

Draft for finalisation [v2.0](#)



# ICANN Strategic Plan

July 2009 – June 2012

## ICANN's Mission

Since its creation, the Internet community has vigorously discussed and reviewed the mission and values that guide ICANN's actions. This extensive, inclusive and bottom up discussion has been encapsulated in ICANN's Bylaws, its Mission and Core Values.

The limited and distinct mission of ICANN is clearly set out in Article I of its Bylaws.

The mission of The Internet Corporation for Assigned Names and Numbers ("ICANN") is to coordinate, at the overall level, the global Internet's systems of unique identifiers, and in particular to ensure the stable and secure operation of the Internet's unique identifier systems. In particular, ICANN:

1. Coordinates the allocation and assignment of the three sets of unique identifiers for the Internet, which are:
  - a. Domain names (forming a system referred to as "DNS");
  - b. Internet protocol ("IP") addresses and autonomous system ("AS") numbers; and
  - c. Protocol port and parameter numbers.
2. Coordinates the operation and evolution of the DNS root name server system.
3. Coordinates policy development reasonably and appropriately related to these technical functions.

ICANN is an international, non-profit, multi-stakeholder organisation. It has become the globally authoritative body on the technical and organisational means to ensure the stability and interoperability of the DNS, the continued equitable distribution of IP addresses, and accurate recordation of protocol parameters.

## ICANN's Core Values

ICANN's Bylaws detail ICANN's core values as part of its Mission. In performing its mission, the following core values should guide the decisions and actions of ICANN:

- 1 Preserving and enhancing the operational stability, reliability, security, and global interoperability of the Internet.
- 2 Respecting the creativity, innovation, and flow of information made possible by the Internet by limiting ICANN's activities to those matters within ICANN's mission requiring or significantly benefiting from global coordination.
- 3 To the extent feasible and appropriate, delegating coordination functions to or recognising the policy role of other responsible entities that reflect the interests of affected parties.
- 4 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.
- 5 Where feasible and appropriate, depending on market mechanisms to promote and sustain a competitive environment.
- 6 Introducing and promoting competition in the registration of domain names where practicable and beneficial in the public interest.
- 7 Employing open and transparent policy development mechanisms that (i) promote well-informed decisions based on expert advice, and (ii) ensure that those entities most affected can assist in the policy development process.
- 8 Making decisions by applying documented policies neutrally and objectively, with integrity and fairness.
- 9 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.
- 10 Remaining accountable to the Internet community through mechanisms that enhance ICANN's effectiveness.
- 11 While remaining rooted in the private sector, recognising that governments and public authorities are responsible for public policy and duly taking into account governments' or public authorities' recommendations.

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### Letter from the Chairman and the President and CEO

December 2008

To all interested parties

ICANN stands for a single interoperable global Internet, in part enabled through ICANN's effective coordination of the Internet's unique identifiers, and the development of policies necessary to make that coordination work. Fundamental to this vision is that ICANN's organization and decision-making must reflect the global nature of the Internet in its multi-stakeholder model, and its accountability to a worldwide constituency. ICANN remains absolutely committed to this multi-stakeholder model as the appropriate approach for making decisions and developing policy about the Internet's unique identifiers.

This July 2009-June 2012 Strategic Plan builds on the good work that was done in developing the previous Strategic Plan. Although there have been many changes on the world economic stage, ICANN's focus remains steady. The priorities that were developed for the previous plan continue to be relevant, with some small changes that reflect lessons that we have learned in the last twelve months. ICANN remains committed to the course that was established in previous plans as it prepares to respond to the opportunities and challenges that we expect to face over the next three years.

ICANN remains committed to the implementation of new gTLDs and IDNs. With draft implementation plans for new gTLDs and ccIDNs now published, broad deployment of new generic top-level domains, and domain names in the world's scripts/languages will be a reality by the end of the life of this plan. ICANN will create scalable systems to allow for this growth. We will support a global network of registries and registrars who in turn will provide domain name services in a variety of scripts in a way that provides user confidence in the domain name market place.

