

**ICANN BOARD SUBMISSION NO. 2022.05.26.1b**

**TITLE:** **Pre-Approval for Legal Expenditures Relating to  
Dispute Resolution**

**PROPOSED ACTION:** **For Board Consideration and Approval**

**EXECUTIVE SUMMARY:**

Privileged and Confidential

**ORGANIZATION AND BOARD ACCOUNTABILITY MECHANISMS COMMITTEE  
(BAMC) RECOMMENDATION:**

ICANN organization and the BAMC recommend that the Board approve a tranche of money in the amount of <sup>Privileged and Confidential</sup> in the matter of <sup>Privileged and Confidential</sup> to pay upcoming outside legal fees and IRP Panel fees, and authorize the President and CEO, or his designee(s), to make disbursements up to this amount.

**PROPOSED RESOLUTION:**

Whereas, there has been, and will continue to be until conclusion, extensive activity in the matter of Privileged and Confidential , resulting in significant outside legal fees and IRP Panel fees.

Whereas, ICANN organization and the Board Accountability Mechanisms Committee have recommended that the Board approve a tranche of money in the amount of Privileged and Confidential in the matter of Privileged and Confidential to pay upcoming outside legal fees and IRP Panel fees, and authorize the President and CEO, or his designee(s), to make disbursements up to this amount.

Resolved (2022.05.26.xx), the Board hereby approves a tranche of money in the amount of Privileged and Confidential in the matter of Privileged and Confidential to pay existing and upcoming outside legal fees and IRP Panel fees, and authorizes the President and CEO, or his designee(s), to make disbursements up to this amount and, if any amount of fees and costs exceeds or is expected to exceed an additional US\$500,000 in the matter, the President and CEO, or his designee(s), may request Board approval for an additional tranche of money.

Resolved (2022.05.26.xx), specific items within this resolution shall remain confidential pursuant to Article 3, sections 3.5(b) and (d) of the ICANN Bylaws until the President and CEO determines that the confidential information may be released.

**PROPOSED RATIONALE:**

When required, ICANN must engage outside legal counsel to help prepare for and defend against all types of disputes that are brought against ICANN. When those disputes become highly contentious, they often require significant involvement during a certain time period by outside counsel and that significant amount of time also results in significant fees and related expenses.

Per ICANN’s Contracting and Disbursement policy (<https://www.icann.org/resources/pages/contracting-disbursement-policy-2015-08-25-en>), if any invoice calls for disbursement of more than \$500,000, Board approval is required to make the payment. In furtherance of the process for legal invoice approval developed to enhance transparency and predictability to the Board, the organization has provided the Board with an explanation of the upcoming activity in the matter of

Privileged and Confidential , including anticipated workload and expected billing amounts for the remainder of the proceeding. Accordingly, the Board has been asked by the organization to approve a tranche of money to pay estimated upcoming outside legal fees and related expenses in the matter of <sup>Privileged and Confidential</sup> which the Board Accountability Mechanisms Committee has reviewed and recommended. Since this matter is related to a new gTLD, the amounts paid for the fees and costs of this matter are covered by the new gTLD funds comprised of the portion of each new gTLD application fee that was set aside for hard-to-predict costs, including risks.

The Board is comfortable that ICANN organization, including ICANN's General Counsel's Office, is properly monitoring the work performed and expenses incurred by outside legal counsel to ensure that all fees and costs are appropriate under the given circumstances at any given time. Therefore, the Board is comfortable taking this decision.

Taking this Board action fits squarely within ICANN's mission and the public interest in that it ensures that payments of large amounts for one matter are reviewed and evaluated by the Board as appropriate in accordance with ICANN's Contracting and Disbursement Policy. This ensures that the Board is overseeing large disbursements and acting as proper stewards of the funding ICANN receives from the public.

While this will have a fiscal impact on ICANN, it is an impact that was contemplated in the FY22 budget and will be included in upcoming budgets as appropriate. This decision will not have an 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: 19 May 2022  
Email: amy.stathos@icann.org

**ICANN BOARD SUBMISSION NO. 2022.05.26.1c**

**TITLE:** **Pre-Approval for Legal Expenditures Relating to  
Dispute Resolution**

**PROPOSED ACTION:** **For Board Consideration and Approval**

**EXECUTIVE SUMMARY:**  
Privileged and Confidential

**ORGANIZATION AND BOARD ACCOUNTABILITY MECHANISMS COMMITTEE  
(BAMC) RECOMMENDATION:**

ICANN organization and the BAMC recommend that the Board approve a tranche of money in the amount of <sup>Privileged and Confidential</sup> in the matter of <sup>Privileged and Confidential</sup> to pay upcoming outside legal, expert and IRP Panel fees, and authorize the President and CEO, or his designee(s), to make disbursements up to this amount.

**PROPOSED RESOLUTION:**

Whereas, there has been, and will continue to be until conclusion, extensive activity in the matter of <sup>Privileged and Confidential</sup> resulting in significant outside legal fees and IRP Panel fees.

