAL & DNS SECURITY

Office of the Chief Technology Officer

PURPOSE

ICANN org's Office of Chief Technology Officer (OCTO) aims to constantly improve knowledge about the identifiers that ICANN helps coordinate, to disseminate this information to the Internet community, to improve the technical operation of the Internet's system of unique identifiers, and to improve ICANN's technological stature.

OPERATING INITIATIVE CONTRIBUTIONS

- Lead: Support the Evolution and Strengthening of the Root Server System and Root Zone Management.
- Lead: Facilitate DNS Ecosystem Improvements.
- Support: Geopolitical Monitoring, Engagement, and Mitigation

ACTIVITIES

- **External Operations:** Activities that have an external impact, such as the DNS Security Facilitation Initiative (complete) and exploring the expansion of the Domain Name Security Threat Information Collection and Reporting (DNSTICR) (in process).
- **Technical Engagement and Outreach:**
 - Support and provide training, engagement, and outreach to the technical community on current and upcoming technologies.
 - Support other ICANN org teams such as Global Stakeholder Engagement and Government Engagement with technical expertise as needed.
- **Research:** Activities centered on the analysis of the impact of new and existing technologies on the Internet's unique identifier systems as well as the investigation of new technologies and how they may impact the unique identifier ecosystem. ICANN org will continue work related to the Name Collision Analysis Project (NCAP) studies.
- **Reporting:**
 - Continue reporting on various aspects of the unique identifier ecosystem via Domain Abuse Activity Reporting (DAAR) and Identifier Technologies Health Indicators (ITHI).
- **Internal Operations:**
 - Activities that have an internal impact or recurring activities such as support of the Action Request Register and implementation of recommendations from Specific Reviews and policy development processes.
 - Collaboratively working with ICANN's Public Responsibility Support team on online learning development.

TECHNICAL & DNS SECURITY

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones, metrics, and reports to track Functional Activities. In FY24, the following milestones will be met:

- External Operations:** Many of the progressions and milestones will be tracked via the Operating Initiatives, such as:
 - Formalization of the Special Interest Forums on Technology (SIFT) program.
 - Operation of DNSTICR.
- Technical Engagement and Outreach:**
 - Deliver at least 90 percent of mutually agreed-on engagement and outreach activities requested by the community or our partners.
- Research:**
 - Track and support recommendations for NCAP Studies 2 and 3.
 - Operate an internal RSS Metric Monitoring System as described in RSSAC047 for internal research purposes.
- Reporting:**
 - Publish data or reports on the various efforts underway, such as DAAR and ITHI reporting, technical papers, etc.
 - Implement data collection and gathering for various statistical analyses.

RESOURCES

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
Office of the Chief Technology Officer	21	\$5.3	\$4.6	\$9.9

In Millions USD
Full-Time Equivalent (FTE)

TECHNICAL & DNS SECURITY

CONSIDERATIONS

The following risks and considerations exist for this Functional Activity and may impact its advancement:

- Bandwidth constraints or competing demands on the available staff resources due to these resources acting as subject-matter expert for internal and community efforts.
- Assumptions regarding community interest in security and stability could be reduced, which may cause a reprioritization of staff time and effort.
- Community appetite for technical outreach, training, and engagement is strong but this could change, which may lead to reprioritization.
- In FY24, ICANN org notes a number of OCTO-led implementations may be forthcoming from the final recommendations from the Second Security, Stability, and Resiliency Review (SSR2), subject to prioritization. ■

TECHNICAL & DNS SECURITY

ICANN Managed Root Server

PURPOSE

Through the ICANN Managed Root Server (IMRS) program, ICANN org provides trusted technical expertise and solutions to support the global Internet by building and maintaining a sustainable, stable, and resilient root server that is able to respond to identified and vetted technical needs.

OPERATING INITIATIVE CONTRIBUTIONS

There are no linked initiatives at this time. This supports ICANN’s ongoing activities.

ACTIVITIES

- Deliver and maintain a highly secure, stable, and resilient root server.
- Respond to defined strategic initiatives and vetted community expectations of the RSS.
- Maintain a low total cost of operations while developing capacity, good engineering practices, and RSS community engagement.

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones, metrics, and reports to track Functional Activities. In FY24, the following milestones will be met:

- Tracking the number of IMRS instances deployed every 12 months.
- Tracking the number of IMRS service outages every 12 months.

RESOURCES

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
ICANN Managed Root Server	11	\$2.4	\$0.8	\$3.2

In Millions USD
Full-Time Equivalent (FTE)

CONSIDERATIONS

The following risks and considerations exist for this Functional Activity and may impact its advancement:

- Hiring and retaining expert-level staff continues to be challenging in the current economic climate.
- Staff may leave if job ladders or clear paths to promotion are not implemented. ■

TECHNICAL & DNS SECURITY

Internationalized Domain Names and Universal Acceptance

PURPOSE

This functional activity supports community work and leads internal operations for Internationalized Domain Names (IDNs) and Universal Acceptance (UA) efforts.

OPERATING INITIATIVE CONTRIBUTIONS

Lead: Promote and Evolve the DNS Through Open and Transparent Processes That Enable Competition and Open Entry in Internet-related Markets While Ensuring the Stability, Security, and Resiliency of the DNS.

ACTIVITIES

- Support policy development and implementation work on IDNs, including IDN variant top-level domains (TLDs), by the Country Code Names Supporting Organization (ccNSO) and Generic Names Supporting Organization (GNSO).
- Review IDN tables for gTLD registries for security and stability, in a consistent and transparent manner, and publish these in the IANA Repository of IDN Practices.
- Maintain the Root Zone Label Generation Rules (RZ-LGR) and update it to include the remaining and any additional scripts identified in the Maximal Starting Repertoire.
- Work with relevant communities to develop Reference Label Generation Rules (LGRs) for the second level.
- Support the application and evaluation of IDN country code top-level domains (ccTLD).
- Support the Universal Acceptance Steering Group's working groups on technology, Email Address Internationalization, communications, and measurements, as well as its local initiatives in different countries and regions to promote UA readiness.
- Support UA working groups in At-Large Advisory Committee and Governmental Advisory Committee (GAC), as needed.
- Develop and conduct training and UA-related communications in collaboration with the community to encourage the stakeholders to become UA-ready.
- Manage the internal IDN and UA Steering Committee to coordinate ICANN org's IDN and UA-related activities across functions.

TECHNICAL & DNS SECURITY

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones, metrics, and reports to track Functional Activities. The following milestones will occur in FY24:

- Progress during FY23 on UA readiness is published using the UA annual report for FY22 as a baseline.
- Local initiatives are undertaking training on how to make technology and email services UA-ready in different countries with the support of ICANN org.
- RZ-LGR is being maintained and generation panels for the remaining scripts are being supported to develop proposals for the remaining scripts.
- Reference LGRs for additional scripts are being published.
- Updated IDN Guidelines approved by the Board are implemented.
- Following the gap analysis, active outreach to tool and technology providers is being done to promote UA readiness.

RESOURCES

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
Internationalized Domain Names and Universal Acceptance	3	\$0.4	\$0.4	\$0.8

In Millions USD

Full-Time Equivalent (FTE)

CONSIDERATIONS

Work on UA is based on influencing the technology developers and policymakers, who may also be motivated by additional considerations. This may impact advancement in this Functional Activity. ■

TECHNICAL & DNS SECURITY

IANA Functions

PURPOSE

The purpose of the IANA functions is to assign unique identifiers for the Internet in accordance with relevant policies, and to be the registry of record for those allocations. This work is essential to promoting Internet interoperability by ensuring devices on the Internet communicate in a standardized manner. This work is administered through contracts that provide accountability to the respective communities that use these services.

ICANN's affiliate Public Technical Identifiers (PTI) performs these functions on behalf of ICANN org according to service level agreements (SLAs) and other obligations defined in the contracts. PTI has a separate operating plan and budget process. The PTI Operating Plan and Budget constitutes a large component of the IANA Operating Plan and Budget and is included in the ICANN Operating Plan and Budget. Read the [FY24 PTI and IANA Operating Plans and Budgets](#).

OPERATING INITIATIVE CONTRIBUTIONS

- Lead: Support the Evolution and Strengthening of the Root Server System and Root Zone Management Evolution.
- Support: Facilitate the DNS Ecosystem improvements.
- Support: Promote and Evolve the DNS Through Open and Transparent Processes That Enable Competition and Open Entry in Internet-Related Markets While Ensuring the SSR of the DNS.

ACTIVITIES

The largest set of activities that are in scope for the FY24 IANA Operating Plan and Budget (OP&B) are laid out in the [FY24 PTI OP&B](#). Reviewing the FY24 PTI OP&B is essential to understanding the FY24 IANA OP&B as it will detail the planned assumptions, the scope of work, and the budget structure used to deliver the IANA functions.

The additional components of the FY24 IANA OP&B are IANA support activities that are performed by ICANN org and excluded from the FY24 PTI OP&B:

- Logistical support for community oversight groups like the Customer Standing Committee (CSC), review committees and teams such as the Root Zone Evolution Review Committee, IANA Naming Functions Review, and the CSC Effectiveness Review.
- Costs relating to the Root Zone Maintainer Agreement.
- Activities supporting the continued evolution of the Root Server System.
- Support for policy development work that will have a direct impact on IANA service delivery.

Please see the [PTI and IANA FY24 Operating Plans and Budgets](#) for more information.

TECHNICAL & DNS SECURITY

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones, metrics, and reports to track Functional Activities. In FY24, the following milestones will be met:

- Regular reporting on project conditions, engagement activities, risks and budget.
- Deliver the IANA functions by meeting all associated contractual deliverables.
- System and Organization Controls 2 (SOC) Audit Report of IANA systems issued and delivered to stakeholders.
- Exception-free System and Organization Controls 3 (SOC) Audit Report of the RZ KSK System is issued and published.
- KSK ceremonies performed in compliance with the DNSSEC Practice Statement.
- Root Zone Key Management Facilities upgrades completed in U.S. East and West regions.

Metrics

- Performance SLAs.
- Customer satisfaction surveys.
- Audit Control Matrix.

RESOURCES

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
IANA Functions	16	\$3.3	\$1.0	\$4.4

*In Millions USD
Full-Time Equivalent (FTE)*

TECHNICAL & DNS SECURITY

CONSIDERATIONS

The following risks and considerations exist for this Functional Activity and may impact its advancement:

- Ongoing customer satisfaction relies on the evolution of IANA systems. Meeting growing customer volume while adhering to SLAs depends on increasing systems advancement. Customer expectations of the level of sophistication in those systems grows over time.
- Increased demands relating to the operating envelope around the KSK management. This includes more regular hardware replacement cycles, more frequent key replacement cycles (rollovers), and new security facilities.
- Without additional resources, IANA does not have bandwidth to deliver additional anticipated activities such as recommendations from the SSR2 and policy implementation.
- Losing staff can significantly impact the function. Most roles in the team lack redundancy and filling positions when staff depart has often proved challenging.
- A higher number of gTLDs may impact the root zone. ■

TECHNICAL & DNS SECURITY

Contractual Compliance

PURPOSE

The Contractual Compliance function ensures that gTLD registries and ICANN-accredited registrars comply with community consensus policies and their contractual agreements with ICANN.

OPERATING INITIATIVE CONTRIBUTIONS

There are no linked initiatives at this time. This supports ICANN's ongoing activities.

ACTIVITIES

- Conduct audits, monitoring, and outreach to ensure contracted parties are in compliance with agreements.
- Receive and resolve complaints regarding potential compliance issues with contracted parties.
- Support policy development processes (PDPs), Organizational and Specific Reviews, the Registrar Accreditation Agreement and Registry Agreement contracting process by providing input from the contractual compliance perspective. Implement recommendations arising from Specific Reviews and PDPs as necessary and appropriate.
- To enhance operational excellence, the Contractual Compliance team plans to improve business operations, methods, and processes, including looking to increase automation in FY24.
- Reduce the use of professional services by completing the migration to Naming Services Portal (NSp) in FY24.
- Participate in outreach and training activities with contracted parties, or others (as needed), to raise awareness of contractual obligations.
- Provide metrics and data on complaints received that can help inform community discussions on contractual requirements.

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones, metrics, and reports to track Functional Activities. The following measures will be used in FY24 for this Functional Activity:

- Number of low-complexity complaints processed.
- Number of high-complexity complaints processed.
- Turn-around time for processing low-complexity complaints.
- Closure rate of high-complexity complaints processed.
- The number of registrars or registry operators audited.
- High-risk issues mitigated through audits.
- Contracted parties and reporter satisfaction level measured via perception survey.

TECHNICAL & DNS SECURITY

- Number of outreach activities engaging with contracted parties, or others (as needed), through formal and informal means.
- Number of plans for remediating noncompliance, as presented by contracted parties, and monitored for recurrence by Contractual Compliance.
- Number of newly implemented proactive monitoring initiatives and projects.
- Number of formal enforcement actions conducted.

HOW PROGRESS IS TRACKED

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
Contractual Compliance	24	\$3.9	\$0.7	\$4.6

*In Millions USD
Full-Time Equivalent (FTE)*

CONSIDERATIONS

The following risks and considerations exist for Contractual Compliance and may impact its advancement:

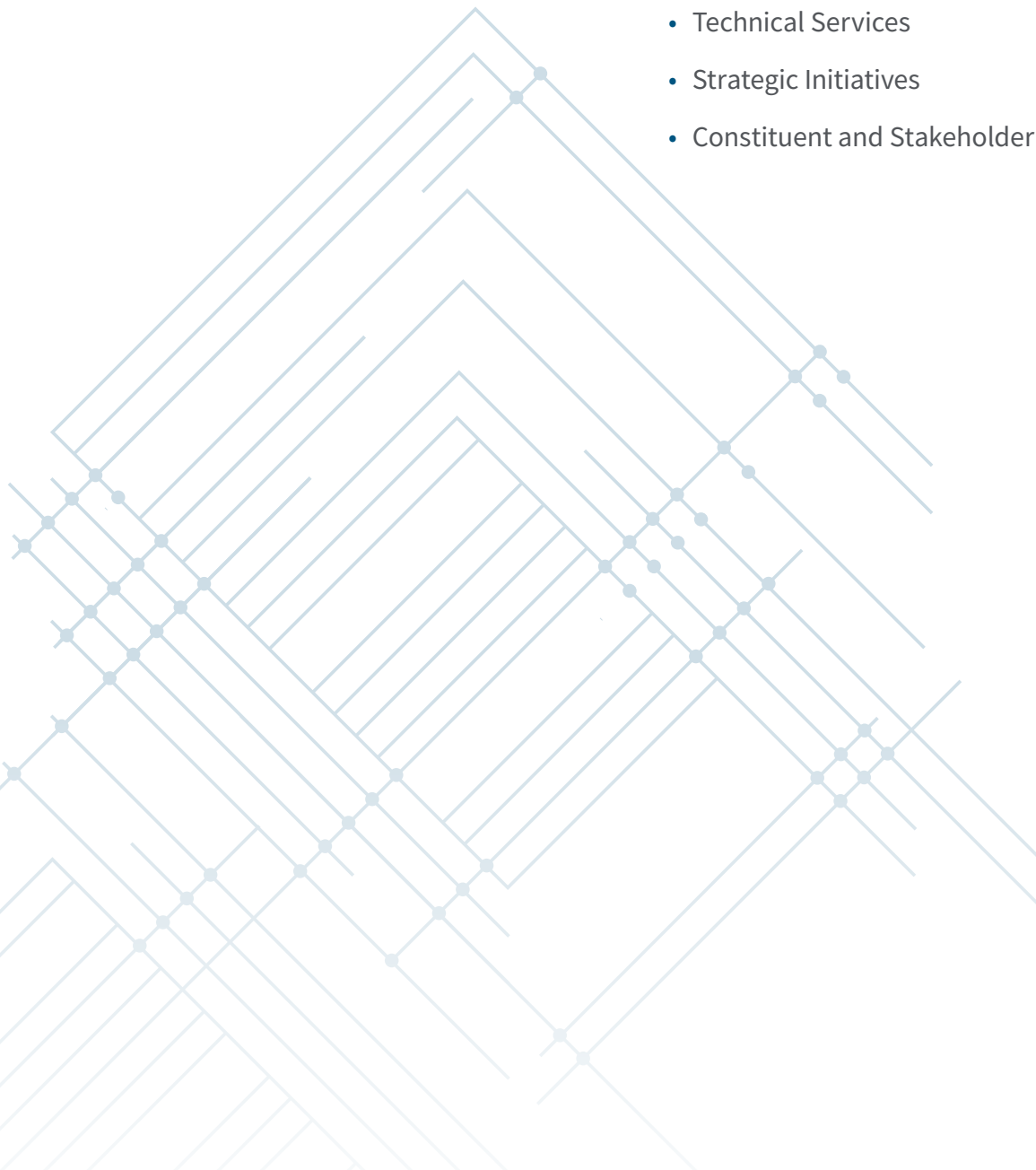
- Successful execution of recurring activities depends on hiring and training for backfill positions.
- Opportunities to reduce spending depend on timely, successful, and complete (including metrics) migration to the Contractual Compliance ticketing platform.
- Cross-functional work related to supporting reviews and policy development reduces Contractual Compliance resources available to execute core functions.
- Unknown impact on volume, type, and complexity of complaints submitted to Contractual Compliance as a result of unknown registry directory service (RDS) obligations.
- Complaints may increase in volume, type, and complexity. This may lead to a reallocation of existing resources among queues as well as to a need for additional staff. Implementing new requirements or projects may have an unknown impact on the volume, type, and complexity of complaints submitted to Contractual Compliance. ■

FUNCTIONAL ACTIVITIES

FY24

POLICY DEVELOPMENT & IMPLEMENTATION SUPPORT

- Policy Development and Advice
- Policy Research and Stakeholder Programs
- Contracted Parties Services Operations
- Technical Services
- Strategic Initiatives
- Constituent and Stakeholder Travel



POLICY DEVELOPMENT & IMPLEMENTATION SUPPORT

Policy Development and Advice

PURPOSE

The Policy Development Support function facilitates the policy development and advisory work of the ICANN community. It provides governance and process management, subject-matter expertise, and administrative and professional secretariat support to ICANN's Supporting Organizations (SOs), Advisory Committees (ACs), and other formally chartered community structures, including the Empowered Community Administration, the Customer Standing Committee, and the Root Zone Evolution Review Committee.

OPERATING INITIATIVE CONTRIBUTIONS

- Lead: Evolve and Strengthen the Multistakeholder Model To Facilitate Diverse and Inclusive Participation In Policymaking.
- Lead: Evolve and Strengthen the ICANN Community's Decision-making Processes To Ensure Efficient and Effective Policymaking.
- Support: Support the Evolution and Strengthening of the Root Server System and Root Zone Management.
- Support: Promote and Evolve the DNS Through Open and Transparent Processes That Enable Competition and Open Entry in Internet-related Markets While Ensuring the Stability, Security, and Resiliency of the DNS.
- Support: Geopolitical Monitoring, Engagement, and Mitigation.
- Support: Planning at ICANN.

ACTIVITIES

- Continue to facilitate the community's implementation of Board-approved recommendations from the Cross-Community Working Group on Enhancing ICANN Accountability Work Stream 2 (CCWG-WS2).
- Support the community's evaluation of ongoing efforts and planning for any additional work that may be needed for next steps on the work of Evolving the Multistakeholder Model.
- Continue support for the collective governance and planning work by community leaders across the SOs and ACs in collaboration with ICANN org.
- Continue migration to ICANN org CES platform, including completion of new working group enrollment portal.
- Continue to evolve the policy function toward increased adherence to project management principles in managing and planning for its work.
- Work with other ICANN org functions, including Engineering and IT, Meetings, Meetings Technical Services, Legal, and Board Operations, on improvements to ICANN Public Meeting planning and support.
- Implement an updated collaborative review process for revisions to stakeholder group and constituency charters.
- Continue to provide facilitation and subject-matter and operations support to SOs and ACs on their policy development and advice work, including ongoing policy development processes and planning for new initiatives to launch during FY24.

POLICY DEVELOPMENT & IMPLEMENTATION SUPPORT

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones, metrics, and reports to track Functional Activities. The following measures will be used in FY24 for this Functional Activity:

- Reports on active projects and recurring activities across the SOs and ACs.
- Tracking milestone reporting, timelines and decisions from policy working groups and policy management leadership teams.
- Statistics and reports relating to participation at ICANN Public Meetings (including Prep Week).
- Annual report on ICANN Public Comment proceedings.
- Publication of ICANN Pre- and Post-Meeting briefings (published for every ICANN Public Meeting).
- Progress on migration to the CES platform and rollout of project management framework and tools for function staff.

RESOURCES

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
Policy Development and Advice	36	\$6.6	\$1.9	\$8.4

In Millions USD
Full-Time Equivalent (FTE)

POLICY DEVELOPMENT & IMPLEMENTATION SUPPORT

CONSIDERATIONS

The following risks and considerations exist for this initiative and may impact its advancement:

- Meeting the community’s needs for high-quality support as the amount and complexity of the community work increases is a challenge. The Policy Development Support function anticipates a need (to the extent these are not approved and funded in FY24) for additional policy analysts to fill existing as well as pending gaps in substantive research, analysis, and writing support for the community, especially for those community groups facing difficulties with keeping up with participation requests in policy work.
- Prioritization remains a challenge for individual community groups and in cross-community work. The new Prioritization Framework may provide a useful starting point for more cross-community discussions of overall community priorities for those work areas that are of common interest.
- Regular coordination between the Policy Development Support function and other org teams (e.g., Engineering and IT, Meetings Technical Services, Legal, Communications) remains necessary to ensure that community requests for new or improved tools are handled consistently.
- Staff bandwidth and workload could make it difficult for motivated staff to undergo training that may be helpful for professional growth and advancement.
- The focus on developing data-driven and implementable policies may require external resources to supplement existing org expertise. ■

POLICY DEVELOPMENT & IMPLEMENTATION SUPPORT

Policy Research and Stakeholder Programs

PURPOSE

The Policy Research and Stakeholder Programs function leads and supports implementation of key policies and cross-functional projects; provides research and thought leadership capabilities to support relevant organizational work; and leads and supports community-based work to develop and promote a multilingual Internet and secure user experience.

This function also ensures cross-functional coordination and subject-matter support for the Board's and org's activities around relevant recommendations and advice from the multistakeholder community.

OPERATING INITIATIVE CONTRIBUTIONS

Lead: Promote and Evolve the Domain Name System (DNS) Through Open and Transparent Processes That Enable Competition and Open Entry In Internet-related Markets While Ensuring the Stability, Security, and Resiliency of the Domain Name System.

ACTIVITIES

In FY24, activities will include:

- Supporting Board consideration of GNSO consensus policy recommendations.
- Managing organizational activities around implementation of GNSO consensus policy recommendations.
- Managing and performing policy reviews.
- Executing and supporting data, research and study requests from internal and external stakeholders.
- Providing subject-matter support to internal and external stakeholder projects, including support during development of recommendations by SOs and ACs.
- Managing implementation of relevant Board-approved AC advice and Specific Review recommendations.

POLICY DEVELOPMENT & IMPLEMENTATION SUPPORT

HOW PROGRESS IS TRACKED

The following measures will be used in FY24 for this Functional Activity:

- Progress on implementation of Board-approved policy recommendations is reported on a dedicated consensus policy implementation webpage.
- Progress on implementation of relevant advice items is reported on a dedicated webpage that provides the status of advice to the Board from ACs.
- Progress on implementation of relevant Specific Review recommendations is reported on a dedicated webpage that provides the status of Specific Reviews and implementation of recommendations.

For many of this function’s activities, the timing and milestones depend on factors such as community decisions and engagement, and Board consideration and direction. The team communicates progress by direct engagement with the relevant SOs, ACs, and other stakeholder groups, by sharing work plans and draft documents for community comment and consultation, publishing blogs and announcements, and holding webinars and public meeting sessions.

RESOURCES

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
Policy Research and Stakeholder Programs	11	\$1.9	\$0.3	\$2.2

*In Millions USD
Full-Time Equivalent (FTE)*

CONSIDERATIONS

Several Specific Review recommendations have been approved, while others are pending Board decisions. The team anticipates taking on responsibility for a set of these recommendations in FY24, in accordance with the planning and prioritization process. ■

POLICY DEVELOPMENT & IMPLEMENTATION SUPPORT

Contracted Parties Services Operations

PURPOSE

Contracted Parties Services Operations delivers defined, high quality, repeatable services and processes to applicants and contracted parties in a timely, consistent, and predictable manner.

OPERATING INITIATIVE CONTRIBUTIONS

No linked Operating Initiatives. This function supports ICANN's continued operations.

ACTIVITIES

In FY24, activities will include:

- Process contracted party service requests. Continually improve procedural aspects related to delivery of service requests.
- Manage contracted party agreements, including these steps:
 - Facilitate agreement execution.
 - Generate and execute contract amendments as a result of service requests.
 - Process agreement terminations.
- Manage registrar application and evaluation process.
- Monitor certain conditions required by contracted party agreements and execute outbound communications to facilitate contracted party compliance with agreements.
- Manage all aspects of vendor life cycle from procurement to operations for vendors that provide contracted party services, application evaluation, or related GDS needs.
- Support the 2012 round of the New gTLD Program, including:
 - Application processing (evaluation, contention resolution, application change requests, etc.).
 - Contracting (Registry Agreement execution, Specification 13, and Code of Conduct Exemption Amendments).
 - Pre-delegation activities (pre-delegation testing, onboarding, and transition to delegation).
 - Support for ICANN org's Legal team on New gTLD Program-related Accountability Mechanisms and litigation.

POLICY DEVELOPMENT & IMPLEMENTATION SUPPORT

HOW PROGRESS IS TRACKED

ICANN org uses a combination of metrics and reports to track Functional Activities. The following milestones will be used in FY24 for this Functional Activity:

- Service level targets will continue to be monitored and modified as per operational needs.
- Reporting of service delivery against service level targets will continue.
- Monitor contracted party transactional survey responses.

RESOURCES

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
Contracted Parties Services Operations	18	\$2.8	\$1.4	\$4.2

*In Millions USD
Full-Time Equivalent (FTE)*

CONSIDERATIONS

- Operations resources are in high demand both internally and outside the organization. Providing development opportunities and career growth to retain staff is critical to successful ongoing operations.
- New gTLD Program 2012 Round support activities are currently projected to run through FY24. Changes to that timeline would impact resources and activities.
- Accountability Mechanisms and litigation pertaining to the New gTLD Program typically require significant and unplanned time and effort, and may require significant expenditure of resources to manage. ■

POLICY DEVELOPMENT & IMPLEMENTATION SUPPORT

Technical Services

PURPOSE

The Technical Services function provides technical knowledge and data inside ICANN org regarding the DNS and works to maintain the security and stability of the DNS.

OPERATING INITIATIVE CONTRIBUTIONS

- Support: Promote and Evolve the DNS Through Open and Transparent Processes That Enable Competition and Open Entry in Internet-Related Markets While Ensuring the Stability, Security, and Resiliency of the DNS.
- Support: Facilitate the DNS Ecosystem Improvements.

ACTIVITIES

In FY24, activities will include:

- Coordinate projects and activities related to the implementation of Registration Data Access Protocol (RDAP).
- Enhance RDAP web client.
- Deploy a Technical Compliance Monitoring system for gTLDs.
- Enhance SLA monitoring for gTLDs and DNS monitoring for other TLDs and the root.
- Enhance Monitoring System Application Programming Interface for TLDs.
- Enhance Centralized Zone Data Service.
- △ Support the implementation of Expedited Policy Development Process (EPDP) on Temporary Specification for gTLD Registration Data Phases 1 and 2, and the next round of new gTLDs, if they move forward.
- △ Support EPDP on Temporary Specification for gTLD Registration Data Phase 2 implementation, if adopted by the Board and subject to prioritization.
- △ Support Technical Onboarding systems re-platforming to remove legacy systems.

POLICY DEVELOPMENT & IMPLEMENTATION SUPPORT

HOW PROGRESS IS TRACKED

Deployment of various systems and system enhancements.

RESOURCES

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
Technical Services	4	\$1.3	\$0.4	\$1.7

In Millions USD
Full-Time Equivalent (FTE)

CONSIDERATIONS

Additional staff may be required to support implementation of the EPDP on Temporary Specification for gTLD Registration Data Phase 2, Technical Onboarding systems re-platforming, supporting additional systems, and the next round of new gTLDs. ■

POLICY DEVELOPMENT & IMPLEMENTATION SUPPORT

Strategic Initiatives

PURPOSE

The Strategic Initiatives Functional Activity leads and provides support for strategic initiatives and evolving issues that impact ICANN org's remit and its stakeholders. It includes supporting work undertaken by the community, such as the coordination of ICANN org's strategy as it relates to compliance with the European Union's General Data Protection Regulation (GDPR) and other global data protection and privacy legislation. It also includes cross-functional strategic efforts related to mitigating DNS security threats, New gTLD) Subsequent Procedures, the operationalization of RDAP, IDNs and UA-related topics, and ICANN's Registrant Program.

OPERATING INITIATIVE CONTRIBUTIONS

- Support: Evolve and Strengthen the Multistakeholder Model To Facilitate Diverse and Inclusive Participation In Policymaking.
- Support: Promote and Evolve the Domain Name System (DNS) Through Open and Transparent Processes That Enable Competition and Open Entry In Internet-related Markets While Ensuring the Stability, Security, and Resiliency of the Domain Name System.
- Support: Monitor Legislation, Regulation, Norms, Principles, and Initiatives That May Impact the ICANN Mission.

ACTIVITIES

In FY24, activities will include:

- **New gTLD Subsequent Procedures:**
 - Support the implementation of the Board-approved recommendations developed through the New gTLD Subsequent Procedures Policy Development Process, including via the Operational Design Phase.
- **Registrant Program:**
 - Development of materials to educate registrants about their rights and responsibilities as well as their roles within the DNS.
 - Raise awareness via outreach and engagement events and other capacity-development efforts about issues and challenges impacting registrants.
 - Ensure that registrants' perspectives are represented in ICANN org's work when implementing policies and services.
- **Data Protection and Privacy Issues:**
 - Cross-functional coordination as it relates to data protection and privacy issues, including Registration Directory Service compliance with the GDPR and other laws.
 - Continued engagement and activities related to implementation of the EPDP on Temporary Specification for gTLD Registration Data Policy Phase 2A, and management of the EPDP Phase 2 recommendations on a System for Standardized Access/Disclosure (SSAD) to Nonpublic gTLD Registration Data, including leading the project team for the

POLICY DEVELOPMENT & IMPLEMENTATION SUPPORT

Registration Data Request Service, a proof of concept system to test the demand for and usage of centralized service for requesting nonpublic gTLD registration data.

- Cross-functional coordination of various work streams related to the launch of RDAP services in the gTLD name space.

- **DNS Security Threat Mitigation:**

- Continued coordination of org-wide strategy to ensure ICANN org is recognized as a trusted source of information; provide tools to the community to mitigate DNS security threats; and enforce related contractual provisions.

- **IDNs and UA:**

- Provide support for tracking the progress of cross-functional strategy for increasing IDN implementation and UA readiness globally.

HOW PROGRESS IS TRACKED

Standard project management tracking will ensure timely completion of deliverables and coordination among functions as they relate to strategic initiative support. The following milestones will be used over in FY24 for this functional activity:

- **New gTLD Subsequent Procedures:**

- Provide support for implementation of Board-approved policy recommendations resulting from the New gTLD Subsequent Procedures Policy Development Process.

- **Registrant Program:**

- Continue to produce content, including blogs, reports, and other communications, to inform registrants of their rights as domain name holders, and how they fit within the domain name ecosystem.
- Continue to participate in org engagement and capacity-development activities and events to educate registrants and raise awareness about issues and challenge.

- **Data Protection and Privacy Issues:**

- Provide support for Board consideration of policy recommendations resulting from EPDP on Temporary Specification for gTLD Registration Data Phase 2 on a System for Standardized Access/Disclosure, should the Board adopt the recommendations, or implementation of another solution should the Board elect to follow that path following consultation with the GNSO Council.
 - Support includes follow-on work resulting from Board consideration of the EPDP Phase 2 recommendations following completion of the Operational Design Phase (ODP) and delivery of the Operational Design Assessment (ODA) to the Board in FY22.
 - Should the Board determine to proceed with the implementation of the SSAD, it is proposed that the funding of the corresponding costs come from the Supplemental Fund for implementation of Community Recommendations (SFICR).
- Provide support to planned policy development work related to data accuracy in gTLD registration data.
- Coordinate ICANN org's strategy and related activities across functions to ensure alignment with org's goals related to

POLICY DEVELOPMENT & IMPLEMENTATION SUPPORT

ensuring RDS and access to nonpublic gTLD registration data meet with the requirements of data protection/privacy laws, including the GDPR.

- **RDAP Program:**

- Track progress and ensure adherence to project plan to meet necessary milestones for the launch of RDAP services in the gTLD name space.

- **DNS Security Threat Mitigation:**

- Continued coordination of org-wide strategy, including org's participation in ICANN community discussions on DNS security threat topics.

- **IDNs and UA:**

- Provide support for tracking progress of cross-functional strategy for increasing IDN implementation and UA readiness globally.

RESOURCES

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
Strategic Initiatives	10	\$2.9	\$0.5	\$3.3

In Millions USD

Full-Time Equivalent (FTE)

CONSIDERATIONS

Activities related to recommendations from the New gTLD Subsequent Procedures Policy Development Process and the EPDP on Temporary Specification for gTLD Registration Policy Phase 2 remain major priorities for the organization and will require greater efforts and resources as the org moves into implementation planning and implementation phases. Ongoing project planning will inform when additional resources are necessary to support required activities in this time period. ■

POLICY DEVELOPMENT & IMPLEMENTATION SUPPORT

Constituent and Stakeholder Travel

PURPOSE

The purpose of the Constituent and Stakeholder Travel Functional Activity is to provide travel support for community members selected through appropriate processes and broaden participation in ICANN's processes.

OPERATING INITIATIVE CONTRIBUTIONS

- Support: Evolve and Strengthen the Multistakeholder Model To Facilitate Diverse and Inclusive Participation In Policymaking.
- Support: Evolve and Strengthen the ICANN Community's Decision-making Processes To Ensure Efficient and Effective Policymaking.

ACTIVITIES

In FY24, activities will include:

- Provide logistical travel assistance to funded travelers who are selected by Supporting Organizations, Advisory Committees, review teams, the Nominating Committee, other supported groups and ICANN support staff for events requiring travel. These may include ICANN Public Meetings and other approved ICANN events. Approved ICANN events are those that advance ICANN's mission, such as intersessional meetings, review team meetings, workshops, or conferences.

HOW PROGRESS IS TRACKED

The following measure will be used in FY24 for this Functional Activity:

- Publication of reports following each ICANN Public Meeting with details of the travel support provided.

POLICY DEVELOPMENT & IMPLEMENTATION SUPPORT

RESOURCES

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
Constituent and Stakeholder Travel	0	\$0.0	\$2.3	\$2.3

In Millions USD
Full-Time Equivalent (FTE)

CONSIDERATIONS

The following risks and considerations exist for this Functional Activity and may impact its advancement:

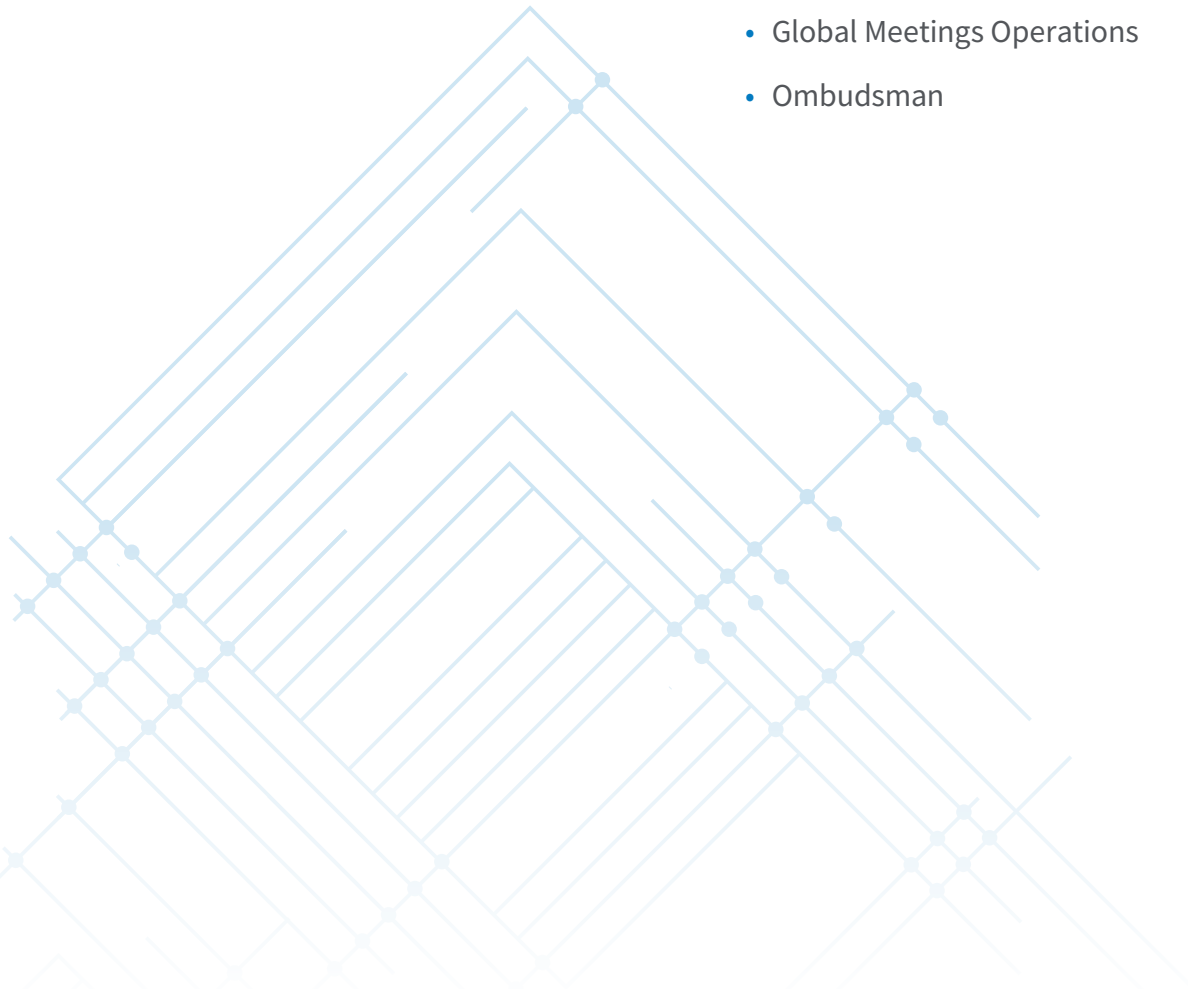
- Allocating limited travel funding among ICANN community members requires prioritization.
- Advance planning is needed to ensure cost-effective pricing. ■

FUNCTIONAL ACTIVITIES

FY24

COMMUNITY ENGAGEMENT & SERVICES

- Global Stakeholder Engagement
 - Regional Offices
- Public Responsibility Support
- Governmental and Intergovernmental Organization Engagement
- GDD Accounts and Services
- Global Support Center
- Global Communications and Language Services
- Global Meetings Operations
- Ombudsman



COMMUNITY ENGAGEMENT & SERVICES

Global Stakeholder Engagement

PURPOSE

ICANN org's Global Stakeholder Engagement (GSE) team leads engagement and outreach around the world with stakeholders about ICANN and its mission. Through local coverage in ICANN's regions, the team is a point of contact for ICANN org and the ICANN community. Its purpose is:

- Raising awareness and understanding of ICANN's role and remit.
- Encouraging participation in ICANN policy development.
- Establishing and maintaining partnerships for ICANN technical activities.
- Enhancing ICANN org's operating model across all regional offices and ensuring alignment of regional engagement efforts with ICANN org strategic and operational priorities.
- Building relationships, developing understanding among stakeholders, and where possible developing trust.

OPERATING INITIATIVE CONTRIBUTIONS

As GSE's role is to lead engagement and outreach for ICANN org, it provides direct and indirect support for many of the Operating Initiatives, such as:

- Evolve and Strengthen the Multistakeholder Model to Facilitate Diverse and Inclusive Participation in Policymaking.
- Implement New gTLD Auction Proceeds Recommendations as Approved by the Board.
- Facilitate the Domain Name System Ecosystem Improvements.