Developing policy is a core function of ICANN. ICANN will continue to make policy efficiently and effectively with a well-supported, truly representative, global multi-stakeholder community through consensus based, bottom up processes strengthened by the learnings from the review process. This plan contains initiatives to further strengthen the policy process to meet the needs of our stakeholders.

Another significant change to the Internet itself will be the growth of IPv6 as a common addressing standard. ICANN will work with the Number Resources Organization, the Regional Internet Registries and the Internet community to have in place robust and equitable processes for managing the allocation of remaining IPv4 addresses and we will provide leadership in and support for practices that enable the accelerated adoption of IPv6, including having all ICANN services available on IPv6.

Security, stability and resiliency will remain a top priority and ICANN will work effectively with other Internet stakeholders to enhance and protect the security and stability of the Internet, paying particular attention to ICANN's mission to protect the

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security, stability and resiliency of the Internet's systems of unique identifiers.

At the end of the life of this plan, ICANN will be a global organization that has completed all the requirements set out in the Joint Project Agreement with the United States Department of Commerce for transition to full private sector management. It will be well regarded by its stakeholders and peer organizations and will be recognized as a best practice organization in terms of accountability and transparency. ICANN will be financially secure with sufficient reserves to ride out financial uncertainties.

Underpinning all of this is the strength of the ICANN multi-stakeholder model. This plan contains initiatives to further strengthen that model so that ICANN continues to be the forum where all interested parties can convene to discuss and decide on issues associated with the coordination of the Internet's unique identifiers.

We would like to thank all of those who have contributed to the development of this plan, whether that be members of the Board, members of the ICANN's Supporting Organisations and Advisory Committees who have contributed through our multi-lingual strategy development process or members of staff who have used their expertise to shape the initiatives that form the basis of the plan. We look forward to working with all members of ICANN's community as we implement the exciting and challenging program set out in this plan.

Yours sincerely

Peter Dengate-Thrush  
Chairman

Paul Twomey  
President and CEO

## Context for the ICANN plan

This strategic plan sets out priorities for ICANN over the next three years. These priorities have been developed with guidance from the ICANN Board and in consultation with the community in response to what the community believes are the major challenges and opportunities that will face the organization. This planning context is set out here in terms of environmental and organizational challenges.

### Key environmental challenges

- i. The continued rise of the Internet as a truly global means of communication and the need for ICANN to meet the needs of a truly global stakeholder base
- ii. The increasing importance of the infrastructure of the Internet for a broad range of critical commercial and communication applications
- iii. Ensuring stability and security of the DNS and other Unique Identifiers in an environment of more frequent and more sophisticated attacks and the utilization of unique identifiers to facilitate and disguise these attacks
- iv. A wide range of abusive and malicious behaviours in the Internet environment, many of which, especially those that are content related, are outside the scope of ICANN's authority, that are important, but not within ICANN's authority
- v. Maintaining stability given expected increases in scale driven by the number of users and the number of devices using the Internet,
- vi. Maintaining stability with the expected growth in the number of domain names brought about by the introduction of IDNs and the new gTLD process
- vii. Changes to the makeup of the ICANN community flowing from the implementation of IDNs, including increased numbers of registrars and registrants from non-English speaking areas
- viii. The depletion of the pool of IANA unallocated IPv4 addresses to the RIRs by 2011 and the challenges of the adoption of IPv6
- ix. Continuous evolution of commercial applications and business models that use the Internet, including the domain name market place, online advertising models and the secondary marketplace.

