

30 November 2020

Xavier Calvez
ICANN Chief Financial Officer

Draft FY22 PTI-IANA Operating Plan and Budget

Dear Xavier,

The GNSO Council welcomes the opportunity to comment on the draft fiscal year 2022 (FY22) Public Technical Identifiers (PTI) Operating Plan and Budget, and the draft FY22 Internet Assigned Numbers Authority (IANA) Operating Plan and Budget, both of which were published 08 October 2020.

At the request of the GNSO Council, a Standing Committee of Councilors and GNSO subject matter experts thoroughly reviewed these documents and examined the proposed budget allocations, focusing particularly on aspects that directly relate to the GNSO Council's activities and priorities. This statement is submitted by the GNSO Council in the absence of objection.

These comments are intended to complement any input that may be provided on the FY22 PTI-IANA Budget by GNSO Stakeholder Groups (SGs) and Constituencies (Cs).

Based on our review, the GNSO Council would like to provide the following feedback:

General Comments:

- The GNSO Council notes that one of its current policy development activities potentially intersects with the operations of the IANA Functions by PTI. The New gTLD Subsequent Procedures Policy Development Process Working Group is expected to conclude its policy deliberations at the end of 2020 that will likely lead to substantial changes to the existing [Introduction of New Generic Top-Level Domains](#) policy recommendations from 8 August 2007 as well as the final [Applicant Guidebook](#) dated June 2012. This may ultimately lead to ICANN instructing PTI to place new gTLDs into the Root Zone. However, it is not anticipated that delegations would occur in FY22.
- The GNSO Council has no objection to the proposed PTI-IANA budgets published on 08 October 2020 and will defer any specific comments to its SGs/Cs. However, the GNSO Council would request PTI to note the following:
 - Last year's GNSO Council noted PTI's expectation in FY21 to deliver a comprehensive set of systems and tools to support protocol parameter assignment workflows following a multi-year development effort and that was a welcome development and it is the GNSO Council's expectation that PTI will continue to focus on service improvement as a culture. The GNSO notes this year (FY22) that PTI will continue to invest in incremental improvements to its service delivery platforms. The cost of such improvements appears to be USD \$600,0000, and reportedly includes modern tooling to improve the customer experience, provides new self-service capabilities, reduces the risk of error, and improves operational workflows within the processing teams.

- In its comments on the FY21 PTI-IANA Budget GNSO Council recommended that PTI provided more details on such improvements and could also indicate the expected end date of similar projects going forward. The GNSO Council still looks forward to such improvement. The GNSO Council appreciates that Section 5.3 includes descriptions of operational improvements and systems enhancements. There are no clearly stated start dates and proposed end dates as requested by the GNSO Council, although it is recognized that many of the projects are referred to as being continuous.
- The PTI FY22 budget is US\$9.7M, which is \$0.3M less than FY21. The GNSO Council appreciates the explanation provided in Section 5.4.1 concerning such budget reductions. The Council would also appreciate if the high-level summary budget values are incorporated in the Executive Summary going forward.
- The GNSO, as a Decisional Participant within the Empowered Community, recognizes that arms-length separation of ICANN and PTI is important. The GNSO is informed that PTI invoices ICANN every quarter for performing the IANA functions. In Section 5.4.4., PTI asserts that “ICANN has a sustainable model of funding expected to generate approximately \$140 million per year, which allows ICANN org to confidently commit to the funding of PTI. Of concern to the GNSO Council is the omission in the PTI-IANA Budget regarding the impact or risk analysis of the COVID-19 pandemic on the PTI-IANA Budget. For instance, the GNSO Council understood that during fiscal year 2021, one of the key signing ceremonies was subsequently delayed due to travel restrictions and ultimately conducted remotely. The GNSO Council requests that PTI provide a risk analysis and possible implications to their operations and budget should the pandemic continue into FY2022. In addition, the PTI-IANA Budget does not contain details concerning COVID-19’s impacts to one of the important IANA functions, namely, key signing ceremonies. The PTI-IANA Budget should take into account and provide some level of detail concerning the additional measures and costs that COVID-19 travel restrictions will have on this important function. For instance, setting forth expenses for the second site (the other coast), operating securely in a remote mode (i.e., no face-to-face meetings for the crypto officers), and other additional costs associated with travel restrictions.
- The GNSO Council appreciates that the PTI-IANA Budget contains more detail but the budget is lacking linkage to the PTI Strategic Plan FY21-24 and this makes it difficult to comment in substantial detail on any of the key areas of expenditure. The PTI Strategic Plan FY21-24 contains five (5) strategic objectives each with enumerated objectives and a list of targeted outcomes. Similar to the ICANN Five Year Operating Plan, it would be useful to correlate the Objectives or Target Outcomes from the PTI Strategic Plan FY21-24 with PTI-IANA Budget’s expenditures.

The GNSO Council looks forward to submitting future comments as they relate to ICANN’s finances and budget-related proceedings.

Yours sincerely,

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GNSO Council Chair

Tatiana Tropina
GNSO Council Vice Chair
Non-Contracted Parties House

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