ACTIVITIES

In FY24, activities will include:

- As events in the regions return to in-person, build on lessons learned and best practices for hybrid meetings to integrate meaningful and effective experiences for virtual and in-person attendees.
- Capacity development to increase understanding of ICANN's mission and to diversify participation in ICANN's core activities.
- Build partnerships and relationships related to ICANN org initiatives with regional and local stakeholders.
- Delivery on President and CEO goals to target stakeholders and key influencers who may impact ICANN but often do not participate in ICANN meetings and who may or may not be aware of the role of ICANN in the DNS ecosystem.
- Continued extension of engagement measurement and planning function and use of a Community Engagement System platform for managing engagement activity, community contacts, trip reports, cases, and Memorandums of Understanding with outside organizations.

COMMUNITY ENGAGEMENT & SERVICES

- Ongoing cross-functional regional engagement related to technical and policy work, participation in relevant national and regional discussions, and delivery of regional engagement strategies.
- Engagement measurement, planning, and administration.
- Support for cross-organizational prioritization to deliver on needs for international office strategy.
- Ongoing implementation of engagement activities related to the implementation of Specific and Organizational Reviews and community work on New gTLD Subsequent Procedures PDP recommendations, and support of initiatives including OCTO, Government and IGO Engagement (GE), and Global Domains and Strategy (GDS).
- △ Emphasis on awareness-raising with GEt in key conferences and events to ensure legislative and geopolitical issues do not negatively impact ICANN or the multistakeholder model.
- △ Continue work begun in FY22–23 to integrate all of ICANN’s engagement and outreach activities in the region and coordinate with other ICANN org functions including the Global Domains Division’s Accounts and Services team, OCTO, and GE.
- △ Continue outreach with Internet service provider (ISP) associations and connectivity providers on the role of ICANN and support OCTO with the KINDNS initiative.
- △ Evaluate lessons learned from engagement during the COVID-19 pandemic so that improvements can be made to engagement efforts.

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones, metrics, and reports to track Functional Activities. In FY24, the following metrics will be tracked and milestones will be met:

- Enhance the GSE presence on the ICANN org website with regional pages, incorporating updates made to the Africa, Asia Pacific, Latin America and Caribbean, Middle East and Adjoining Countries, and North America regional engagement plans.
- Data on ICANN’s geographical presence and services to regional stakeholders.
- Number of capacity-development and training events and analysis of community feedback.
- Incorporation of stakeholder journeys data into ICANN org’s Open Data Program.
- Implementation of FY24 Regional At-Large Organizations outreach and engagement plans with GSE regional engagement plans.
- Metrics related to cross-functional work on DNS ecosystem security, DNSSEC deployment, Universal Acceptance, and IMRS instances.
- Engagement reporting for Competition, Consumer Trust, and Consumer Choice (CCT) Review and Registration Directory Service (RDS/WHOIS2), as well as Accountability and Transparency Review 3 (ATRT3) and Security, Stability and Resiliency Review 2 (SSR2) recommendations adopted by the Board for implementation.
- Support of community prioritization effort at the regional level to participate in Public Comment periods.
- DNSSEC statistics from regional training and local adoption levels by top-level domains, ISPs, and others.

COMMUNITY ENGAGEMENT & SERVICES

RESOURCES

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
Global Stakeholder Engagement	28	\$5.9	\$1.4	\$7.3

In Millions USD

Full-Time Equivalent (FTE)

CONSIDERATIONS

The following considerations exist for GSE team, some of which may pose risks in FY24:

- Demand for GSE team support continues to increase across ICANN org functions.
- The GSE team has been largely stable over time but succession planning, ongoing professional development, and cross-functional training opportunities must be implemented for staff retention.
- The engagement work needed to support potential future rounds of gTLDs and to implement reviews' recommendations will be significant and budget and staff resources will be required.
- GSE team members have improved their ability to speak more effectively for ICANN org on DNS and DNSSEC, DNS security threats and mitigations, IPv6, and other technical topics. OCTO also plans to add technical engagement staff.
- Face-to-face meetings have resumed in the regions but hybrid events remain, utilizing experiences from virtual events during the pandemic.
- GSE continues to make improvements to cross-functional collaboration with OCTO, GE, and GDS. GSE is reviewing its regional engagement events to ensure these incorporate a track for contracted party engagement with GDS and that these events are considered with any requirements for the safe resumption of in-person engagement.
- Geopolitical pressures and legislative impacts on the Internet require raising awareness for GSE in the regions with key decision makers who do not attend ICANN meetings. GSE efforts have largely shifted out of ICANN meetings into regional and national discussions that may impact ICANN.
- Reputational risk may arise from failure to retain active regional stakeholders in ICANN work. The inability to attract newcomers and maintain volunteers in a post-COVID-19 era poses a risk. ■

COMMUNITY ENGAGEMENT & SERVICES

Regional Offices

ICANN has regional offices in Brussels, Belgium; Istanbul, Turkey; Montevideo, Uruguay; and Singapore. ICANN has engagement centers in Nairobi, Kenya; Washington, D.C., USA and Beijing, China.

PURPOSE

The primary purpose of the regional offices is stakeholder engagement. Besides bringing ICANN's functions closer to stakeholders, the offices facilitate the functions housed in the region to achieve the goals set out in the Strategic Plan.

OPERATING INITIATIVE CONTRIBUTIONS

As each regional office leads stakeholder engagement in its region and collaborates with other ICANN functions at a regional level, each regional office directly or indirectly supports all Operating Initiatives.

ACTIVITIES

The FY24 activities of the regional offices encompass recurring work related to the functions located in each office and are not listed here. Major activities undertaken by GSE staff in the regional offices in FY24 include:

- Facilitate collaboration on cross-functional goals with other ICANN org functions.
 - Facilitate engagement with stakeholders at a regional level in line with recommendations on the future of meetings post-COVID.
 - Update regional engagement strategies to reflect major developments in the Strategic Plan, particularly in relation to technical and government engagement.
 - Continue to identify and address internal and external issues, needs, and demand across the regions, and facilitate collaboration, or request for resource support, from the Executive Team to address them.
 - Develop a system for the collection and analysis of metrics to measure progress and success in regional and functional participation in the ICANN community, as well as accountability indicators concerning trust in ICANN.
 - Identify engagement gaps in the region and facilitate collaboration, or request resource support to address gaps.
- △ If the community process recommends a new round of new gTLDs, develop region-specific plans for promoting the program.

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones, metrics, and reports to track Functional Activities. In FY24, key measures for the regional offices are:

- Development of documents to track goals and cross-functional work by region.
- Incorporation of regional issues, engagement gaps and needs into org-wide Community Engagement System (CES) platform.
- Development of tailored plans for European legislation tracking and technical engagement.
- Development of a People Development Plan for the European Region that includes tailored personal growth and training goals for staff.

COMMUNITY ENGAGEMENT & SERVICES

RESOURCES

The administrative costs of running each regional office can be found in the [ICANN Offices](#) Functional Activity section.

CONSIDERATIONS

The following risks and considerations exist for the success of the regional offices in FY24 and may impact their progression:

- Work depends on other functions and staff, who may have other priorities.
- Functional teams should have region-specific plans and goals in place.
- Achievement of full deployment of an org-wide CES platform in FY23.
- Adequate budget allocation is needed for GSE staff and regional support.
- Willingness of the community to use the regional offices for ICANN-supported face-to-face meetings. ■

COMMUNITY ENGAGEMENT & SERVICES

Public Responsibility Support

PURPOSE

The Public Responsibility Support (PRS) team provides the community with the necessary support and tools to carry out public responsibility activities that support ICANN's mission. Increasing diversity and lowering barriers to participation at ICANN is central to these efforts.

OPERATING INITIATIVE CONTRIBUTIONS

- Support: Implement New gTLD Auctions Proceeds Recommendations as Approved by the Board.
- Support: Facilitate the DNS Ecosystem Improvements.
- Support: Evolve and Strengthen the Multistakeholder Model To Facilitate Diverse and Inclusive Participation In Policymaking.
- Support: Evolve and Strengthen the ICANN Community's Decision-making Processes To Ensure Efficient and Effective Policymaking.
- Support: Geopolitical Monitoring, Engagement, and Mitigation.

ACTIVITIES

In FY24, activities will include:

- Lead research and expertise: PRS provides subject-matter expertise and global good practices advice for public responsibility initiatives within ICANN's remit in the areas of diversity, human rights, anti-harassment, and global public interest, and continues to support implementation efforts of the ICANN Grant Program. Work on human rights initiatives includes those internal to ICANN org and those with community-driven objectives assigned as a result of the planning process.
- Lead diversity programs: PRS manages the ICANN Fellowship Program, NextGen@ICANN, the Internet Access Reimbursement Program, and the ICANN Community Childcare Grants Pilot.
- Lead and support capacity-development initiatives: PRS manages ICANN Learn, the Leadership Program, the Chairing Skills Program, the ICANN for Beginners Program, and the ICANN History Project.
- △ Expand ICANN Learn curriculum to meet increased demand for online learning and capacity-development.
- △ Develop a standard process to support the community and the Board in their diversity assessment efforts recommended in the Cross-Community Working Group on Accountability Work Stream 2 Final Report by FY24.
- △ Improve existing and explore possible new mentoring structures for the NextGen@ICANN and Fellowship programs based on community feedback.
- △ Conduct a five-year evaluation and review of the Fellowship Program in FY24.
- △ Identify, deliver and measure the effectiveness of anti-harassment training opportunities across the ICANN community.
- △ Continue to phase out ICANN History Project activities.

COMMUNITY ENGAGEMENT & SERVICES

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones, metrics, and reports to track Functional Activities. In FY24, the following milestones will be met:

1. Research and Expertise:

- a. New gTLD auction proceeds: Support implementation of the ICANN Grant Program.
- b. Identify, deliver, and measure the effectiveness of anti-harassment training opportunities across the ICANN community.

2. Diversity Programs:

- a. ICANN Community Childcare Grants Pilot will be evaluated to determine whether the program will continue as a recurring activity.
- b. Five-year review of the Fellowship Program
- c. Fellowship and NextGen:
 - i. Number of participants by region and sector
 - ii. Number of pen holders on policy reports and documents
 - iii. Number of mailing list contributors
 - iv. Number of Public Comment contributors
 - v. Number of alumni in leadership positions

3. Capacity-Development Initiatives:

- a. ICANN for Beginners program evaluation
- b. Continue to phase out ICANN History Project work.
- c. Continue to leverage ICANN Learn for capacity-development.
- d. Online Learn:
 - i. Number of active users
 - ii. Number of new courses
 - iii. Number of multilingual courses

COMMUNITY ENGAGEMENT & SERVICES

RESOURCES

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
Public Responsibility Support	7	\$1.1	\$0.6	\$1.7

In Millions USD
Full-Time Equivalent (FTE)

CONSIDERATIONS

The following risks and considerations exist for this Functional Activity and may impact its advancement:

- Work depends on clear community and organizational public responsibility priorities and cross-functional collaboration.
- There is a risk of new volunteers dropping off and participants in ICANN’s multistakeholder processes not reflecting the evolution of the broader Internet user base.
- Reputational risks may arise from failure to provide sufficient transparency and ability to demonstrate impact and return on investment of programs. This includes failure to support educated and informed stakeholders and a perceived lack of impact and diversity in PRS programs.
- Continued improvement to PRS operations is needed, increasing transparency, scalability, and responsiveness to the community.
- The demand for self-paced, online capacity-development opportunities across the ICANN community continues to rise each year. Over 2,000 learners have actively taken training in the last 12 months. ICANN Learn should be leveraged to improve scalability of capacity-development efforts and resources to manage the expansion of training content.
- Reduce barriers to participation in ICANN by improving the newcomer experience.
- Successful implementation of the ICANN Grant Program, the costs of which will be funded out of the auction proceeds and not ICANN’s operational budget. ■

COMMUNITY ENGAGEMENT & SERVICES

Governmental and Intergovernmental Organization Engagement

PURPOSE

ICANN org's Government and Intergovernmental Organization (IGO) Engagement team is responsible for outreach and engagement with national and regional government and intergovernmental organizations to protect the remit and mandate of ICANN.

The team acts as a central point of contact to help governments and IGOs understand and be mindful of the way the Internet functions and the role ICANN plays in technical Internet governance. The team's goal in engagement is to provide information to make governments aware of or mitigate the sometimes unintended consequences of government action on areas within ICANN's remit or on policies developed through ICANN's multistakeholder processes. The team specifically provides information about ICANN's role in the management of the Internet's unique identifiers, including the global Domain Name System, IP addresses, and protocol parameters.

The Government and IGO engagement team works with the Governmental Advisory Committee (GAC) as the constituency that is the home of governments and IGOs within ICANN. The team also represents the mission of ICANN with government ministries and IGOs.

OPERATING INITIATIVE CONTRIBUTIONS

Lead: Geopolitical Monitoring, Engagement, and Mitigation.

ACTIVITIES

In FY24, activities will include:

- Assessment of risks to ICANN org due to legislative or regulatory processes or through global activity by IGOs.
 - Facilitation of global, regional, and national government engagement strategies reflecting geopolitical challenges and, if necessary, reflecting the changes in the Strategic Plan.
 - Ongoing cross-functional regional engagement related to technical and policy work, as well as participation in relevant national and regional discussions.
 - Capacity-development.
 - Supporting cross-organizational collaboration for legislative tracking, government engagement, operational and strategic planning, and other functions.
 - Reviewing and revising the global government and IGO engagement strategies to align with the Strategic Plan.
- △ The team will update demand-driven government capacity-development activities against the new ICANN Strategic Plan, and ensure these activities align with the new strategic objectives for ICANN.
- △ The team will evaluate the government engagement events ICANN org currently supports, determine effectiveness, and modify engagement as needed.

COMMUNITY ENGAGEMENT & SERVICES

RESOURCES

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
Government and IGO Engagement	9	\$2.5	\$1.5	\$4.0

*In Millions USD
Full-Time Equivalent (FTE)*

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones, metrics, and reports to track Functional Activities. The following measures will be used in FY24 for this Functional Activity:

- Delivery of the postponed High-Level Governmental meeting may occur in FY24 as a virtual or in-person event in conjunction with an ICANN Public Meeting, depending on pandemic safety protocols and discussions with the GAC and the host government.
- Reports and statistics on participation in outreach, technical briefings, and capacity-development sessions for the GAC and through collaboration with other organizations in the ecosystem.
- Reports and statistics on participation for briefings and capacity-development events for diplomats from the Permanent Missions to the United Nations, U.N. staff, as well as other U.N. agencies and IGOs, where appropriate, and on contributions to open consultations on legislative or policy initiatives.
- Comparison of surveys conducted before and after capacity-development events to measure information learned and delivery of information against expectations.
- Completed review of existing Memorandums of Understanding for continuing alignment with goals.
- Metrics related to the number of countries and intergovernmental organizations represented in the GAC and the number of countries and IGOs actively participating in the GAC and ICANN policy processes.

CONSIDERATIONS

The following risks and considerations exist for this Functional Activity and may impact its advancement:

- Changes in the assessment of the risk environment.
- Changes in functional resources and team allocation. ■

COMMUNITY ENGAGEMENT & SERVICES

GDD Accounts and Services

PURPOSE

The Global Domains Division (GDD) Accounts and Services team is responsible for the effective implementation of Generic Names Supporting Organization (GNSO) Consensus Policy and contract-related services. Its team builds and maintains relationships with the ICANN-accredited registrars, gTLD registries, and their respective stakeholder groups. The team is also responsible for identifying indicators and trends for the evolution of the DNS ecosystem and leading the organization's DNS Security Threat Mitigation Program.

OPERATING INITIATIVE CONTRIBUTIONS

- Lead: Improve the Depth of Understanding of the Domain Name Market Drivers That Impact ICANN's Funding.
- Support: Promote and Evolve the Domain Name System (DNS) Through Open and Transparent Processes That Enable Competition and Open Entry In Internet-related Markets While Ensuring the Stability, Security, and Resiliency of the Domain Name System.

ACTIVITIES

In FY24, activities will include:

- Develop the FY24 annual and FY24–28 five-year funding forecast and funding assumptions.
- Continue to build and maintain relationships with ICANN's contracted parties.
- Publish updated data for the community in the Domain Name Marketplace Indicators.
- Implement GNSO policy recommendations after adoption by the ICANN Board.
- Implement and enhance services for the contracted parties.
- Prepare contracted parties and ICANN org to support the anticipated changes to the Base gTLD Registry Agreement and Registrar Accreditation Agreement as amended to specify the operational requirements related to the RDAP for providing registration data directory services. Prepare contracted parties and ICANN org for the Registration Data Policy for gTLDs to become effective.
- Implement assigned Specific Review recommendations.
- Lead efforts to prepare to evolve the Registry Agreement and Registrar Accreditation Agreement in anticipation of a next round of gTLDs and to address changes to the industry.
- Coordinate ICANN's efforts to conduct research, provide tools, factual information, and education for the ICANN community regarding DNS security threats and DNS abuse.
- Collaborate and coordinate with industry actors on reducing DNS security threats (botnets, malware, pharming, phishing, and spam when used as vectors).

COMMUNITY ENGAGEMENT & SERVICES

- Work with the community to identify gaps in addressing DNS security threats within ICANN’s remit and means to reduce DNS security threats.
- Host the Contracted Parties Summit, which provides ICANN org and contracted parties an opportunity to engage and address issues of mutual interest and importance.

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones, metrics, and reports to track Functional Activities. The following measures will be used in FY24 for this Functional Activity:

- Implementation of adopted consensus policies and assigned Specific Review recommendations Survey of contracted parties.
- Delivery of the annual and five-year funding forecast to Finance for incorporation into the budget and financial plans.

RESOURCES

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
GDD Accounts and Services	15	\$3.1	\$0.6	\$3.7

In Millions USD
Full-Time Equivalent (FTE)

CONSIDERATIONS

The following risks and considerations exist for this Functional Activity and may impact its advancement:

- Implementation of approved GNSO Council-developed policy recommendations partially depends on volunteer-based Implementation Review Teams.
- Changes to the Registry Agreements or Registrar Agreement require agreement with relevant contracted party stakeholder groups and approval by a supermajority of the relevant contracted parties. ■

COMMUNITY ENGAGEMENT & SERVICES

Global Support Center

PURPOSE

A number of ICANN org teams provide services to users, stakeholders and interested parties around the world. The most notable services include, ICANN Global Support Center, [Correspondence](#) and [Board Advice](#) tracking and WHOIS Accuracy Reporting System (ARS) functions. This group supports various aspects of ICANN's mission and strategy with a particular emphasis on continual improvement.

OPERATING INITIATIVE CONTRIBUTIONS

No linked initiatives – these are ongoing operational functions.

ACTIVITIES

In FY24, activities will include:

- Tier one support for ICANN org functions.
- Contracted party support and communications management.
- New gTLD applicant support.
- Account and contact management.
- Registrant and community support.
- Correspondence and Board Advice tracking.
- WHOIS ARS functions, when and if they resume.

HOW PROGRESS IS TRACKED

ICANN org uses a combination of metrics and reports to track Functional Activities. During FY24, the following milestones will be monitored:

- Service level targets will continue to be monitored and modified as per operational needs.
- Customer satisfaction will continue to be measured through transactional surveys and reported regularly.

COMMUNITY ENGAGEMENT & SERVICES

RESOURCES

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
Global Support Center	11	\$1.2	\$0.2	\$1.4

In Millions USD

Full-Time Equivalent (FTE)

CONSIDERATIONS

The following risks and considerations exist in FY24 for this Functional Activity and may impact its operations:

- Future demand for the Global Support Center cannot be estimated with high confidence. Regional and world events may result in an unanticipated and severe increase in volume.
- Policies and contractual obligations continuously evolve and require Global Support Center to stay abreast of the changing landscape in order to provide accurate responses to contracted parties and community members.
- The effectiveness and efficiency of the function is highly dependent on the systems and tools on which it relies. Specifically, the team is highly reliant on the Naming Services Portal.
- Resources needed to deliver these functions are in high demand both internally and outside the organization. Retaining staff is critical to successful ongoing operations.
- Correspondence and Advice volume is highly variable. ■

COMMUNITY ENGAGEMENT & SERVICES

Global Communications and Language Services

PURPOSE

ICANN org's Global Communications and Language Services function is responsible for creating awareness of ICANN and its role in supporting the public interest, and ensuring that ICANN is represented accurately and consistently in all forms of communication. This is accomplished by:

- Demonstrating successes, knowledge, and thought leadership through compelling, clear, and consistent messaging.
- Continuing to grow, globalize, and diversify communications efforts and channels for geographic and target-audience reach.
- Expanding and engaging with new audiences by reaching outside of traditional forums.
- Leveraging media and industry contacts to amplify key messages.
- Increasing external understanding of and participation in ICANN's policy development process and multistakeholder model.
- Explaining the role of the IANA functions and ICANN's technical remit.
- Educating internal audiences and supporting staff activities.
- Facilitating access to ICANN by providing translations, interpretation, and transcription services in the six U.N. languages for ICANN Public Meetings and other events.

OPERATING INITIATIVE CONTRIBUTIONS

- Support: Facilitate the DNS Ecosystem Improvements.
- Support: Evolve and Strengthen the Multistakeholder Model To Facilitate Diverse and Inclusive Participation In Policymaking.
- Support: Evolve and Strengthen the ICANN Community's Decision-making Processes To Ensure Efficient and Effective Policymaking.
- Support: Promote and Evolve the Domain Name System (DNS) Through Open and Transparent Processes That Enable Competition and Open Entry In Internet-related Markets While Ensuring the Stability, Security, and Resiliency of the Domain Name System.
- Support: Support the Evolution and Strengthening of the Root Server System and Root Zone Management.
- Support: Geopolitical Monitoring, Engagement, and Mitigation.
- Support: Implement New gTLD Auction Proceeds Recommendations As Approved by the Board.

COMMUNITY ENGAGEMENT & SERVICES

ACTIVITIES

In FY24, activities will include:

- Support Global Domains and Strategy through dedicated communications staff.
- Provide strategic communications support and content development for initiatives such as DNS security threats, data privacy, the ICANN Grant Program, adoption of Universal Acceptance and Internationalized Domain Names, and Subsequent Procedures for New gTLDs.
- Collaborate with engagement teams to strengthen alignment and consistency of messaging through narratives, briefs, presentations, media relations, and increased internal communications. Develop messaging to create awareness and strengthen ICANN's position related to Internet governance and technical Internet governance.

HOW PROGRESS IS TRACKED

The Global Communications team will use tools, such as social listening and media monitoring, to track key metrics including: press release, blog, and announcement reach, content likes, retweets, shares, etc.

RESOURCES

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
Global Communications and Language Services	27	\$4.6	\$4.1	\$8.7

In Millions USD

Full-Time Equivalent (FTE)

CONSIDERATIONS

The following risks and considerations exist for this Functional Activity and may impact its advancement:

- Overall, unclear or inconsistent communications and messaging to stakeholders can negatively impact ICANN's reputation.
- Advance notice of special projects or initiatives that will require communications support is key to ensuring that resources are available to provide assistance. Other functions are strongly encouraged to involve the team as early as possible.
- Promoting a shared understanding of key and current issues requires that staff throughout ICANN org work with the Global Communications team to access accurate and consistent information on topics of interest.
- Translated materials, which are costly to produce, are not well used in some of the languages. ■

COMMUNITY ENGAGEMENT & SERVICES

Global Meetings Operations

PURPOSE

Global Meetings Operations supports face-to-face and virtual meetings hosted by ICANN globally. For face-to-face meetings, the team ensures that the selected cities, venues, meeting facilities, and services provide an environment conducive to effective meetings. The team works in close collaboration with the community to establish the meeting schedule and provide travel support for funded travelers and staff.

For virtual meetings, the team works with the community and the org to establish the schedule and ensure an effective online participation strategy.

OPERATING INITIATIVE CONTRIBUTIONS

No linked initiatives at this time. This supports ICANN's ongoing activities.

ACTIVITIES

In FY24, activities will include:

- Three ICANN Public Meetings scheduled for FY24:
 - ICANN78, Hamburg, Germany | Annual General Meeting
 - ICANN79 San Juan, Puerto Rico | Community Forum
 - ICANN80 TBD | Policy Forum
- Three Board workshops.
- Community face-to-face and virtual meetings. In FY24, the number and type of meetings will be dependent on the status of the global COVID-19 pandemic.

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones, metrics, and reports to track Functional Activities. In FY24, the following milestone will be met:

- Continue to implement the approved cost-savings plan for three ICANN Public Meetings per year.

COMMUNITY ENGAGEMENT & SERVICES

RESOURCES

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
Global Meetings Operations	10	\$2.1	\$4.0	\$6.1

In Millions USD
Full-Time Equivalent (FTE)

CONSIDERATIONS

The following risks and considerations exist for this Functional Activity and may impact its advancement:

- As the world emerges from the pandemic in FY24, there is likely to be an increase in the demand for smaller face-to-face and virtual meetings, which could cause more work for the Meetings and Travel Support teams.
- The COVID-19 pandemic-related disruption is likely to affect the format and cost of meetings conducted face-to-face or virtually in FY24. ■

COMMUNITY ENGAGEMENT & SERVICES

Ombudsman

PURPOSE

The Office of the Ombudsman is a neutral dispute resolution practitioner for the ICANN community. The principal function of the Ombudsman is to provide an independent internal evaluation of complaints by members of the ICANN community who believe that the ICANN org, Board, or an ICANN constituent body has treated them unfairly. The Ombudsman serves as an objective advocate for fairness, and seeks to evaluate and resolve complaints about unfair or inappropriate treatment by ICANN org staff, the Board, or ICANN constituent bodies, clarifying the issues and using conflict resolution tools such as negotiation, facilitation, and “shuttle diplomacy” to achieve these results.

The Ombudsman also has a formal role in conducting a substantive review of Reconsideration Requests. However, the Ombudsman recuses the office from such a review if the office has been previously involved in the subject matter of the Reconsideration Request.

OPERATING INITIATIVE CONTRIBUTIONS

No linked initiatives at this time. This supports ICANN’s ongoing activities.

ACTIVITIES

In FY24 activities will include:

- Complaint management.
- Raising awareness of Expected Standards of Behavior and Community Anti-Harassment Policy within the community, Board and org. There is currently good awareness, but actions in FY24 aim to increase visibility and activity.
- Promoting anti-harassment training via ICANN Learn.
- Increasing online presence in virtual meetings to demonstrate availability of the Office of Ombudsman and its service to the community and serve as a preventative measure to reduce conflict.
- Ongoing education to empower leadership in community via ICANN Learn and providing training for community leaders to empower and educate on conflict resolution.
- Implementation of recommendations related to the Ombudsman from the Cross Community Working Group on Enhancing ICANN Accountability Work Stream 2.

HOW PROGRESS IS TRACKED

ICANN Bylaws require the Office of the Ombudsman to produce an annual report detailing consolidated analysis of the year’s complaints and resolutions, documentation of adherence to confidentiality obligations and concerns, as well as recommendations for steps to minimize future complaints.

RESOURCES

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
Ombudsman	0	\$0.0	\$0.3	\$0.3

In Millions USD

Full-Time Equivalent (FTE)

CONSIDERATIONS

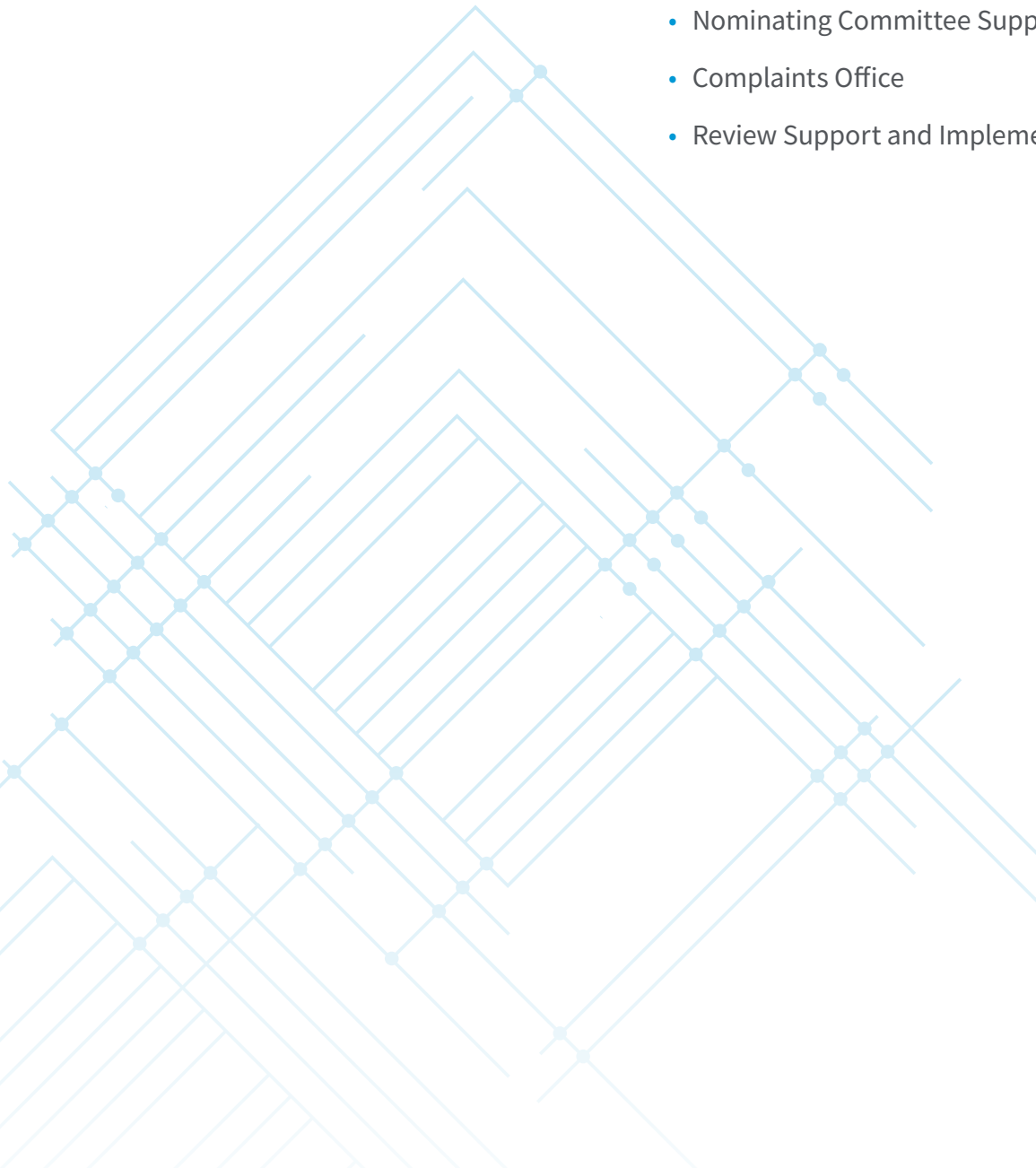
Work Stream 2 of the Cross-Community Working Group on Enhancing ICANN Accountability issued recommendations that have been accepted by the Board, relating to the Office of the Ombudsman. This portion of the plan will be updated as the planning work continues. ■

FUNCTIONAL ACTIVITIES

FY24

ICANN ORG GOVERNANCE

- Board Activities
- Office of the President and CEO
- Governance Support
- Nominating Committee Support
- Complaints Office
- Review Support and Implementation



ICANN ORG GOVERNANCE

Board Activities

PURPOSE

The Board Activities Functional Activity represents the work and responsibilities of the ICANN Board of Directors. Among its duties, the ICANN Board:

- Ensures that ICANN remains at all times true to its mission, commitments, and core values.
- Oversees ICANN org's performance to ensure it operates with efficiency, effectiveness, in a fiscally responsible and accountable manner, and, where practicable and not inconsistent with ICANN's other obligations under the Bylaws, in a manner that is responsive to the needs of the global Internet community.
- Oversees development and periodic revisions of ICANN's Strategic Plan and Operating Plan.
- Ensures that ICANN operates pursuant to the highest ethical standards, complies with applicable laws, and considers adherence to best practices in all areas of operation.
- Ensures all policy development and decision-making processes are transparent, open, reflective of the public interest and accountable to all stakeholders.

OPERATING INITIATIVE CONTRIBUTIONS

The Board supports ICANN's ongoing activities.

ACTIVITIES

The ICANN Board organizes its FY24 work into five key areas of responsibilities, with a focus on community-driven activities:

- **Policy Development and Cross-Community Initiatives:**
 - Prepare for Board review and action by staying well informed of the content, priority, and timing of all policies being developed by the community.
 - Respond to Supporting Organization policy recommendations and Advisory Committee advice on a timely basis.
 - Participate in and provide timely comments to cross-community working groups and initiatives.
 - Appoint Liaisons to community groups on request, to effectively contribute to community initiatives.
- **ICANN Org Oversight:**
 - Ensure that Board-approved policies are implemented in a manner consistent with the adopted policies.
 - Oversee implementation of significant engineering projects undertaken by the ICANN org such as the Information Transparency Initiative.
 - Oversee ICANN org's efficient and effective delivery of operational services to the community.

ICANN ORG GOVERNANCE

- **Strategic and Forward Thinking:**

- Review and revision, if needed, of the Strategic Plan.
- Review and revision of the FY24–28 Operating and Financial Plan.
- Work with the community on the work plan to improve the effectiveness of ICANN’s multistakeholder model.
- Lead brainstorming discussions on key strategic topics affecting ICANN.

- **Governance and Fiduciary Responsibilities:**

- Develop FY24 Board Operational Priorities aligned with ICANN President and CEO’s priorities to ensure greater operational efficiency and effectiveness.
- Oversee work related to the GDPR.
- Oversee ICANN’s governance and accountability issues.
- Discharge fiduciary (legal and financial) responsibilities.
- Monitor organizational risks and mitigation actions.
- Oversee implementation and understanding of the Bylaws.
- Improve Board transparency.

- **Community Engagement and External Relationships:**

- Outreach and engagement with the community during and in between the ICANN Public Meetings.
- Participate in Board-community working groups.
- Develop effective relationships with key actors in the global Internet ecosystem.

In addition, some Board activities are handled by Board Committees, which form a fundamental part of Board activities. Committees allow a smaller group of Board members to work together when a more focused approach is needed. The list of Committees as well as the scope of their duties and activities can be found on this [page](#).

When necessary, the Board may also establish working groups or caucuses that are focused on a specific topic or issue. These activities are not included here.

HOW PROGRESS IS TRACKED

The ICANN Board fulfills its objectives and outcomes by directing the ICANN org to implement policies. The following measures will be used in FY24:

- **Outcomes**

- Successful implementation of the Strategic Plan.
- Implementation of the work plan to improve the effectiveness of ICANN’s multistakeholder model.

ICANN ORG GOVERNANCE

- Strengthen DNS and Root Server System security.
- Evolution of unique identifier systems.
- ICANN's long-term financial sustainability.

• Performance Metrics

- Timely revision of the Strategic Plan and FY24–28 Operating and Finance Plan.
- Amount of funds transferred into the Reserve Fund, per the Board resolution for replenishment.
- Number of geopolitical issues impacting ICANN's mission identified on time and successfully addressed.
- Number of additional stakeholders join ICANN globally.
- Number of effective relationships with key actors in the global Internet ecosystem established.

RESOURCES

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
Board Activities	0	\$0.0	\$2.0	\$2.0

In Millions USD
Full-Time Equivalent (FTE)

CONSIDERATIONS

The following risks and considerations exist for the ICANN Board in its activities:

- Workload and competing priorities may slow down progress in key areas of work.
- Maintaining institutional knowledge is helped if there is stability in the Board's composition over the long term.
- The ability to select and retain qualified and diverse Board members is dependent on factors such as available candidate pool, time commitments required, and compensation.
- Failure to identify trends impacting ICANN and subsequent adaptation of the strategic objectives could have important repercussions. ■

ICANN ORG GOVERNANCE

Office of the President and CEO

PURPOSE

The Office of the President and CEO provides support to the President and CEO, who has fiduciary responsibility for the organization. The goals of the President and CEO are achieved through work conducted by ICANN org.

OPERATING INITIATIVE CONTRIBUTIONS

The Office of the President and CEO supports all of ICANN's ongoing operations and activities.

ACTIVITIES

The nature of the Office of the President and CEO is to provide ongoing support to the President and CEO to effectively manage ICANN org. The Office of the President and CEO includes three employees: two administrative support, and the President and CEO of ICANN.

In FY24, activities will include:

- Support the President and CEO in day-to-day activities, including travel and meetings arrangement and other administrative tasks
- Provide strategic direction and support to the Executive Team to achieve organizational goals.
- Meet regularly with Supporting Organization and Advisory Committee leadership and the ICANN Board to ensure ICANN org effectively implements policy.
- Ensure ICANN org is accountable to the Board and community.

RESOURCES

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
Office of the President and CEO	3	\$1.8	\$0.5	\$2.3

*In Millions USD
Full-Time Equivalent (FTE)*

HOW PROGRESS IS TRACKED

Progress of the Office of the President and CEO is related to the progress made on the established [goals](#) of the President and CEO, which are approved by the ICANN Board. Additionally, the President and CEO and Executive Team provide [regular reports](#) to the Board and the community ahead of ICANN Public Meetings. ■

ICANN ORG GOVERNANCE

Governance Support

PURPOSE

The Governance Support function legally safeguards ICANN org and mitigates adverse litigation and regulatory impacts to ICANN org.

OPERATING INITIATIVE CONTRIBUTIONS

- Lead: Evolve and Improve Internal and External Ethics Policies.
- Support: Evolve and Strengthen the ICANN Community's Decision-making Processes To Ensure Efficient and Effective Policymaking.
- Support: Promote and Evolve the Domain Name System (DNS) Through Open and Transparent Processes That Enable Competition and Open Entry In Internet-related Markets While Ensuring the Stability, Security, and Resiliency of the Domain Name System.
- Support: Facilitate the DNS Ecosystem Improvements.
- Support: Support the Evolution and Strengthening of the Root Server System and Root Zone Management.
- Support: Geopolitical Monitoring, Engagement, and Mitigation.
- Support: Implement New gTLD Subsequent Auction Proceeds as Approved by Board.

ACTIVITIES

In FY24, activities will include:

- Litigation and Accountability Mechanisms support, such as maintaining litigation readiness, monitoring, and managing ICANN litigation matters and issues, and Accountability Mechanism proceedings.
 - General legal internal support.
 - Advice to senior management.
 - Contractual support, such as contract review, analysis, recommendations, risk assessments, and amendments.
- Secretarial support to ICANN Board and PTI Board, such as performing duties related to notices, meetings, corporate records, and implementation of Board and committee decisions.
- Service as Chief Data Protection Officer, with a focus on ICANN organization-level data to ensure ICANN's internal data protection and privacy program is compliant and up-to-date.
- Support for anticipated implementation of the New gTLD Subsequent Procedures policy recommendations.
- Support for anticipated implementation of a WHOIS Disclosure System as well as a standardized system for accessing registration data.

ICANN ORG GOVERNANCE

- Support for implementation of Board-approved recommendations from Specific Reviews, including the Holistic Review.
- Support for implementation of the ICANN Grant Program.
- Support the anticipated implementation of the Board-approved recommendations from the Root Server System Governance Working Group.

Establishment of a contract management database. In the current global environment, there has been an increase in the support services provided by Governance Support to aid the org's response to the pandemic.

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones, metrics, and reports to track Functional Activities. In FY24, the following milestones will be met:

- Achieving functional purpose within funding allowance.
- Sufficient contingency funds to cover unforeseen legal events (e.g., skilled in looking at past trends, present environment, and future projections to derive contingency fund amounts year-over-year).

RESOURCES

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
Governance Support, Complaints Office and NomCom Support	24	\$8.3	\$4.3	\$12.5

*In Millions USD
Full-Time Equivalent (FTE)*

The governance team is preparing for a significant increase in needed resources, including to address the operationalizing of the New gTLD Subsequent Procedures, the continued design of the system for standardized access disclosure for gTLDs, the operation of the ICANN Grant Program, and anticipated Specific Reviews activity. While some of this work is anticipated to be absorbed by existing budgeted resources, the need for additional full-time equivalents (FTEs) is anticipated to support the range of work. Additionally, significant support from outside legal counsel from one or more firms may be needed. Additional FTEs are anticipated to be needed including additional lawyers, paralegals, project managers, analysts, and administrative support professionals.