- x. Possible fracturing of the current system perhaps brought about by dissatisfaction with perceived restrictions imposed by technical protocols or through actions of a government or governments
- xi. ICANN taking an appropriate role in the broad group of international and other global governance entities involved in Internet functions
- xii. The uncertain global economic and financial environment

### Key organizational challenges

- i. With the end of the JPA, maintaining an appropriate organizational entity structure to serve ICANN's increasingly globalized technical coordination functions
- ii. The organizational commitment as set out in the Bylaws to regularly review ICANN structures and the volume of work required of the community to complete the current round of reviews
- iii. Developing and maintaining IT systems and tools to meet the needs of a multilingual volunteer organization and a globally distributed staff
- iv. An ongoing obligation to review and renew ICANN processes in order to operate efficiently and effectively
- v. Maintaining high standards of transparency and accountability
- vi. Significant increases in the volume of policy and management work that needs to be done
- vii. Successfully managing timely and responsive development of policy in a largely volunteer organization
- viii. Maintaining effective communication with a global audience of ICANN stakeholders with different levels of knowledge about how the DNS works
- ix. Effective management of a large, globally distributed and culturally diverse staff

**Comment [RJ1]:** Is item "iii" too internally focused? The community needs an efficient way of communicating. There is also a need to build tools and develop a system to ensure public participation and automated tools for root zone management ("IANA automation")

**Comment [RJ2]:** Improvements can be made on community engagement and there are outreach/education opportunities regarding security issues and new gTLDs.

## Strategic Priorities for the Next Three Years

Having considered the challenges and opportunities that are most likely to present themselves over the next three years, the following priorities have been developed by and for the ICANN community. These priorities reflect the organization's ongoing role and responsibilities and also the particular opportunities that present themselves at this point in time.

### 1. Implement IDNs and new gTLDs

A major priority for ICANN over the next three years is continue with the implementation of two of the most significant changes that have been made in the name space: the introduction of Internationalized Domain Names (IDNs) at the top level and the implementation of a process for the introduction of new gTLDs. The introduction of IDNs could open the door for billions of people in the global Internet community to use top level domains in their native script. The new gTLD process will significantly increase competition and choice for consumers in the gTLD marketplace and, offer the potential of innovative, creative and valuable applications of TLDs for internet users.

The principal objective for this priority is to have new gTLDs (including IDNs) and IDN ccTLDs functioning in the root, with the processes to support them embedded in standard operations.

Key outcomes for this priority will be to:

- a. Complete the policy process for IDN ccTLDs associated with the ISO 3166-1 two-letter codes (IDNC) domains within this plan period, and support the fast track process with a goal ~~to get first of accepting applications for~~ country code IDNCs ~~by in the root by~~ mid-2009.
- b. Launch the new gTLD application round by mid-2009.
- c. Review first round process and implement identified improvements; ensure processes for approving and implementing new gTLDs (including management of objections) are routine and run according to a published process map with predictable time frames that are acceptable to the community by 2011.
- d. Ensure that security and stability aspects of implementation of new gTLDs and IDNs are appropriately considered in the 2009-2010 time frame.

**Comment [RJ3]:** There has been no technical documentation regarding the impact of new gTLDs on the DNS. It is believed that documentation is necessary if only to dispel or confirm conflicting "urban legends" that the root won't be able to handle a large number of new TLDs or that it can accommodate "thousands" or "millions" of new TLDs without any problems.

A fourth bullet added to the strategic plan below reflects a technical component to the new gTLD effort and that would somehow reflect "qualitative" issues, "quantitative" issues and the impact of new gTLDs on root zone services. See insert/edit below.

**Comment [RJ4]:** There are both quantitative and qualitative aspects to security and stability.

Qualitative issues include confusability, reservation of institutional infrastructure names (e.g., icann, iana, arin, ripe, etc. as second level domain names.

Quantitative issues include scaling and limits in three distinct phases (1) adding or changing entries in the root zone, which includes the interactions between the TLD operator and IANA and the subsequent processing by IANA, NTIA and VeriSign, (2) distribution from VeriSign to the root name servers including the distribution from the distribution master -- which is also referred to as the "hidden master" or the "shadow master" -- to the root servers operators and the distribution within each root server operation to their anycast instances, and (3) the interaction between users and root server instances, i.e. the query and response process.

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### 2. Enhance security, stability and resiliency of the Internet's unique identifiers

The secure, ~~and~~ stable and resilient operation of the Internet's unique identifier systems is a core part of ICANN's mission. ~~As the frequency and sophistication of~~ disruptive attacks and other malicious behaviour increases, ICANN and its community must continue to improve the resilience of the DNS and strengthen its capability to deal with these events. As the nature of attacks and malicious behaviour broadens, ICANN must work with other stakeholders in this arena to clarify ICANN's role and to ~~work together to~~ find solutions to problems that are broader than the mission of any one entity.

The principal objective for this priority is to ensure that the Internet's unique identifier systems ~~remains~~ viable and its operation robust over the life of the plan.

- a. Deliver plan for consultation that ~~sets out updates~~ ICANN's role in Internet security, stability and resiliency; identify appropriate partners and commence joint work. Define ICANN's updated role so that scope of efforts, costs and deliverables are well understood and initiate a process that leads to agreement by the community and the Board in 2009. Effectively work with partners to pursue multi-stakeholder approaches and conduct programs that contribute to the global security, stability and resiliency of the Internet. Metrics for these programs will be established by the end of 2009 and initial program evaluations by mid 2010.
- b. Provide mechanisms that will allow users to validate the authenticity of the Internet identifiers that ICANN publishes and contribute broadly to technical efforts to provide more securable Internet naming and addressing systems. Specifically, ICANN will endeavour to work with key stakeholders to ensure the DNSSEC signing of the DNS root zone by the end of 2009 and to foster the implementation of rPKI to enhance addressing security and stability.
- c. ~~Conduct focused programs to enhance the understanding of risks and enhance the security and resiliency of organizations associated with the TLD community registries and registrars. Programs will to include working with qualified partners such as the IETF, OARC, ISOC, W3c, etc. to establish an effective and measureable approach to sharing best practices across the community by end the of 2009, and conducting~~ Conduct on-going regionally based training and exercise programs for this community over the life of this plan.
- d. ~~Work with stakeholders across the ICANN community to orchestrate on-going collaboration to understand risks and to enhance ensure the security, stability, and resiliency in the allocation and assignment of the Internet's unique identifiers of the DNS against a full spectrum of threats over the life of the plan. ICANN will work with partners to establish approaches to measuring operational risks to this process the DNS and its users by mid 2010.~~

**Comment [RJ5]:** As written, this strategic priority reflects (intentional or unintentional) significant "mission creep" on the part of ICANN. ICANN needs to say "no" to certain problems that may be beyond the organization's purview. It is important for ICANN to focus on areas where it has competence and expertise.

**Comment [RJ6]:** Security has been ICANN's presumed priority since its inception ten years ago. This bullet is modified to avoid the suggestion that its role is being defined for the first time.

**Comment [RJ7]:** This bullet was written too broadly. It is rewritten to focus more on education sharing practices with TLD registries and registrars worldwide.

**Comment [RJ8]:** Again, edits here to try to avoid mission creep.

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### 3. Monitor the depletion of IPv4 address space and provide leadership towards IPv6 adoption

During the life of this plan, the pool of IANA unallocated IPv4 addresses will be exhausted. Some parts of the Internet community have already begun to adopt IPv6. The Internet must soon become fully compatible with both IPv4 and IPv6. ICANN will need to work with the Internet community to manage the depletion of IPv4 addresses, encourage the uptake of IPv6 addressing and ensure the interoperation of IPv4 and IPv6 in the DNS.

The principal objective for this priority is to use influencing skills to promote broad deployment and adoption of IPv6. A secondary objective is to encourage continued responsible management of the IPv4 space after the date of the exhaustion of the IPv4 freepool.

- a. Work with appropriate partners to facilitate a smooth transition past the completion of the IPv4 freepool depletion.
- b. Provide leadership regarding IPv6 adoption, including making all ICANN services available via IPv6.
- c. Encourage appropriate standards bodies to develop tools and protocols to facilitate backwards compatibility of IPv4 and IPv6.
- d. Work with stakeholders to investigate the implications of the models for IPv4 transfer and develop an appropriate ICANN response to such models by the end of 2009.