ICANN ORG GOVERNANCE

CONSIDERATIONS

The following risks and considerations exist for this Functional Activity and may impact its advancement:

- Changing landscape of privacy regulations.
- Outcomes related to litigation or general internal legal support are dependent on when the Legal team is engaged on matters or issues.
- Advance notice of special projects or initiatives that will require legal services is key to ensuring that budget and resources are available. Other functions are strongly encouraged to involve the Legal function as early in the planning stages as possible.
- Large scale initiatives such as the next round of new gTLDs require not just substantive support from the Governance Support function, but also require scaling to meet growth in other areas of the organization. One of the key areas of work of the Governance Support function is to provide legal advice and guidance in support of human resources, finance, and other such internal services to ICANN org. If, for example, 50 new employees or contracted staff are added across ICANN org to help implement the Subsequent Procedures Program, such staff increases also require additional legal support and guidance to the Human Resources team to scale to the heightened organizational demand. Given that each function is potentially proposing to add new resources as part of program implementation, this will impact the amount of additional legal support needed.
- Within programs such as Subsequent Procedures and the ICANN Grant Program, timing, quantity, and scale issues still need to be accounted for, such as supporting multiple requests for proposals that all have to be launched at the same time, or new processes that need to be designed. The timing and scale of effort needed, which is not yet defined, could impact the amount of legal resources that need to be available.
- In order to provide meaningful legal support and guidance to program-related activities, it is important to stress the time and effort that would need to be undertaken to prepare attorneys at all levels. This includes any lawyers to be hired in-house as well as outside counsel. Such training is needed in order to ensure that those working on the program will be able to contribute in a meaningful way. ■

ICANN ORG GOVERNANCE

Nominating Committee Support

PURPOSE

The Nominating Committee Support function provides support and coordination for the ICANN Nominating Committee (NomCom), an independent committee responsible for appointing leadership positions to the ICANN Board, PTI Board, At-Large Advisory Committee, Country Code Names Supporting Organization, and Generic Names Supporting Organization. The NomCom acts on behalf of the interests of the global Internet community and within the scope of ICANN's mission and the Bylaws.

OPERATING INITIATIVE CONTRIBUTIONS

Support: Evolve and Strengthen the ICANN Community's Decision-making Processes To Ensure Efficient and Effective Policymaking.

ACTIVITIES

In FY24, activities will include:

- Systems Administration: Configuring systems and tools for NomCom use including the NomCom application system, web pages, and workspace.
- Meeting Planning: Plan and coordinate telephone, face-to-face, and virtual NomCom meetings.
- Meeting Support: Facilitate the work of the NomCom, including maintaining process and procedures documents and agendas.
- Training: Provide appropriate training and tools for NomCom delegates as per the recommendation from the NomCom Review Implementation Working Group (NomComRIWG).
 - Produce content used in NomCom meetings.
- Vendor Management: Procure, negotiate, contract, and manage vendors in support of NomCom functions, including outside services which include, training, recruitment, due diligence, and leadership review services.
 - NomCom staff provide subject matter knowledge and support to the NomComRIWG and the implementations of their recommendations which have been approved by the ICANN Board.
- Support the implementation of the NomCom org review recommendation.

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones, metrics, and reports to track Functional Activities. In FY24, the following metrics will be met:

- Number of face-to-face meetings supported.
- Number of telephonic or virtual meetings supported.
- Number of leadership positions filled.

ICANN ORG GOVERNANCE

RESOURCES

Resources for the NomCom Support Functional Activity are found in the [Governance Support](#) Functional Activity section.

CONSIDERATIONS

The following risks and considerations exist for this functional activity and may impact its advancement:

Increased support activities as a result of the NomComRIWG may exceed the capacity of existing resources.

- Ongoing NomCom operational costs may increase as a result of the NomComRIWG recommendations.
- Due to the short-term status of NomCom leadership, ICANN org must be prepared to revise operating procedures and approach annually.
- The COVID-19 pandemic has affected how NomCom's mandatory meetings are planned and coordinated, which may impact the need for additional internal and outside resource support (e.g., remote training services, planning for adjusted remote meeting planning, etc). ■

ICANN ORG GOVERNANCE

Complaints Office

PURPOSE

The Complaints Office enables ICANN org to transparently identify and resolve issues in one centralized location. The Complaints Office handles complaints regarding ICANN org that do not fall into an existing complaints mechanism, such as Contractual Compliance, Request for Reconsideration, or the Office of the Ombudsman.

The Complaints Office reviews verifiable information to ensure recommendations and resolutions are based in fact. It strives to be open and transparent, responsive and accountable to all parties, and to make recommendations that are constructive and actionable. Above all, the Complaints Office acts with the utmost integrity in service of ICANN's mission.

OPERATING INITIATIVE CONTRIBUTIONS

No linked initiatives at this time. This supports ICANN's ongoing activities.

ACTIVITIES

The Complaints Office reviews verifiable information to ensure recommendations and resolutions are based in fact. The office strives to be open and transparent, responsive and accountable to all parties, and to make recommendations that are constructive and actionable. In FY24, activities will include:

- Receiving, researching, analyzing, and responding to submitted complaints.
- Reporting on activities of the office.
- Business and communications planning and implementation.
- Internal and external engagement.
- Implement Board-approved recommendations from the Cross Community Working Group on Enhancing ICANN Accountability Work Stream 2 (CCWG-WS2), including:
- Support Ombudsman in helping differentiate services provided by the Complaints Office.

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones, metrics, and reports to track Functional Activities. The following measures will be used in FY24 for this Functional Activity:

- Number of complaints received.
- Number of complaints received in scope.
- Number of complaints resolved.

ICANN ORG GOVERNANCE

RESOURCES

Resources for the Complaints Office are found in the [Governance Support](#) Functional Activity section.

CONSIDERATIONS

The following risks and considerations exist for this Functional Activity and may impact its advancement:

- Shifting to a centralized system for complaints depends on ICANN org's prioritization and resource availability.
- The function has limited staff, which creates risk that could lead to slow or stalled delivery on commitments.
- As awareness and visibility regarding the Complaints Office increases over time, the number of in-scope complaints could escalate rapidly. ■

ICANN ORG GOVERNANCE

Review Support and Implementation

PURPOSE

The ICANN Bylaws-mandated reviews represent a fundamental mechanism to continuously improve ICANN's multistakeholder model. The improvements result from the implementation of Board-approved recommendations made by community-led review teams for Specific Reviews or by external independent reviewers for Organizational Reviews.

The org's functional support of the reviews process is provided by two complementary teams actively involved in the process from inception of the review to the conclusion of the implementation:

- The Review Support and Accountability (RSA) team of the GDS function facilitates and supports both the Specific and Organizational Reviews. This work includes the evolution of review processes and support from review inception through Board action on the recommendations made by the review team.
- The Implementation Operations (IO) team in the Office of the Chief Financial Officer function is responsible for the implementation of Board-approved non policy recommendations. This includes, but is not limited to, output from Specific Reviews, as well as other community-led working groups, such as the Cross-Community Working Group (CCWG) on Enhancing ICANN Accountability Work Stream 2 and on New gTLD Auction Proceeds, and the Enhancing the Effectiveness of ICANN's Multistakeholder Model project.

OPERATING INITIATIVE CONTRIBUTIONS

- Lead: Implement New gTLD Auction Proceeds recommendations as approved by the Board.
- Support: Evolve and Strengthen the Multistakeholder Model to Facilitate Diverse and Inclusive Participation in Policymaking.
- Support: Planning at ICANN.

ACTIVITIES

- Conducting the Pilot Holistic Review and starting the Pilot Continuous Improvement Program, including monitoring their progress as they relate to the deferral of Organizational Reviews and Review timing over the next three-to-five-year period.
- Delivering on, reporting on, and documenting the implementation of Board-approved and prioritized recommendations emerging from the Competition, Consumer Trust, and Consumer Choice (CCT), the third Accountability and Transparency Review 3 (ATRT3), the second Registration Directory Service (RDS-WHOIS2), and second Security, Stability and Resiliency Review 2 (SSR2) recommendations.
- Overseeing work to address Specific Reviews recommendations placed into various pending categories, to inform Board consideration.
- Supporting FY24 prioritization activities and monitoring the status of recommendations ineligible for prioritization, including resolving dependencies where possible.

ICANN ORG GOVERNANCE

- Supporting the work of the NomCom Review Implementation Working Group (NomComRIWG) if it extends into FY24. This work is also expected to include supporting the Board and its Organizational Effectiveness Committee, as well as community discussions in preparation for the initiation of both a Fundamental and Standard Bylaws Amendment Process for the NomCom-related Bylaws (including Articles 7 and 8 of the ICANN Bylaws), following the conclusion of the NomComRIWG's work. The Fundamental Bylaws Amendment Process will require the approval of the Empowered Community, and related preparations.
- Starting to implement process improvements from the Life Cycle of Reviews Project to enhance the end-to-end reviews process under the Life Cycle of Reviews Program. These activities will support Operating Initiative 3, To Evolve and Strengthen the ICANN Multistakeholder Model to Facilitate Diverse and Inclusive Participation in Policymaking.
- Continuing to oversee and complete the implementation of the Board-adopted recommendations from the Enhancing ICANN Accountability WS2 implementation.
- Advancing the [Enhancing the Effectiveness of ICANN's Multistakeholder Model](#) project through monitoring of the related/identified activities/projects already in progress, and implementation of the new activities or projects, which could help fully address the issue areas.
- Refining the implementation design of the ICANN Grant Program and supporting the Program grant cycles. This program is the instrument through which ICANN org is going to distribute the auction proceeds funds.
- Ensuring that the icann.org and community workspace webpages on the above matters are regularly updated.

HOW PROGRESS IS TRACKED

The specific metrics and milestones guiding the work will be:

- Board action on remaining Specific Reviews recommendations pending Board consideration, as appropriate.
- Issuance of the Final Report from the Pilot Holistic Review team 18 months after the start of the review; Board action and assessment of the Pilot Holistic Review.
- Completion of NomCom2 Review Implementation and related Bylaws amendments.
- Start of the implementation of review process improvements from the Life Cycle of Reviews Project under the Life cycle of Reviews Program.
- Completion of the Grant Program implementation design and launch of the first grant cycle.
- Annual Review Implementation Report, in compliance with the ICANN Bylaws.
- Periodic progress reports on the status of implementation of Board-approved recommendations resulting from reviews and cross-community working groups.
- Evaluation of at least 10 projects and initiatives supporting ICANN's multistakeholder model.
- Up-to-date Operating Standards for Specific Reviews, in compliance with the Bylaws and to reflect improvements supported by community, and at Board direction.

ICANN ORG GOVERNANCE

RESOURCES

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
Review Support and Implementation Operations	10	\$2.2	\$0.4	\$2.6

In Millions USD
Full-Time Equivalent (FTE)

CONSIDERATIONS

The following elements may impact the progress of the work to implement the above mentioned activities:

- Bandwidth constraints or competing priorities of the available staff resources who are subject-matter experts for internal and community efforts.
- Streamlining of reviews.
- For the Grant Program, new elements identified during the implementation design. ■

FUNCTIONAL ACTIVITIES

FY24

ICANN ORG SHARED SERVICES

- Planning
- Finance and Procurement
- Risk Management
- Engineering and Information Technology
- Global Human Resources and Administrative Services
- Security Operations
- Board Operations
- ICANN Offices

ICANN ORG SHARED SERVICES

Planning

PURPOSE

The purpose of this function is to support the development, implementation, monitoring, and evolution of ICANN's planning activities to ensure that ICANN org is accountable to the public in its stewardship of ICANN's mission. The Planning function leads and coordinates all planning activities with the ICANN community, org, and Board. The long-term objective of the Planning function is to continuously increase the organization's effectiveness through adequate planning and performance measurement. The Planning function also includes the economist function, which contributes to the strategic planning activities and analysis on economic trends. The role serves as a subject-matter expert and adviser on DNS market analysis and provides advisory and programmatic support throughout the organization through research and analysis utilizing market and macroeconomic data.

OPERATING INITIATIVE CONTRIBUTIONS

- Lead: Planning at ICANN.
- Support: Improve the Depth of Understanding of the Domain Name Marketplace Drivers that Impact ICANN's Funding.

ACTIVITIES

- Lead ICANN's annual planning processes, including strategic outlook and strategic planning, operating planning, budgeting and progress reporting.
- Communicate and engage on the planning processes, timelines, and milestones with ICANN org, Board and community.
- Manage the development of all plans per ICANN Bylaws' requirements.
- Ensure alignment of regional and other planning programs and implementation efforts with ICANN plans.
- Manage progress reporting and measurement.
- Research and analysis.
- Advisory and programmatic support.
- Economic research and analysis.

HOW PROGRESS IS TRACKED

The following milestones will be used to track progress of this Functional Activity in FY24:

- Timely delivery of IANA FY25 Operating Plan and Budget and PTI FY25 Operating Plan and Budget per Bylaws requirements.
- Timely delivery of ICANN's Strategic Plan FY25 update (as needed), FY25–29 Operating and Financial Plan, and FY25 Operating Plan and Budget per Bylaws requirement.
- Further refine ICANN's strategic planning and operating planning processes.

ICANN ORG SHARED SERVICES

- Delivery of draft prioritization framework and implementation of the draft framework during FY24 planning process.
- Delivery of the program measurement framework.
- Improve the implementation planning process as needed and approved.
- Report progress toward the achievement of ICANN's plans.
- Monitor global macroeconomic conditions, DNS marketplace, and Internet-related economic sectors.

RESOURCES

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
Planning	4	\$1.1	\$0.2	\$1.3

*In Millions USD
Full-Time Equivalent (FTE)*

CONSIDERATIONS

The following risks and considerations exist for this Functional Activity and may impact its advancement:

- Lack of planning tools, including data collection and analysis, to facilitate org-wide prioritization.
- Progress reporting can impact the efficiency and effectiveness of planning activity.
- The function is largely dependent on functions and personnel, and outcomes are dependent on ongoing policy work and progress at ICANN.
- Global macroeconomic and financial conditions are subject to change. Any assessment is done with base-level parameters and expectations. Unanticipated changes in the global economic environment can therefore render prior assessments and opinions outdated or invalid.
- Global macroeconomic factors may change priority areas, as the economic climate may prompt additional research needs for the organization. ■

ICANN ORG SHARED SERVICES

Finance and Procurement

PURPOSE

The Finance and Procurement function is the steward of ICANN's public funds, and the champion of financial accountability and transparency. It provides timely, accurate, and reliable financial and procurement services that support responsible decision-making.

OPERATING INITIATIVE CONTRIBUTIONS

- Lead: ICANN Reserves.
- Support: Formalize the ICANN Org Funding Model and Improve Understanding of the Long-term Drivers of the Domain Name Marketplace.
- Support: Planning at ICANN.

ACTIVITIES

In FY24, activities will include all accounting, auditing, financial analysis, financial reporting, statutory reporting, taxes, payroll, billing and collections, insurance, treasury (including payments), procurement, and sourcing for ICANN operations, IANA functions, and Public Technical Identifiers, as applicable.

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones, metrics, and reports to track Functional Activities. The following measures will be used in FY24 for this Functional Activity:

- Continuous improvement of processes to gain efficiency and improve quality.
- Continuous improvement of financial analysis.
- Measuring and reporting service-level metrics.
- Tracking of ICANN's Reserve Fund replenishment.
- Contribute to the Operating Initiative Planning at ICANN.

ICANN ORG SHARED SERVICES

RESOURCES

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
Finance and Procurement, and Risk Management	21	\$4.7	\$2.3	\$6.9

In Millions USD

Full-Time Equivalent (FTE)

CONSIDERATIONS

No new risks or considerations noted for FY24. ■

ICANN ORG SHARED SERVICES

Risk Management

PURPOSE

The role of Risk Management function is to facilitate the identification and articulation of risks faced by ICANN so that the org may make informed decisions about planning for and managing those risks. Through the established Risk Management Framework, the function focuses on developing a risk-aware culture that incorporates the risk framework into the org's activities and planning.

OPERATING INITIATIVE CONTRIBUTIONS

Support: Risk Management supports all Operating Initiatives.

ACTIVITIES

In FY24, activities will include:

- Maintain and enhance the risk identification and communication within the org and to the Board, including strategic risks and existential threat monitoring.
- Expand awareness of a risk-aware culture within the org through education and training.
- Review and strengthen organizational continuity planning.
- Include risk management planning with operational and strategic planning under the Office of the SVP, Planning, and CFO.
- Broader Risk Awareness Training: Functional risk awareness presentations, review of Function Risk Register, provide context and training to staff, including on the Risk Appetite Statement.
- Risk Management in Planning: Support achievement of the Strategic Plan and Operating and Financial Plan by leveraging the Risk Identification Management process.

HOW PROGRESS IS TRACKED

The following measures will be used in FY24 for this Functional Activity:

- Consistency of Risk Management process, such as risk identification, monitoring, and reporting.
- Training provided within the org.
- Appropriate risk management planning input into the operating and strategic planning process.

ICANN ORG SHARED SERVICES

RESOURCES

FY24 resources for risk management are found in the [Finance and Procurement](#) Functional Activity.

CONSIDERATIONS

The largest consideration for this functional activity in FY24 is the team's dependency on other functions and staff, who have many priorities. The function relies on Risk Liaisons from each function to actively participate in risk-management initiatives. ■

ICANN ORG SHARED SERVICES

Engineering and Information Technology

PURPOSE

Engineering and Information Technology (E&IT) provides trusted technical expertise to support the global multistakeholder model and ICANN org by:

- Building a sustainable and resilient team that is able to respond to organizational needs.
- Fostering trusted, transparent relationships with stakeholders through collaborative planning and data-driven decisions.
- Delivering secure, effective, and accessible services through innovation and persistence.

OPERATING INITIATIVE CONTRIBUTIONS

- Support: Evolve and Strengthen the Multistakeholder Model To Facilitate Diverse and Inclusive Participation In Policymaking.
- Support: Support the Evolution and Strengthening of the Root Server System and Root Zone Management.
- Support: Promote and Evolve the Domain Name System (DNS) Through Open and Transparent Processes That Enable Competition and Open Entry In Internet-related Markets While Ensuring the Stability, Security, and Resiliency of the Domain Name System.
- Support: Formalize the ICANN Org Funding Model and Improve Understanding of the Long-term Drivers of the Domain Name Marketplace.

ACTIVITIES

In FY24, activities will include:

- Better position and prepare the E&IT function to deal with New gTLD Subsequent Procedures work.
- Better position and prepare the E&IT function to work on implementation of Board-approved recommendations from the ATRT3, the CCT Review team, and the CCWG-WS2.
- Proactively securing ICANN's digital services and systems.
- Helping ICANN deliver results by aligning E&IT developing capacity along the organization's long-term strategy.
- Enabling organizational effectiveness through efficient use of ICANN's digital services.
- Providing effective support to ICANN's international office strategy.
- Maintaining financial soundness and business continuity.
- Supporting all functions within ICANN org, Board, and community via end-user support, business analysis, custom application development, off-the-shelf software selection and support, infrastructure support, security monitoring, and network services.
- Continuing to emphasize portfolio management and platform reduction mindset.

ICANN ORG SHARED SERVICES

- Continuing work on capacity planning tools for organizational capacity planning.
- Investigating career development and promotional opportunities to improve retention, provide greater clarity to staff, and help identify resource gaps.
- Continue to work on moving from Capability Maturity Model Level 3 to Level 4.

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones, metrics, and reports to track Functional Activities. The following measures will be used in FY24 for this Functional Activity:

- Number of projects and services requested and completed every six months.
- Number of projects delayed or canceled in every six months.
- Evaluation of financial management through review of planned and actual budgets.
- Digital services availability.
- Universal Acceptance readiness.
- Completed phases of adoption and use of the National Institute of Standards and Technology Cybersecurity Framework.

RESOURCES

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
Engineering and Information Technology	58	\$14.1	\$14.8	\$28.9

*In Millions USD
Full-Time Equivalent (FTE)*

ICANN ORG SHARED SERVICES

CONSIDERATIONS

The following risks and considerations exist for this Functional Activity in FY24 and may impact its advancement:

- Completion of strategic projects depends on Board and community efforts.
- Finding a suitable offshore location for outsourced work is challenging.
- Geopolitical impacts on international office locations.
- Hiring and retaining staff continues to be challenging in the current economic climate.
- Staff may leave, but improvements in process documentation will lessen new employee onboarding time and costs.
- Staff may leave if initiatives offering career progression are not implemented.
- Business decisions may mean ICANN org is not able to reduce the number of platforms it uses. This may lead to retaining talent to deal with potential issues. A possible mitigation is to make platform reduction part of the functional business strategies.
- There is a lack of understanding of the function's capacity and capability among the ICANN Board and community, leading to unrealistic scope and delivery expectations.
- Global data regulations are fluid and could adversely affect roadmaps.
- Onboarding remote staff is challenging and may have difficulty absorbing them into ICANN org culture absent any in-person meetings. ■

ICANN ORG SHARED SERVICES

Global Human Resources and Administrative Services

PURPOSE

The primary purpose of Global Human Resources is to attract and retain top talent, and enable high performance for ICANN org. This includes talent acquisition, onboarding and offboarding staff, administration of global compensation and benefit plans, performance management, employee relations, investigations, learning and development, employment policies and workplace compliance, global mobility and immigration, team member morale and engagement activities, Enterprise Resource Planning data integrity and reporting, and organizational planning and development.

The primary purpose of Administrative Services is to provide office administrative support and facilities management for ICANN org across all locations. This includes real estate/lease management, construction management, ergonomics program management, office security access controls management, and special events planning for employee morale activities/events.

OPERATING INITIATIVE CONTRIBUTIONS

- Support: Promote and Evolve the Domain Name System (DNS) Through Open and Transparent Processes That Enable Competition and Open Entry In Internet-related Markets While Ensuring the Stability, Security, and Resiliency of the Domain Name System.
- Support: Implement New gTLD Auction Proceeds Recommendations.

ACTIVITIES

In FY24, Global Human Resources activities will include:

- Focus on maintaining staff engagement by sustaining organizational culture seamlessly between offices, regions, and remote and virtual working environments, while continuing to build diversity to best represent the community in ICANN org serves.
- Ensure appropriate staff (full-time and part-time) levels as needed for initiatives including support of technical platforms, implementation of Board-approved recommendations from the New gTLD Subsequent Procedures Policy Development Process, the Information Transparency Initiative, and more.
- Provide the internal programs necessary for leadership training and professional development of staff in order to retain talent.
- Focus on our diversity and inclusion initiative to continue to foster a diverse, inclusive, and respectful culture within ICANN org.
- Continue to provide support and guidance to managers and staff on using ICANN's Career Framework to conduct conversations around career path and development.
- Introduce a Talent Review process to continue to support staff growth, recognition, and development.

In FY24, Administrative Services activities include:

- Provide support for a healthy work environment in ICANN offices and for those working remotely. Support the safety readiness of ICANN offices as staff return from working remotely as a result of the COVID-19 pandemic.

ICANN ORG SHARED SERVICES

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones, metrics, and reports to track Functional Activities. The following measures will be used in FY24 for this Functional Activity:

- Global Human Resources
 - The results of the annual staff engagement survey, which gains structured feedback from staff on their employment experience.
- Administrative Services
 - Lease negotiations result in favorable outcomes to maintain budgetary commitments.

RESOURCES

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
Global Human Resources and Administrative Services	23	\$4.8	\$0.9	\$5.7

*In Millions USD
Full-Time Equivalent (FTE)*

CONSIDERATIONS

The following risks and considerations exist in FY24 for the Global Human Resources component:

- Maintaining productivity and efficiency when staff have to balance work with personal isolation, concerns for family health, safety and schooling, political turmoil, and prevailing economic challenges due to the ongoing uncertainty presented by the COVID-19 pandemic.
- Geographic spread across several countries and multiple U.S. states makes it challenging to efficiently handle staff relations issues with existing policies.
- A more competitive labor market as economies recover from the impact of the COVID-19 pandemic and the anticipated resources required for upcoming initiatives mean hiring full-time and part-time staff will be more challenging.
- Staff are eager for development opportunities, and will need more understanding of what resources are currently offered and be able to take advantage of career progression opportunities.

The following risks and considerations exist in FY24 for the Administrative Services component:

- Continued uncertainty in the global real estate market as a result of the COVID-19 pandemic may create instability in cost for office space in the next five years.
- Maintain a flexible workspace environment remotely and in offices during the COVID-19 pandemic and as staff return to ICANN facilities. ■

ICANN ORG SHARED SERVICES

Security Operations

PURPOSE

The purpose of Security Operations is to provide a safe and secure environment in which the community, Board, and ICANN org operate.

OPERATING INITIATIVE CONTRIBUTIONS

No linked initiatives at this time. This function supports ICANN's ongoing activities.

ACTIVITIES

In FY24, activities will include:

- Event Security: Provide on-site event health, safety, and security support to ICANN Public Meetings and other ICANN-hosted events in line with ICANN's COVID-19 Return to Normal Operations (RTNO) Framework and Implementation Plan – Travel and Events.
- Travel Security: Assess, approve, and support org and Board travel in line with ICANN's COVID-19 RTNO Framework and Implementation Plan – Travel and Events and ICANN's long-standing travel security best practices.
- Security Intelligence: Regional security managers will continue to assess and understand the unique health, safety, and security risk landscapes of their regions.
- Response Planning: Conduct annual emergency and crisis-management training for staff and emergency response and crisis management teams.
- Physical Security: Maintain and optimize physical security procedures, processes, and protocols across ICANN's facilities.
- Threat Management: Detect, assess, mitigate, and respond to ICANN's internal and external security threats. Continue development of an Insider Threat Program in collaboration with the Global Human Resources and Information Security teams.
- Knowledge Management: Provide tailored, region-specific training to staff as well as org-wide core learning.

HOW PROGRESS IS TRACKED

ICANN org uses a combination of milestones and reports to ensure that initiatives advance. The following measures will be used in FY24 for this Functional Activity:

- ICANN events are safe, healthy, and secure with risks minimized through robust risk assessment and mitigation strategies, plans, procedures, and protocols in line with ICANN's COVID-19 RTNO Framework and Implementation Plan – Travel and Events.
- Org travel is safe, healthy, and secure through a risk-driven assessment and approval process in line with ICANN's COVID-19 RTNO Framework and Implementation Plan – Travel and Events.

ICANN ORG SHARED SERVICES

- The development of a new Security Operations org structure with optimized regional alignment, global dispersion, and increased local knowledge and diversity.
- Promote a culture of security awareness to inform the org’s decision-makers and furnish staff with the tools and know-how to operate and travel safely and securely in a COVID-19 world and increasingly insecure threat landscape. Staff are “street-smart” and “travel-savvy.”
- Complete annual training for the Global Crisis Management Team and office Emergency Response Teams.

RESOURCES

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
Security Operations	3	\$0.8	\$0.8	\$1.6

In Millions USD

Full-Time Equivalent (FTE)

CONSIDERATIONS

The following risks and considerations exist in FY24 for this Functional Activity and may impact its advancement:

- ICANN’s mission and engagement require the org to send travelers to and host events within locations of highly variable risk profiles. These risks have only increased in response to the global COVID-19 pandemic. In addition, many of these risks may be unknown at any given moment in time. As a result, ICANN may be required to conduct engagement in rapidly changing, higher-risk locations, requiring planning flexibility and increased and more costly Security Operations support. While Security Operations does not control where ICANN hosts events or travels, the team is still responsible for sufficiently supporting events and travel as safely and cost-effectively as possible.
- Security Operations will continue its efforts to develop and bolster an organizational culture of security awareness. This will both inform the decision-making of the organization’s key stakeholders and empower staff to proactively mitigate security risks and reduce the likelihood of safety incidents.
- Security Operations will continue to ensure that the org is sufficiently prepared to respond to and manage emerging threats and crises. ■

ICANN ORG SHARED SERVICES

Board Operations

PURPOSE

The purpose of this function is to support the ICANN and Public Technical Identifiers (PTI) Boards, and to serve as liaison between the ICANN Board and org. This includes coordinating with ICANN org to provide substantive content and logistical support to the ICANN Board, as well as its committees and subgroups. This function also facilitates the interaction between the Board and the community.

OPERATING INITIATIVE CONTRIBUTIONS

No linked initiatives at this time. This supports ICANN's ongoing activities.

ACTIVITIES

In FY24, activities will include:

- Content management: Support the agenda development of Board meetings and workshops; facilitates preparation and submission of org-wide materials for Board Meetings, workshops, committees and other subgroup meetings; manages Board materials publication; supports drafting of Board operational priorities, Board Correspondence, and Board Public Comments submissions; and facilitates preparation for Board and stakeholder meetings.
 - Logistics management: Manages Board members' travels and expenses, manages vendors, manages and reports Board budget, and facilitates and organizes calls and meetings.
 - Training and capacity-development: Supports the Board training programs and tools, including Board members; onboarding, development, and mentorship programs.
 - Board communications and engagement: Supports and facilitates the Board's communications and engagement efforts with the community as well as participation in other meetings, events, and speaking engagements.
 - Org cross-functional improvements efforts: Participates in cross-functional ICANN org teams and projects aimed at improving effectiveness and cost management.
- △ The team does not anticipate any significant changes, but will pursue its operational excellence and team development efforts that focus on process improvements and tools enhancement.

HOW PROGRESS IS TRACKED

- Outcome Measurement:
 - Smooth operations of the Board activities (content, logistics, skills development, etc.) and continuous advancement of Board best practices.
 - Continuous advancement of org-wide support for the Board.

ICANN ORG SHARED SERVICES

- Performance Measurement:
 - Content Management: Bylaws compliance, accountability and transparency metrics achievements.
 - Percent of Board materials ready prior to Board meetings.
 - Percent of Board Meeting agendas published prior to meeting, per ICANN Bylaws.
 - Logistic Management:
 - Number of trips booked for the Board.
 - Number of expense reports managed for the Board.
 - Training and capacity-development:
 - Number of Board members completing the onboarding process.
 - Number of trainings attended by individual Board members.
 - Number of trainings attended by the full Board.
 - Improvements in Board skill sets.
 - Board Priorities:
 - Timely delivery on Board Ops-related Board priorities.

RESOURCES

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
Board Operations	6	\$1.2	\$0.1	\$1.4

In Millions USD
Full-Time Equivalent (FTE)

CONSIDERATIONS

The following risks and considerations exist in FY24 for this Functional Activity and may impact its advancement:

- The team works closely with ICANN org, including the Legal team, to deliver content to the Board and publish Board materials, but that support depends on the workload and priorities of other functions.
- The loss of institutional knowledge on the Board poses a significant risk and could have a negative impact on the Board's operational effectiveness and subsequent negative impact to ICANN org. The team plans to continue working with the President and CEO and the General Counsel and Secretary to advance Board and committee manuals, process documentation, training and development, and more. ■

ICANN ORG SHARED SERVICES

ICANN Offices

PURPOSE

ICANN offices are located around the world and work together to serve the global community. Brussels, Istanbul, Montevideo, and Singapore have detailed plans described in the Global Stakeholder Engagement section of the FY24 Operating Plan. Below is an overview of the non-staff administrative costs of running each office.

RESOURCES

FUNCTIONAL ACTIVITY	Non-Staff
ICANN Offices	\$6.3
Istanbul Regional Office	\$0.2
Brussels Regional Office	\$0.3
Singapore Regional Office	\$0.5
Montevideo Regional Office	\$0.0
Los Angeles Headquarters	\$4.4
Washington D.C. Regional Office	\$0.8
Geneva Regional Office	\$0.1

In Millions USD

Full-Time Equivalent (FTE)

FY24 BUDGET

► [Click here](#) to read the ICANN FY24 Budget.

APPENDIX

- **Appendix A**
ICANN Rolling Five-Year Roadmap:
Policy, Reviews and Cross-Community
Working Groups
- **Appendix B**
Operating Initiatives Supporting
the Strategic Plan
- **Appendix C**
Recommendations Relating to
Cross-Community Working Group on
Enhancing ICANN Accountability Work
Stream 2 and ICANN Reviews
- **Appendix D**
ICANN Security, Stability, and Resiliency
(SSR) of the Internet Unique Identifiers

Appendix A:

ICANN Rolling Five-Year Roadmap: Policy, Reviews and Cross-Community Working Groups






The rolling five-year roadmap includes activities related to policy, reviews, and cross-community working groups with estimated timelines. Work related to these activities will be prioritized and resourced on an ongoing basis. The timelines on this roadmap are indicative, tentative, and subject to update as work progresses.

The roadmap includes the implementation of Board-approved recommendations of the Cross-Community Working Group on ICANN Accountability Work Stream 2 and Organizational Review implementations. The Board-approved recommendations from the third Accountability and Transparency Review Team (ATRT3) may impact the timing of future Specific and Organizational Reviews. The timing of future Reviews are expected to be deferred to allow the implementation of ATRT3 recommendations to progress. ICANN org will update the roadmap as implementation work on Board-approved ATRT3 recommendations progresses.

Read the [ICANN Rolling Five-Year Roadmap](#).

Appendix B:

Operating Initiatives Supporting the Strategic Plan

		Operating Initiatives										
Strategic Objectives		Support the Evolution and Strengthening of the Root Server System and Root Zone Management (OI-1)	Facilitate the Domain Name System (DNS) Ecosystem Improvements (OI-2)	Evolve and Strengthen the Multistakeholder Model to Facilitate Policy Making (OI-3)	Evolve and Strengthen the ICANN Community's Decision-Making Processes to Ensure Efficient and Effective Policymaking (OI-4)	Evolve and Improve Internal and External Ethics Policies (OI-5)	Promote and Evolve the DNS Through Open and Transparent Processes That Enable Competition and Growth, Ensuring the Stability, Reliability, Security, and Resiliency of the DNS (OI-6)	Geopolitical Monitoring, Engagement, and Mitigation (OI-7)	Improve the Depth of Understanding of Impact ICANN's Funding (OI-8)	Implement New gTLD Auction Processes and Recommendations as Approved by the Board (OI-9)	Planning at ICANN (OI-10)	ICANN Reserves (OI-11)
 Strengthen the security of the Domain Name System (DNS) and the DNS Root Server System.	Improve the shared responsibility for upholding the security and stability of the DNS by strengthening DNS coordination in partnership with relevant stakeholders (SG-1).	✓	✓									
	Strengthen DNS root server operations governance in coordination with the DNS root server operators (SG-2).	✓										
	Identify and mitigate security threats to the DNS through greater engagement with relevant hardware, software, and service vendors (SG-3).		✓									
	Increase the robustness of the DNS root zone key signing and distribution services and processes (SG-4).	✓	✓									
 Improve the effectiveness of ICANN's multistakeholder model of governance .	Strengthen ICANN's bottom-up multistakeholder decision-making process and ensure that work gets done and policies are developed in an effective and timely manner (SG-5).			✓	✓							
	Support and grow active, informed, and effective stakeholder participation (SG-6).			✓		✓						
	Sustain and improve openness, inclusivity, accountability, and transparency (SG-7).			✓		✓						
 Evolve the unique identifier systems in coordination and collaboration with relevant parties to continue to serve the needs of the global Internet user base.	Foster competition, consumer choice, and innovation in the Internet space by increasing awareness of, and encouraging readiness for Universal Acceptance, IDN implementation, and IPv6 (SG-8).						✓					
	Improve assessment of, and responsiveness to, new technologies which impact the security, stability, and resiliency of the Internet's unique identifier systems by greater engagement with relevant parties (SG-9).	✓	✓									
	Continue to deliver and enhance the IANA functions with operational excellence (SG-10).	✓										
	Support the continued evolution of the Internet's unique identifier systems with a new round of gTLDs that is responsibly funded, managed, risk-evaluated, and consistent with ICANN processes (SG-11).	✓					✓					
 Address geopolitical issues impacting ICANN's mission to ensure a single, globally interoperable Internet.	Identify and address global challenges and opportunities within its remit by further developing early warning systems, such as ICANN org's Legislative and Regulatory Development Reports (SG-12).							✓				
	Continue to build alliances in the Internet ecosystem and beyond to raise awareness of and engage with global stakeholders about ICANN's mission and policy making (SG-13).							✓				
 Ensure ICANN's long-term financial sustainability.	Implement a five-year Financial Plan that supports the five-year Operating Plan (SG-14).								✓	✓		
	Develop reliable and predictable funding projections (SG-15).								✓			
	Manage operations and their costs to optimize the effectiveness and efficiency of ICANN's activities (SG-16).									✓	✓	✓
	Ensure that the level of ICANN reserves is continuously set, reached, and maintained consistent with the complexity and risks of the ICANN environment (SG-17).									✓	✓	✓

Appendix C:

Recommendations Relating to Cross-Community Working Group on Enhancing ICANN Accountability Work Stream 2 and Reviews

As of 1 December 2022

Description	# of Recs in the Final Report	# of Recs Approved by the Board	Status of Recommendations
Cross-Community Working Group			
Cross-Community Working Group on Enhancing ICANN Accountability Work Stream 2 (WS2) ¹	116 ²	116 ³	See this page for information on the implementation status of WS2 recommendations.
Specific Reviews			
Accountability and Transparency (ATRT) Review ⁴ (Section 4.6 (b) of ICANN Bylaws)	5 (15 components)	5 (15 components)	See this page for information on the implementation status of recommendations emerging from the third iteration of the ATRT Review.
Competition, Consumer Trust and Consumer Choice (CCT) Review ⁵ (Section 4.6 (d) of ICANN Bylaws)	35	17	See this page for information on the implementation status of CCT recommendations.
Registration Directory Service (RDS)-WHOIS Review ⁶ (Section 4.6 (e) of ICANN Bylaws)	22	15	See this page for information on the implementation status of recommendations emerging from the second iteration of the RDS Review.
Security, Stability and Resiliency (SSR) Review ⁷ (Section 4.6 (c) of ICANN Bylaws)	63	23	See this page for information on the implementation status of recommendations emerging from the second iteration of the SSR Review.

¹ WS2 references: [WS2 Final Report](#); [Board resolution](#) and [Implementation status](#)

² total number of recommendations was refined at the conclusion of the implementation design to encompass 95 recommendations. This translates into a set of 58 recommendations the org owns, 30 recommendations the community owns, and seven recommendations co-owned by the org and community. See the [WS2 workspace](#) for more information.

³ The total number of recommendations was refined at the conclusion of the implementation design to encompass 95 recommendations. This translates into a set of 58 recommendations the org owns, 30 recommendations the community owns, and seven recommendations co-owned by the org and community. See the [WS2 workspace](#) for more information.

⁴ ATRT3 Review references: [ATRT3 Final Report](#); [November 2020 Board action](#); [Implementation status](#)

⁵ CCT Review references: [CCT Final Report](#); [March 2019 Board action](#); [October 2020 Board action](#)

⁶ RDS-WHOIS2 Review references: [RDS-WHOIS2 Final Report](#); [February 2020 Board action](#)

⁷ SSR2 Review references: [SSR2 Final Report](#); [July 2021 Board Action](#); [May 2022 Board action](#)

Appendix C: Recommendations Relating to Cross-Community Working Group on Enhancing ICANN Accountability Work Stream 2 and Reviews, Cont'd.

Description	# of Recs in the Final Report	# of Recs Approved by the Board	# of Recs Implementation Complete	# of Recs Implementation In Progress	# of Recs Implementation Not Started
Organizational Reviews					
At-Large Review 2⁸	24	8	6	2⁹	0
NomCom Review 2¹⁰	27	27	25	2¹¹	0
RSSAC Review 2¹²	15	6	4	2¹³	0
SSAC Review 2¹⁴	30	24	21	3¹⁵	0
ASO Review¹⁶	18	18	18	0	0
ccNSO Review 2¹⁷	15	15	13	2¹⁸	0

⁸At-Large Review 2 references: [Board resolution](#); [Implementation completed](#); [Implementation Status reports](#)

⁹The two recommendations that are not yet fully implemented have dependencies that are outside of the At-Large control.

¹⁰NomCom Review 2 references: [Board resolution](#); [Board approved the implementation plan](#); [Implementation Status Reports](#); [Final Implementation Report](#)

¹¹The NomCom2 review implementation was completed in [June 2022](#), as reported by the community. The related Board Resolution is estimated to occur Q4 2022. An ICANN Bylaws Amendment process will take place after Board Resolution.