**Comment [RJ9]:** ICANN should focus on its core capabilities with respect to the transition to IPv6 and not assume capabilities or responsibilities in which it can realistically have no impact or influence or where other bodies and organizations have primary responsibilities and capabilities. ICANN will have no real influence in the IPv4 depletion and should not claim responsibility or credit for that part of the transition. Such effort reflects overreaching on the part of ICANN and any claim that it has real influence is likely to lack credibility in the community.

ICANN does however, have significant opportunities to show leadership in IPv6 adoption including use of the technology itself and the opportunity to provide substantial educational and promotional support to the new technology. This is where ICANN should focus its strategic efforts.

As such, this Section needs careful redrafting.



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### 4. Improve confidence in the gTLD marketplace

ICANN has the responsibility to build user confidence in the gTLD marketplace by ensuring that Registries and Registrars operate in accordance with their contracts and with ICANN policies, including the protection of registrant data in the event of Registry or Registrar failure. The introduction of new gTLDs and IDNs will provide the opportunity for growth of Registries and Registrars around the globe. ICANN must ensure that its business processes are adapted to meet this growth and to provide confidence for registrants in new markets. Key outcomes for this priority will be to:

The principal objective for this priority is to have all registries and registrars in full compliance and to create a system where no registrant data is lost during the life of the plan.

- a. Encourage discussion in the community to clarify ICANN's role in relation to consumer protection; develop a clear consensus position by the end of 2009.
- b. Continue ~~outreach and~~ compliance work to ensure all Registries and Registrars are in full compliance and successfully completing audits by the end of this plan period (and non-compliant registries and registrars have been deregistered).
- c. Develop a well defined and publicised process for reviewing Registry agreements by 2010.
- d. Continue ~~business continuity testing of registries and registrars and implementation of other~~ to implement measures to protect registrant data with a goal of not losing any registrant data during the life of this plan.
- e. Increase the global diversity of registries and registrars over this plan period, with a goal to contract with at least 50 entities outside North America during this plan period.
- f. Protect registrants from abuse of their registrations (e.g., hijacking)
- g. Ensure higher/better behavior by registrars to stop them from registering fraudulent sites, and
- h. Make registrars responsible for the behavior of their resellers.

**Comment [RJ10]:** This priority appears to be focused on protecting against registry and registrar failures. While that's one important aspect of improving confidence in the gTLD marketplace, the priority should also include (1) protecting registrants from abuse of their registrations (e.g., hijacking), (2) ensuring higher/better behavior by registrars to stop them from registering fraudulent sites, and (3) making registrars responsible for the behavior of their resellers. These three items are added to the bullet list for this priority as bullets f, g and h.

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### 5. Strive for excellence in core operations

Although significant improvements have been made in performance of core operational activities in recent years, ICANN is committed to seeking continual refinement of processes to achieve further improvement in the performance of its core functions

The principal objective of this priority is to establish, maintain and/or improve service standards on all key measures during the life of this plan, including managing the impact of new gTLDs and new IDN ccTLDs. Key outcomes for this priority will be to:

- a. Maintain and seek ways to improve IANA service levels during the life of the plan, including managing increasing workload coming from new gTLDs and IDNs
- b. Develop a process framework and robust systems for the delivery of e-services, including tools for electronic applications, processing and data management for Registry and Registrar tasks by 2010.
- c. Strengthen industry knowledge and expertise of the Registry staff by the end of this plan period.
- d. Complete the Registry Services Evaluation Policy review by the end of 2009.
- e. Continually improve community reporting on financial and performance measures. Make clear those aspects of the operational plan completed, and those that have not been completed on a year-by-year basis. Provide more detailed functional financial reporting on a regular basis to the community, beginning in early 2009.
- ~~e.~~ ~~Continually improve community reporting on financial and performance measures. Make clear those aspects of the operational plan completed, and those that have not been completed on a year by year basis. Provide more detailed functional financial reporting on a regular basis to the community, beginning in 2009.~~
- ~~e.f.~~ Ensure effective implementation of ICANN security, business continuity and risk management plans by September 2009 and conduct a successful audit of security plans every two years beginning in 2009.
- g. Document the root update process; including establishing service levels for its operation, and establishing levels for quality and assurance of the process that supports these metrics.

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Comment [PS11]: The text in the bullet below has been moved to section 9.

## 6. Strengthen processes for developing policy

Developing policy is one of the most important aspects of ICANN's role. The introduction of IDNs and new gTLDs will present new policy challenges. Those developments and implementation efforts related to the ALAC and GNSO independent reviews will also bring a larger and more diverse community to the ICANN policy table. ICANN will need to continue to review and improve its policy processes to meet the needs of this broader group for the timely development of effective policy.

The principal objective of this priority is to engage relevant stakeholders in the policy process in a manner that produces effective policy development and implementation in a reasonable timeframe.

- a. Develop metrics for evaluating the policy development processes by mid-2010; benchmark performance and set improvement goals for the remainder of the plan period.
- b. Establish a process for evaluating the effectiveness of policy by mid-2010; use knowledge gained from this process to establish a mechanism for regularly reviewing and evaluating policy outcomes by mid-2011.
- c. Continue to enhance professional support to the policy process, particularly as it applies to the new models of policy development being implemented by the GNSO.

**Comment [RJ12]:** This strategic priority seems to focus on evaluating the effectiveness of new policies once decisions are reached by the community. The priority must be expanded to address the initiation of the policy development process to make sure that the community makes an effort to clearly articulate policy issues, and evaluate not only whether they are "real" problems/issues but also whether there are effective and viable policy options that can be considered in addressing each issue. That initial evaluation process must include technical as well as business and policy advice. Requests for policy action should be evaluated and validated by qualified technical, legal and business experts prior to starting down the policy development process. These factors should be set forth in a new bullet for this strategic priority.

**Comment [RJ13]:** As reflected in previous comment - add new bullet here to establish a process for validating that an identified policy issue/matter/problem is real, and that viable technical, legal and business options exist or can be developed to address the issue.

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### 7. Strengthen ICANN's multi-stakeholder model to manage increasing demands and changing needs

ICANN is always striving to improve its efficiency and effectiveness. Over the period of this plan, ICANN will face additional challenges as it seeks to refine and strengthen its processes to deal with the changes flowing from the introduction of IDNs and new gTLDs. Important areas of focus will be improving understanding of the ICANN model, increasing participation in ICANN and the strengthening of the model through the completion of reviews and implementation of agreed changes. ~~Important areas of focus will be the strengthening of the ICANN multi-stakeholder model through the completion of reviews and implementation of agreed changes, and increasing participation in ICANN.~~

The principal objective is to ensure that the ICANN multi-stakeholder private sector management model of the coordination of the Internet's unique identifiers remains the model of choice for all global stakeholders.

~~The principal objective of this priority is to maintain the validity of the ICANN multi-stakeholder model in the eyes of internal and external stakeholders over the life of the plan.~~

- a. Develop metrics for evaluating participation in ICANN and establish targets for improving participation by late 2009; implement plans to achieve these targets over the remainder of the life of this plan.
- b. Participate in IGF and other international forums during the life of this plan to improve knowledge and acceptance of ICANN's multi-stakeholder model and to contribute to Internet governance debates.
- c. Conduct outreach, education and awareness activities to develop a fuller and more equitable global participation in ICANN's Supporting Organisations and Advisory Committees by the end of this plan.
- d. Conduct an advocacy program to improve ICANN's relationship with key external stakeholders to facilitate mutually beneficial cooperation with these entities.
- d.e. Complete reviews according to schedule and implement changes in a way that recognizes impacts on the whole of the ICANN organization.
- e.f. Design and implement a development program for ICANN participants by late 2009; train 20 community members for leadership positions by the end of 2010.
- g. Pursue transition to private sector management during the life of this plan.
- h. Build on the work of the PSC through further consultation and implement appropriate mechanisms and structure so as to assure key stakeholders that ICANN will continue to operate in accordance within its mission and core principles.
- i. Continue to strengthen governance mechanisms by implementing changes identified through the Board review process.
- j. Complete successful annual audits of accountability and transparency during the life of this plan.