¹²RSSAC Review 2 references: [Board resolution](#); [Board approved the implementation plan](#); [Implementation Status Reports](#); [Final Implementation Report](#)

¹³The RSSAC2 review implementation was completed in [June 2022](#), as reported by the community. The related Board Resolution occurred on [22 September 2022](#). For the two recommendations for which the RSSAC has reported that work is dependent on the Root Server System Governance Working Group, the Board requested the RSSAC to provide periodic updates on progress toward completing implementation.

¹⁴SSAC Review 2 references: [Board Resolution](#); [Board Accepts Implementation Plan](#); [Implementation Status Reports](#); [Final Report](#)

¹⁵The three recommendations that are not yet fully implemented have dependencies that are outside of the SSAC control.

¹⁶ASO Review references: [ASO2 Review](#) and [Completed implementation](#)

¹⁷ccNSO Review references: [Board Resolution to conclude the review](#); [Implementation Status Reports](#) and [Implementation Completed](#)

¹⁸The two recommendations that are not yet fully implemented have dependencies that are outside of the ccNSO control.

Appendix D:

ICANN Security, Stability, and Resiliency (SSR) of the Internet Unique Identifiers

The very idea of the secure, stable, and resilient operation of the Internet's unique identifier systems is built into [ICANN's mission](#). Commonly referred to as SSR, the essential elements of security, stability, and resiliency are paramount to the continued predictable manner in which the Internet currently operates. ICANN org contributes to the overall SSR of the Internet via its management and stewardship of Internet unique identifier systems that fall within ICANN's remit. These identifiers include: the top-most level of the Domain Name System (DNS), IP address and autonomous system number allocation to the Regional Internet Registries, and other unique Internet identifiers as identified by the Internet Engineering Task Force. When used in accordance with globally recognized standards, these identifiers create an environment in which a secure, stable, and resilient Internet infrastructure can exist.

ICANN's deep commitment to SSR underscores an approach to the concept that is holistic and interwoven into daily operations. In other words, every function of ICANN org contributes to the overall SSR through its support of org's work to advance ICANN's mission. However, this appendix aims to articulate some of the specific areas that particularly focus on supporting the SSR of these unique Internet identifiers.

SSR Definitions

ICANN's **Acronyms and Terms** webpage and its *FY15–16 Identifier Systems Security, Stability and Resiliency Framework* define the SSR elements as:

- **Security:** the capacity to protect Internet identifier systems and prevent misuse.
- **Stability:** the capacity to ensure that Internet identifier systems operate as expected, and that users of these systems have confidence that the systems operate as expected or intended.
- **Resiliency:** the capacity of Internet identifier systems to effectively withstand, tolerate, or survive malicious attacks and other disruptive events without interruption or cessation of service.

SSR in Operating Initiatives

The FY24–28 Operating and Financial Plan includes the plans for SSR initiatives over the five-year period beginning 1 July 2021. These plans support activities within the following Operating Initiatives:

Operating Initiative	Scope of Work
Support the Evolution and Strengthening of the Root Server System and Root Zone Management	<ul style="list-style-type: none"> ICANN org Policy Advice and Development team supporting the implementation of the Root Server System Advisory Committee (RSSAC) document RSSAC037, “A Proposed Governance Model for the DNS Root Server System,” and RSSAC038, “RSSAC Advisory on a Proposed Governance Model for the DNS Root Server System,” both published on 15 June 2018. ICANN org Office of the Chief Technology Officer (OCTO) team will support the eventual outcome of RSSAC037 and RSSAC038 that could propose a plan for the coordination of an appropriate response to any Root Server System incidents. Develop a prototype Root Server System Metric Monitoring System to collect data on the operation of the Root Server System as discussed in RSSAC047. This will be complete by the end of FY23. Leveraging lessons learned from the first root zone key signing key (KSK) rollover, define and publish a long-term root zone KSK Rollover Policy, and implement the next rollover in accordance with that policy. See more details in the Internet Assigned Numbers Authority Functions. Identify and implement features to enhance the Root Zone Management System to improve operations while ensuring accuracy, quality, and timeliness of business processes. Develop technical and operational solutions that meet new community requirements, such as those resulting from the New Generic Top-Level Domain Subsequent Procedures and Internationalized Domain Names Policy Development Processes.
Facilitate Domain Name System Ecosystem Improvements	<ul style="list-style-type: none"> Advocate and Promote Improvements to DNS Security Infrastructure <ul style="list-style-type: none"> Advocate for developers to enable Domain Name System Security Extensions (DNSSEC), both signing and validation, by default. Support the implementation of DNS-based Authentication of Named Entities (DANE). Technical Engagement and Capacity Development <ul style="list-style-type: none"> Continue to improve and deliver capacity-development training on key Internet technologies that support a secured DNS ecosystem aligned with ICANN’s technical remit, such as DNSSEC and DANE. Work internally to expand ICANN org’s technical remit, such as DNSSEC and DANE. Expand programs for DNS ecosystem security and technical engagement. Training and programs on the DNS ecosystem security have been expanded and a new initiative is underway to specifically engage with Computer Emergency Response Teams (CERT) globally to provide them with additional training and collaboration. Work with the community to develop and promote commonly agreed-on norms for a secure DNS ecosystem, a project known as Knowledge-sharing and Instantiating Norms for DNS (KINDNS). <ul style="list-style-type: none"> This was launched on 09 September 2022. Please see https://kindns.org for the resulting product. Evolve efforts to educate domain registries and registrars about DNS security threats and approaches to measure, prevent, detect and mitigate DNS security threats within their platforms. Research <ul style="list-style-type: none"> Continue to collect data, analyze, and publish fact-based, unbiased, objective information on how the DNS is used and abused. Research, report, and raise community awareness on emerging identifiers technologies and how they impact and/or compare to the DNS through the OCTO series of documents and other avenues of publication. Research the use of machine learning to enhance understanding and identification of abusive trends in DNS registration. This project will launch in FY23 but there will be an ongoing spend in FY24 and on to keep the program active.

SSR Funding

The FY24–28 Financials include a contribution to support ICANN’s efforts to preserve and enhance the SSR of the Internet unique identifiers that ICANN manages, including the DNS, Root Server System governance, mitigation of DNS security threats, promotion and facilitation of DNSSEC deployment, the mitigation of name collisions, and DNS operations research.

[A binding Letter of Intent](#) (LOI) between ICANN and Verisign, executed in March 2020, provides that Verisign will contribute a total of \$20M over five years. In January 2021, Verisign provided the first installment of \$4 million. In light of Verisign’s history of stewardship, and in order to further support a continued focus on security, stability, and resiliency, Verisign has chosen to provide additional funding to ICANN for the purpose of preserving and enhancing SSR of the Internet’s unique identifier systems in the form of the contribution outlined in the binding LOI referenced above.

An example of how these funds may be used is the expansion of the ICANN Managed Root Server (IMRS). An IMRS cluster can benefit both the Internet as a whole by increasing the Root Server System infrastructure but also more directly, those who run large networks, such as Internet service providers, data service providers, domain name registries and registrars, or even independent organizations that are working to secure a stable and resilient DNS infrastructure for geographical locations, including countries and regions.

Another area of focus is ICANN’s Domain Abuse Activity Reporting (DAAR) system, which is used to study and report on domain name registration and security threats across top-level domain registries. The overarching purpose of DAAR is to develop a robust, reliable, and reproducible methodology for analyzing security threat activity, which the ICANN community may use to make informed policy decisions. The funds from the LOI have allowed ICANN’s OCTO team to make changes to how the org presents the data to make it more user-friendly, and look at additional data feeds that will help ICANN org further enhance and validate the statistics in DAAR. ICANN org has also developed a prototype to apply machine learning within our research programs to help us better detect security threats.

These initiatives and all SSR-related expenses will be the subject of continued monitoring and reporting over the plan period, conducted in a transparent manner to ensure full accountability of the funds collected and used.



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ONE WORLD, ONE INTERNET

ICANN Proposed-For-Adoption Plans

**ICANN FY24–28 Operating and Financial Plan
ICANN FY24 Operating Plan and Budget**

ICANN Board Reference Materials

April 2023



Agenda

- Opening Remarks
- Introduction
- Key Discussion Topics for ICANN Proposed-for-Adoption FY24-28 Operating and Financial Plan and FY24 Operating Plan and Budget
 1. FY24 Planning Assumptions and Changes versus Draft Plans
 2. Inflation Update
 3. Funding and Expense Assumptions
 4. New gTLD Program Next Round Budget
 5. FY24-28 Financial Plan and FY24 Budget
- Next Steps
- Appendix

Opening Remarks

Introduction

- In FY24 ICANN will continue to work on many important activities such as:
 - New generic top-level domain (gTLD) Program Next Round
 - Registration Data Request Service (RDRS) implementation plan for the WHOIS Disclosure System
 - Following the February and March Board decisions the plans now include implementation steps on these two key projects
- The Plans include prioritized activities from the FY22 through FY24 Planning Prioritization Process such as:
 - CCWG Enhancing ICANN Accountability Work Stream 2 (WS2)
 - The ongoing Implementation of Board approved prioritized Specific Review Recommendations
 - The Evolution of the Board approved Multistakeholder Model workplan
 - The ICANN Grant Program
- The FY24 Plans also includes mechanisms to manage this period of significant work:
 - The impact of the hiring plan presented to the Board in 2020
 - Sufficient funds available for implementation of Community recommendations
 - ICANN Project Management Framework to improve tracking and monitoring of projects

Key Discussion Topic:

1) FY24 Planning Assumptions and Changes versus Draft Plans

Key FY24 Planning Assumptions

Strategic Plan Remains Unchanged

Based on the Strategic Outlook trends impact assessment, the Board has approved no changes to the FY21–25 Strategic Plan

Affordability

ICANN org plans for operating expenses to remain at or lower than budgeted funding drawing from designated and available funding sources

- ⦿ The Draft Plans are based on “base” scenario operations funding projections
- ⦿ Cost savings and efficiencies are assumed over the 5-year period

ICANN Public Meetings and Engagement

The FY24 plans assume that ICANN public meetings, Board, org and community engagement will resume per the planned schedules

Planning For Board Approved Activities

ICANN begins designing the expected implementation work when recommendations are Board approved (RDRS & new gTLD Program Next Round are now included)

Key FY24 Planning Assumptions

Planning Prioritization

- ⦿ The Planning Prioritization process was implemented for the FY24
- ⦿ Four Board approved activities were prioritized in FY24 and are included in the plans:
 - GNSO PDP Implementation: EPDP Temporary Specification for gTLD Registration Data – Phase 2A
 - ccNSO PDP Implementation: PDP 3 Retirement
 - ICANN Grant Program
 - Specific Review: SSR2 Recommendation (Outreach and education on ICANN's involvements and achievements in the security space)
- ⦿ The FY24 plans also include activities prioritized in FY22 and FY23:
 - WS2 and Evolution of the MSM workplan
 - 45 Board approved recommendations from the Specific Reviews

Please refer to ICANN Rolling Five-Year Roadmap: Policy, Review and Cross-Community Working Group (OP&B Appendix A) for the status and estimated timing of policy, review and cross-community working group work

Evaluation of Necessary Changes



FY24-28 and FY24 Operating Plan

Activities planned remain reasonable and there were no changes as a result of public comments.

The only necessary changes were for Registration Data Request Service and the New gTLD Program Next Round activities and budget due to Board Decisions that occurred after publication of the Drafts.



FY24-28 Funding

ICANN Operations planned funding remains unchanged from the Draft posted for public comment.

Projected funding was evaluated with ICANN GDS and no developments over the last few months dictate a change to funding projections.



FY24-28 Financial Plan and FY24 Budget

Financial plan and expenses remain reasonable and unchanged as published in the Drafts posted for public comment.

Registration Data Request Service, formerly known as WHOIS Disclosure System, has been added to the budget, total cost inclusive of existing staff resources \$3.5M.

New gTLD Program Next Round Budget has been adjusted to reflect the \$9M approved Board Resolution at ICANN76.

A Summary of Changes Table is included in the FY24 Highlights Document

Summary of Changes

- ❑ There are no changes to the Operating Plans, Funding or Expenses for the FY24 plans as a result of public comment
- ❑ Changes and enhancements to the Draft Plans were in narratives and presentation only
- ❑ Important step to disclose to enhance Transparency to EC in considering changes in Plan

Type of change	Description of the Change	Comments and Rationale
Updated Functional Activity: Global Meetings Operations	Text updated to the Meetings schedule to align with FY24 Meetings schedule	In response to Public Comments received on text
Updated Operating Initiative: Promote and Evolve the DNS Through Open and Transparent Processes That Enable Competition and Open Entry in Internet-Related Markets While Ensuring the Stability, Security, and Resiliency of the DNS	Added specifics to the “Purposes”, “How Progress is Tracked” and “Resources” sections. Wording update under the “Scope” And “Considerations” section	In response to the Board passing the Resolution for New gTLD Program Next Round implementation
Updated Functional Activity: Internationalized Domain Names and Universal Acceptance	Wording update under the “Activities”, “How Progress is Tracked” and “Resources”	In response to Public Comments received on text
Updated Functional Activity: Strategic Initiatives	Wording update under the “Activities”	In response to the Board passing the Resolution for Registration Data Request Service (RDRS) implementation

Key Discussion Topic:

2) Inflation Update

Inflation Impact to ICANN

- ⦿ The impact of inflation has been revisited and does not require a change to the Draft Plans
- ⦿ Inflation was analyzed and factored into the Draft Plans, resulting in a slightly negative impact to ICANN's funding and expenses
- ⦿ ICANN's funding is projected to slightly decline in FY24 followed by gradual increases as the global economy improves
- ⦿ ICANN faces inflationary pressures in the form of rising costs, such as increased airfare, but can reprioritize its costs and activities in order to spend within available funding
- ⦿ Org will continue to carefully manage expenses and provide diligence when evaluating new and backfill resources, the use of contractors/temporary staff, and other costs such as meetings, travel and external vendors



Inflation and current economic challenges have been reflected in the existing plans so no change is needed

Key Discussion Topic:

3) Funding and Expense Projections

Expenses in Proposed-for-Adoption vs Draft Budget

In Millions, USD	Draft FY24 Budget	Proposed-for-Adoption FY24 Budget	(Over)/Under vs Draft FY24 Budget
ICANN Operations	\$145	\$145	-
New gTLD Program - 2012 Round	4	4	-
New gTLD Program - Next Round	13	5	8
Review Implementation	4	4	-
Registration Data Request Service	-	2	(2)
Grant Program	4	4	-
Total Expenses	\$171	\$164	\$6

- As a result of recent Board decisions, there are two expense changes in the Proposed-for-Adoption Budget versus the draft submitted for public comment.
- For New gTLD Program Next Round, the Draft FY24 Budget assumed a preparation phase of \$13M over the entire fiscal year which has been changed to reflect the recent Board approval.
 - Of the \$9M approved for work in FY23 and FY24, \$5M is reflected in the Proposed-for-Adoption FY24 Budget for work through 31 October 2023. ICANN org will request further funding at ICANN78.
- Registration Data Request Service (previously named WHOIS Disclosure System) has been added to the Budget.
 - Total cost inclusive of existing staff resources is \$3.5M (incurred over FY23 and FY24) of which \$2M is reflected in the Proposed-for-Adoption FY24 Budget.

ICANN Operations Funding Projections

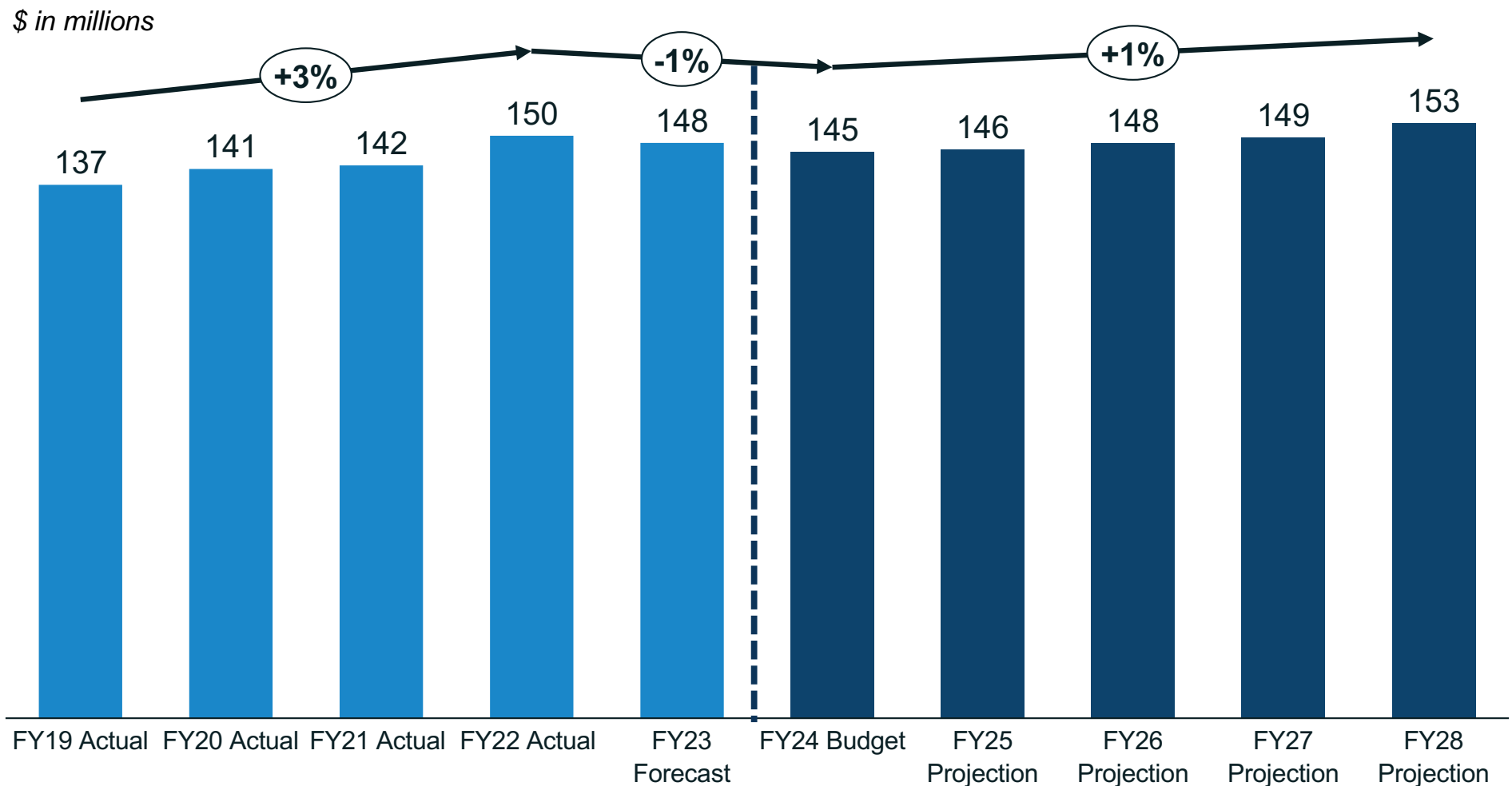
- ICANN Operations Funding projections remain unchanged from the Draft Plans posted for public comment
- In consultation with the Global Domains and Strategy team, ICANN org is maintaining the \$145M funding budget in FY24
 - Includes Registrar fees of \$4,000 annual accreditation, \$3.4M variable fees, and \$0.18 per transaction as published in Draft Plans and prior years (requires Board to establish)
 - Five-year funding projections will also remain as published in the Draft Plans



Funding is unchanged from Draft Plans and is adequate to provide the resources to carry out ICANN's activities

ICANN Operations Funding Trends

- ICANN Operation's funding projections include 3 scenarios: Low, Base, and High.
- The Budget is built using the Base Scenario which is believed to be the most likely; this scenario projects a slight decline followed by modest growth.



Key Discussion Topic:

4) New gTLD Program Next Round Budget

New gTLD Program Next Round Financials

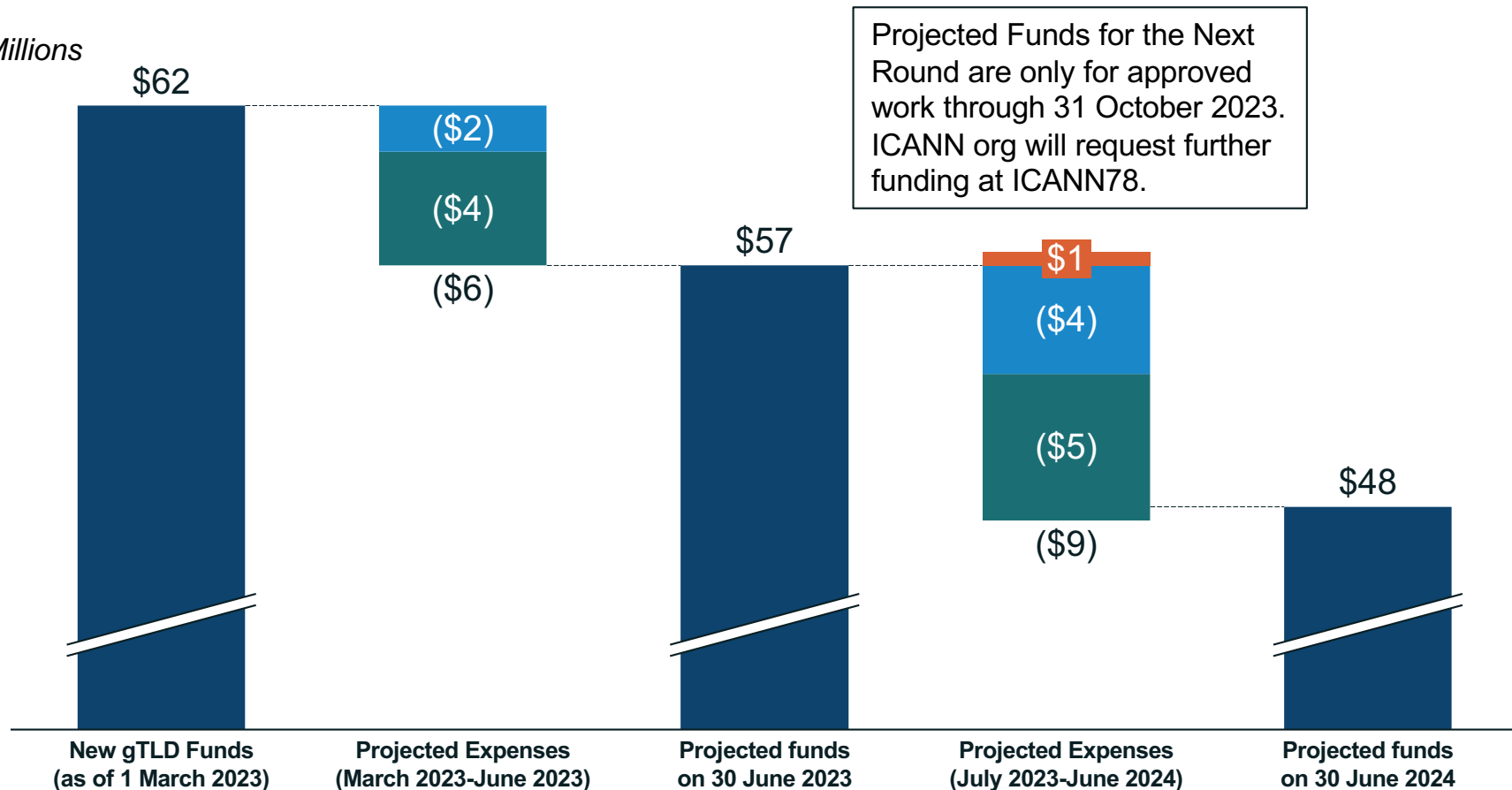
- In December 2022, the ICANN org published its Operational Design Assessment (ODA) report to the ICANN Board for consideration in adopting the Final Report Outputs
- On 16 March 2023, the ICANN Board approved US\$9 million to cover implementation costs through 31 October 2023
- ICANN org will deliver a comprehensive implementation plan to the Board by 01 August 2023
- The funding to pay for New gTLD Program Next Round development costs before program launch, including those of the ODP, will come from the New gTLD Program 2012 Round remaining application fees

New gTLD Program - Next Round (USD in millions)	Approved ODP Funding (January 2022 through March 2023)	Approved Implementation Funding (April 2023 through October 2023)	Total Approved Funding (January 2022 through October 2023)
Personnel	\$6.0	\$5.1	\$11.1
Travel	\$0.0	\$0.4	\$0.4
Prof Svcs	\$2.7	\$2.1	\$4.8
Admin	\$0.2	\$0.5	\$0.7
Total	\$9.0	\$8.0	\$17.0
Contingency		\$1.0	\$1.0
Total Expenses	\$9.0	\$9.0	\$18.0
FTE Equivalent	15.9	27.5	19.6

New gTLD Program Funds Projected Usage

- The costs to process the remaining 2012 applications and fund the Next Round of development work are utilizing the New gTLD Program funds
- The ICANN Board approved US\$9 million of funds in March 2023 to continue development and implementation work for the Next Round through 31 October 2023
- Org is recommending that ICANN \$20M in New gTLD Program funds to cover any remaining costs for the 2012 round

USD in Millions



Projected costs - 2012 New gTLD Applications

Projected Costs - Next Round of New gTLD Applications

Investment Income | 18

Key Discussion Topic:

5) FY24-28 Financial Plan and FY24 Budget

ICANN Operations 5-Year Financial Projections

ICANN OPERATIONS (in Millions USD)						
5-Year Projections	FY24 Budget	FY25 Projections	FY26 Projections	FY27 Projections	FY28 Projections	5-Year Total
Funding	\$145	\$146	\$148	\$149	\$153	\$741
Expense						
Personnel	\$85	\$87	\$90	\$92	\$95	\$449
Travel and Meetings	\$12	\$12	\$12	\$12	\$12	\$59
Professional Services	\$24	\$22	\$22	\$21	\$21	\$109
Administrative	\$18	\$18	\$17	\$16	\$16	\$85
Capital	\$1	\$1	\$1	\$1	\$1	\$6
Contingency	\$5	\$6	\$6	\$7	\$7	\$31
Total Operating Expenses	\$145	\$146	\$148	\$149	\$153	\$741
Net Operating Excess/(Deficit)	\$0	\$0	\$0	\$0	\$0	\$0
Average FTE	413	413	413	413	413	413

- ICANN Operations Funding projections reflect conservative and achievable funding based on recent trends and the current economic outlook.
- Personnel costs increase throughout the five-year period due to inflationary increases.
- Some costs decrease in the five-year period due to reprioritization, but Contingency increases to cover hard-to-predict costs that may occur.

Total ICANN FY24 Proposed-For-Adoption Budget

- ICANN org has different funding sources available and can draw on those funds based on the nature of the work

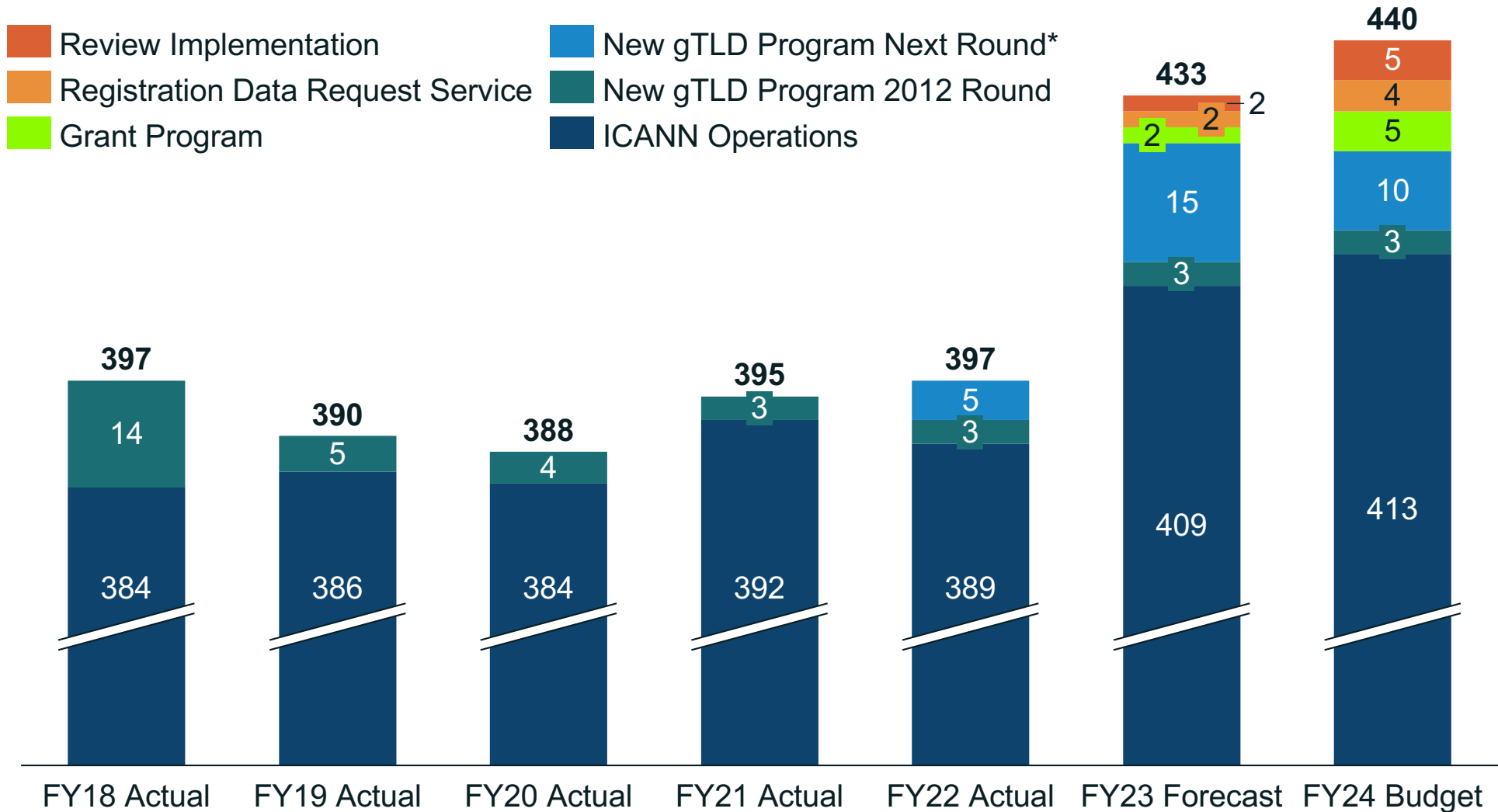
Total ICANN Financials		For the Twelve Months Ending 30 Jun 2024				
In Millions, US dollars	Operating Fund	New gTLD Fund	SFICR	Auction Proceeds	Reserve Fund	Total
Funds Under Management - 30 Jun 2023	\$44	\$57	\$18	\$210	\$164	\$493
Funding	145	-	-	-	-	145
Personnel	(85)	(4)	(3)	(2)	-	(93)
Travel & Meetings	(12)	(0)	(0)	(0)	-	(13)
Professional Services	(29)	(4)	(3)	(2)	-	(38)
Administration	(18)	(0)	(0)	(0)	-	(19)
Capital	(1)	-	-	-	-	(1)
Total Expenses	(145)	(9)	(6)	(4)	-	(164)
Operating Fund Excess Transfers	-	-	-	-	-	-
Grants Distributed	-	-	-	(10)	-	(10)
Investment Income/(Decline)	0.4	0.5	0.1	2.0	1.6	5
Funds Under Management - 30 Jun 2024	\$45	\$48	\$12	\$198	\$165	\$469
Total Average FTE	413	13	9	5	-	440



New gTLD Fund includes work on 2012 Round and New gTLD Program Next Round Implementation costs
 SFICR expenses consist of prioritized Review Implementation and Registration Data Request Service
 Auction Proceeds are utilized for the Grant Program

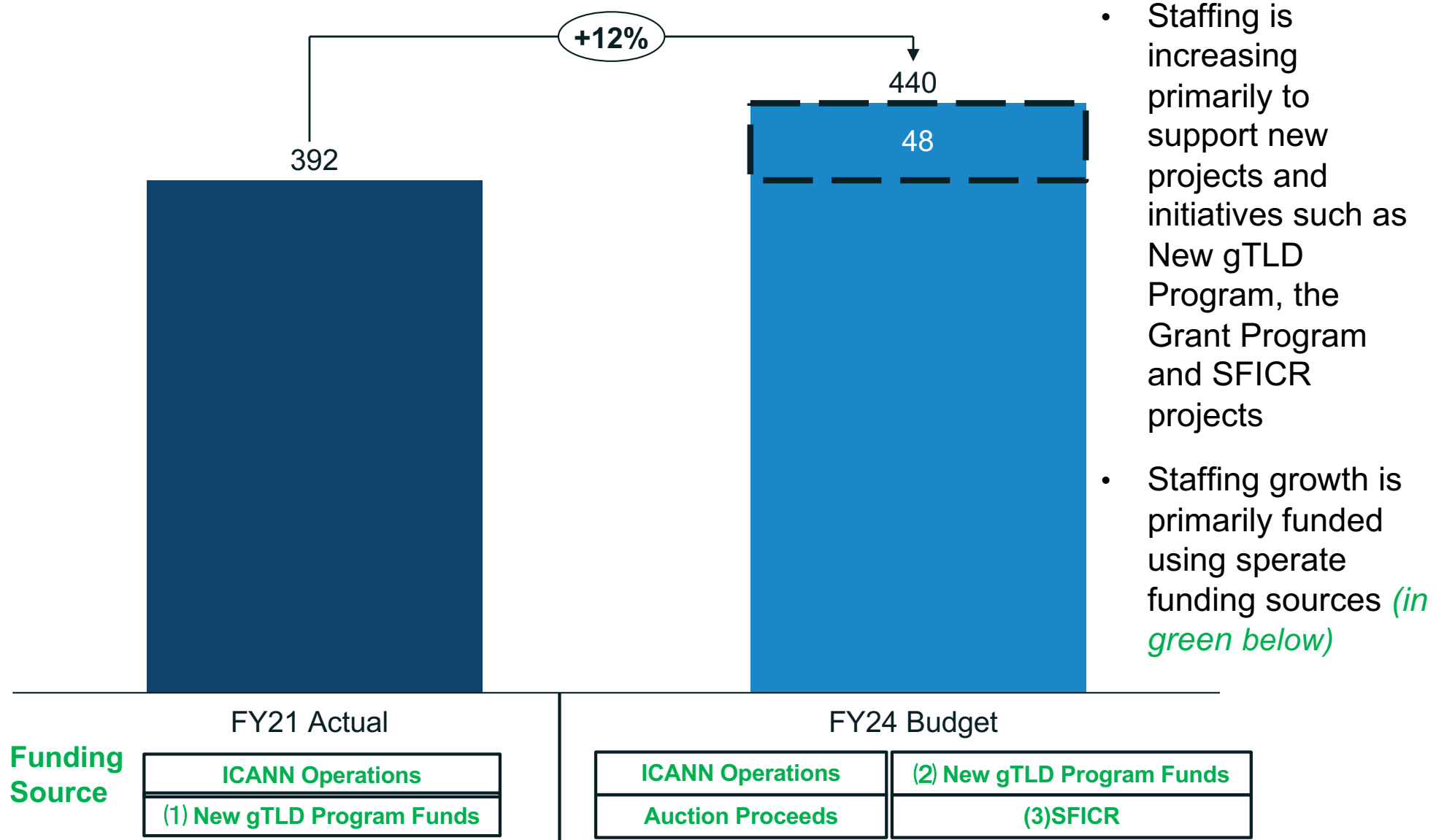
Total ICANN Average FTE Trends

- Recent headcount growth as a result of scaling up programs in segments outside of ICANN Operations



*New gTLD Program Next Round FTEs through 31 October 2023

Staffing Projections (average headcount)



Additional Budget Request Process

- The Additional Budget Request (ABR) process pertains to a dedicated part of the overall ICANN annual budget to fund specific requests from the community for activities that are not already included in the ICANN budget
- The draft budget included a placeholder of \$300K for Additional Budget Requests
- ICANN org has collaborated with the community to evaluate the 18 submissions submitted by 8 groups
- 7 requests are recommended for approval for a total of \$191K; 11 requests not approved because the requests:
 - Did not demonstrate direct relation to current ICANN community policy development, advisory, and technical work
 - Asked for additional travel to ICANN public meetings which is against the ABR principles
 - Should utilize other ICANN programs in place such as NextGen and CROP
- ICANN org is setting aside the remaining \$109K as a placeholder for potential requests and will therefore budget for the full \$300K that was included in the draft budget



No change in Budgeted amount from the published draft budget; the approved submissions and placeholder will be published in the Proposed-For-Adoption budget document

Next Steps

FY24 Planning Process Next Key Steps

What	Who	When
✓ Review Draft FY24-28 O&FP and FY24 OP&B	✓ BFC	✓ 1 December 2022
✓ Draft FY24-28 O&FP and FY24 OP&B Public Comment Proceeding	✓ Community	✓ 14 December 2022- ✓ 13 February 2023
✓ Two Community Webinars	✓ Community	✓ 15 December 2022
✓ Public Comment ends	✓ Community	✓ 13 February 2023
✓ ICANN Board Adopts IANA Budget	✓ Board	✓ 27 February 2023
✓ Review Public Comment Inputs and Issue Public Comment Summary Report	✓ Org	✓ 30 March 2023
✓ BFC Recommends ICANN FY24 Plans Approval	✓ BFC	✓ 17 April 2023
✓ Publication publicly of the Proposed-For-Adoption ICANN FY24 Operating Plan and Budget	✓ Community	✓ 19 April 2023
Review FY24–28 O&FP and FY24 OP&B for Adoption	Board	30 April 2023
Empowered Community Period	Community	May - June 2023 (28 Days)

Board Reference Materials

- **Proposed for Adoption FY24 Plans:**

1. Proposed for Adoption Highlights
2. Proposed for Adoption ICANN FY24-28 Operating and Financial Plan and FY24 Operating Plan
3. Proposed for Adoption ICANN FY24 Budget

- The above plans are published on the [FY24 Plans public comment page](#) following the BFC's recommendation

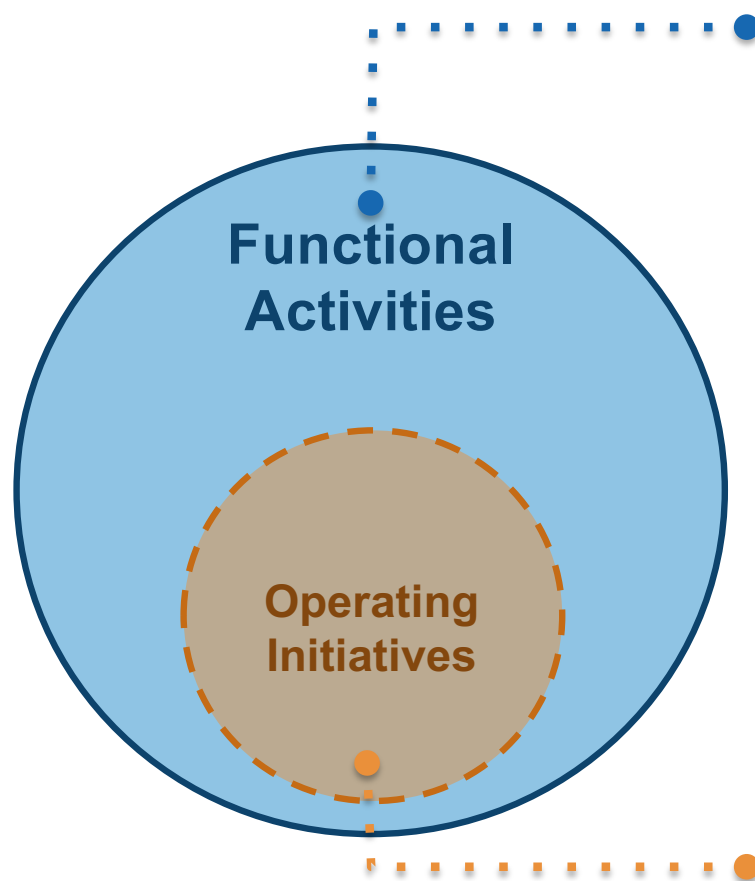
- **Other documents attached:**

4. Board resolution paper
5. Additional Budget Request assessment report

Appendix

5 Year and 1 Year Operating Plan Structure

The Operating Plan includes description of the activities ICANN org will undertake to achieve its Strategic Plan, operate the organization and implement its mission and mandate.



Functional Activities (33 in 5 Service Groups)

Activities of the Functions to:

- ⦿ Implement ICANN's mission and mandate, such as *Contractual Compliance* or *IANA*
or
- ⦿ Operate the organization, such as *Human Resources* or *Finance*

Operating Initiatives (11)

- ⦿ The 11 operating initiatives represent major areas of work that support the strategic objectives identified in the strategic plan

FY24 Operating Initiatives Progress and Highlights – page 1 of 2

	Operating Initiatives	Examples of Key Milestones
1	Support the Evolution and Strengthening of the Root Server System and Root Zone Management	<ul style="list-style-type: none"> ● Finalize prototype and begin internal operation of RSS Metric Monitoring System. ● Publish and implement KSK Rollover Policy. ● Implement the next KSK rollover.
2	Facilitate DNS Ecosystem Improvements	<ul style="list-style-type: none"> ● Continue to work with the Community on KINDNS that was launched in FY23. ● Coordinate a Special Interest Forum on Technology (SIFT) to allow the community to engage technically with ICANN between Public Meetings. ● Evolve efforts to educate registry operators, registrars, and others about DNS security threats and approaches to measure, prevent, detect and mitigate DNS security threats within their platforms. ● Research the use of machine learning to enhance understanding and identification of abusive trends in DNS registration.
3	Evolve and Strengthen the Multistakeholder Model to Facilitate Diverse and Inclusive Participation in Policymaking	<ul style="list-style-type: none"> ● Continue to work with the community to identify tools and other ways to ensure global representation in policy development processes, especially during a prolonged period of fully virtual meetings.
4	Evolve and Strengthen the ICANN Community's Decision-making Processes to Ensure Efficient and Effective Policymaking	<ul style="list-style-type: none"> ● Support individual SOs, ACs, stakeholder groups, and constituencies in continuing to evaluate and revise their internal processes to improve decision-making and ensure transparency, including through work on implementing CCWG-WS2 and support for Empowered Community processes.
5	Evolve and Improve Internal and External Ethics Policies	<ul style="list-style-type: none"> ● Improve internal ICANN org Ethics Program for FY24. ● Collaborate with the ICANN community to develop an ICANN Community Ethics Policy for FY24–25.

FY24 Operating Initiatives Progress and Highlights – page 2 of 2

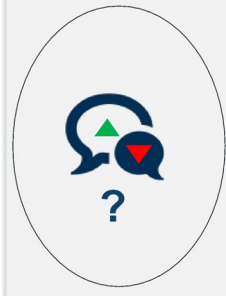
	Operating Initiatives	Examples of Key Milestones
6	Promote and Evolve the Domain Name System (DNS) Through Open and Transparent Processes That Enable Competition and Open Entry in Internet-Related Markets While Ensuring the Stability, Security, and Resiliency of the DNS	<ul style="list-style-type: none"> ● Sub ODP is on track and expected to be completed before FY24. But the related follow-on implementation work will be carried out starting FY24 subject to Board approval of the ODA, this includes planning and executing operational readiness activities, such as systems, tools, process definition, procurement, etc.; planning and executing communications and outreach to support the Sub Pro program. ● The extent of deployment of UA-ready systems, e.g. websites, email servers and other applications.
7	Geopolitical Monitoring, Engagement, and Mitigation	<ul style="list-style-type: none"> ● Strengthening existing relationships and identifying new actors as an ongoing activity. In conjunction with legislative and regulatory tracking, this will give ICANN org another layer of insight and help to prioritize targeted engagement. This includes an ongoing review of alliances based on emerging issues or changes in the focus of other organizations. ● Creating targeted information and capacity-development materials to better equip government stakeholders around the world, enabling them to become more knowledgeable, and, therefore, more active participants in ICANN's policymaking processes.
8	Improve Depth of Understanding Domain Name Market Drivers which Impact ICANN's Funding	<ul style="list-style-type: none"> ● Continue to increase ICANN's overall domain market intelligence in relation to the forecasting process. For instance, ICANN org must continue to build its understanding of the prospective impacts of the COVID-19 pandemic on its future funding. ● Annual delivery of funding assumptions and projections for the next five fiscal years.
9	Implement New gTLD Auction Proceeds Recommendations as Approved by Board	<ul style="list-style-type: none"> ● Expects to conduct an implementation feasibility review assessment, develop the implementation plan and begin execution of deliverables outlined in the plan dependent on Board direction and approval.
10	Planning at ICANN	<ul style="list-style-type: none"> ● Continue to implement the planning prioritization framework during the annual planning process. ● Analysis and define improvement for progress measurement of the Operating Plan.
11	ICANN Reserves	<ul style="list-style-type: none"> ● The minimum reserve fund target level was achieved in FY21 which is 6 years earlier than Board approved timeline

Funding Projection Approach: Formulation of Assumptions

1 Marketplace Horizon Scan



2 Formulation of Assumptions



3 Forecast Generation



Low Funding Scenario

- No new registrar accreditation applications
- Decrease in total number of contracted parties
- Decrease in volume of domain name transactions

Base Case Scenario

- New registrar accreditation applications and terminations largely cancel each other out
- Marginal decrease in total number of contracted parties
- Growth in domain name transactions mirror historical rates & alignment with global Gross Domestic Product (GDP) growth trends

High Funding Scenario

- Growth in new registrar accreditation applications
- Increase in total number of contracted parties
- Stronger than historical average growth rates in domain name transactions & alignment with global Gross Domestic Product (GDP) growth trends

Assumes the retention of the current fixed, transaction-based, and accreditation fees.
Does not include any funding assumptions for New gTLD Subsequent Procedures.

Scenario reflects an assumption of marketplace contraction

Scenario reflects an assumption of steady state of growth in a maturing industry

Scenario reflects an assumption of resurgent marketplace growth

Registrar Fees

- Per Section 3.9 of the 2013 Registrar Accreditation Agreement (RAA), the Board must establish the Registrar Accreditation Fees and Variable Accreditation Fees which are incorporated into the FY24 Operating Plan and Budget
- If the Board approves the Operating Plan and Budget and it is not rejected by the Empowered Community, all registrars are surveyed to vote yes or no to allow ICANN org to continue to bill them for accreditation and variable accreditation fees
 - Votes in favor must constitute over two-thirds of the total which was the case for FY23 Registrar Fees
- Below is a summary of the Registrar fees included in the FY24 Budget:
 - Application fees of \$3,500 per application
 - Annual accreditation fees of \$4,000 annually per registrar
 - Per-Registrar variable fees of \$3.4M annually (\$855,000 per quarter) divided by the number of active registrars in each quarter
 - Transaction-based fees of \$0.18 per add, renew, or transfer transaction

Public Comment Highlights

- ◎ Many commenters expressed their appreciation for the continuous improvement of the planning documents year after year. ICANN org also received several suggestions about future enhancements of the planning documents, that ICANN org will take into consideration in the next planning cycle.
- ◎ Numerous comments supported the activities planned and the transparency of the activities planned for the Operating initiatives.
- ◎ Some commenters acknowledged the inclusion of progress achievement throughout the draft plan, but asked whether this information can be centralized in the document for easy recognition.
- ◎ Comments around prioritization indicate the need to prioritize from the ecosystem perspective and the need to focus on ICANN's mandate to support policy development and implementation

Number of Comments by Theme and by Submitter

Theme	Total Number FY24	%	ccNSO Strategic and Operational Planning Committee (ccNSO SOPC)	At-Large Advisory Committee (ALAC)	gTLD Registries Stakeholder Group (RySG)	ICANN Governmental Advisory Committee (GAC)	ICANN Business Constituency (BC)	Individual
Operating Initiatives Plan	26	33%	6	16	4			
Functional Activities Plans	23	27%	17	2	1	2	1	
Financial Management	15	19%	5	5	3	1	1	
Operating Plan	8	10%	5		1		2	
Document Structure	7	9%	1	2	3	1		
Other	2	2%				1		1
Total	81		34	25	12	5	4	1

Public Comments: Breakdown by SO/AC

Number Submitters		FY22 Number of Comments	FY23 Number of Comments	FY24 Number of Comments	FY24-FY23 Higher/(Lower)
1	ccNSO Strategic and Operational Planning Committee (ccNSO SOPC)	57	28	34	6
2	At-Large Advisory Committee (ALAC)	19	22	25	3
3	gTLD Registries Stakeholder Group (RySG)	33	20	12	-8
4	ICANN Governmental Advisory Committee (GAC)	7		5	5
5	ICANN Business Constituency (BC)	64	18	4	-14
6	Individual	1		1	1
7	Article 19	2			
8	Coordination Center for TLD RU (ccNSO Community)	6			
9	Generic Names Supporting Organization Council (GNSO)	15	9		-9
10	Non-Commercial Stakeholders Group (NCSG)	10			
11	The Registrar Stakeholder Group (RrSG)	4	3		-3
Total		218	100	81	-19
# of Submitters		11	6	6	6

* 2 of the 6 submissions were received late.

Public Comments and Empowered Community

- ⦿ Article 6, Section 6.2 of the ICANN Bylaws, Powers and Acknowledgements, defines the powers and rights attributed to the Empowered Community.
 - One of those powers follows: “(iii) Reject ICANN Budgets, IANA Budgets, Operating Plans as defined in Section 22.5(a)(i), and Strategic Plans as defined in Section 22.5(b)(i).”
 - This is typically a 28-day period after Board Adoption that includes 21 days to raise a petition and seven days to achieve support. Therefore, even when no petition is raised against the budget, there is a 28-day waiting period for the budget to go into effect.
- ⦿ In the Bylaws (Section 2.2. (A) in the Annex D): the Procedure for exercise of EC's rights to reject specified actions is further described as:

“...the Rejection Action Petition Notice is based on one or more significant issues that were specifically raised in the applicable public comment period(s) relating to perceived inconsistencies with the Mission, purpose and role set forth in ICANN's Articles of Incorporation and Bylaws, the global public interest, the needs of ICANN's stakeholders, financial stability, or other matter of concern to the community”

FY24 SO/AC Additional Budget Requests

- All requests that met the program criteria were approved

Organization	Yes	No	FY24 Recommend Amount
ALAC	1	1	20,000
BC	1	2	30,000
EURALO	0	1	-
GAC	1	0	20,000
GNSO Council	1	1	20,000
LACRALO	1	5	20,000
RALOs	1	1	25,000
RySG	1	0	56,000
Community Contingency			109,000
FY24 Total	7	11	300,000

FY23 Requests	5	15	100,000
Community Contingency			200,000
FY23 Total			300,000

In the interest of keeping the \$0.3M ABR budget whole for the community, the remaining budget of \$68k not allocated to SO/AC requests will be held as a contingency fund for any unforeseen requests or needs that arise in FY24

FY24 SO/AC Additional Budget Requests

Organization	Yes	No	FY24 Recommend Amount
Outreach	3	4	75,000
Research	1	1	20,000
Training	2	4	40,000
Travel Support	1	1	56,000
Other	0	1	-
Community Contingency			109,000
FY24 total	7	11	300,000

Projected Funds Under Management

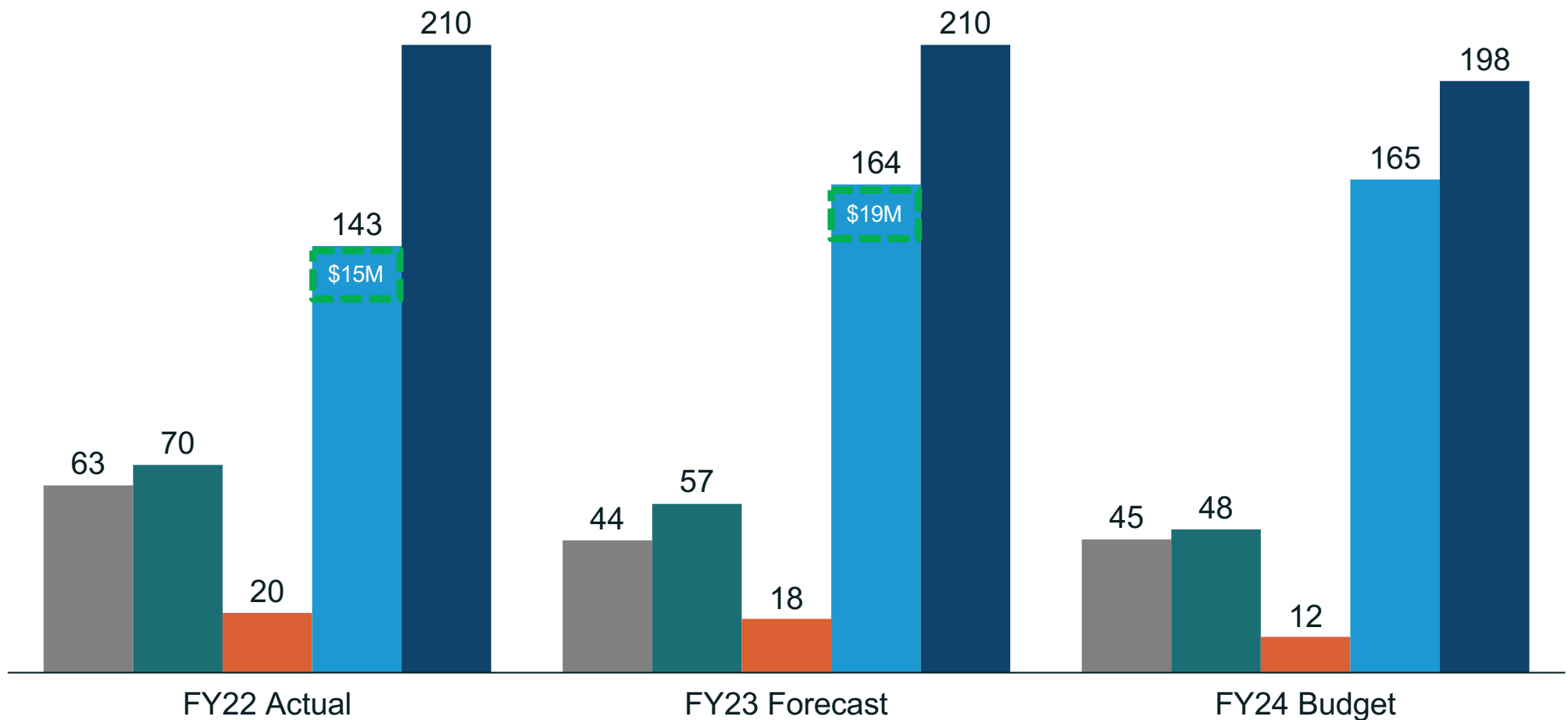
Operating Fund SFICR Auction Proceeds
New gTLD Fund Reserve Fund

\$ in Millions; Balance on 30 June of each fiscal year

FY22 Total Funds Under Management: **\$506M**

FY23 Total Funds Under Management: **\$493M**

FY24 Total Funds Under Management: **\$469M**



ICANN Operations: FY24 Budget vs FY23 Forecast

In Millions, USD	FY24 Budget	FY23 Forecast	Under/(Over) vs. FY23 Forecast	
	ICANN Operations	ICANN Operations	\$	%
Funding	\$145	\$148	(\$2)	-2%
Personnel	\$85	\$83	(\$1)	-1%
Travel & Meetings	\$12	\$13	\$1	6%
Professional Services	\$24	\$27	\$4	13%
Administration	\$18	\$18	(\$0)	-1%
Capital	\$1	\$2	\$1	29%
Contingency ⁽¹⁾	\$5	\$4	(\$1)	-30%
Total Operating Expenses	\$145	\$148	\$2	2%
Net Operating Excess/(Deficit)	\$0	\$0	\$0	0%
Average Headcount	413	409	(4)	-1%

⁽¹⁾ Contingency represents an amount of budgeted expenses unallocated to specific activities or functions

- ◎ FY24 Budget Funding is projected to decline from the prior year as unfavorable economic trends are projected to persist in FY24.

Prioritized Specific Review Recommendations

- In February 2022, ICANN org's Planning team developed a planning prioritization framework to help the ICANN ecosystem prioritize its work within the planning cycle in a manner that is transparent, inclusive, and efficient
- ICANN org has identified 45 Board approved recommendations that can be implemented in the next year with incremental funding outside of the annual plan and operating budget
- In November 2022, the ICANN Board resolved to use US\$5.8 million from the SFICR to fund one-time implementation efforts for Board approved prioritized review implementations
- After implementation, all ongoing expenses of the identified recommendations will be part of the ICANN ongoing operations budget

Reviews Implementation	FY23 Forecast				FY24 Budget			
	Personnel		Non-Personnel	Total	Personnel		Non-Personnel	Total
Activity	FTE	\$	\$	\$	FTE	\$	\$	\$
ATRT3	1.8	\$0.4	\$0.9	\$1.2	4.2	\$0.9	\$0.5	\$1.4
CCT	1.8	\$0.4	\$0.7	\$1.1	4.1	\$0.9	\$0.4	\$1.3
SSR2	0.4	\$0.1	\$0.2	\$0.3	1.0	\$0.2	\$0.1	\$0.3
RDS - WHOIS2	0.2	\$0.0	\$0.0	\$0.0	0.4	\$0.1	\$0.0	\$0.1
Grand Total	4.1	\$0.9	\$1.7	\$2.6	9.7	\$2.1	\$1.0	\$3.2

Grant Program

- ⦿ Applications will be accepted and processed in cycles, the first one distributing up to US\$10M
- ⦿ ICANN org estimates to receive 200 applications and approve approximately 50 grants
- ⦿ One-time implementation costs include creating the Grant Program department, applicant helpdesk, program website, program literature and documentation
- ⦿ The recurring program operational costs include ICANN staff, awareness and outreach communication campaigns, and outsourced services for an independent evaluation panel
- ⦿ The program implementation costs will be incurred primarily in FY23 and the beginning of FY24, and the operational costs will be incurred during FY24 and finishing in early FY25.

New gTLD Program 2012 Round Overview

New gTLD Program 2012 Round	Statement of Activities by Fiscal Year					Statement of Activities for Full Program (Jun 2022) Current Estimate
	FY12 - FY21 Actual	FY22 Actuals	FY23 Forecast	FY24 Budget	FY25 & Beyond Forecast	
New gTLD Applicant Fees	360	(0)	0	0	1	361
Refunds	(52)	0	(0)	(0)	(0)	(53)
Applicant Fees (Net of Refunds)	\$ 308	\$ 0	\$ 0	\$ 0	\$ 0	\$ 308
Initial and Extended Evaluation	(68)	-	-	-	-	(68)
Quality Control and Objection Processes	(11)	-	-	-	-	(11)
Pre-delegation	(12)	-	-	-	-	(12)
Program Costs	(40)	(1)	(2)	(3)	(7)	(53)
Staff Costs	(58)	(2)	(1)	(1)	(1)	(63)
Operating Expenses	\$ (188)	\$ (3)	\$ (3)	\$ (4)	\$ (8)	\$ (206)
Historical Development Costs	(32)	-	-	-	-	(32)
Contingency	(30)	(3)	(1)	-	-	(33)
Non Operating Expenses	\$ (62)	\$ (3)	\$ (1)	\$ -	\$ -	\$ (66)
Other Income/(Expense)	\$ (2)	\$ -	\$ -	\$ -	\$ -	\$ (2)
Investment Income/(Expense)	\$ 11	\$ (0)	\$ 0	\$ -	\$ -	\$ 11
Total Expenses	\$ (241)	\$ (6)	\$ (4)	\$ (4)	\$ (8)	\$ (263)
Net Remaining New gTLD Funds*	\$ 67	\$ (6)	\$ (4)	\$ (3)	\$ (8)	\$ 46

*Note - September 2021 the ICANN Board approved the expenditure of up to US\$9M of New gTLD 2012 Round funds to perform the New gTLD Subsequent Procedures ODP

- Contingency and investment gains are not estimated for future years

ICANN BOARD PAPER NO. 2023.04.30.2c

TITLE: **GNSO Policy Recommendations on Curative Rights
Protections for International Governmental Organizations
(IGOs)**

PROPOSED ACTION: **For Board Consideration and Approval**

EXECUTIVE SUMMARY:

Between June 2014 and June 2022, the Generic Names Supporting Organization (GNSO) Council conducted two policy development processes covering various aspects of second-level protections for IGO acronyms. The Board is being asked to vote on whether to adopt these two sets of policy recommendations from the GNSO at its meeting on 30 April 2023.

The first GNSO policy effort concluded in April 2019, when the GNSO Council approved four of the five recommendations¹ developed through the IGO-INGO Access to Curative Rights in All gTLDs Protections Policy Development Process (PDP)². The GNSO Council transmitted its Bylaws-required Recommendations Report³ for this PDP to the Board in May 2019. The second GNSO policy process was an Expedited PDP (EPDP) that the GNSO Council had tasked to develop specific policy recommendations that are “generally consistent” with the four recommendations that the GNSO Council had approved from the previous PDP and that address the concerns raised in relation to the fifth and final PDP recommendation that the GNSO Council had not approved. The EPDP completed its work in April 2022⁴. The GNSO Council approved⁵

¹ PDP Final Report: <https://gnso.icann.org/en/issues/igo-ingo-crp-access-final-17jul18-en.pdf>.

² See <https://gnso.icann.org/en/council/resolutions#201905>. The two Council members representing the Intellectual Property Constituency voted against the motion, on the basis that there had been significant process issues during the PDP and concern that approving the outcomes could be viewed as rewarding those participants who had contributed to the disruptiveness (see the IPC Councilors’ rationale here: <https://gnso.icann.org/en/council/resolutions#201905>).

³ See <https://gnso.icann.org/sites/default/files/file/field-file-attach/council-recommendations-pdp-igo-ingo-crp-access-final-16may19-en.pdf>.

⁴ EPDP Final Report: <https://gnso.icann.org/en/issues/epdp-specific-crp-igo-final-report-02apr22-en.pdf>.

⁵ See <https://gnso.icann.org/en/council/resolutions/2020-current#202206>.

all five Full Consensus recommendations from the EPDP in June 2022 and transmitted its Recommendations Report⁶ to the Board in July 2022.

At the time, the Bylaws-mandated Public Comment process⁷ for the 2019 PDP indicated that the community was divided in its support for the four GNSO Council-approved recommendations, with IGOs generally opposing their adoption. However, subsequent developments – most notably, IGO participation in the later EPDP that resulted in five Full Consensus recommendations – are likely to have mitigated the concerns expressed during the Public Comment proceeding at the time. In similar vein, in response to the Board’s Bylaws-required notification⁸ to the Governmental Advisory Committee (GAC), the GAC had advised the Board at the time to “abstain from taking a decision on these Recommendations inter alia to allow the parties sufficient time to explore possible ways forward”⁹. The Board’s reply noted that it had formed a new Caucus Group on the topic, and it did “not presently intend to act on the GNSO’s PDP recommendations 1, 2, 3, and 4 until the newly formed Board Caucus Group has completed its review of the matter and formulated suggestions for possible paths forward”¹⁰. Since then, the Board Caucus Group has completed its work and recommends that the Board proceed with voting to adopt the GNSO’s approved recommendations.

The Public Comment proceeding¹¹ for the 2022 EPDP did not raise any new issues that the EPDP team had not already considered during its deliberations and the ICANN community structures that filed public comments (the GAC, the GNSO’s Business Constituency and Registries and Registrars Stakeholder Groups) all supported the recommendations. In response to the Board’s notification¹², the GAC issued Consensus Advice¹³ in its Cancun Communique¹⁴ for

⁶ See <https://gnso.icann.org/sites/default/files/policy/2022/draft/draft-epdp-specific-curative-rights-protections-for-igos-report-11jul22-en.pdf>.

⁷ See <https://www.icann.org/public-comments/igo-ingo-crp-recommendations-2019-07-11-en>.

⁸ See <https://www.icann.org/en/system/files/correspondence/chalaby-to-ismail-11jul19-en.pdf>.

⁹ See <https://www.icann.org/en/system/files/correspondence/ismail-to-chalaby-20aug19-en.pdf>.

¹⁰ See <https://www.icann.org/en/system/files/correspondence/chalaby-to-ismail-14oct19-en.pdf>.

¹¹ See <https://www.icann.org/en/public-comment/proceeding/final-report-from-the-epdp-on-specific-curative-rights-protections-for-igos-28-11-2022>.

¹² See <https://www.icann.org/en/system/files/correspondence/sinha-to-ismail-01dec22-en.pdf>.

¹³ For the definition of “GAC Consensus Advice” and the implications for Board actions, see Section 12.2(a)(x) of the ICANN Bylaws: <https://www.icann.org/resources/pages/governance/bylaws-en>.

¹⁴ See <https://gac.icann.org/advice/communiqués/ICANN76%20Cancun%20Communique.pdf>.

the Board to “proceed with the approval of the recommendations of the EPDP on Specific Curative Rights Protections for implementation [and to] maintain the current moratorium on the registration of IGO acronyms as domain names in New gTLDs presently in place until the full implementation of the recommendations of the EPDP on Specific Curative Rights Protections”¹⁵.

The Board has also received a briefing¹⁶ from the GNSO Council on the EPDP recommendations and engaged with the GAC and GNSO Council on the topic of second level IGO curative rights protections, most recently at ICANN76 in Cancun, Mexico in March 2023. In its customary review of the most recent GAC Communique, the GNSO Council noted recently that it “trusts that the Board will approve the recommendations of the Curative Rights PDPs and initiate an [Implementation Review Team]. While the next steps on this are a matter for the Board, the final resolution of this work on IGO protections was identified as a strategic priority for the GNSO during the Council [Strategic Planning Session] in December 2022”¹⁷.

It is necessary to note here that the scope of the earlier (2019) PDP included International Non-Governmental Organizations (INGOs) while the more recent EPDP covered only IGOs. However, in relation to INGOs, the 2019 PDP final recommendations were that no substantive changes to the existing curative rights mechanisms should be made, nor should a new dispute resolution procedure be created. Thus, should the Board vote to adopt the two sets of GNSO policy recommendations, their impact will be on IGOs only¹⁸.

¹⁵ The Cancun Communique also expressly affirmed that the Consensus Advice supersedes prior GAC advice on IGO curative rights, which was not consistent with what the EPDP team ultimately proposed.

¹⁶ The recording is available here: <https://community.icann.org/x/MIM-DQ> and the accompanying presentation can be accessed here: <https://gns0.icann.org/sites/default/files/policy/2023/presentation/epdp-scrp-igo-final-report-11jan23-en.pdf>.

¹⁷ See <https://www.icann.org/en/system/files/correspondence/duc0s-to-sinha-10apr23-en.pdf>.

¹⁸ For completeness, it should be noted that in 2014 the Board adopted a different type of top- and second-level protection for INGOs as well as for the full names (but not acronyms) of IGOs, as recommended by the GNSO and consistent with GAC advice on those specific issues. These are considered “preventative” protections and concern the reservation of INGO and IGO full names at the top and second levels, as well as certain identifiers associated with the International Red Cross Movement and the International Olympic Committee. These recommendations are now effective as an ICANN Consensus Policy: <https://www.icann.org/resources/pages/igo-ingo-protection-policy-2020-02-18-en>.

The two sets of GNSO policy recommendations are generally consistent¹⁹ with each other and the requisite Public Comment proceedings did not reveal any new or significant issues indicating that the two sets of recommendations are not in the best interests of ICANN or the ICANN community.

BACKGROUND

The term “curative rights protection mechanisms” refers to the existing, second-level dispute resolution mechanisms that were developed by the ICANN community to resolve cyber-squatting disputes between a trademark rights-holder and a domain name registrant. These mechanisms are the Uniform Domain Name Dispute Resolution Policy (UDRP), which is the first of ICANN’s Consensus Policies, having been implemented in 1999, and the Uniform Rapid Suspension procedure (URS), which is based substantially on the UDRP and developed specifically to apply to the new gTLDs delegated under the 2012 New gTLD Program round. As designed, IGOs and INGOs may encounter difficulties using these dispute resolution processes, due to the requirement that a complainant must hold a trademark or service mark. While some IGOs may indeed have trademarks in their acronyms or other identifiers, this is not necessarily the case for all IGOs. This problem was recognized in both the Issue Report and the Final Report from the 2019 GNSO PDP on IGO-INGO Access to Curative Rights Protection Mechanisms.

The recommendations from that 2019 PDP do not include substantive proposals to modify the UDRP or URS. Instead, they center on the preparation and provision by ICANN org of Policy

¹⁹ As confirmed by most of the EPDP team, on Page 7 of their Final Report: <https://gnso.icann.org/sites/default/files/file/field-file-attach/epdp-specific-cr-igo-final-report-02apr22-en.pdf>. The Internet Commerce Association (ICA), a non-profit advocacy group representing registrants (including domain name investors), had participated in the 2019 PDP and one of its directors was a member of the EPDP team (though as a representative of the GNSO’s Business Constituency). Its Public Comment noted the ICA’s belief that the final EPDP recommendations did not in fact comply with the GNSO Council’s instructions to the EPDP team and it suggested that the Board “carefully evaluate whether the policy proposals made by the EPDP in the Final Report genuinely comply in spirit and in substance with the specific mandate provided to the EPDP”: see <https://itp.cdn.icann.org/public-comment/proceeding/Final%20Report%20from%20the%20EPDP%20on%20Specific%20Curative%20Rights%20Protections%20for%20IGOs-28-11-2022/submissions/Internet%20Commerce%20Association/ICA%20IGO%20Public%20Comment%20on%20EPDP%20Final%20Report%20-%20January%2030%202023-29-01-2023.pdf> for the full ICA comment.

Guidance about procedural options that may be available to IGOs who do not hold trademarks to still use the UDRP or URS.

The subsequent 2022 EPDP recommendations include substantive proposals to add specific provisions to the UDRP and URS Rules that will make it possible for IGOs to use these mechanisms without the need to own a trademark. The recommendations also include adding a voluntary arbitration component to both mechanisms. However, IGO Complainants must still meet all the criteria and other substantive requirements that all complainants must satisfy to succeed under these processes, including the need to prove that the domain name registrant (respondent) does not have a legitimate right or interest in the domain name, and has registered as well as used that domain name in bad faith.

It is important to note that the two sets of recommendations that are the subject of the Board vote at this time do not include the remaining policy recommendations from the GNSO's 2012-2013 PDP concerning "preventative" rights for IGOs. These remaining recommendations are not consistent with GAC Consensus Advice, and the Board has begun to engage with the GAC to discuss a possible resolution of the matter. As discussed at the Board workshops in September 2022 and January 2023, the Board also plans to engage with the GNSO Council after the Board votes on the GNSO's curative rights recommendations.

In addition, to ensure that any preventative protections afforded to IGOs are consistent with IGO legal rights under international law, the Board has proposed that ICANN org develop and provide an ongoing (permanent) notification system for IGOs that will alert an IGO when a second-level domain name exactly matching its acronym is registered in a gTLD. ICANN org has begun work on this proposed system.

When implemented, the post-registration notification system will also include exact matches for five specific acronyms associated with the two international organizations within the International Red Cross and Red Crescent movement: viz., the acronyms of the International Committee of the Red Cross (ICRC, CICR, MKKK) and the acronyms of the International Federation of Red Cross and Red Crescent Societies (IFRC, CFRC). This is consistent with the

GAC's advice, most recently in its Montreal Communiqué²⁰ from November 2019, that these acronyms be addressed under the same protection regime to be agreed and implemented for the acronyms of IGOs.

Finally, the Board is expected to take action shortly on the GAC's Consensus Advice from the Cancun Communiqué, potentially at its next meeting. This advice includes the GAC's request that the Board maintain the current moratorium on the list of IGO acronyms that the Board has withheld from registration on an interim basis until the IGO curative rights protections are fully implemented.

BOARD IGO CAUCUS GROUP RECOMMENDATION:

Having reviewed the relevant materials and briefings from ICANN org staff, the Board's IGO Caucus Group recommends that the Board: (1) adopt the four recommendations that the GNSO Council approved in April 2019 from the PDP on IGO-INGO Access to Curative Rights Protection Mechanisms, and the five Full Consensus recommendations from the EPDP on Specific Curative Rights Protections for IGOs that the GNSO Council approved unanimously in June 2022; and (2) directs ICANN's Interim CEO and President, or her designee(s), to proceed with implementation of these two sets of GNSO policy recommendations.

PROPOSED RESOLUTION:

Whereas, on 5 June 2014, the GNSO Council resolved²¹ to initiate a Policy Development Process (PDP) to evaluate whether ICANN's second-level dispute resolution mechanisms, viz. the Uniform Domain Name Dispute Resolution Policy (UDRP) and the Uniform Rapid Suspension procedure (URS), should be amended to enable their access and use by International Governmental Organizations (IGOs) and International Non-Governmental Organizations (INGOs), or if a separate, narrowly-tailored procedure modeled on these curative rights protection measures should be developed to apply to IGO and INGO identifiers.

²⁰ <https://gac.icann.org/contentMigrated/icann66-montreal-communique>.

²¹ <https://gnso.icann.org/en/council/resolutions#20140605-2>.

Whereas, on 9 July 2018, the PDP Working Group completed its work and submitted its Final Report²² to the GNSO Council.

Whereas, on 18 April 2019, the GNSO Council approved²³ four out of the five final recommendations from the PDP Working Group, and directed the Review of All Rights Protection Mechanisms (RPMs) PDP Working Group to consider, as part of its upcoming Phase 2 work, whether an appropriate policy solution can be developed that is generally consistent with the four recommendations that the GNSO Council approved and in line with specific considerations laid out by the GNSO Council, including recognizing the possibility that an IGO may have jurisdictional immunity in some circumstances and preserving a registrant's right to a judicial review of a UDRP or URS panel decision.

Whereas, on 19 August 2021, in view of its decision to review the scope of Phase 2 of the RPMs PDP, the GNSO Council took the procedural step²⁴ of initiating an Expedited PDP (EPDP) on Specific Curative Rights Protections for IGOs, to continue the work originally launched as a separate IGO Work Track within the RPMs PDP and with the same scope of work²⁵.

Whereas, on 4 April 2022, the EPDP team completed its work and submitted its Final Report²⁶ to the GNSO Council.

Whereas, on 15 June 2022, the GNSO Council unanimously approved²⁷ all five Full Consensus recommendations from the EPDP and transmitted its Recommendations Report²⁸ to the Board on 21 July 2022.

Whereas, the IGO-INGO Access to Curative Rights Protection Mechanisms PDP and the EPDP on Specific Curative Rights Protections for IGOs have followed all the necessary steps and processes required by the ICANN Bylaws, the GNSO PDP Manual and the GNSO Working

²² <https://gnso.icann.org/en/issues/igo-ingo-crp-access-final-17jul18-en.pdf>.

²³ <https://gnso.icann.org/en/council/resolutions#201905>.

²⁴ <https://gnso.icann.org/en/council/resolutions/2020-current#20210819-2>.

²⁵ <https://gnso.icann.org/en/issues/specific-crp-igo-epdp-charter-16aug21-en.pdf>.

²⁶ <https://gnso.icann.org/en/issues/epdp-specific-crp-igo-final-report-02apr22-en.pdf>.

²⁷ <https://gnso.icann.org/en/council/resolutions/2020-current#202206>.

²⁸ <https://gnso.icann.org/sites/default/files/policy/2022/draft/draft-epdp-specific-curative-rights-protections-for-igos-report-11jul22-en.pdf>.

Group Guidelines, including the publication of Initial Reports²⁹ for Public Comments and consideration of the public comments received thereto.

Whereas, on 11 July 2019 and 28 November 2022 respectively, the PDP and EPDP Final Reports were published for Public Comment³⁰ to inform Board action on the reports, in accordance with the Bylaws.

Whereas, on 11 July 2019, the ICANN Board notified³¹ the GAC of the GNSO Council's approval of four of the five recommendations from the IGO-INGO Access to Curative Rights Protection Mechanisms PDP, in accordance with the Bylaws, and on 20 August 2019 the GAC advised the Board to abstain from taking a decision to allow the parties sufficient time to explore possible ways forward³².

Whereas, on 14 October 2019, the Board informed the GAC that the Board had formed a new Caucus Group on the topic, and it did not intend to act at the time on the four PDP recommendations until the Caucus Group has reviewed and formulated suggestions for possible paths forward³³.

Whereas, on 1 December 2022, the Board notified³⁴ the GAC of the GNSO Council's approval of all five recommendations from the EPDP on Specific Curative Rights Protections for IGOs, in accordance with the Bylaws, and in its Cancun Communique³⁵ the GAC advised the Board, inter alia, to proceed with the approval of the recommendations for implementation.

²⁹ <https://gnso.icann.org/en/issues/igo-ingo-crp-access-initial-19jan17-en.pdf> and <https://gnso.icann.org/en/issues/specific-crp-igo-epdp-initial-report-preliminary-recommendations-14sep21-en.pdf>.

³⁰ <https://www.icann.org/public-comments/igo-ingo-crp-recommendations-2019-07-11-en> and <https://www.icann.org/en/public-comment/proceeding/final-report-from-the-epdp-on-specific-curative-rights-protections-for-igos-28-11-2022>.

³¹ <https://www.icann.org/en/system/files/correspondence/chalaby-to-ismail-11jul19-en.pdf>.

³² See <https://www.icann.org/en/system/files/correspondence/ismail-to-chalaby-20aug19-en.pdf>.

³³ See <https://www.icann.org/en/system/files/correspondence/chalaby-to-ismail-14oct19-en.pdf>.

³⁴ See <https://www.icann.org/en/system/files/correspondence/sinha-to-ismail-01dec22-en.pdf>.

³⁵ See <https://gac.icann.org/advice/communiques/ICANN76%20Cancun%20Communique.pdf>.

Whereas, following review of the matter by the Board's Caucus Group, the Board has considered the recommendations that the GNSO Council approved from the two policy development processes as well as the Public Comments submitted.

Resolved (2023.04.30.xx) the Board thanks the members of the IGO-INGO Access to Curative Rights Protection Mechanisms PDP Working Group and the members of the EPDP team on Specific Curative Rights Protections for IGOs for their dedication and work on these longstanding policy issues.

Resolved (2023.04.30.xx), the ICANN Board adopts the four recommendations that the GNSO Council approved from the IGO-INGO Access to Curative Rights Protection Mechanisms PDP and the five recommendations that the GNSO Council approved from the EPDP on Specific Curative Rights Protections for IGOs.

Resolved (2023.04.30.xx), the ICANN Board directs ICANN's President and CEO, or her designee(s), to proceed with the implementation of these recommendations as soon as feasible; and to develop and submit to the Board an implementation plan, including estimates on staffing, resources and timelines, to inform the Board as to how the implementation of these recommendations fit into ICANN org's operational planning and prioritization of its ongoing work to implement other community-developed recommendations that the Board has adopted.

PROPOSED RATIONALE:

Why is the Board addressing the issue?

The appropriate nature and scope of policy protections for the names and acronyms associated with IGOs has been a longstanding issue in the community. In April 2014, following an initial GNSO PDP on Protection of IGO and INGO Identifiers in All gTLDs, conducted between October 2012 and November 2013, the Board voted to adopt several GNSO PDP recommendations concerning top and second level protections for the full names of IGOs on a

list prepared by the GAC. Those recommendations are now the subject of an ICANN Consensus Policy (effective 1 August 2018³⁶).

The GNSO PDP had also recommended that the GNSO Council consider policy work to explore possible amendments to the UDRP and URS, to enable their use by protected IGOs and INGOs. The GNSO Council initiated the IGO-INGO Access to Curative Rights Protection Mechanisms PDP to consider the issue in June 2014. In July 2019, the GNSO Council decided to approve four of the five recommendations from the PDP and directed that additional policy work be conducted on the subject of the fifth recommendation that it decided not to approve. This resulted in the GNSO Council's chartering of the EPDP on Specific Curative Rights Protections for IGOs in August 2021.

Throughout the various policy processes, the GAC had provided Consensus Advice to the Board on the overall topic of IGO protections, including, specifically, on the question of second-level curative rights protections; viz., in the Los Angeles (October 2014), Hyderabad (November 2016) and Johannesburg (June 2017) Communiques. In its most recent Cancun Communique (March 2023), the GAC advised the Board to proceed to adopt the EPDP recommendations and noted that this advice superseded those from the previous Communiques insofar as the EPDP recommendations propose "targeted amendments to the UDRP Rules to accommodate IGOs in addressing the abuse of IGO identifiers in the DNS".

Under Section 11.3(i)(x) of the ICANN Bylaws, the GNSO Council's Supermajority support for the four PDP recommendations and its unanimous approval of the five subsequent EPDP recommendations obligates the Board to adopt the recommendations unless, by a vote of more than two-thirds, the Board determines that the policy is not in the best interests of the ICANN community or ICANN.