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### 8. Globalize ICANN's operations

The Internet is already a global means of communication and Internet usage is growing quickly in many markets that previously had low penetration rates. As interest in Internet issue grows and with the introduction of IDNs and new gTLDs, more of that global audience will become involved in ICANN and its processes. This ranges from the growth of registries and registrars in new markets opened up by IDNs to the organizations that will now be stakeholders in the policy process through their interests in new gTLDs. To deal effectively with these audiences, ICANN will need to globalize all aspects of its operations.

The principal objective of this priority is to have in place an organisation that can appropriately service the needs of a multilingual global stakeholder base.

- a. Fully implement an agreed translation policy by the end of 2011.
- b. Develop the ability to work globally (including the availability of all relevant business information and processes) in the languages indentified by the translation plan by the end of 2010.

**Comment [RJ14]:** The title of this priority doesn't match the bullets. Globalization is more than just translation and interpretation. It should includes operational goals as well. Change the title or add more bullet points to more clearly articulate the goal of globalization.

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**9. Strengthen accountability and governance**

- Over the life of this plan, ICANN will implement further improvements in accountability and transparency and consider structural changes that are part of the next phase of its evolution as an organization.
- The principal objective of this priority is to establish ICANN as an exemplar not-for-profit organization, with respect to accountability and governance.
- a. Pursue transition to private sector management during the life of this plan.
- b. Continue the President's Strategy Committee consultations and implement the Committee's recommendations.
- e. Complete successful annual audits of accountability and transparency during the life of this plan.
- d. Continue to strengthen governance mechanisms by implementing changes identified through the Board review process.

**Comment [PS15]:** The text from the previous section 9 has been incorporated into section 7.

**Comment [RJ16]:** This section is ok as written. It is also important to provide a more detailed budget analysis to enable evaluation of technical priorities and the effectiveness of its work in maintaining the security and stability of the DNS.

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### **10.9. Ensure financial accountability, stability and responsibility**

ICANN has a responsibility to its community to continue to manage its finances in a transparent and responsible manner. This means that planning and budgeting should be open and transparent to the community. It should be clear what work is being planned, what the outcomes of this work will be and what this work will cost. Further, ICANN should work towards a robust financial future with a diverse range of revenue sources and a financial reserve to ensure ongoing execution of its mission in the face of financial challenges.

The principal objective of this priority is to manage ICANN's finances in a sustainable way and to the highest levels of transparency and accountability to meet the requirements of the community.

- a. As a strategic goal, continue towards path of fully funding a financial reserve equivalent to one year's operating expenses within three to five years. Commencing in 2010 and then every other year, review the ongoing strategic relevance of this goal with the community.
- b. By the end of this strategic planning cycle, and with a more complete understanding of the financial impact of the new gTLD program, develop a long-term financial model for ICANN, including frameworks for steady-state core spending (both costs and functions), appropriate revenue sources and revenue mix to fund this core expense and processes by which incremental projects to this core be considered, approved, and funded.
- c. Continually improve community reporting on financial and performance measures. Make clear those aspects of the operational plan completed, and those that have not been completed on a year-by-year basis. Provide more detailed functional financial reporting on a regular basis to the community, beginning in 2009.



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### **Appendix 1: Links between challenges and priorities**

This table links the environmental and organisational challenges identified at the beginning of the plan with the area of the plan where those challenges are addressed.