What is the proposal being considered?

The four recommendations that the GNSO Council approved from the 2019 PDP included specific recommendations not to create a new and separate dispute resolution mechanism for

³⁶ The full text of the Policy can be found at <https://www.icann.org/resources/pages/igo-ingo-protection-policy-2020-02-18-en>.

IGOs and INGOs. For INGOs (but not IGOs), there was an additional recommendation not to amend the UDRP or URS. The remainder of the recommendations focused on the provision of Policy Guidance on the UDRP and URS by ICANN org to IGOs, registrants and the GAC, noting the procedural options available to IGOs that do not hold trademarks in their acronyms.

The five recommendations that the GNSO Council approved from the 2022 EPDP achieved Full Consensus across the EPDP team, which included participants from the GAC and several IGOs. The recommendations include the addition of a definition of “IGO Complainant” and a voluntary arbitration component to both the UDRP and URS Rules, without affecting the respondent-registrant’s ability to file judicial proceedings against an IGO at any time during a UDRP or URS proceeding. The recommendations also address the question of what the applicable law in an arbitration proceeding should be, and the EPDP team provided high-level implementation guidance regarding the selection of arbitration provider(s) and the applicable arbitration rules.

As required by Article 3, Section 6.a.iii of the ICANN Bylaws, the GNSO Council-approved recommendations from both the PDP and EPDP were posted for Public Comment to inform Board action on the final recommendations. In considering the recommendations, the Board also reviewed the Public Comments and received briefings from ICANN org as well as a briefing from the GNSO Council on the EPDP outcomes.

Which stakeholders or others were consulted?

In accordance with the requirements of the GNSO PDP Manual, the Working Group for the IGO-INGO Access to Curative Rights Protection Mechanisms PDP solicited early input from ICANN’s Supporting Organizations and Advisory Committees as well as the GNSO’s Stakeholder Groups and Constituencies. It also engaged an external legal expert, Professor Edward Swaine of the George Washington University Law School in the United States, to provide advice on the topic of IGO jurisdictional immunity.

Concerns expressed by several GNSO Council members representing different sectors of the community regarding the one recommendation from the IGO-INGO Access to Curative Rights Protection Mechanisms PDP that the GNSO Council did not approve meant that the scope of work for the EPDP on Specific Curative Rights Protections for IGOs was the subject of

extensive deliberations within the GNSO Council. The Council also consulted with the GAC and IGO representatives in drawing up the final charter for the work.

As mandated by the GNSO's PDP Manual, the PDP Working Group and the EPDP team both published their Initial Reports for Public Comments. There were forty-six (46) comments submitted to the Initial Report from the PDP Working Group on IGO-INGO Access to Curative Rights Protection Mechanisms, twenty-one (21) of which were from IGOs, with five (5) from different ICANN community structures. The EPDP team on Specific Curative Rights for IGOs received thirty-three (33) comments, including six (6) from IGOs and six (6) from various ICANN community groups. Both the PDP Working Group and EPDP team considered all the input received in finalizing their recommendations, in some cases amending their preliminary proposals due to the Public Comments received.

As required by the ICANN Bylaws, additional Public Comment proceedings for both Final Reports were conducted, to allow the public to comment on the proposed recommendations prior to Board action. In addition, as also required by the Bylaws, the Board notified the GAC of the recommendations that the GNSO Council had transmitted to the Board, to allow the GAC to provide timely advice on any public policy concerns that it may have with the recommendations.

What concerns or issues were raised by the community?

The community provided feedback through Public Comments on the Initial and Final Reports from both the PDP Working Group and the EPDP team. ICANN org provided the Board with a summary report of all the Public Comments received to both sets of final recommendations.

In general, the community was divided in its support for the recommendations from the IGO-INGO Access to Curative Rights Protection Mechanisms PDP, with IGOs considering that the recommendations did not go far enough to protect IGO identifiers against abuse at the second level of the domain name system, while commentators representing registrants welcomed the PDP Working Group's recommendation not to create a new and separate dispute resolution procedure for IGOs and INGOs as well as its decision not to amend the UDRP and URS. For the subsequent EPDP recommendations, which will, if implemented, result in modifications to the UDRP and URS Rules, commentators representing registrants focused on the risk that registrant

rights could be adversely affected or reduced if the recommendations were implemented in a way as to restrict a registrant's ability to file judicial proceedings against an IGO or to effectively compel a registrant to agree to arbitration. Those commentators representing the domain investor community were largely against the recommendations, while the IGO community and those ICANN community groups that submitted input were generally supportive.

What significant materials did the Board review?

The Board reviewed the following materials:

- From the IGO-INGO Access to Curative Rights Protection Mechanisms PDP:
 - Initial Report: <https://gnso.icann.org/en/issues/igo-ingo-crp-access-initial-19jan17-en.pdf>
 - Final Report: <https://gnso.icann.org/en/issues/igo-ingo-crp-access-final-17jul18-en.pdf>
 - GNSO Council resolution approving four of the five final recommendations: <https://gnso.icann.org/en/council/resolutions#201905>
 - GNSO Council Recommendations Report to the Board: <https://gnso.icann.org/sites/default/files/file/field-file-attach/council-recommendations-pdp-igo-ingo-crp-access-final-16may19-en.pdf>
 - Report of Public Comments on the Final Report: <https://www.icann.org/en/system/files/files/report-comments-igo-ingo-crp-recommendations-04sep19-en.pdf>
- From the EPDP on Specific Curative Rights Protections for IGOs:
 - Initial Report: <https://gnso.icann.org/en/issues/specific-crp-igo-epdp-initial-report-preliminary-recommendations-14sep21-en.pdf>
 - Final Report: <https://gnso.icann.org/en/issues/epdp-specific-crp-igo-final-report-02apr22-en.pdf>
 - GNSO Council resolution approving all five final recommendations: <https://gnso.icann.org/en/council/resolutions/2020-current#202206>

- o GNSO Council Recommendations Report to the Board:
<https://gnso.icann.org/sites/default/files/policy/2022/draft/draft-epdp-specific-curative-rights-protections-for-igos-report-11jul22-en.pdf>
- o Report of Public Comments on the Final Report:
<https://itp.cdn.icann.org/en/files/generic-names-supporting-organization-council-gnso-council/public-comment-summary-report-final-report-epdp-specific-curative-rights-protections-igos-01-03-2023-en.pdf>

What factors did the Board find to be significant?

The Board appreciates the extensive work from across the community, including the GAC and IGOs, that resulted in the two sets of GNSO policy recommendations that are the subject of this vote, as well as the input provided throughout the policy process from numerous stakeholders, including individuals and governments. The Board notes that the community's policy work on the topic of curative rights protections for IGOs has spanned over ten (10) years, culminating in the recent EPDP in which the GAC and IGO representatives participated, and which saw Full Consensus amongst all the members of the EPDP team on the final outcomes.

Are there positive or negative community impacts?

Adopting the final recommendations will have a positive impact on ICANN in that it will demonstrate that ICANN will have addressed complex issues and public policy concerns that have been the subject of longstanding and extensive community work. Board adoption of the recommendations will mean that IGOs that meet the criteria in the updated UDRP and URS Rules will be able to use these second-level dispute resolution mechanisms to address abusive registrations and use of domain names relating to their missions.

Are there fiscal impacts or ramifications on ICANN (strategic plan, operating plan, budget); the community; and/or the public?

Implementing the two sets of recommendations is expected to have financial and resourcing impacts on ICANN org. Modifying the UDRP and URS Rules will impact the various dispute resolution service providers as well as ICANN-accredited gTLD registrars who will have to

implement the new requirements and update their processes. To ensure successful implementation, it will be necessary to seek the cooperation and guidance of ICANN's current dispute resolution service providers.

In addition, as implementing the earlier PDP recommendations will require drafting of Policy Guidance to numerous parties and implementing the subsequent EPDP recommendations will require drafting of new provisions and the selection of appropriate arbitration rules and providers, it may be necessary to engage the services of external vendors and legal experts. Using third-party services will likely facilitate more efficient and timelier implementation of the relevant recommendations, but will result in increased costs to ICANN org.

Are there any security, stability or resiliency issues relating to the DNS?

None.

Is this decision in the public interest and within ICANN's mission?

This action is within ICANN's Mission and mandate and in the public interest as set forth in the ICANN Bylaws. The multistakeholder policy development process of bottom-up, consensus policies and guidelines helps advance the stable and secure operation of the Internet's unique identifier systems.

Is this either a defined policy process within ICANN's Supporting Organizations or ICANN's Organizational Administrative Function decision requiring public comment or not requiring public comment?

As required by the ICANN Bylaws and the GNSO's policy procedures, the recommendations were published for Public Comment as discussed above.

Signature Block:

Submitted by:

Position:

Date Noted:

Email:

ICANN BOARD SUBMISSION NO. 2023-04-30-2d

TITLE: **Further Consideration of the Issues Regarding the .GCC Application**

PROPOSED ACTION: **For Board Consideration and Approval**

EXECUTIVE SUMMARY:

In 2013, the Governmental Advisory Committee (GAC) issued consensus advice, in accordance with the Applicant Guidebook applicable to the 2012 round of the New gTLD Program, that the .GCC application should not proceed (GAC Advice), which the New gTLD Program Committee (NGPC) accepted. In June 2021, GCCIX, W.L.L. (the applicant for .GCC) (Claimant or GCCIX) initiated an Independent Review Process (.GCC IRP) challenging ICANN's acceptance of the GAC Advice.

The Board is being asked to consider the Board Accountability Mechanism Committee's (BAMC) recommendation relating to the GAC Advice and .GCC application, which also may have an impact on the claims raised in the ongoing .GCC IRP.

In June 2022, the Board resolved to: (a) ask "the BAMC to review, consider, and evaluate the underlying basis for the GAC consensus advice that the .GCC application should not proceed, the Board's acceptance of that advice, and relevant related materials;" and (b) ask "the BAMC to provide the Board with recommendations regarding next steps." In furtherance of that resolution, the BAMC has considered, among other things, the .GCC application, the public comments received regarding the .GCC application, the GAC Early Warning regarding the .GCC application, the comments provided by the ICANN Independent Objector regarding the .GCC application and GCCIX's response to those comments, certain materials submitted in the Legal Rights Objection proceeding initiated by the Gulf Cooperation Council (GCC) that were included in the .GCC IRP filings, the GAC Advice and GCCIX's response to that advice, materials regarding GCCIX's Reconsideration Request 13-17, relevant portions of the IRP Final Declarations in the .AFRICA and .AMAZON IRPs, the GCC's June 2020 letter to ICANN regarding the .GCC gTLD, GCCIX's allegations in the .GCC IRP, the GAC's January 2022 letter to ICANN regarding the GAC Advice and GCCIX's response to that letter, the Board Resolutions relating to this matter, as well as whether allowing the .GCC application is in the public interest.

In multiple meetings, the BAMC discussed the matter and options regarding proposed next steps relating to the GAC Advice and the .GCC application. After careful consideration and extensive discussion, the BAMC has made the following recommendations, which the Board is being asked to consider.

BOARD ACCOUNTABILITY MECHANISMS COMMITTEE RECOMMENDATION:

The BAMC recommends that the analysis of the GAC Advice and other issues relating to the .GCC application be conducted now, rather than waiting for the completion of the .GCC IRP, in light of certain findings in prior IRP declarations and for the sake of efficiency. The BAMC further recommends that the Board reaffirm its acceptance of the GAC Advice and its decision to not proceed with the .GCC application based on the second issue identified in the GAC's rationale for the GAC Advice, based on information contained in other materials relevant to the .GCC application as set forth in the Rationale and the Reference Materials, and based on consideration of whether proceeding with the .GCC application is in the public interest.

PROPOSED RESOLUTION:

Whereas, GCCIX, W.L.L. (the applicant for .GCC) initiated an Independent Review Process (.GCC IRP) challenging the ICANN Board's acceptance of Governmental Advisory Committee (GAC) consensus advice that the .GCC application should not proceed (GAC Advice).

Whereas, in light of certain findings in prior IRP final declarations, the Board [resolved to](#) "authoriz[e] the President and CEO, or his designee(s), to seek a stay of the .GCC IRP and open an informal dialogue with the GAC regarding the rationale for the GAC consensus advice on the .GCC application."

Whereas, ICANN organization sought but was not granted a stay of the .GCC IRP; and ICANN org [asked](#) the GAC Chair to open the "informal dialogue."

Whereas, the GAC Chair [responded](#) to ICANN org, indicating that the GAC had reviewed "GAC discussions from 2013" and that the rationale for the GAC Advice was as follows (and as expressed in the [GAC Early Warning](#)): (i) "The applied-for string (GCC) is an exact match of the known acronym for an Intergovernmental Organization (IGO), the Gulf Cooperation Council and as such, warrants special protection to its name and

acronym.”; and (ii) “The application clearly targeted the GCC community without any support from the GCC, its six members or its community.”

Whereas, following a recommendation from the BAMC in May 2022, the Board, in a [resolution](#): (a) “ask[ed] the BAMC to review, consider, and evaluate the underlying basis for the GAC consensus advice that the .GCC application should not proceed, the Board’s acceptance of that advice, and relevant related materials; and (b) ask[ed] the BAMC to provide the Board with recommendations regarding next steps.”

Whereas, in furtherance of the Board’s resolution, the BAMC reviewed and considered the GAC Advice, the .GCC application, and relevant related materials as set forth in the Rationale and the Reference Materials, and carefully considered and discussed what is in the public interest.

Whereas, the BAMC has recommended that the analysis of the GAC Advice and other issues relating to the .GCC application be conducted now, rather than waiting for the completion of the .GCC IRP, in light of certain findings in prior IRP declarations and for the sake of efficiency.

Whereas, the BAMC has further recommended that the Board reaffirm its acceptance of the GAC Advice and its decision to not proceed with the .GCC application based on the second issue identified in the GAC’s rationale for the GAC Advice, based on information contained in other materials relevant to the .GCC application as set forth in the Rationale and the Reference Materials, and based on consideration of whether proceeding with the .GCC application is in the public interest.

Resolved (2023.04.30.XX), the Board: (a) has analyzed the GAC Advice and other issues relating to the .GCC application, as well as the BAMC’s recommendation; (b) reaffirms its acceptance of the GAC Advice and its decision to not proceed with the .GCC application based on the second issue identified in the GAC’s rationale for the GAC Advice, based on the Board’s evaluation of other materials relevant to the .GCC application, which are set forth in the Rationale and the Reference Materials, and based on the Board’s determination that proceeding with the .GCC application is not in the public interest; and (c) directs the Interim President and CEO, or her designee(s), to continue to not proceed with the .GCC application.

PROPOSED RATIONALE:

After careful review of the underlying facts, prior applicable Independent Review Process (IRP) final declarations and the importance of respecting ICANN's accountability mechanisms, information from the Governmental Advisory Committee (GAC), the public interest, materials relevant to the .GCC application, and the Board Accountability Mechanisms Committee's (BAMC) recommendations, the Board decided to conduct an independent analysis of the GAC consensus advice that the .GCC application should not proceed (GAC Advice) and other issues relating to the .GCC application now, rather than waiting for the completion of the *GCCIX, W.L.L. v. ICANN* IRP (.GCC IRP). After having conducted said analysis, the Board has reaffirmed its acceptance of the GAC Advice and its decision to not proceed with the .GCC application based on the concern raised in the GAC's rationale for the GAC Advice regarding lack of support and involvement from the relevant community, based on the Board's evaluation of the GAC Advice and other inputs and materials relevant to the .GCC application as set forth in this Rationale and the Reference Materials, and based on the Board's determination that proceeding with the .GCC application is not in the public interest. Accordingly, the Board has directed ICANN org's Interim President and CEO, or her designee(s), to continue to not proceed with the .GCC application.

Background Information

Additional background information regarding GCCIX, W.L.L.'s .GCC application, the objections to the .GCC application, the GAC Advice, the prior applicable IRP final declarations, and the current .GCC IRP initiated by GCCIX, W.L.L. (Claimant or GCCIX) can be found in the supporting Board materials for this Resolution and for Board Resolutions [2021.09.12.08](#) and [2022.06.12.18](#), and is incorporated herein by reference.

In furtherance of the Board's September 2021 [Resolution](#) "authoriz[ing] the President and CEO, or his designee(s), to seek a stay of the .GCC IRP and open an informal dialogue with the GAC regarding the rationale for the GAC consensus advice on the .GCC application," ICANN org sought a stay of the .GCC IRP and engaged in an informal dialogue with the GAC regarding the GAC Advice. ICANN org sent a [letter](#) to the GAC Chair on 9 November 2021 to open the informal dialogue, seek input from the GAC regarding how it would like to engage with ICANN org in this dialogue, and asking whether the GAC would like to receive any additional information from ICANN org on the

topic. As an initial response, the GAC requested that ICANN org provide some factual background to the GAC on the matter, which ICANN org did on 14 December 2021. The GAC discussed the matter on 14 December 2021 and on 20 January 2022.

On 25 January 2022, the GAC Chair sent a [letter](#) to ICANN org indicating that the GAC had reviewed “GAC discussions from 2013 held in closed sessions at ICANN46 in Beijing on the .GCC application, which helped inform the language included in the Beijing Communiqué consensus advice text.” In the letter, while acknowledging that the GAC did not provide a written rationale in the Beijing Communiqué for its advice relating to .GCC (properly noting that such a written rationale was not required to be included with the advice in 2013), the GAC Chair explained that: in November 2012, “the governments of Bahrain, Oman, Qatar and UAE issued a GAC Early Warning to the Applicant expressing serious concerns against the application”; in February 2013, “the GAC received requests from several GAC members (Bahrain, Oman, Qatar and UAE) as well as the Gulf Cooperation Council (GCC) to include ‘.GCC’ in a GAC Objection Advice that the application should not proceed for the reasons highlighted in the GAC Early Warning”; and “that the GAC, during ICANN46 Beijing (April 2013) deliberated and reached consensus on ‘GAC Objection Advice’ [...] for the reasons expressed by the concerned GAC members” as follows (and as expressed in the [GAC Early Warning](#)): (i) “The applied-for string (GCC) is an exact match of the known acronym for an Intergovernmental Organization (IGO), the Gulf Cooperation Council and as such, warrants special protection to its name and acronym.”; and (ii) “The application clearly targeted the GCC community without any support from the GCC, its six members or its community.”

Following a recommendation from the BAMC in May 2022, the Board passed a [resolution](#): (a) “ask[ing] the BAMC to review, consider, and evaluate the underlying basis for the GAC consensus advice that the .GCC application should not proceed, the Board's acceptance of that advice, and relevant related materials; and (b) ask[ing] the BAMC to provide the Board with recommendations regarding next steps.” In furtherance of the Board’s resolution, the BAMC provided GCCIX with an opportunity to submit a response to the GAC’s January 2022 communication (which the GCCIX submitted on 7 September 2022). As noted in further detail below, the BAMC proceeded to review, consider and evaluate the GAC Advice, the Board’s acceptance of the GAC Advice,

other inputs and materials relevant to the .GCC application, as well as what is in the public interest.

Discussion of the BAMC's Consideration and Recommendation

Pursuant to the Board's directive, the BAMC reviewed, considered and discussed the .GCC application, the GAC Advice, other relevant materials, and the public interest in order to be able to provide an informed recommendation to the Board. With regard to the .GCC application, of particular interest to both the BAMC and the Board were the statements in the [application](#) that:

- “.GCC is an open Top Level Domain (TLD) created specifically to enhance and develop the provision of Internet services for users in the Gulf and Middle East region.”
- “We are committed to providing exemplary functional utility as well as an opportunity for Internet users with a connection to the Gulf and Middle East to secure a domain name in a new, innovative and competitive TLD.”
- “.GCC will create a region-specific new TLD that allows previously excluded and disadvantaged users to take a stake in a meaningful cultural and economic tool that is specifically designed to respond to their linguistic, cultural and specific business needs.”
- “GCC refers generally, but not exclusively, to the Cooperation Council for the Arab States of the Gulf. Formed in May 1981 as a regional organization, it consists of six Gulf countries including Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and United Arab Emirates. Its main objectives are to enhance coordination, integration and inter-connection between its members in different spheres. This application is not connected with or sponsored by the Council. .GCC does not purport to represent the Council.”
- “.GCC represents a strong competitive alternative to existing regional ccTLDs by providing instant registration and delegation under the most liberal framework permitted by law, within a TLD which has local significance.”
- “.GCC will be a valuable digital asset dedicated [to] residents living and working in the region.”
- .GCC is “[a] unique and meaningful three letter string.”

The BAMC also considered the [public comments](#) regarding the .GCC application, as did the Board. While some of the comments were in support of a .GCC gTLD generally, the vast majority of comments were opposed to GCCIX's application for .GCC. For instance, the United Arab Emirates (UAE) stated that the application "is targeting the GCC community which basically covers the 6 member states of the GCC," but that the applicant "did not consult the targeted community in regards to launch of the proposed TLD, its strategy and policies." Likewise, a representative of Saudi Arabia stated that "[s]ince the applicant is not endorsed by the GCC or a majority of its members we strongly request ICANN not to accept this application." And several other commenters stated that the application is "sensitive" because "[t]he applicant (GCCIX WLL) is clearly not known as GCC and is not endorsed by the GCC (Gulf Cooperation Council)."

In addition, the BAMC and the Board considered the GAC [Early Warning](#) stating that the governments of Bahrain, Oman, Qatar and United Arab Emirates, and the GCC, expressed "serious concerns" with Claimant's .GCC application. Of particular import were the statements that the .GCC application "[lacks] . . . community involvement and support" and that "the applicant did not consult the targeted community in regards to launch of the proposed TLD, its strategy and policies. The applicant did not obtain any endorsement from the GCC Secretariat General or any of its organizations, or any governmental or nongovernmental organization within the GCC member states."

The BAMC, and the Board, also reviewed the ICANN Independent Objector's (IO) comments regarding the .GCC application. In particular, the IO stated his "opinion that the applied for gTLD string explicitly targets the community of the Arab States of the Gulf, even if the applicant indicates that the application does not intend to represent the international organization itself." "[T]hat [since] five of the six governments as well as the international organization directly targeted by the gTLD expressed their disagreement with the application, it must be considered that there is an obvious and substantial opposition from a significant portion of the community." The IO also noted that use of a .GCC gTLD without the endorsement of the GCC or its member states could lead to confusion and "adverse effects on the mission pursued by the [GCC]" and "could interfere with the legitimate interests of the community of the [GCC], especially since the gTLD is not expected to be managed on behalf of the organization and its interests."

Ultimately, the IO chose not to file an objection to the .GCC application because “the Gulf Cooperation Council is an established institution representing and associated with a significant part of the targeted community. The Gulf Cooperation Council is already fully aware of the controversial issues and is better placed than the IO to file an objection, if it deems appropriate[.]” which the GCC did when it initiated a Legal Rights Objection (LRO) proceeding against GCCIX’s .GCC application. Although the LRO filings of GCCIX and the GCC¹ focused mainly on intellectual property rights, which are beyond the scope of the BAMC’s and the Board’s consideration, the filings provided some helpful insights. For instance, the GCC’s LRO brief set forth the founding and history of the GCC as well as the GCC’s view that use of .GCC by GCCIX could cause confusion and the impression that the GCC has endorsed the operation of the .GCC gTLD and/or the content on domains using the .GCC gTLD. In its LRO filing, GCCIX argued that it “does not expect confusion.”

In addition, the BAMC and the Board further considered the [GAC Advice](#) contained in the April 2013 Beijing Communiqué as well as the GAC’s [25 January 2022 letter](#), which delineated the GAC’s rationale for that advice. Of particular importance was the portion of the GAC’s rationale that the .GCC “application clearly targeted the GCC community without any support from the GCC, its six members or its community,” which is a view expressed in public comments on the .GCC application, in the GAC Early Warning on the .GCC application, and in the IO’s comments on the .GCC application. Moreover, this view does not appear to have been meaningfully addressed by GCCIX in any of its communications to ICANN. For example, the BAMC and the Board considered several communications from GCCIX about its application, including: (i) GCCIX’s [15 April 2013 letter](#) to ICANN in response to the GAC Advice in the Beijing Communiqué; (ii) GCCIX’s further [response](#) to the Beijing Communiqué, submitted on or around 10 May 2013; (iii) GCCIX’s [Reconsideration Request 13-17](#); and (iv) GCCIX’s [7 September 2022 letter](#) to ICANN regarding the GAC’s 25 January 2022 letter. Despite these various communications that have spanned the past several years, as well as GCCIX’s IRP filings, there has been no substantive response from GCCIX to the particular claim that the .GCC application is (and the selection of “GCC” for its applied-for string seems) aimed at attracting and engaging with members of the community represented by the

¹ The LRO filings the BAMC had access to are those attached to GCCIX’s Amended IRP Request of 19 May 2022.

GCC and its member states without the support of that community, the GCC, or the GCC member states, which represent approximately 60 million people in the Gulf and Middle East region.

The BAMC and the Board also considered materials relating to previous IRPs and to the current .GCC IRP. In particular, the IRP panels' findings in the .AFRICA and .AMAZON IRPs and their recommendations regarding the steps ICANN should have taken regarding GAC consensus advice that, when presented, did not include a written rationale, and regarding the independent analysis ICANN should have done in evaluating such advice. The BAMC and the Board also considered the actions ICANN took after the Final Declarations were issued in the .AFRICA and .AMAZON IRPs and evaluated the claims asserted by GCCIX in its Amended IRP Request. Specifically, GCCIX claims that: (i) ICANN should have sought from the GAC a rationale for the GAC Advice; (ii) that ICANN should have done an independent evaluation of that rationale; (iii) that ICANN should have provided GCCIX with treatment equal to that provided to similarly situated applicants, such as those for .AFRICA and .AMAZON; and (iv) that ICANN should provide a rationale for any action it takes on account of the GAC Advice regarding the .GCC application.

After extensive analysis and discussion, and after considering several options regarding the .GCC application, the BAMC has recommended that the independent analysis of the GAC Advice and other issues relating to the .GCC application be conducted now, rather than waiting for the completion of the .GCC IRP. Notwithstanding the fact that ICANN's acceptance of the GAC Advice in 2013 was consistent with the terms of Guidebook, two subsequent IRP panels have held that the Board should have conducted a further evaluation of the issues raised in the respective GAC Communiqués. In light of those findings, conducting such a further evaluation now in the .GCC matter is the prudent course of action, demonstrates the seriousness with which the Board considers ICANN's Accountability Mechanisms, and should allow the current IRP to proceed more efficiently. This is also in keeping with ICANN's Core Value to "remain accountable to the Internet community through mechanisms defined in [the] Bylaws that enhance ICANN's effectiveness."

The BAMC has further recommended that the Board reaffirm its acceptance of the GAC Advice and its decision to not proceed with the .GCC application based the second issue

identified in the GAC's rationale for the GAC Advice (regarding lack of support and involvement from the relevant community), based on information contained in other inputs and materials relevant to the .GCC application as set forth in this Rationale and the Reference Materials, and based on consideration of whether proceeding with the .GCC application is in the public interest.

Consistent with certain of the concerns raised in the GAC Early Warning, in the GAC's rationale for the GAC Advice, in the IO's comments, as well as by members of the community, the BAMC and the Board note that GCCIX's .GCC application appears to be directly aimed at attracting and engaging with members of the community represented by the GCC and its member states without the support of that community, the GCC, or the GCC's member states. And, in fact, it is not a mere lack of support, the GCC and its member states have repeatedly objected to GCCIX's .GCC application. Moreover, the BAMC noted its concern that GCCIX's selection of the term "GCC" for its applied-for string seems intentional in order to attract (and/or will have the effect of attracting) the relevant community as a result of the association of the Gulf Cooperation Council with the "GCC" acronym and the reputation and goodwill that the GCC and its member states have developed through their representation of over 60 million people in the Gulf and Middle East region over the last forty years, despite the fact that the application is not sponsored or endorsed by the GCC or its member states. Indeed, the .GCC application explicitly states that its intention is to target Internet "users in the Gulf and Middle East." In addition, the BAMC and the Board agree with the IO's comment that this dichotomy between appearances and actual support could lead to confusion as to what entity or group is behind the .GCC gTLD and its content, and it could interfere with the legitimate interests, mission, and community outreach of the GCC and its member states because they do not endorse the .GCC gTLD and will have no role in evaluating or moderating its operation or content. While official "support" is not necessarily required by the Guidebook because "GCC" is not a geographic name, as defined in the Guidebook, the lack of support from the relevant community, the GCC, and the GCC member states (Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates) was relevant to both the BAMC's and the Board's analysis of whether this .GCC application is in the public interest.

The BAMC and the Board are committed to ICANN's Mission and Core Values as set forth in the Bylaws, including ensuring that this decision is in the public interest. The

community most likely impacted by the proposed .GCC gTLD has voiced their concerns through the public comments received regarding the .GCC application, the GAC Early Warning and the GAC Advice regarding the .GCC application, correspondence, and the LRO materials, which “reflect [both] the interests of [the] affected parties and the roles of bodies internal to ICANN.” In addition, the IO’s comments as well as the GCC’s own comments specifically note that use of .GCC by GCCIX could cause confusion and the false impression that the GCC has endorsed the operation of the .GCC gTLD and/or the content on domains using the .GCC gTLD. Potentially causing confusion for Internet users both within the relevant community as well as more broadly is not in the global public interest. Even more so when it appears that GCCIX intentionally chose the “GCC” string in an effort to benefit from the reputation and goodwill that the GCC and its member states have developed through their representation of over 60 million people in the Gulf and Middle East region over the last forty years. Similarly, ICANN’s decisions should be guided by the Core Value of “recognizing that governments and public authorities are responsible for public policy and duly taking into account the public policy advice of governments and public authorities.” Here, the GAC, through its GAC Advice and subsequent rationale supporting that advice, set forth its public policy position, and the Board is obligated under the Bylaws to consider the GAC’s input as part of the Board’s independent evaluation of the .GCC application, the GAC Advice, and other relevant materials. For all of these reasons, the BAMC and the Board are of the view that proceeding with GCCIX’s .GCC application is not in the public interest.

The BAMC’s recommendations are consistent with the approach ICANN has taken regarding other gTLD applications that were lacking support in the communities targeted by the applications, such as .ISLAM, .HALAL and .PERSIANGULF. And these recommendations are generally consistent with the findings and recommendations in the .AFRICA and .AMAZON IRP Final Declarations as well as the actions taken by ICANN in addressing those IRP Final Declarations.

The BAMC also made clear that its recommendation to reaffirm acceptance of the GAC Advice is not based on the GAC’s reference to intergovernmental organization (IGO) acronyms at the top-level. While the BAMC respects the GAC’s view, the BAMC did not want or intend to recommend that the Board set any type of precedent regarding the level or source of IGO name and acronym protections in gTLDs, which has been and continues to be the subject of community-driven policy work.

Board Decision

The Board agrees with the BAMC's recommendations and reaffirms the Board's acceptance of the GAC Advice and its decision to not proceed with the .GCC application based on the concern raised in the GAC's rationale for the GAC Advice regarding lack of support and involvement from the relevant community, based on the Board's evaluation of the GAC Advice and other inputs and materials relevant to the .GCC application, which are set forth in this Rationale and the Reference Materials, and based on the Board's determination that proceeding with the .GCC application is not in the public interest. The Board also agrees that it is important to do this analysis now, rather than waiting for the .GCC IRP to be completed, because taking these steps is appropriate in light of certain findings in prior IRP final declarations and in light of ICANN's actions in response to those prior IRP declarations, and will benefit the community, including GCCIX, the GCC and the people it represents. This analysis, Resolution, and Rationale provides the parties and the .GCC IRP Panel with a complete picture of the BAMC and Board evaluation of the GAC Advice and the .GCC application, and these steps are generally consistent with the Board's actions in response to the .AFRICA and .AMAZON IRP Final Declarations and address several of the claims raised in the current .GCC IRP. Moreover, taking this action now is consistent with the purposes of the IRP, as set forth in ICANN's Bylaws, in that this action may narrow and focus the claims in the .GCC IRP, should avoid having multiple IRPs regarding the same application, and should lead to the just resolution of the claims in the .GCC IRP in the most efficient manner possible. In furtherance of the aim of limiting the issues in dispute in the .GCC IRP, the Board acknowledges, as did the GAC, that there was no written rationale for the GAC Advice in the Beijing Communiqué in 2013 and that the NGPC did not provide a written rationale when it accepted the GAC Advice beyond reliance on Section 3.1 of the Applicant Guidebook. The GAC has now detailed its rationale for the 2013 GAC Advice in its January 2022 letter and, in this Resolution and Rationale, the Board has described the independent analysis that the BAMC and the Board have conducted regarding the GAC Advice and the .GCC application.

The Board, in exercising its independent judgment, thinks that not proceeding with GCCIX's .GCC application is the right thing to do and is in the public interest. This view is based upon the Board's review, analysis, and discussion of the BAMC's analysis and recommendations, and the Board's independent analysis of the GAC Advice, the .GCC

application and other materials relevant to the .GCC application, and what is in the public interest, while taking into consideration the Mission and Core Values set forth in ICANN's Bylaws.

Based on the Board's review and analysis of GCCIX's .GCC application, public comments regarding the .GCC application, the GAC Early Warning regarding the .GCC application, the IO's comments on the .GCC application, the available LRO filings, the GAC Advice in the Beijing Communiqué, the GAC's 25 January 2022 letter to ICANN regarding the Beijing Communiqué, and various communications from GCCIX to ICANN (including GCCIX's 15 April 2013 letter to ICANN in response to the GAC Advice; GCCIX's further response to the Beijing Communiqué, submitted on or around 10 May 2013; GCCIX's Reconsideration Request 13-17; and GCCIX's 7 September 2022 letter to ICANN regarding the GAC's 25 January 2022 letter), GCCIX's .GCC application appears to be directly aimed at attracting and engaging with members of the community represented by the GCC and the GCC member states (as stated in GCCIX's .GCC application) without the support of that community, the GCC, or the GCC's member states. And it is noteworthy that it is not a mere lack of support; the GCC and its member states have repeatedly objected to GCCIX's .GCC application. While official "support" is not necessarily required by the Guidebook because "GCC" is not a geographic name as defined in the Guidebook, the lack of support from the relevant community, the GCC, and the GCC member states is relevant to the Board's analysis of whether or not ICANN should proceed with this .GCC application.

Based on consideration of these materials, it also appears that GCCIX's selection of the "GCC" string is intended to attract, and/or will have the effect of attracting, the relevant community as a result of the association that the Gulf Cooperation Council and its member states have with the "GCC" acronym and the region within which the GCC operates. Further, GCCIX's selection of .GCC also appears to capitalize on the reputation and goodwill that the GCC and its member states have developed through their representation of over 60 million people in the Gulf and Middle East region over the last 40 years, even though the application is not sponsored or endorsed by the GCC or its member states.

Based on its analysis of these materials, the Board believes that this dichotomy between appearances and actual support could lead to confusion and could create the false

impression that the GCC and its member states have endorsed the operation of the .GCC gTLD and/or the content of domains using the .GCC gTLD, which the GCC and its member states have not done. In addition, this confusion could interfere with the legitimate interests, mission, and community outreach of the GCC and its member states since they do not endorse or support, and in fact have objected to, this .GCC application and will have no role in evaluating or moderating its operation or content, as mentioned in the IO's comments on the .GCC application.

The Board takes this action based not only on its due diligence and care in reviewing the relevant materials, but also on its adherence to ICANN's Mission, Commitments, and Core Values set forth in the Bylaws, including ensuring that this decision is in the public interest and that it respects the concerns raised by the community likely impacted by the proposed .GCC gTLD. The Board is of the view that proceeding with GCCIX's .GCC application is not in the public interest.

This action is consistent with the approach ICANN has taken with regard to other gTLD applications that were lacking support in the communities specifically targeted by the applications, such as .ISLAM, .HALAL and .PERSIANGULF. Further, this action is generally consistent with certain findings and recommendations in the .AFRICA and .AMAZON IRP Final Declarations as well as the actions taken by ICANN in addressing those IRP Final Declarations. Moreover, this action addresses several of GCCIX's claims in the current .GCC IRP, including its claims that ICANN should have sought from the GAC a written rationale for the GAC Advice, should have done an independent evaluation of that rationale, should have provided GCCIX with treatment equal to that provided to similarly situated applicants (such as .AFRICA and .AMAZON), and should provide a rationale for any action it takes on account of the GAC Advice regarding the .GCC application.

To be clear, however, the Board is not basing its decision to reaffirm acceptance of the GAC Advice on the GAC's reference to IGO acronyms at the top-level. While the Board respects the GAC's view, the Board does not want or intend to set any type of precedent regarding the level or source of IGO name and acronym protections in gTLDs, which has been and continues to be the subject of community-driven policy work.

Taking the decision to continue to not proceed with GCCIX's .GCC application, after reviewing and considering the aims of the application, the materials relevant to the

application, and the objections of those most likely to be impacted by a .GCC gTLD, is in the public interest and reflects the Board's adherence to ICANN's Mission, Commitments, and Core Values as set forth in the Bylaws.

More specifically with regard to ICANN's Core Values as set forth in the Bylaws, this decision takes into consideration the broad, informed participation of the Internet community and those members most affected, it respects ICANN's Accountability Mechanisms, and it recognizes the concerns expressed by the countries and entities representing the majority of the affected community (noted in the Bylaws applicable to the .GCC IRP, <https://www.icann.org/resources/pages/bylaws-2012-02-25-en>; and similarly reflected in the current Bylaws, <https://www.icann.org/resources/pages/governance/bylaws-en>):

- Seeking and supporting broad, informed participation reflecting the functional, geographic, and cultural diversity of the Internet at all levels of policy development and decision-making.
- Acting with a speed that is responsive to the needs of the Internet while, as part of the decision-making process, obtaining informed input from those entities most affected.
- Remaining accountable to the Internet community through mechanisms that enhance ICANN's effectiveness.
- While remaining rooted in the private sector, recognizing that governments and public authorities are responsible for public policy and duly taking into account governments' or public authorities' recommendations.

While the Board strives to follow all the Core Values in making its decisions, it is also the Board's duty to exercise its independent judgment to determine if certain Core Values are particularly relevant to a given situation. And, in fact, the Bylaws anticipate and acknowledge that ICANN may not be able to comply with all the Core Values in every decision made and allows for the Board to exercise its judgment in the best interests of the Internet community: "...because [the Core Values] are statements of principle rather than practice, situations will inevitably arise in which perfect fidelity to all eleven core values simultaneously is not possible. Any ICANN body making a recommendation or decision shall exercise its judgment to determine which core values are most relevant and how they apply to the specific circumstances of the case at hand, and to determine,

if necessary, an appropriate and defensible balance among competing values.” (Bylaws, <https://www.icann.org/resources/pages/bylaws-2012-02-25-en>.)

Taking this decision is within ICANN’s Mission as the ultimate result of ICANN’s consideration of this matter is a key aspect of coordinating the allocation and assignment of names in the root zone of the domain name system (DNS). Further, the Board’s decision is in the public interest, taking into consideration and balancing the goals of resolving outstanding new gTLD disputes, respecting ICANN’s accountability mechanisms and advisory committees, recognizing the input received from the Internet community, and abiding by the policies and procedures set forth in the Guidebook, which were developed through a bottom-up consensus-based multistakeholder process over numerous years of community efforts and input, and is consistent with ICANN’s Core Values.

Taking this decision is not expected to have any immediate direct financial impact on the ICANN organization and will not have any direct impact on the security, stability or resiliency of the domain name system.

This is an Organizational Administrative function that does not require public comment.

Submitted By:	Amy A. Stathos, Deputy General Counsel
Date Noted:	24 April 2023
Email:	amy.stathos@icann.org

REFERENCE MATERIALS – ICANN BOARD SUBMISSION NO. 2023-XX-XX-XX

TITLE: Further Consideration of the Issues Regarding the .GCC Application

RELEVANT MATERIALS:

The following documents are relevant to the Board's consideration of the Board Accountability Mechanism Committee's (BAMC) recommendations in the accompanying Board submission:

- Public portions of GCCIX, W.L.L. application for .GCC, available at: <https://gtldresult.icann.org/applicationstatus/applicationdetails/179>
- Public comments submitted to ICANN regarding .GCC application, available at: <https://gtldcomment.icann.org/applicationcomment/viewcomments>
- Governmental Advisory Committee (GAC) Early Warning regarding the .GCC application, available at: <https://gac.icann.org/work-products/public/gcc-ae-21010-2012-11-20.pdf?version=1&modificationDate=1353382663000&api=v2>
- ICANN's Independent Objector (IO) Comment on the .GCC application, attached hereto as **Attachment A**; and GCCIX's response to the IO Comment, attached hereto as **Attachment B** (both submitted by Claimant as attachments to its Amended IRP Request).
- Legal Rights Objection (LRO) filed by the Gulf Cooperation Council on 13 March 2013 with the LRO provider, attached hereto as **Attachment C**; and Legal Rights Objection Response filed by GCCIX on 15 May 2013 with the LRO provider, attached hereto as **Attachment D** (both submitted by Claimant as attachments to its Amended IRP Request).
- GAC Beijing Communiqué containing GAC consensus advice against the .GCC application (GAC Advice), available at: <https://gac.icann.org/contentMigrated/icann46-beijing-communiqué>
- New gTLD Program Committee's (NGPC) acceptance of the GAC Advice, available at: <https://www.icann.org/resources/board-material/resolutions-new-gtld-2013-06-04-en#1.a>
- GCCIX 15 April 2013 letter to ICANN in response to GAC Advice, available at: <https://www.icann.org/en/system/files/correspondence/alshirawi-to-crocker-chalaby-15apr13-en.pdf>
- GCCIX Response to GAC Advice (on or around 10 May 2013), available at: <https://newgtlds.icann.org/sites/default/files/applicants/23may13/gac-advice-response-1-1936-21010-en.pdf>
- New gTLD Program Committee's (NGPC) acceptance of the GAC Advice, available at: <https://www.icann.org/resources/board-material/resolutions-new-gtld-2013-06-04-en#1.a>

- Reconsideration Request 13-17, submitted by GCCIX, and related documents, available at: <https://www.icann.org/resources/pages/13-17-2014-02-13-en>
- Prior IRP Final Declarations:
 - .AFRICA IRP Final Declaration, available at: <https://www.icann.org/en/system/files/files/final-declaration-2-redacted-09jul15-en.pdf>
 - .AMAZON IRP Final Declaration, available at: <https://www.icann.org/en/system/files/files/irp-amazon-final-declaration-11jul17-en.pdf>
- GCCIX Amended IRP Request, available at: <https://www.icann.org/en/system/files/files/irp-gccix-GCCIX-amended-irp-request-19may22-en.pdf>
- Gulf Cooperation Council 28 June 2020 letter to ICANN regarding .GCC gTLD, available at: <https://www.icann.org/en/system/files/correspondence/alabri-to-botterman-28jun20-en.pdf>
- 12 September 2021 Board Resolution regarding the .GCC IRP, available at: <https://www.icann.org/resources/board-material/resolutions-2021-09-12-en#2.b>
- 9 November 2021 ICANN organization letter to the GAC Chair regarding the GAC Advice, available at: <https://www.icann.org/en/system/files/correspondence/marby-to-ismail-09nov21-en.pdf>
- 25 January 2022 GAC letter to ICANN org re the GAC Advice, available at: <https://www.icann.org/en/system/files/correspondence/ismail-to-marby-25jan22-en.pdf>
- 12 June 2022 Board Resolution regarding the .GCC IRP, available at: <https://www.icann.org/en/board-activities-and-meetings/materials/approved-resolutions-regular-meeting-of-the-icann-board-12-06-2022-en#2.e>
- 2 August 2022 letter from B. Burr (on behalf of the BAMC) to GCCIX providing GCCIX an opportunity to respond to the GAC's January 2022 communication, available at: <https://www.icann.org/en/system/files/correspondence/burr-to-rodenbaugh-02aug22-en.pdf>
- 7 September 2022 letter from M. Rodenbaugh on behalf of GCCIX to B. Burr (on behalf of the BAMC) responding to the GAC's January 2022 communication, available at: <https://www.icann.org/en/system/files/correspondence/rodenbaugh-to-burr-07sep22-en.pdf>

Submitted by:
Date Noted:
Email:

Amy A. Stathos, Deputy General Counsel
24 April 2023
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Attachment A

ICANN's Independent Objector (IO) Comment on the .GCC
application



Independent Objector

[Home](#)[Introducing the Independent Objector](#)[ICANN Applicant Guidebook for the New gTLD Program](#)[Limited Public Interests Objections](#)[Community Objections](#)[The Dispute Resolution Process](#)[The Independent Objector's Objections](#)[The Independent Objector's Comments on Controversial Applications](#)[".ADULT" - General Comment](#)[".AFRICA" - General Comment](#)[".ARMY" - General Comment](#)[".CATHOLIC" - General Comment](#)[".CHURCH" - General Comment](#)[".GAY" - General Comment](#)[".GCC" - General Comment](#)[".HOT" - General Comment](#)[".ISLAM" - General Comment](#)[".LGBT" - General Comment](#)[".PERSIANGULF" - General Comment](#)[".PORN" - General Comment](#)[".SEX" - General Comment](#)[".SEXY" - General Comment](#)[".VODKA" - General Comment](#)[".WTF" - General Comment](#)[The Issue of "Closed Generic" gTLDs](#)[News](#)[Contact](#)[Contact](#)**Pr. Alain Pellet**
Independent Objector

During his review of the application for the new gTLD “.GCC”, the Independent Objector (IO) has noted that numerous comments have been posted on the public comments webpage of ICANN. To ensure transparency and address public concerns on this controversial application, the hereunder comment aims at informing the public of the reasons why the IO does not consider, in principle, filing an objection.

Although finalized after an exchange of views with the applicant, this comment is still preliminary and does not prejudge the IO’s final decision to file an objection against the application or not.

Controversial Applications

· [.GCC - GCCIX WLL](#)

Overview of the comments against the controversial applications

The application for the new gTLD string “.GCC” has given rise to numerous comments on the public comments webpage of ICANN. Most of the comments against the application raise identical issues.

Opponents to the launch of the gTLD underline that the acronym “GCC” stands for Gulf Cooperation Council and directly refers to the intergovernmental organization of the same name. The applicant did not receive support from the Gulf Cooperation Council to submit this application on its behalf and did not consult the targeted community. Therefore, ICANN should not authorize the launch of a gTLD which targets an intergovernmental Organization and its community without its prior approval and should, on the contrary, protect the interests, goals and mission of the Gulf Cooperation Council.

The Independent Objector’s position

In the present case, the IO, eager to lead a fair and transparent assessment, first expressed his concerns, regarding certain issues raised by the application, to the applicant through the initial notice procedure. Indeed, as encouraged but not required by ICANN, both parties are given the choice to participate in mediation or negotiation processes. The Initial Notice procedure opened up an opportunity for settling the pending issues.

Julien Boissise
Legal Assistant to the Independent Objector

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You can also use our
Contact Form.

A detailed note, including the reasons why the IO considered that an objection against the application might be warranted, has been sent to the applicant in order to give them the opportunity to react to the IO's first assessment. It is only after careful review of their comments and feedbacks that the IO conducted a second assessment of the application. Still for the sake of transparency, to which the IO is fully committed, the present comment aims at informing the public of the results of the IO's second evaluation of the application, including the reasons why the IO first considered that an objection could be warranted and why he finally considers that in principle it is not the case.

As he is acting in the best interests of the public using the Internet, the IO is convinced that the public should know about the subject matter and extent of his exchanges with the applicant. Indeed, it is important that all relevant facts are known in case his final decision is to not object to an application against which he first considered that an objection could be warranted. Therefore, the applicant's response is attached to the present comment.

It should be noted that, acting in the interests of global Internet users, the IO has the possibility to file objections against applications on the community and limited public interest grounds.

Limited Public Interest Objection

When assessing whether an objection against an application would be warranted on the limited public interest ground, the IO examines if the applied-for gTLD string is contrary to generally accepted "legal norms of morality" and public order that are recognized under fundamental principles of international law.

1. The IO acknowledges that the applied-for gTLD string "GCC" is the acronym for the Intergovernmental Organization named the Gulf Cooperation Council. The applicant explicitly recognizes it in its application. Indeed, it is stated that "GCC refers generally, but not exclusively, to the Cooperation Council for the Arab States of the Gulf".
2. The Charter of that Organization was signed on 25 May 1981 in Abu Dhabi City by the United Arab Emirates, the State of Bahrain, the Kingdom of Saudi Arabia, the Sultanate of Oman, the State of Qatar and the State of Kuwait. According to Article 1 of the Charter, Member States agreed on the establishment of the Council "to be named The Cooperation Council for the Arab States of the Gulf (...) referred to as the Cooperation Council (GCC)". Article 4 of the Charter defines the Organization's mission which is to "effect coordination, integration and inter-connection between Member States in all fields in order to achieve unity between them. To deepen and strengthen relations, links and areas of cooperation now prevailing between their peoples in various fields. To formulate similar regulations in various fields including the following: economic and financial affairs, commerce, customs and communications, education and culture. To stimulate scientific and technological progress in the fields of industry, mining, agriculture, water and animal resources; to establish scientific research; to establish joint ventures and encourage cooperation by the private sector for the good of their peoples".

3. The IO notes that the Cooperation Council for the Arab States of the Gulf has its headquarters in Riyadh, Saudi Arabia, and an organizational structure composed of the Supreme Council, the Ministerial Council and the Secretariat General. The Organization's website states that "while, on one hand, the GCC is a continuation, evolution and institutionalisation of old prevailing realities, it is, on the other, a practical answer to the challenges of security and economic development in the area. It is also a fulfilment of the aspirations of its citizens towards some sort of Arab regional unity".
4. In public international law, legal experts tend to agree with the definition of an international organization given by Sir Gerald Fitzmaurice and which states that "the term 'international organization' means a collectivity of States established by treaty, with a constitution and common organs, having a personality distinct from that of its member States, and being a subject of international law with treaty-making capacity". This definition has the merit of gathering all essential elements which are the conventional basis, the institutionalisation and the distinct nature of the organization.
5. For its part, the International Law Commission of the United Nations notes that "the term "international organization" refers to an organization which includes States among its members insofar it exercises in its own capacity certain governmental functions".
6. Therefore, the IO notes that the Charter of the Gulf Cooperation Council is a multilateral treaty, which is a classic source of international law, that has "certain special characteristics", as recognized for the Charter of the United Nations by the International Court of Justice in its advisory opinion of 20 July 1962, and which institutes the present and targeted international organization. International organizations are, like States, subjects of international law. As an international organization, the GCC is endowed with international legal personality, which is in line with the needs expressed by Member States at its creation. This position is based in particular on the advisory opinion of the International Court of Justice of 11 April 1949, "*Reparation for injuries suffered in the service of the United Nations*", in which the Court says about the goals and mission of the United Nations that, "to achieve these ends the attribution of international personality is indispensable". Such needs are also reflected in Article 17 of the Charter on privileges and immunities of the GCC, which states that "the Cooperation Council and its organizations shall enjoy on the territories of all member states such legal competence, privileges and immunities as are required to realize their objectives and carry out their functions".
7. For the purpose of the present review, the IO notes that international organizations have tasks and purposes of a fundamental importance for the international society, including *inter alia* international peace and security, public health, sustainable economic and social development, children and women's rights, protection of minorities and refugees or peacekeeping operations. These missions are delegated to them by their sovereign Member States. Major international organizations and institutions use the Internet as an indispensable tool to communicate and promote their mission. The first source of information for people on those fundamental issues is undeniably the Internet.

8. In view of the origin and importance of their missions, it is the IO's considered view that international (intergovernmental) organizations should be entitled to special protection, in particular regarding their communications tools. Indeed, a misuse of the Internet as a communication tool, notably through the direct reference to the acronym of an international organization, could harm the causes advanced by these organizations.

9. When reviewing applications, the IO makes his assessment in the light of international legal norms protecting the superior interests of Internet users. For the purpose of this evaluation, the IO is of the opinion that applications for a ".GCC" gTLD could raise problems with regards to international public order and legal norms of morality.

10. Indeed, the IO notes in particular that international legal instruments set the framework for the protection of names and acronyms of international organizations. The most important and relevant provision for the present review is contained in Article 6 *ter* of the Paris Convention for the protection of industrial property, entitled "*Marks: Prohibitions concerning State Emblems, Official Hallmarks, and Emblems of Intergovernmental Organizations*". The IO notes that the Convention gathers 174 Contracting Parties. It is stated in Article 6^{ter} that "(1) (a) The countries of the Union agree to refuse or to invalidate the registration, and to prohibit by appropriate measures the use, without authorization by the competent authorities, either as trademarks or as elements of trademarks, of armorial bearings, flags, and other State emblems, of the countries of the Union, official signs and hallmarks indicating control and warranty adopted by them, and any imitation from a heraldic point of view. (b) The provisions of subparagraph (a), above, shall apply equally to armorial bearings, flags, other emblems, abbreviations, and names, of international intergovernmental organizations of which one or more countries of the Union are members, with the exception of armorial bearings, flags, other emblems, abbreviations, and names, that are already the subject of international agreements in force, intended to ensure their protection".

11. Other key international legal norms of a particular relevance for the present review are:

- Article 2 (1) of the World Trade Organization Agreement on Trade Related Aspects of Intellectual Property Rights, which states that "in respect of Parts II, III and IV of this Agreement, Members shall comply with Articles 1 through 12, and Article 19, of the Paris Convention (1967)".
- Article 16 of the Trademark Law Treaty which stipulates that "Any Contracting Party shall register service marks and apply to such marks the provisions of the Paris Convention which concern trademarks".

12. Moreover, the IO notes that names of international organizations enjoy special protections in numerous national laws, in particular regarding trademark laws. Thus, the law stipulates that international organizations' names cannot be registered as trademarks. For instance:

- In China, Article 10 of Trademark Law of the People's Republic of China states that "none of the following signs may be used as trademarks: (3) those

identical with or similar to the names, flags or emblems of international intergovernmental organizations, with the exception of those the use of which is permitted by the organization concerned or is not liable to mislead the public”.

- Article L711-4 of the French Intellectual Property Code states that “The following may not be adopted as a mark or an element of a mark: a) Signs excluded by Article 6ter of the Paris Convention for the Protection of Industrial Property of March 20, 1883, as revised or by paragraph 2 of Article 23 of Annex 1C to the Agreement Establishing the World Trade Organization”.
- Article 4 of the Trademark Law of Georgia stipulates that “A sign, or combination of signs shall not be registered as a trademark where it: completely or in any of its constituent elements coincides with the national emblems or the flags, emblem or full or abbreviated names of foreign states; the emblems of intergovernmental or other international organizations or their abbreviated or full names”.
- In India, Section 3 of the 1950 Emblems and Names (Prevention of Improper Use) Act states that “Notwithstanding anything contained in any law for the time being in force, no person shall, except in such cases and under such conditions as may be prescribed by the Central Government use, or continue to use, for the purpose of any trade, business, calling or profession, or in the title of any patent, or in any trade mark or design, any name or emblem specified in the Schedule or, any colorable imitation thereof without the previous permission of the Central Government or of such officer of Government as may be authorized in this behalf by the Central Government”.
- In Lesotho, Article 26 (2) of the Industrial Property Order of 1989 states that “A mark cannot be validly registered, if it is identical with, or is an imitation of, or contains as an element, an armorial bearing, flag and other emblem, a name or abbreviation or initial of the name of, or official sign or hallmark adopted by, a State, intergovernmental organization created by an international convention, unless authorized by the competent authority of that State or organization”.
- In Paraguay, Law No. 1.294/1998 on Trademarks, Chapter 1, §2, states that “armorial bearings, distinguishing marks, emblems, names, whose use is reserved to the State, other legal persons under public law or international organizations, unless they themselves apply for the mark” may not be registered as trademarks.
- In Saudi Arabia, the law of Trademarks of 7 August 2002 stipulates in its Article 2 that “The following signs, emblems, flags and others as listed below shall not be considered or registered as trademarks: Public emblems, flags and other signs, names or denominations pertaining to the Kingdom or pertaining to one of the countries with which it has reciprocal treatment or pertaining to one of the countries being a member of a multi-lateral international treaty in which the Kingdom is a party or pertaining to an international or governmental organization and also any imitation to these emblems, flags, symbols, names and denominations unless permitted by such owner”.

- In the United States of America, US Code 15 (Lanham Trademark Act), §1052, stipulates that “No trademark by which the goods of the applicant may be distinguished from the goods of others shall be refused registration on the principal register on account of its nature unless it consists of or comprises immoral, deceptive, or scandalous matter; or matter which may disparage or falsely suggest a connection with persons, living or dead, institutions, beliefs, or national symbols, or bring them into contempt, or disrepute”.

13. In the light of the above, it is reasonable to assume that the use and management of the acronym of an international organization, in this case the Gulf Cooperation Council, by a third party which did not receive the endorsement from the said organization could have adverse effects on the mission pursued by the organization. Because this mission has been explicitly conferred to the organization by its Member States in its Charter which is a binding international norm for its signatories, it should have the full capacity to implement it. Thus, the launch of the gTLD “.GCC” without the prior approval of the targeted organization could harm the causes defined in Article 4 of the Charter of the GCC and defended by this international organization. Therefore, the IO is of the opinion that the application is contrary to international public order.

FIRST ASSESSMENT: For all these reasons and foremost because names and abbreviations of international organizations receive a special protection in international law, the IO was of the opinion that an objection against the gTLD “.GCC” on the limited public interest ground could have been warranted.

APPLICANT’S RESPONSE:

GCCIX WLL argued that “There is a degree of confusion as to the correct legal form of this IGO, the root of which is almost certainly the disparity between versions of the official treaty as published by the CCASG and the UN” but recognized that “the string ‘GCC’ is used informally in the public domain in reference to the ‘CCASG’”.

GCCIX WLL added that the acronym “.GCC” does not fall within the scope of the ICANN’s procedure for the protection of the legally registered names and acronyms of IGOs and other formal and official bodies, nor it is “registered under article 6ter of the Paris Convention whose protections *‘shall only apply to [...] abbreviations or titles of international organizations that the latter have communicated to the countries of the Union through the International Bureau’*”.

With these elements in mind, the IO reviewed the applicant’s feedbacks on his comment for a community objection. It is only after having carefully considered all elements of response that the IO made his final assessment.

Although he has not been convinced by the applicant’s arguments, the IO is, in principle, not decided to lodge an objection for the reasons exposed below.

Community Objection

For the IO to consider filing a community objection, there must be a substantial opposition to the gTLD application from a representative portion of the community to which the gTLD string may be explicitly or implicitly targeted. Therefore, the community named by the IO must be a community strongly associated with the applied-for gTLD string in the application that is the subject of the objection.

When assessing whether a community objection is warranted, the IO bases his review on four preliminary tests.

1. As for the first test, (*the IO determines if the community invoked is a clearly delineated community*), the IO notes that the notion of “community” is wide and broad, and is not precisely defined by ICANN’s guidebook for the new gTLD program. It can include a community of interests, as well as a particular ethnical, religious, linguistic or similar community. Moreover, communities can also be classified in sub-communities (i.e. the Jewish community in New York or the Italian community on Facebook). However, beyond the diversity of communities, there are common definitional elements.

For the IO, a community is a group of individuals who have something in common (which can include their nationality or place of residence – i.e. the French, South-East Asian or Brazilian community – or a common characteristic – i.e. the disability community), or share common values, interests or goals (i.e. the health, legal, internet or ICANN community). For the purpose of the IO evaluation, it is clear that what matters is that the community invoked can be clearly delineated, enjoys a certain level of public recognition and encompasses a certain number of people and/or entities.

In the present case, the IO first notes that public comments made on the community ground try to prove the existence of such a community, being the community of Arab States of the Gulf. It can be sustained that, beyond their common geographical features, Arab States of the Gulf share common goals and interests which notably led to the creation of an International Organization, the Gulf Cooperation Council. In particular, the IO notes that the Charter of the Organization puts the emphasize on these close bonds in its preamble which underlines that the Arab States of the Gulf are “fully aware of the ties of special relations, common characteristics and similar systems founded on the creed of Islam which bind them”. Therefore, there is no doubt for the IO that the United Arab Emirates, the State of Bahrain, the Kingdom of Saudi Arabia, the Sultanate of Oman, the State of Qatar, the State of Kuwait and the peoples and citizens of those territories form a clearly delineated community, being the community of the Arab States of the Gulf.

2. As for the second and third tests, (*The IO verifies if there is a substantial opposition to the gTLD application from a significant portion of the community to which the gTLD string may be explicitly or implicitly targeted*), the IO notes that the application for the new gTLD string “.GCC” has been the subject of widespread comments and discussion and shows a substantial opposition to the gTLD application from the community in question. In particular, the IO notes with interest that governments of Bahrain, Oman, Qatar and the United Arab Emirates as well as the Gulf Cooperation Council itself issued an early warning “to express its serious concerns toward ‘.GCC’”. They argue that the gTLD is a “known abbreviation for Gulf Cooperation Council” and that “the GCC is

considered an Intergovernmental Organization and it meets the eligibility criteria for .int top level domain as it has been established through a treaty registered by United Nations and recognized to have independent international legal personality. The GCC has permanent headquarter (GCC Secretariat General) in Riyadh, Saudi Arabia. Furthermore, the GCC has received a standing invitation to participate as observer in the sessions and the work of the UN General Assembly and maintaining permanent offices at Headquarters". According to the notice and "in line with new gTLD program Applicant Guidebook provisions concerning protection of IGOs, the name "GCC" should not be allowed to be registered as a gTLD unless sufficient approvals are obtained from the IGO". Moreover, they underline that "the applicant did not consult the targeted community in regards to launch of the proposed TLD, its strategy and policies. The applicant did not obtain any endorsement from the GCC Secretariat General or any of its organizations, or any governmental or nongovernmental organization within the GCC member states. The applicant did not present any endorsement or support letters in its application".

The IO also takes into account public comments posted on the public comments' webpage of ICANN's website. In particular, he notes that the Secretariat General of the Cooperation Council for the Arab States of the Gulf, the Telecommunications Regulatory Authority (TRA) of the Kingdom of Bahrain on behalf of the government of the Kingdom, the Communications and Information Technology Commission (CITC) of the Kingdom of Saudi Arabia and the Telecommunications Regulatory Authority (TRA) on behalf of the federal government of the United Arab Emirates (UAE) have reaffirmed their non-endorsement of the application through this means. Therefore, noting that five of the six governments as well as the international organization directly targeted by the gTLD expressed their disagreement with the application, it must be considered that there is an obvious and substantial opposition from a significant portion of the community.

Also, as recalled in the early warning and by the applicant itself, "GCC refers generally, but not exclusively, to the Cooperation Council for the Arab States of the Gulf. Formed in May 1981 as a regional organization, it consists of six Gulf countries including Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and United Arab Emirates. Its main objectives are to enhance coordination, integration and inter-connection between its members in different spheres. This application is not connected with or sponsored by the Council. GCC does not purport to represent the Council. However, the term 'GCC' has become commonly used to refer generally to the countries and people of the Gulf and Middle East region". The IO is thus of the opinion that, the applied for gTLD string explicitly targets the community of the Arab States of the Gulf, even if the applicant indicates that the application does not intend to represent the international organization itself.

3. Finally and as the fourth test (*the IO conducts when assessing whether an objection is warranted or not, the application for the Top-Level Domain name must create a likelihood of material detriment to the rights or legitimate interests of a significant portion of the community to which the string may be explicitly or implicitly targeted*), it can be considered that the targeted community and in particular the international organization itself has interests in benefiting of a gTLD string bearing the name or the acronym of their organization. Such a gTLD string could for example help for the promotion of their mission and mandate.

Consequently, it can be considered that the launch of a gTLD “.GCC” could interfere with the legitimate interests of the community of the Arab States of the Gulf, especially since the gTLD is not expected to be managed on behalf of the organization and its interests.

FIRST ASSESSMENT: Therefore, as for his possibility to object on the community ground, the IO was of the opinion that an objection against the gTLD “.GCC” could have been warranted.

APPLICANT’S RESPONSE:

In their response, GCCIX WLL notably emphasized that they “repudiate claims of the formal existence of a “Gulf Cooperation Council”, or that any one entity has any rights, let alone exclusively, over the string “GCC”, as having no rational or legal basis”.

GCCIX WLL added that “the official list of permanent observers to the United Nations includes the CCASG, but does not include any entity named the ‘Gulf Cooperation Council’ or bearing the acronym ‘GCC’”.

On the question to know whether there is a likelihood of material detriment to the rights or legitimate interests of a significant portion of the targeted community, the applicant intends to demonstrate that their “pool of potential registrants first and foremost identifies with the string as a broad regional identifier”.

They continue with a comparison with the “.Eu” model and argue that “the EU holds its own EU.INT name (whereas the CCASG do not hold any .INT name), however they have eschewed this since 2006 when they migrated to EUROPA.EU. Many millions of domain names operate alongside official EU entities within the open .EU TLD without any confusion or chaos, and there is no reason why .GCC and CCASG.INT cannot also peacefully cohabit within the global namespace”.

FINAL ASSESSMENT:

None of the arguments raised by GCCIX WLL has genuinely convinced the IO that an objection was not warranted against their application.

However, after having closely examined the applicant guidebook for ICANN New gTLDs Program, the IO still notes the particular relevance of the “Legal Rights Objection”. As described in Section 3.5.2 of the guidebook, “In interpreting and giving meaning to GNSO Recommendation 3 (“Strings must not infringe the existing legal rights of others that are recognized or enforceable under generally accepted and internationally recognized principles of law”), a DRSP panel of experts presiding over a legal rights objection will determine whether the potential use of the applied-for gTLD by the applicant takes unfair advantage of the distinctive character or the reputation of the objector’s registered or unregistered trademark or service mark (“mark”) or IGO name or acronym (as identified in the treaty establishing the organization), or unjustifiably impairs the distinctive character or the reputation of the objector’s mark or IGO name or acronym, or otherwise creates an impermissible likelihood of confusion between the applied-for gTLD and the

objector's mark or IGO name or acronym". It is added in Section 3.2.2.2 that "An intergovernmental organization (IGO) is eligible to file a legal rights objection if it meets the criteria for registration of a .INT domain name: a) An international treaty between or among national governments must have established the organization; and b) The organization that is established must be widely considered to have independent international legal personality and must be the subject of and governed by international law. The specialized agencies of the UN and the organizations having observer status at the UN General Assembly are also recognized as meeting the criteria".

It therefore seems that the above procedure is a significant opportunity given to the Gulf Cooperation Council to file an objection, if deemed appropriate, against the application.

Moreover, as for his possibility to object on the community ground, it is the public policy of the IO not to make an objection when a single established institution representing and associated with the community having an interest in an objection can lodge such an objection directly. This does not exclude that the IO deems it nevertheless appropriate to file a community objection in exceptional circumstances, in particular if the established institution representing and associated with the community has compelling reasons not to do so, or if several institutions could represent a single community and are in the same interest so that an application could raise issues of priority, or in respect to the modalities of the objection.

In the present case, the IO is of the opinion that the Gulf Cooperation Council is an established institution representing and associated with a significant part of the targeted community. The Gulf Cooperation Council is already fully aware of the controversial issues and is better placed than the IO to file an objection, if it deems it appropriate.

Therefore, the IO who is primarily acting as a "safety net", does not, in principle, intend to file an objection on the community or limited public interest ground.

Applicant's Response to the Independent Objector's Initial Notice



GCCIX WLL

Response to the IO's Initial Notice
GCCIX WLL Response to the IO .pdf
Document Adobe Acrobat [122.9 KB]

Attachment B

GCCIX's response to the IO Comment

Response to IO initial comments regarding the application for .GCC

Introduction

In order to fully respond to the IO's observations, we would first like to provide additional background information on GCCIX, and expand on the overall context behind the application for the GCC string.

The Gulf and Middle East region was a relative latecomer to the 'Internet boom'. This part of the world has fewer allocated IP resources and a far less mature Internet infrastructure than many of its peers in the same RIR service region. There are two significant barriers to growth:

1. There is very poor IP peering and interconnectivity between countries around the Gulf and in the Middle east, meaning that a substantial proportion of Internet traffic between countries, and even between ISPs in the same country, travels to the major European Internet Exchange Points (IXPs) and back. The GCC Internet Exchange (GCCIX), the first neutral IXP in the region, was founded in 2011 with the goal of keeping IP traffic local, contributing to lower bandwidth costs, reduced latency, and therefore creating a better overall online experience for individuals and businesses alike. GCCIX have made a positive impact on the interconnectivity options and content availability in our territory, and have operated since inception without objection from any party.
2. The Country Code Top Level Domain (ccTLD) market around the Gulf and the Middle East is heavily regulated, and this is as a direct result of national registries being run, almost without exception, either within or by the national Governments (usually under the auspices of the local Telecoms Regulatory Authority or TRA). Such control has not proven to be conducive to competition or innovation, and the ccTLD market is resultantly quite stagnant. Manual processes associated with the application of strict regulations and the physical verification of identity give rise to annual fees of up to \$200 and delegation lead times that can, in cases, be measured in weeks.

The practices of requiring a local presence and physically proving registrant identity have been deprecated by a significant number of ccTLD registries, and the inevitable result of retaining such constraints here is an incredibly low number of registered names in the ccTLDs of the Gulf and Middle East. GCCIX estimate that the total cumulative regional registry size is ~200k names, which is broadly comparable to the number of names registered within .UK every two months.

Because of the relative inaccessibility of ccTLD domain names, registrants instead tend towards the gTLD pool where, as relative latecomers, they face a significant reduction in consumer choice, as it is rare for their name still to be available. Users therefore settle for less attractive names (e.g. by adding suffixes to their company name) when in many cases their primary choice of name remains unregistered within their local ccTLD.

Some observed examples from Bahrain, where only 87% of companies trading on the stock exchange use a gTLD rather than a .BH domain name:

- AFT, a Bahrain travel agency, using aftbahrain.com
- The Ministry of Culture using springofculture.org for a season of cultural events
- The National Bank of Bahrain using nbbonline.com
- Bahrain Air, a (now defunct) regional airline, using bahrainair.net

Consumers should, of course, be free to choose a gTLD over their local ccTLD, however in this region it is evident that the difficulty in registering ccTLD names leaves registrants with no choice but to use far less attractive gTLD labels.

GCCIX additionally observe the proliferation of suffixes such as “ME” (Middle East) or “Arabia” when foreign companies that do business with and in the Gulf and Middle East register company or brand names (e.g. disneyME.com, mcdonaldsME.com, MTVarabia.com). This is clearly born of the obvious need and market demand for a TLD which represents more than one of the economies in the region. A comparable situation exists in Europe where the introduction of .EU saw two million registrations in the first six months and has resulted in .EU becoming the third largest European registry by volume.

GCCIX believes that the provision of a supra-national TLD string will unquestionably stimulate online commerce, competition, and innovation, and provide greater consumer choice for Internet users in and around the Gulf and Middle East region.

Regarding public comments to the GCCIX application

GCCIX would like to thank all those who have taken the time to comment on our application, either with messages of support or concern, and we appreciate the opportunity that these comments afford us to discuss and explain the details of our application in an open and transparent manner.

We are especially grateful to all of the representatives of the TRAs and ccTLD registries of Saudi Arabia, Bahrain, the UAE and Jordan for contributing the majority of comments. It is without question that these individuals have an enviable breadth of experience in the domain name industry, and it is clear from the unified message they send that registry operators around the Gulf and Middle East have many common interests.

Although GCCIX will be in direct competition with the incumbent registries if our application is successful, we have no reason to imagine that this is the basis for any objection, and we strongly encourage the IO to fully satisfy himself of the same before drawing any final conclusions with regards to the comments received.

In assessing public comments, the salient point is neither the volume nor manner in which they have been made, but whether the points highlighted are valid or specious, and whether or not any potential objections are credible and valid. GCCIX are happy

to present verifiable facts in response to some of the material that has been propagated in the public domain.

Limited Public Interest Objection

There exists in the Middle East an IGO comprised of the states of Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the UAE, whose legal form is the Cooperation Council for the Arab States of the Gulf (hereinafter referred to as the CCASG).

There is a degree of confusion as to the correct legal form of this IGO, the root of which is almost certainly the disparity between versions of the official treaty as published by the CCASG and the UN:

From <http://www.gcc-sg.org/eng/indexfc7a.html?action=Sec-Show&ID=1>

ARTICLE ONE

The Establishment of the Council

A council shall be established hereby to be named the Cooperation Council for the Arab States of the Gulf hereinafter referred to as the Cooperation Council (GCC).

From [http://treaties.un.org/doc/Publication/UNTS/Volume 1288/volume-1288-I-21244-English.pdf](http://treaties.un.org/doc/Publication/UNTS/Volume%201288/volume-1288-I-21244-English.pdf)

Article One. ESTABLISHMENT OF Council

A council shall be established hereby to be named the Cooperation Council for the Arab States of the Gulf, hereinafter referred to as Cooperation Council.

- Both versions agree that a “Cooperation Council for the Arab States of the Gulf” is to be formed, and correctly use the term ‘hereinafter’ (adverb: further on *in this document*) to establish a shorthand name – “Cooperation Council” – which is then used almost exclusively throughout both documents
- The CCASG version incongruously proffers “GCC” as an abbreviation for “Cooperation Council” within the document, but makes use of it only once in Article 12 (where the UN version instead uses the term “member states”)
- Neither version of the treaty makes any reference to a “Gulf Cooperation Council”

Although the string “GCC” is used informally in the public domain in reference to the CCASG, neither the acronym nor its expanded version “Gulf Cooperation Council” are referred to in the CCASG charter as recorded at the United Nations. ICANN go into the subject of IGOs in the applicants’ handbook sections 3.2.2.2, 3.5.1 and 3.5.2, where there is very clear reference to “IGO name or acronym (*as identified in the treaty establishing the organization*)”, and the string “GCC” unequivocally does not meet that criterion.

Furthermore, ICANN have not identified the string “GCC” as a Reserved Name, despite the recent expansion of protection for IGO names activities, and although ICANN has now issued Clarifying Questions for the .GCC application, none relate to any concerns regarding the string itself or any potential perceived geographic confusion.

Furthermore, the “GCC” string is not present on any other restricted or reserved lists (e.g. ISO), nor is it registered under article 6ter of the Paris Convention whose protections “*shall only apply to [...] abbreviations or titles of international organizations that the latter have communicated to the countries of the Union through the International Bureau*”.

We note that the “Grace Community Church” continues to host its website at <http://www.gcc.org> 16 years after registering the name, despite their activities not being aligned with the “creed of Islam” referred to by the CCASG. GCCIX’s IXP work and our vision to stimulate regional commerce via the TLD namespace *are* aligned with the aims of the CCASG, yet only the latter has ever been objected to.

As explained in our introduction, there is a clearly perceived need for a TLD string that all users across the Gulf and Middle East can easily identify with. The string “GCC” is the obvious choice for this because it is a label that has been adopted as the broad regional identifier among commerce and society. The “GCC” string is not the sole preserve of the CCASG, and has myriad other unchallenged uses across the Gulf and Middle East as well as around the world. The CCASG have not sought to protect the string through any formal process recognized in international law, and ICANN have accordingly not afforded it any protections under the new gTLD application process.

GCCIX respect international law and the conventions thereof, and fully support the protection of the legally registered names and acronyms of IGOs and other formal and official bodies.

Community Objection

As the IO observes, there are many ways to identify and define a ‘community’. GCCIX have made it very clear who we believe our target audience to be through the explicit wording found throughout our application. We quote the following excerpts by way of clarity:

“users in the Gulf and Middle East region” *[In addition to CCASG members, the term “Middle East” includes Cyprus, Egypt, Iran, Iraq, Israel, Jordan, Lebanon, Palestine, Syria, Turkey and Yemen]*

“.gcc will be marketed globally”

“Internet users with an interest in or connection with the Gulf and Middle East”

Attachment C

Legal Rights Objection (LRO) filed by the Gulf Cooperation
Council on 13 March 2013 with the LRO provider

Pages 21-31 removed – Confidential Information

Attachment D

Legal Rights Objection Response filed by GCCIX on 15 May 2013
with the LRO provider

Pages 33-44 removed – Confidential Information

ICANN BOARD SUBMISSION NO. 2023.04.30.2e

TITLE: Further Consideration of the Afilias Domains No. 3 Ltd. v. ICANN (.WEB) Independent Review Process Final Declaration

PROPOSED ACTION: For Board Consideration and Approval

EXECUTIVE SUMMARY:

Afilias Domains No. 3 Ltd. (Altanovo),¹ one of the applicants for .WEB, initiated an Independent Review Process (IRP) challenging Nu Dotco LLC's (NDC) .WEB application and its bids in the auction that resolved the .WEB contention set (.WEB IRP). The Final Declaration issued by the IRP Panel became "final" on 21 December 2021. Per the Bylaws, the Board initially considered the Final Declaration in January 2022 and, among other things, asked the Board Accountability Mechanisms Committee (BAMC) "to review, consider, and evaluate the IRP Panel's Final Declaration and recommendation, and to provide the Board with its findings to consider and act upon before the organization takes any further action toward the processing of the .WEB application(s)."²

After initial consideration of the IRP Panel's Final Declaration and recommendation, and related materials, the BAMC recommended and the Board passed a resolution asking the BAMC to review, consider, and evaluate the claims relating to the Domain Acquisition Agreement (DAA) between NDC and Verisign, Inc. relating to .WEB, and the claims relating to Altanovo's conduct during the Auction Blackout Period ([Resolution 2022.03.10.06](#)).

In furtherance of the Board's 10 March 2022 Resolution, the BAMC requested that the interested parties (Altanovo, NDC and Verisign) provide comprehensive written summaries of their claims and the materials supporting their claims. Initial submissions were received on 29 July 2022, and reply submissions were received on 29 August 2022.

The BAMC reviewed and considered the submissions and supporting materials including, but not limited to, the DAA and affiliated documents, NDC's .WEB application, relevant provisions of the Guidebook, Auction Rules and Bidder Agreement, and various other materials. The BAMC

¹ Afilias Domains No. 3 Ltd. is now known as Altanovo Domains Limited and will be referred to herein as "Altanovo."

² [Board Resolutions 2022.01.16.12 – 2022.01.16.15](#).

extensively discussed the matter and options regarding next steps relating to the .WEB gTLD and, after careful consideration and lengthy discussion, has made the following recommendations which the Board is being asked to consider.

BOARD ACCOUNTABILITY MECHANISMS COMMITTEE (BAMC) RECOMMENDATION:

The BAMC recommends that the Board: (a) determine that NDC did not violate the Guidebook or the Auction Rules, either through entering into the DAA or through its participation in the .WEB auction; (b) direct the Interim President and CEO, or her designee(s), to continue processing NDC's .WEB application; and (c) in light of the above, conclude that is not necessary to make a final determination at this time as to whether Altanovo violated the "Blackout Period" of the .WEB auction.

Noting the questions raised regarding certain conduct by both NDC and Altanovo, the BAMC further recommends that the Board direct the Interim President and CEO, or her designee(s), to carefully consider the issues raised by the parties and the Panel in the .WEB IRP with regard to agreements similar to the DAA and communications prior to an ICANN auction when developing the Guidebook and auction rules for the next round of the New gTLD Program in order to provide greater clarity to applicants regarding the transparency and notification requirements throughout the application and auction processes.

PROPOSED RESOLUTION:

Whereas, on 16 January 2022, the Board considered the Final Declaration in the Afiliis Domains No. 3 Ltd. (Altanovo)³ v. ICANN Independent Review Process regarding .WEB (.WEB IRP) and, in part, resolved that further consideration was needed regarding the IRP Panel's non-binding recommendation.

Whereas, pursuant to its 16 January 2022 [resolution](#), the Board asked the Board Accountability Mechanisms Committee (BAMC) to review, consider, and evaluate the IRP Panel's Final Declaration and recommendation, and to provide the Board with its findings to consider and act upon before the organization takes any further action toward contracting for or delegation of .WEB.

³ Afiliis Domains No. 3 Ltd. is now known as Altanovo Domains Limited and will be referred to herein as "Altanovo."

Whereas, the BAMC complied with the Board's request and recommended next steps related to the .WEB applications.

Whereas, on 10 March 2022, the Board considered the BAMC's recommendation, as well as the relevant related materials, and [resolved](#) to: (a) ask the BAMC to review, consider and evaluate the claims relating to the Domain Acquisition Agreement (DAA) between Nu Dotco LLC (NDC) and Verisign, Inc. and the claims relating to Altanovo's conduct during the Auction Blackout Period; (b) ask the BAMC to provide the Board with its findings and recommendations as to whether the alleged actions of NDC and/or Altanovo warrant disqualification or other consequences, if any, related to any relevant .WEB application; and (c) direct ICANN organization to continue refraining from contracting for or delegation of .WEB until ICANN has made its determination regarding the .WEB application(s).