<u>Key environmental challenges</u>	<u>Addressed in plan priority</u>	
<u>i. The continued rise of the Internet as a truly global means of communication and the need for ICANN to meet the needs of a truly global stakeholder base</u>	<u>1-9, esp 7.8</u>	Formatted: Bullets and Numbering
<u>i. The increasing importance of the infrastructure of the Internet for a broad range of critical commercial and communication applications</u>	<u>1-9</u>	Formatted: Bullets and Numbering
<u>ii. Ensuring stability and security of the DNS and other unique identifiers in an environment of more frequent and more sophisticated attacks and the utilization of unique identifiers to facilitate and disguise these attacks</u>	<u>2</u>	Formatted: Bullets and Numbering
<u>iii. A wide range of abusive and malicious behaviours in the Internet environment that are important, but not within ICANN's authority</u>	<u>2</u>	Formatted: Bullets and Numbering
<u>iv. Maintaining stability given expected increases in scale driven by the number of users and the number of devices using the Internet,</u>	<u>5</u>	Formatted: Bullets and Numbering
<u>v. Maintaining stability with the expected growth in the number of domain names brought about by the introduction of IDNs and the new gTLD process</u>	<u>5</u>	Formatted: Bullets and Numbering
<u>vi. Changes to the makeup of the ICANN community flowing from the implementation of IDNs, including increased numbers of registrars and registrants from non-English speaking areas</u>	<u>7.8</u>	Formatted: Bullets and Numbering
<u>vii. The depletion of the pool of IANA unallocated IPv4 addresses to the RIRs by 2011 and the challenges of the adoption of IPv6</u>	<u>3</u>	Formatted: Bullets and Numbering
<u>viii. Continuous evolution of commercial applications and business models that use the Internet, including the domain name market place, online advertising models and the secondary marketplace.</u>	<u>4</u>	Formatted: Bullets and Numbering
<u>xiii. Possible fracturing of the current system perhaps brought about by dissatisfaction with perceived restrictions imposed by technical protocols or through actions of a government or governments</u>	<u>1.7</u>	Formatted: Bullets and Numbering
<u>xiv. ICANN taking an appropriate role in the broad group of international and other global governance entities involved in Internet functions</u>	<u>7</u>	Formatted: Bullets and Numbering
<u>xv. The uncertain global economic and financial environment</u>	<u>9</u>	Formatted: Bullets and Numbering
<b><u>Key organizational challenges</u></b>		
<u>i. With the end of the JPA, maintaining an appropriate organizational entity structure to serve ICANN's increasingly globalized technical coordination functions</u>	<u>7</u>	Formatted: Bullets and Numbering
<u>ii. The organizational commitment as set out in the Bylaws to regularly review ICANN structures and the volume of work required of the community to complete the current round of reviews</u>	<u>7</u>	Formatted: Bullets and Numbering
<u>iii. Developing and maintaining IT systems and tools to meet the needs of a multilingual volunteer organization and a globally distributed staff</u>	<u>5</u>	Formatted: Bullets and Numbering
<u>iv. An ongoing obligation to review and renew ICANN processes in order to operate efficiently and effectively</u>	<u>5.6</u>	Formatted: Bullets and Numbering
<u>v. Maintaining high standards of transparency and accountability</u>	<u>7.9</u>	Formatted: Bullets and Numbering
<u>vi. Significant increases in the volume of policy and management work that needs to be done</u>	<u>6</u>	Formatted: Bullets and Numbering
<u>vii. Successfully managing timely and responsive development of policy in a largely volunteer organization</u>	<u>6.7</u>	Formatted: Bullets and Numbering
<u>viii. Maintaining effective communication with a global audience of ICANN stakeholders with different levels of knowledge about how the DNS works</u>	<u>4.7</u>	Formatted: Bullets and Numbering
<u>ix. Effective management of a large, globally distributed and culturally diverse staff</u>	<u>8</u>	Formatted: Bullets and Numbering