Whereas, in furtherance of that resolution, the BAMC requested that Altanovo, NDC and Verisign provide comprehensive written summaries of their claims and the materials supporting their claims, which they did in July and August 2022.

Whereas, after the BAMC reviewed and considered the parties' July/August 2022 [submissions](#) and supporting materials, as well as relevant related materials, and discussed the matter extensively, the BAMC recommended that the Board: (a) determine that NDC did not violate the Guidebook or the Auction Rules, either through entering into the DAA or through its participation in the .WEB auction; (b) direct the Interim President and CEO, or her designee(s), to continue processing NDC's .WEB application; and (c) in light of the above, conclude that is not necessary to make a final determination at this time as to whether Altanovo violated the "Blackout Period" of the .WEB auction.

Whereas, noting the questions raised regarding certain conduct by both both NDC and Altanovo, the BAMC further recommended that the Board direct the Interim President and CEO, or her designee(s), to carefully consider the issues raised by the parties and the Panel in the .WEB IRP with regard to agreements similar to the DAA and communications prior to an ICANN auction when developing the Guidebook and auction rules for the next round of the New gTLD Program in order to provide greater clarity to applicants regarding the transparency and notification requirements throughout the application and auction processes.

Resolved (2023.04.30.xx), the Board hereby: (a) determines that NDC did not violate the Guidebook or the Auction Rules, either through entering into the DAA or through its participation

in the .WEB auction; (b) directs the Interim President and CEO, or her designee(s), to continue processing NDC's .WEB application; and (c) in light of the above, concludes that it is not necessary to make a final determination at this time as to whether Altanovo violated the "Blackout Period" of the .WEB auction.

Resolved (2023.04.30.xx), the Board hereby notes the questions raised regarding certain conduct by both NDC and Altanovo and directs the Interim President and CEO, or her designee(s), to carefully consider the issues raised by the parties and the Panel in the .WEB IRP with regard to agreements similar to the DAA and communications prior to an ICANN auction when developing the Guidebook and auction rules for the next round of the New gTLD Program in order to provide greater clarity to applicants regarding the transparency and notification requirements throughout the application and auction processes.

PROPOSED RATIONALE:

After careful review of the underlying facts, the submissions and supporting materials provided by Altanovo Domains Limited (Altanovo),⁴ Nu Dotco LLC (NDC) and Verisign, Inc. in July and August 2022, including, but not limited to, the Domain Acquisition Agreement (DAA) between NDC and Verisign and affiliated documents, NDC's .WEB application, relevant provisions of the Guidebook, Auction Rules and Bidder Agreement, and various other materials, as well as the Board Accountability Mechanisms Committee's (BAMC) analysis and recommendations, the Board has determined that NDC did not violate the Guidebook or the Auction Rules, either through entering into the DAA or through its participation in the .WEB auction. In addition, and in light of the above determination, the Board has also concluded that it is not necessary to make a final determination at this time as to whether Altanovo violated the "Blackout Period" of the .WEB auction.

The Board, however, does note the claims asserted regarding NDC's non-disclosure of its arrangement with Verisign and regarding Altanovo's communications prior to the ICANN auction and, thus, has directed ICANN organization to carefully consider such issues when developing the Guidebook and the auction rules for the next round of the New gTLD Program. It would be beneficial to both the applicants and the application process as a whole to provide greater clarity in the next iteration of the Guidebook and auction rules regarding the transparency and

⁴ Afilias Domains No. 3 Ltd. is now known as Altanovo Domains Limited and will be referred to herein as "Altanovo."

notification requirements throughout the application and auction processes, in particular with regard to proposed registry agreement assignments and/or arrangements similar to the DAA as well as communications during the Blackout Period.

Background Information

Additional background information regarding the .WEB applications and the .WEB auction, the Independent Review Process initiated by Altanovo (.WEB IRP), and the IRP Panel's Final Declaration can be found in the Resolution, Rationale and supporting Board materials for Board Resolutions [2022.01.16.12 - 2022.01.16.15](#) and [2022.03.10.06](#), and is incorporated herein by reference.

The .WEB Auction and the DAA:

Seven applicants submitted applications for the right to operate .WEB, including Altanovo and NDC. The members of the .WEB contention set did not privately resolve contention; accordingly, the applicants went to an ICANN auction of last resort. An auction was held on 27-28 July 2016, which concluded with NDC prevailing with a bid of US\$135 million. Shortly thereafter, Verisign publicly disclosed (through both a press release and a filing with the Securities and Exchange Commission) that, pursuant to an agreement it had entered with NDC, Verisign provided the funds for NDC's auction bid in exchange for, among other things, NDC's future assignment of the .WEB registry agreement to Verisign, subject to ICANN's consent.

The commitment Verisign referenced arose out of an agreement between NDC and Verisign known as the Domain Acquisition Agreement (DAA). The DAA "3rd Party Designated Confidential Information

" subject to ICANN's consent to an assignment request regarding the Registry Agreement.

Under the terms of the DAA, NDC agreed that it "3rd Party Designated Confidential Information" that it "3rd Party Designated Confidential Information

3rd Party Designated Confidential Information

” and that it will not

“3rd Party Designated Confidential Information

”

NDC and Verisign agreed that “3rd Party Designated Confidential Information

”

Upon learning of an agreement between Verisign and NDC, Altanovo sent ICANN a letter asking ICANN to disqualify NDC’s .WEB application and its bid for .WEB, and award .WEB to Altanovo as the next highest bidder. ICANN undertook an initial investigation, which was followed by a competition investigation by the United States Department of Justice Antitrust Division (DOJ). The DOJ process took approximately a year and a half. In early 2018, the DOJ closed its investigation and took no action. Thereafter, ICANN proceeded to the contracting phase with NDC for .WEB.

IRP Panel Final Declaration:

Altanovo initiated the .WEB IRP in November 2018, alleging that NDC had violated the Guidebook and/or Auction Rules as a result of its arrangement with Verisign, and that ICANN had violated the Bylaws by failing to disqualify NDC. NDC and Verisign asked to participate as *amici curiae* in the IRP, which the Panel granted. The merits hearing took place on 3-11 August 2020, and the IRP Panel issued its Final Declaration on 20 May 2021, which the Panel later corrected for certain typographical errors, effective 15 July 2021. Altanovo then filed a further challenge to the Final Declaration, which the Panel denied in its entirety in December 2021, at which time the Final Declaration was deemed “final.”

In its Final Declaration, the Panel accepted Altanovo's claim that ICANN violated provisions in its Articles of Incorporation (Articles) and Bylaws by proceeding toward entering a Registry Agreement with NDC without having reached a determination about whether the DAA or NDC's conduct warranted rejection of NDC's application for .WEB. The Panel also found that ICANN violated its Bylaws' obligation to operate in an open and transparent manner and consistent with procedures to ensure fairness by not advising Altanovo of the ICANN Board's choice in November 2016 to defer consideration of the .WEB matter while an Accountability Mechanism regarding .WEB was pending.

The Panel, however, denied Altanovo's requested relief that the Panel issue a binding declaration that ICANN must disqualify NDC's bid for .WEB, that the Panel specify a winning bid price, and that the Panel order ICANN to proceed with contracting for .WEB with Altanovo. The Panel found that the questions raised by Altanovo were "serious and deserving of [ICANN's] consideration," but the Panel expressed no view as to the proper resolution of those questions. Instead, the Panel found that the resolution of those questions is a matter within the discretion of ICANN. The Panel noted that: "it is for [ICANN], that has the requisite knowledge, expertise, and experience, to pronounce in the first instance on the propriety of the DAA under the New gTLD Program Rules, and on the question of whether NDC's application should be rejected and its bids at the auction disqualified by reason of its alleged violations of the Guidebook and Auction Rules."

The Panel also stated that it "accepts the submission that ICANN does not have the power, authority, or expertise to act as a competition regulator by challenging or policing anticompetitive transactions or conduct." The Panel further noted that "[c]ompelling evidence to that effect" was presented by several of the ICANN witnesses at the final hearing, and "it is consistent with a public statement once endorsed by [Altanovo], in which it was asserted [that] '[...] Neither ICANN nor the GNSO have the authority or expertise to act as anti-trust regulators.'"

Board Resolutions and BAMC Review:

Once the Final Declaration became "final," after resolution of Afiliias' separate request for "interpretation and correction" (which the Panel determined was "frivolous") on 21 December 2021, the Board considered the Final Declaration at its 16 January 2022 meeting. The Board acknowledged the Panel's findings, directed payment to Altanovo of the amount set forth by the

Panel, and determined that further consideration of the Panel's recommendation was needed. Accordingly, the Board asked the BAMC to "review, consider, and evaluate the IRP Panel's Final Declaration and recommendation, and to provide the Board with its findings to consider and act upon before the organization takes any further action toward contracting for or delegation of .WEB."

After conducting its initial review of the IRP Panel's Final Declaration and recommendation, and related materials, the BAMC recommended that the Board: (a) ask the BAMC to review, consider and evaluate the claims relating to the DAA, and the claims relating to Altanovo's conduct during the Auction Blackout Period; (b) ask the BAMC to provide the Board with its findings and recommendations as to whether the alleged actions of NDC and/or Altanovo warrant disqualification or other consequences, if any, related to any relevant .WEB application; and (c) direct ICANN organization to continue refraining from contracting for or delegation of .WEB until the Board has made its determination regarding the .WEB application(s).

As set forth in Board Resolution [2022.03.10.06](#), the Board agreed with the BAMC's recommendation and noted that, "in light of certain of the Panel's determinations, it is appropriate and prudent for ICANN to undertake an analysis of the allegations regarding the DAA as well as the allegations regarding the Auction Blackout Period in order to determine if any consequences are warranted with respect to any of the .WEB applications" before proceeding further.

In furtherance of the Board's Resolution, the BAMC requested that the interested parties (Altanovo, NDC and Verisign) "provide a comprehensive written summary of their claims and the materials supporting their claims." On 29 July 2022, Altanovo and NDC/Verisign provided their initial submissions. Altanovo also submitted two supporting declarations with its submission. On 29 August 2022, Altanovo submitted its reply submission, and NDC/Verisign submitted their reply submission along with two supporting declarations.

The BAMC reviewed and considered the submissions and supporting materials including, but not limited to, the DAA and affiliated documents, NDC's .WEB application, relevant provisions of the Guidebook, Auction Rules and Bidder Agreement, and various other materials. The BAMC carefully considered the parties' positions and supporting materials, and the BAMC extensively discussed the matter and options regarding next steps relating to the .WEB gTLD during at least four separate meetings.

Summary of the Parties' Positions

The following is a summary of the parties' positions but does not capture the entirety of their positions, which are set forth in their submissions to the BAMC and are available on ICANN's [.WEB IRP webpage](#).

Altanovo's Position Regarding the .WEB Auction and the DAA:

Altanovo contends that the gTLD application process is designed to promote fairness, transparency and non-discrimination and that it requires key parts of each application to be posted for a public comment period, which guarantees that other applicants and the Internet community at large know what entity is applying for a gTLD and the purpose for which it is sought and have an opportunity to comment on the application. Altanovo claims that transparency is required so that all applicants know who they are competing against. Altanovo argues that the DAA "decimate[s] [the] fundamental principles underlying the New gTLD Program" and that, according to Altanovo, "the DAA was specifically designed to evade and subvert the most basic purposes that the Program was meant to serve." Further, Altanovo argues that, by submitting an application to ICANN through the New gTLD Program, the applicant enters into a contract with ICANN; and that ICANN enters into these contracts and promulgates the rules in the Guidebook to carry out its Mission on behalf of the Internet community as a whole.

Altanovo argues that the Guidebook prohibits the sale, assignment, or transfer of "any of applicant's rights or obligations in connection with the application," referencing Paragraph 10 of Module 6 of the Applicant Guidebook, which states:

Applicant understands and agrees that it will acquire rights in connection with a gTLD only in the event that it enters into a registry agreement with ICANN, and that applicant's rights in connection with such gTLD will be limited to those expressly stated in the registry agreement. In the event ICANN agrees to recommend the approval of the application for applicant's proposed gTLD, applicant agrees to enter into the registry agreement with ICANN in the form published in connection with the application materials. (Note: ICANN reserves the right to make reasonable updates and changes to this proposed draft agreement during the course of the application process, including as the possible result of new policies that might be adopted during the course of the application process). Applicant may not resell, assign, or transfer any of applicant's rights or obligations in connection with the application.

Altanovo argues that this provision is not merely limited to the total sale or transfer of an application but, rather, prohibits the transfer of individual rights or obligations in an application. And, according to Altanovo, the DAA constituted a resale, assignment and/or transfer of several of NDC's individual rights and/or obligations relating to its .WEB application.

Specifically, Altanovo asserts that NDC transferred to Verisign the right and obligation to negotiate and enter into a Registry Agreement with ICANN and to operate .WEB because the terms of the DAA require that NDC "3rd Party Designated Confidential Information

" and to "3rd Party Designated Confidential Information" before executing the Registry Agreement with ICANN. According to Altanovo, the "most basic right under a gTLD application is . . . the applicant's opportunity to operate the applied-for registry," but the DAA operates as 3rd Party Designated Confidential Information, citing to the portion of the DAA that indicates that, 3rd Party Designated Confidential Information

Altanovo argues that NDC also transferred to Verisign its right to participate in the .WEB auction on its own behalf by agreeing that it would do so only upon "3rd Party Designated Confidential Information

" Altanovo also argues that NDC transferred this right by agreeing to participate in the auction "3rd Party Designated Confidential Information," and 3rd Party Designated Confidential Information

According to Altanovo, each and every bid at the .WEB auction was made "3rd Party Designated Confidential Information" and from Verisign's headquarters.

Altanovo disagrees with NDC/Verisign's contention that the DAA comprises a "future" assignment of rights because Verisign exercised its then-existing rights to "3rd Party Designated Confidential Information

" and to "3rd Party Designated Confidential Information" Verisign, according to Altanovo, also controlled NDC's bids at the ICANN Auction.

Altanovo also contends that "virtually all" of the information in NDC's application became untrue, inaccurate, and incomplete when NDC entered into the DAA and "deprived" the Internet community of the ability to submit public comments on Verisign's involvement in .WEB. For instance, in Section 18 (Mission/Purpose) of the application, NDC stated that "[p]rospective users benefit from the long-term commitment of a proven executive team that has a track-record

of building and successfully marketing affinity TLD's," and that NDC plans to implement "a very similar strategy for .WEB to the one that it used for .CO." But, according to Altanovo, that was no longer accurate once the DAA was signed because, under the DAA, there was no circumstance where NDC could operate .WEB. Thus, the mission and purpose, including the "long-term commitment of a proven executive team," became an "outright lie," according to Altanovo. Altanovo asserts that this information was published for the members of the Internet community so that they can understand who is applying for a given gTLD, regardless of whether Section 18 is part of ICANN's evaluation. Altanovo contends that this is the reason that Paragraph 1 of the Applicant Guidebook requires applicants to notify ICANN of "any change in circumstances that would render any information in the application false or misleading."

Position of NDC and Verisign Regarding the .WEB Auction and the DAA:

NDC and Verisign claim that Altanovo has lodged a series of attacks designed to disqualify NDC from the .WEB contention set since even before the .WEB auction, and the IRP was yet another such attack. NDC and Verisign also note that Altanovo sought to exclude NDC and Verisign from participating in the IRP while simultaneously asking the IRP Panel to disqualify NDC and its .WEB application. NDC and Verisign contend that Altanovo's proposed relief and proposed reading of the Guidebook are "draconian" and "would create uncertain and destabilizing precedent far beyond this matter." For instance, they assert that ICANN is bound by the Bylaws to act in a non-discriminatory manner, and that awarding Altanovo the relief it seeks would amount to singling out NDC and Verisign because ICANN has approved hundreds of assignments of Registry Agreements, some similar to the assignment envisioned by the DAA, including assignments that change the mission and purpose of the original application. They further claim that numerous applicants have entered into agreements with third parties and that ICANN has never disqualified an applicant on that basis.

NDC and Verisign argue that Paragraph 10 of Guidebook Module 6 does not apply to the DAA because the paragraph only prohibits the sale of a total application itself; it does not address agreements, such as the DAA, "to support an application, finance a resolution of a contention set, or assign a registry agreement post-delegation (upon consent of ICANN)." NDC and Verisign argue that the DAA did not transfer NDC's rights or obligations under the application to Verisign. The DAA contemplates only "a possible, contingent, future assignment of the registry agreement following (i) resolution of the contention set, (ii) execution of a registry agreement, and (iii) ICANN's consent to the assignment." Moreover, the DAA confirmed that NDC did not

need Verisign's consent to "3rd Party Designated Confidential Information

"

According to NDC and Verisign, the DAA fails to meet the legal elements for an assignment, which requires "(1) a specific *intention* to make (2) a *present transfer of ownership* of the application, and (3) the transferor have *no remaining interest* in the application." Instead, the Confirmation of Understanding (a subsequent agreement dated 26 July 2016 between NDC and Verisign relating to the DAA) states that the parties "3rd Party Designated Confidential Information"; and that NDC does not need Verisign's consent to "3rd Party Designated Confidential Information

" NDC and Verisign argue that the only transfer contemplated by the DAA was a future, conditional assignment of a Registry Agreement.

NDC and Verisign also rely upon the Auction Rules, which they contend implicitly authorize agreements such as the DAA. The Auction Rules state that pre-auction agreements regarding post-auction ownership transfer arrangements cannot be discussed during the Blackout Period, impliedly permitting such arrangements to be discussed at other times. Finally, NDC and Verisign argue that when drafting the Applicant Guidebook, ICANN "rejected" a proposal to limit agreements for post-delegation assignments of Registry Agreements, which further confirms that the Guidebook was not intended to limit these assignments.

NDC and Verisign argue that NDC made the bids for itself as the applicant, and that the DAA provisions to which Altanovo cites 3rd Party Designated Confidential Information

For instance, 3rd Party Designated Confidential Information

Further, NDC and Verisign claim that not only do the Auction Rules not govern the extent to which an applicant may obtain third-party financing for an auction, but Altanovo even admitted that it received a loan for its participation in the .WEB auction, much like other participants in both private auctions and other ICANN auctions.

NDC and Verisign further contend that NDC is still the applicant for .WEB, and that NDC may become the registry operator because Verisign's rights under the DAA are subject to numerous contingencies. For instance, Verisign could terminate the DAA "3rd Party Designated Confidential Information," which would allow NDC to operate .WEB. NDC also could breach the DAA and keep the .WEB

registry for itself (even if that action would carry its own consequences). Additionally, if ICANN did not consent to the assignment, NDC and Verisign could modify the DAA such that NDC would remain the registry operator.

NDC and Verisign further contend that new gTLDs have been transferred “hundreds of times post-delegation,” and that “ICANN has never objected or refused to consent to an assignment on the grounds that: (i) the pre-delegation agreement provided for a post-delegation assignment of the registry agreement, and/or (ii) there was a lack of pre-delegation public scrutiny of the registry operator because the assignment was effected after the application evaluation period had closed.”

NDC and Verisign argue that ICANN has never applied the Guidebook in the manner proposed by Altanovo, and that new gTLDs have been transferred numerous times after execution of a Registry Agreement. NDC and Verisign refer to Christine Willett’s testimony at the IRP hearing that “‘applicants all the time were assigning rights and designating third parties to operate on their behalf,’ with respect to ‘all sorts of aspects of their application and future gTLD operations,’ including assigning new gTLDs immediately upon execution of the registry agreement.”

NDC and Verisign argue that the DAA did not render any statements in the application false or misleading. NDC and Verisign contend that ICANN is generally unconcerned with third-party agreements like the DAA and only is concerned with the ownership, management, and contact personnel for the applicant. The representations regarding NDC’s ownership, management, and contact personnel remain accurate.

Additionally, NDC and Verisign argue that there were no changes to Section 18 (Mission/Purpose) of the application about which NDC was required to notify ICANN. The DAA did not alter the mission or purpose as stated in NDC’s application, where NDC described “its general strategy at the time [in 2012] as to how .WEB might be successfully and productively introduced and used to benefit consumers.” That general strategy was not “intended to be a definitive statement of NDC’s plans for .WEB,” and, according to NDC and Verisign, they were not “required to be” definitive statements under the Guidebook. NDC and Verisign further contend that any purported inaccuracy in Section 18 is immaterial because Module 2 of the Guidebook states that the information provided in response to Question 18 “is not used as part of the evaluation or scoring of the application.”

Allegations regarding the .WEB Auction Blackout Period:

Clause 68 of the Auction Rules and Sections 2.6 and 2.10 of the Bidder Agreement prohibit members of a contention set from, among other things, “cooperating or collaborating with respect to, discussing with each other, or disclosing to each other in any manner the substance of their own, or each other’s, or any other competing applicants’ bids or bidding strategies, or discussing or negotiating settlement agreements” during the period from the deposit deadline for the auction until full payment has been received from the auction winner. This is referred to as the “Blackout Period.” According to NDC and Verisign, an agreement had been reached to resolve .WEB through a “private auction” by all members of the contention set except NDC, which refused to participate in a private auction. The proposed private auction would have been structured so that the proceeds of the winning bid would be distributed to the losing bidders. On 7 June 2016, a representative of Altanovo asked NDC to reconsider entering into a private auction and offered to guarantee that NDC would receive at least \$16 million if NDC participated in a private auction and lost. NDC declined. Altanovo offered to increase the guaranteed payment to \$17.02 million. NDC declined again.

On 20 July 2016, the deposit deadline for the .WEB action passed, and the Blackout Period began. On 22 July 2016, Altanovo sent a text message to NDC stating:

If ICANN delays the auction next week would you again consider a private auction? Y-N

NDC did not respond to the text message. NDC and Verisign contend that Altanovo’s communication violated the Blackout Period.

NDC and Verisign argue that Altanovo’s 22 July 2016 message asking if NDC would consider a private auction in the event that the .WEB auction were to be postponed amounted to seeking a “settlement of” the .WEB contention set in breach of paragraph 68 of the Auction Rules and Section 2.6 of the Bidder Agreement. They argue that the text message “unambiguously referred back to Altanovo’s prior attempts days earlier to induce NDC to agree to a private auction for .WEB by guaranteeing NDC over \$17 million to go to such an auction and lose.” NDC and Verisign further argue that Altanovo’s text message also intended to probe NDC’s strategies for the upcoming auction, which NDC and Verisign contend the Bidder Agreement prohibits.

Altanovo argues that the first two texts NDC and Verisign identified occurred six weeks prior to the Blackout Period, and that while the 22 July 2016 text occurred during the Blackout Period, it did not violate any rules. According to Altanovo, the Blackout Period is “designed to prevent bid rigging by prohibiting bidders from coordinating in advance of the auction.” According to Altanovo, its text message did not seek to coordinate or otherwise rig auction bids and did not violate the terms or spirit of the Blackout Period; and the text did not relate to bids, bidding strategies, settlement agreements or post-Auction ownership transfer agreements.

Parties’ Request for Remedies:

The parties’ submissions propose radically different remedies in the event the Board were to find a violation of the Guidebook or Auction Rules, notwithstanding the fact that the IRP Panel found that the Guidebook and Auction Rules provide ICANN with considerable discretion to address and to remedy breaches of their terms.

Altanovo contends that, if a violation is found, the Articles and Bylaws require the Board to exercise its discretion to disqualify NDC’s application/bids and deem NDC ineligible to enter into a Registry Agreement for .WEB, based on Guidebook Module 6 (which provides that ICANN may reject an application if an applicant makes a “material misstatement or misrepresentation” in the application or omits any “material information” from the application). Altanovo further argues that its bid (which was the second highest bid) should be declared the winning bid because certain provisions of the Auction Rules indicate that a bidder may be subject to various penalties, including forfeiture of its application, and that ICANN may make a determination that a winning applicant is “ineligible” to enter into a Registry Agreement.

NDC’s and Verisign’s overarching theme is that granting Altanovo the relief it seeks would amount to treating NDC and Verisign differently from all other similarly situated new gTLD applicants that have assigned their Registry Agreements to third parties, or otherwise entered into financing agreements related to their applications. NDC and Verisign further argue that Altanovo’s argument implies that the Board has no discretion but to award Altanovo its “draconian” relief, thereby resulting in Altanovo obtaining the right to operate .WEB for “far less than its market value.” NDC and Verisign, however, assert that Altanovo’s argument is contrary to the Guidebook and the IRP Panel’s Final Declaration, which held that ICANN has “the requisite knowledge, expertise, and experience to pronounce . . . on the question of whether NDC’s application should be rejected and its bid at the auction disqualified.”

NDC and Verisign also argue that, even if the DAA violated Paragraph 10 of the Guidebook, forfeiture is not the appropriate remedy and is inconsistent with how ICANN has interpreted Paragraph 10 in the past. Moreover, the fundamental purpose of Paragraph 10 is to ensure that the applicant continues to have responsibility for the application, and the DAA did not interfere with that fundamental purpose, according to NDC and Verisign. As to the alleged violation of NDC's disclosure obligations, again NDC and Verisign argue that the remedy cannot be forfeiture, in part because there is no evidence that the result of the .WEB auction would have been different had the arrangement been disclosed. And conceding to Altanovo's demand "would be singling out NDC for disqualification based on the same conduct by other applicants for which ICANN took no action." Finally, NDC and Verisign argue that the alleged violations of the Auction Rules or the Bidder Agreement cannot support forfeiture because they relate only to the mechanics of the ICANN Auction, and the DAA did not interfere with those mechanics.

Discussion of the BAMC's Consideration and Recommendation

Pursuant to the Board's directive in [Resolution 2022.03.10.06](#), the BAMC, and then the Board, considered various materials relevant to this matter including, but not limited to, the IRP Panel's Final Declaration and the submissions and supporting materials submitted to the BAMC in July and August 2022 by Altanovo, NDC and Verisign.

After careful review of and discussion regarding the Guidebook and Auction Rules, the BAMC, and the Board, found that there is no Guidebook or Auction Rules provision that directly addresses arrangements such as the DAA, despite the parties' respective contentions. The BAMC believes, and the Board agrees, that the DAA falls into a grey area that the Guidebook and Auction Rules do not specifically address. Thus, while both sides make plausible arguments, none of those arguments exactly fits the DAA and the parties' conduct under the current Guidebook and Auction Rules.

More specifically, the BAMC and the Board found that the DAA does not violate Paragraph 10 of the Guidebook, including the last sentence, which states that "Applicant may not resell, assign, or transfer any of applicant's rights or obligations in connection with the Application." NDC remains the applicant of its .WEB application because NDC did not sell or transfer the application. While NDC has agreed that the DAA grants Verisign various rights with respect to how NDC proceeds, including with respect to ^{3rd Party Designated Confidential Information}, NDC did not resell, assign, or transfer its rights or obligations with regard to the .WEB application itself, and

retained the right to communicate with ICANN and to provide information “3rd Party Designated Confidential Information

” In the event NDC negotiates with and enters into a Registry Agreement with ICANN for .WEB, NDC would become the Registry Operator for .WEB. Only after NDC secures a Registry Agreement (if it does) can NDC then submit a request to ICANN to have the agreement assigned to Verisign.

Accordingly, the BAMC and the Board agree with NDC and Verisign that no assignment of NDC’s application has occurred and the information provided in NDC’s application has not been rendered false. Instead, the DAA contemplates a possible future assignment of the Registry Agreement that NDC might enter into with ICANN, not an assignment of NDC’s .WEB application. NDC remains the applicant and, if NDC enters into a Registry Agreement with ICANN, NDC will become the Registry Operator for .WEB. Whether or not NDC then attempts to assign the Registry Agreement to Verisign is, at this point, an event that has not occurred and conceivably may not occur depending on the circumstances at the time. And if NDC subsequently decides to request such an assignment, there are processes in place to review such a request, including the need for ICANN’s approval of that request. Such an assignment does not equate to a “circumvention” of the application process but, rather, is a necessary component for servicing Registry Operators and allowing the continued operation of gTLDs.

The BAMC also noted, as does the Board, that Registry Agreements for new gTLDs have been assigned dozens of times, if not more, following contracting and/or delegation of the gTLD and that, generally, there have been no formal objections regarding possible pre-contracting agreements that provided for a post-delegation transfer subject to ICANN approval.⁵ Although ICANN does not know the circumstances or details of other potential pre-contracting agreements that may have been in place, the BAMC and the Board note that there are examples where assignment requests were submitted shortly after (even as short as one week after) contracting, including for gTLDs that had been the subject of auctions.

⁵ For instance, in 2012, Demand Media publicly announced an agreement regarding 107 of Donuts’ gTLD applications before any Registry Agreements were executed, stating that “it ha[d] entered into a strategic arrangement with Donuts Inc. [...], through which it may acquire rights in certain gTLDs after they have been awarded to Donuts by ICANN. These rights are shared equally with Donuts and are associated with 107 gTLDs for which Donuts is the applicant.” Ultimately, approximately 24 new gTLDs that Donuts applied for were subsequently transferred via Registry Agreement assignment to Demand Media.

Furthermore, if such pre-contracting agreements occurred between private companies, ICANN might not have any direct knowledge of the extent of those agreements because private companies do not have a public disclosure requirement and the Guidebook does not contain a disclosure requirement for such agreements. The primary reason that ICANN and Altanovo became aware of the DAA was due to the fact that Verisign is a public company that was required to make a public disclosure. Verisign should not be treated differently because it is a public company that has a disclosure requirement as compared to private companies that do not have a public disclosure requirement. That being said, the BAMC thinks it is important for applicants and the application process as a whole that ICANN provide greater clarity to applicants regarding the transparency requirements and the notification requirements applicable throughout the various stages of the application process and the ICANN auction process. The Board agrees and has directed ICANN org to consider these issues when developing the Guidebook and auction rules for the next round of the New gTLD Program.

In terms of any Guidebook requirement to update an application for a gTLD, the BAMC and the Board found that NDC did not violate that requirement by entering into the DAA. First and foremost, NDC is still the applicant; that has not changed. And, if NDC enters into a Registry Agreement with ICANN, NDC will become the Registry Operator for .WEB. Second, NDC and Verisign are correct that ICANN does not use the mission and purpose information (set forth in Section 18 of the application) as part of the evaluation or scoring of an application. In this regard, NDC and Verisign also noted that numerous other applicants have changed the mission and purpose for their gTLDs over the course of time without revising those applications and without ICANN taking any punitive action in such circumstances. Moreover, as noted above, it is not uncommon for a Registry Agreement to be assigned to a different Registry Operator, which may have a different mission or purpose for the gTLD. Such an assignment does not equate to a “circumvention” of the application process but, rather, is a necessary component for servicing Registry Operators and allowing the continued operation of gTLDs.

In terms of the Auction Rules and the Bidder Agreement, the BAMC and the Board found that NDC did not violate those provisions because NDC always remained the bidder, the bids that it submitted were legitimate, and NDC was in fact able to fulfill its bid when it became the prevailing party at the auction. The Auction Rules and Bidder Agreement primarily relate to the mechanics of the auction, not the qualifications of an applicant, and the BAMC found that the language in these documents to which Altanovo points were not intended to disqualify an otherwise qualified applicant in these circumstances, a conclusion with which the Board agrees.

With regard to Altanovo's claims regarding ICANN's Core Value relating to competition, the BAMC and the Board note that the Panel understood and explicitly accepted that ICANN "does not have the power, authority, or expertise to act as a competition regulator by challenging or policing anticompetitive transactions or conduct." The Panel further noted that this "is consistent with a public statement once endorsed by [Altanovo], in which it was asserted [that] '[...] Neither ICANN nor the GNSO have the authority or expertise to act as anti-trust regulators.'" The BAMC and the Board note that ICANN's Commitment and Core Value are directed at "enabl[ing] competition and open entry in Internet-related markets" and "[i]ntroducing and promoting competition in the registration of domain names where practicable and beneficial to the public interest as identified through the bottom-up, multistakeholder policy development process." This sets the table for innovation and ensuring a stable, secure and interoperable Internet. This does not equate to being a competition "regulator," as explicitly stated in the Bylaws ("For the avoidance of doubt, ICANN does not hold any governmentally authorized regulatory authority.").

Based on the BAMC's extensive review and discussion of the allegations relating to the DAA, the BAMC has recommended that the Board determine that NDC did not violate the Guidebook or the Auction Rules, either through entering into the DAA or through its participation in the .WEB auction, and that the Board direct the Interim President and CEO, or her designee(s), to continue processing NDC's .WEB application.

The BAMC then discussed the allegations regarding Altanovo's conduct during the "Blackout Period" of the .WEB auction but, ultimately, concluded and recommended that the Board need not make a final determination at this time as to whether Altanovo violated the Auction Rules. The Board agrees, but notes that auction participants have sufficient time in advance of an ICANN auction to discuss potential private resolution and, thus, should respect the no-communication rule during the designated Blackout Period.

Finally, there was considerable discussion within the BAMC regarding the fact that, in the next round of the New gTLD Program, ICANN org should consider whether to provide more guidance, in the Applicant Guidebook or otherwise, regarding agreements similar to the DAA, including whether those agreements should be disclosed and, if so, when, as well as what communications are and are not permissible leading up to an ICANN auction. The BAMC believes, and the Board agrees, that it is important for both the applicants and the application process as a whole that ICANN provide greater clarity in the next iteration of the Guidebook and auction rules regarding the transparency and notification requirements applicable throughout the

various stages of the application and auction processes. Accordingly, the BAMC has recommended that the Board direct ICANN org to carefully consider such issues when developing the Guidebook and auction rules for the next round of the New gTLD Program.

Board Decision:

The BAMC requested, received, and considered the parties' submissions, and it devoted considerable portions of four separate meetings to this matter before issuing its recommendation. The auction for .WEB generated more money than any other ICANN auction but, regrettably, the ensuing disputes have also generated millions of dollars in legal fees by each of the relevant parties and delayed the delegation of .WEB for more than six years. The BAMC's work and recommendations on this matter were critical to the Board's evaluation of this matter.

The Board thanks Altanovo, NDC and Verisign for their participation in this process. It has been somewhat unique in ICANN's history for ICANN to request submissions from the interested parties, and Altanovo, NDC and Verisign participated fully and in good faith. The Board respects the differences of opinion and has worked diligently to address the issues that the Panel recommended the Board address.

In consideration of the underlying facts, the submissions and supporting materials provided by the parties in July and August 2022 including, but not limited to, the DAA and affiliated documents, NDC's .WEB application, relevant provisions of the Guidebook, Auction Rules and Bidder Agreement, and various other materials, as well as the BAMC's analysis and recommendations, the Board has determined that NDC did not violate the Guidebook or the Auction Rules, either through entering into the DAA or through its participation in the .WEB auction.

No assignment of NDC's application has occurred and the information provided in NDC's application has not been rendered false. Rather, the DAA contemplates a possible future assignment of the Registry Agreement that NDC might enter into with ICANN, not an assignment of NDC's .WEB application. NDC remains the applicant and, in the event NDC enters into a Registry Agreement with ICANN, NDC will become the Registry Operator of .WEB. Whether or not NDC requests and is able to assign that agreement to Verisign is, at this point, an event that has not yet occurred. If NDC subsequently decides to request such an assignment, there are processes in place to review such a request, including the need for

ICANN's approval of that request. Assignment of a Registry Agreement is not uncommon and it does not equate to a "circumvention" of the application process but, rather, is a necessary component for servicing Registry Operators and allowing the continued operation of gTLDs.

The Board further finds that NDC did not violate any Guidebook provision by not updating its application as a result of entering into the DAA. The Board notes that numerous other applicants have changed the mission and purpose for their requested gTLDs over the course of time without revising those applications; in addition to the numerous occasions in which the mission and purpose for a gTLD has changed as a result of assignment of the Registry Agreement to a new Registry Operator. The Board further finds that NDC did not violate the Auction Rules or Bidder Agreement in that NDC always remained the bidder, the bids that it submitted were legitimate, and NDC was in fact able to fulfill its bid when it became the prevailing party at the auction, and as set forth above.

With regard to the Blackout Period claims, while the Board notes the issue raised regarding Altanovo's conduct during the Blackout Period, the Board has concluded that, in light of the Board's decision to continue processing NDC's .WEB application, it is not necessary to make a final determination at this time as to whether Altanovo violated the Blackout Period of the .WEB auction.

Finally, the Board acknowledges and agrees with the BAMC's recommendation regarding the importance of greater clarity regarding the transparency and notification requirements in the application and auction processes. The Board recognizes that numerous new gTLD Registry Agreements have been assigned and the Applicant Guidebook applicable to the 2012 round of the New gTLD Program does not address the myriad of circumstances under which such assignments might occur, and when such agreements may be entered into. In this respect, the Board has determined that it is prudent to take that into consideration when developing the guidelines, rules and procedures for the next round of the New gTLD Program. Thus, the Board is directing ICANN org to carefully consider the issues raised by the parties and the Panel in the .WEB IRP with regard to agreements similar to the DAA and communications prior to an ICANN auction when developing the Guidebook and auction rules for the next round of the New gTLD Program in order to provide greater clarity to applicants regarding the transparency and notification requirements throughout the application and auction processes.

This action is within ICANN's Mission and is in the public interest as it is important to ensure that, in carrying out its Mission, ICANN is accountable to the community for operating within the Articles, Bylaws, and other established procedures. This accountability includes having a process in place by which a person or entity materially and adversely affected by a Board or organization action or inaction may challenge that action or inaction.

Taking this decision is not expected to have any immediate direct financial impact on ICANN. Further, this action should not have any direct impact on the security, stability or resiliency of the domain name system.

This is an Organizational Administrative function that does not require public comment.

Submitted By:	Amy A. Stathos, Deputy General Counsel
Date Noted:	25 April 2023
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REFERENCE MATERIALS – ICANN BOARD SUBMISSION NO. 2023-04-30-2e

**TITLE: Further Consideration of the Afilias Domains No. 3. Ltd. v ICANN (.WEB)
Independent Review Process Final Declaration**

RELEVANT MATERIALS:

The following documents are relevant to the Board's consideration of the Board Accountability Mechanism Committee's (BAMC) recommendation in the accompanying Board submission:

- Altanovo Domains Limited's (formerly known as Afilias Domains No. 3 Ltd.) (Altanovo) initial and reply submissions and supporting materials, provided to the BAMC on 29 July 2022 and 29 August 2022, available at: <https://www.icann.org/resources/pages/irp-afili-as-v-icann-2018-11-30-en> and unredacted copies have been provided to those Board members who have not recused themselves pursuant to the Board's Conflicts of Interest Policy.
- Nu Dotco, LLC's (NDC) and Verisign, Inc.'s (Verisign) initial and reply submissions and supporting materials, provided to the BAMC on 29 July 2022 and 29 August 2022, available at: <https://www.icann.org/resources/pages/irp-afili-as-v-icann-2018-11-30-en> and unredacted copies have been provided to those Board members who have not recused themselves pursuant to the Board's Conflicts of Interest Policy .
- Applicant Guidebook applicable to the 2012 round of the New gTLD Program, available at: <https://newgtlds.icann.org/en/applicants/agb>.
- Auction Rules applicable to the 2012 round of the New gTLD Program, available at: <https://newgtlds.icann.org/sites/default/files/rules-03nov14-en.pdf>.
- Bidder Agreement applicable to the 2012 round of the New gTLD Program, available at: <https://newgtlds.icann.org/sites/default/files/bidder-agreement-09nov17-en.pdf>.
- Board Resolution and Rationale regarding the .WEB IRP Final Declaration, dated 16 January 2022, available at: <https://www.icann.org/en/board-activities-and-meetings/materials/approved-board-resolutions-special-meeting-of-the-icann-board-16-01-2022-en#2.b>.

- Board Resolution and Rationale regarding the .WEB IRP Final Declaration, dated 10 March 2022, available at: <https://www.icann.org/en/board-activities-and-meetings/materials/approved-resolutions-regular-meeting-of-the-icann-board-10-03-2022-en#2.c>.
- Final Declaration in the .WEB IRP – initially issued on 20 May 2021, corrected version issued by the IRP Panel on 15 July 2021, deemed “final” on 21 December 2021 when the Panel denied Afiliás’ subsequent challenge – available at: <https://www.icann.org/en/system/files/files/irp-afiliás-corrected-final-declaration-redacted-15jul21-en.pdf>.

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