Whereas, ICANN organization and the Board Accountability Mechanisms Committee have recommended that the Board approve a further tranche of money in the amount of <sup>Privileged and Confidential</sup> in the matter of <sup>Privileged and Confidential</sup> to pay previously unanticipated and upcoming legal fees and IRP Panel fees, and authorize the President and CEO, or his designee(s), to make disbursements up to this amount.

Resolved (2022.05.26.xx), the Board hereby approves a tranche of money in the amount of <sup>Privileged and Confidential</sup> in the matter of <sup>Privileged and Confidential</sup> to pay existing and upcoming outside legal fees and IRP Panel fees, and authorizes the President and CEO, or his designee(s), to make disbursements up to this amount and, if any amount of fees and costs exceeds or is expected to exceed an additional US\$500,000 in the matter, the

President and CEO, or his designee(s), may request Board approval for an additional tranche of money.

Resolved (2022.05.26.xx), specific items within this resolution shall remain confidential pursuant to Article 3, sections 3.5(b) and (d) of the ICANN Bylaws until the President and CEO determines that the confidential information may be released.

**PROPOSED RATIONALE:**

When required, ICANN must engage outside legal counsel to help prepare for and defend against all types of disputes that are brought against ICANN. When those disputes become highly contentious, they often require significant involvement during a certain time period by outside counsel and that significant amount of time also results in significant fees and related expenses.

Per ICANN's Contracting and Disbursement policy (<https://www.icann.org/resources/pages/contracting-disbursement-policy-2015-08-25-en>), if any invoice calls for disbursement of more than \$500,000, Board approval is required to make the payment. In furtherance of the process for legal invoice approval developed to enhance transparency and predictability to the Board, the organization has provided the Board with an explanation of the upcoming activity in the matter of Privileged and Confidential including anticipated workload and expected billing amounts for the remainder of the proceeding. Accordingly, the Board has been asked by the organization to approve a tranche of money to pay estimated upcoming outside legal fees and related expenses in the matter of Privileged and Confidential, which the Board Accountability Mechanisms Committee has reviewed and recommended.

The Board is comfortable that ICANN organization, including ICANN's General Counsel's Office, is properly monitoring the work performed and expenses incurred by outside legal counsel to ensure that all fees and costs are appropriate under the given circumstances at any given time. Therefore, the Board is comfortable taking this decision.

Taking this Board action fits squarely within ICANN's mission and the public interest in that it ensures that payments of large amounts for one matter are reviewed and

evaluated by the Board as appropriate in accordance with ICANN's Contracting and Disbursement Policy. This ensures that the Board is overseeing large disbursements and acting as proper stewards of the funding ICANN receives from the public.

While this will have a fiscal impact on ICANN, it is an impact that was contemplated in the contingency portion of the FY22 budget and will be included in upcoming budgets as appropriate. This decision will not have an 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: 19 May 2022  
Email: amy.stathos@icann.org

**ICANN BOARD PAPER NO. 2022.05.26.2a**

**TITLE:** **ICANN FY23-27 Operating and Financial Plan and  
ICANN FY23 Operating Plan and Budget Approval**

**PROPOSED ACTION:** **For Board Consideration and Approval**

**EXECUTIVE SUMMARY:**

As required by Article 22, Sections 22.4 (a) and 22.5 (a) of the Bylaws, on 07 December 2021 the Internet Corporation for Assigned Names and Numbers (ICANN) organization posted for public comment the draft ICANN FY23–27 Operating and Financial Plan and draft ICANN FY23 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 FY23-27 Operating and Financial Plan and Proposed for Adoption ICANN FY23 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 FY23 Operating Plan and Budget.

The Board is being asked to approve the Proposed for Adoption ICANN FY23-27 Operating and Financial Plan and Proposed for Adoption ICANN FY23 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 FY23-27 Operating and Financial Plan and Proposed for Adoption ICANN FY23 Operating Plan and Budget.



**PROPOSED RESOLUTION:**

Whereas, the draft ICANN FY23–27 Operating and Financial Plan and draft ICANN FY23 Operating Plan and Budget were posted for public comment in accordance with the Bylaws on 07 December 2021.

Whereas, the public comments received were considered and revisions were applied as appropriate and feasible to the Proposed for Adoption ICANN FY23-27 Operating and Financial Plan and Proposed for Adoption ICANN FY23 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 remote public session during ICANN 73.

Whereas, at each of its recent regularly scheduled meetings, the Board Finance Committee (BFC) has discussed, and guided ICANN organization on the development of the Proposed for Adoption ICANN FY23–27 Operating and Financial Plan and the Proposed for Adoption ICANN FY23 Operating Plan and Budget.

Whereas, the BFC reviewed and discussed suggested changes to the ICANN FY23–27 Operating and Financial Plan and the ICANN FY23 Operating Plan and Budget resulting from public comment and consultations and recommended that the Board approve the Proposed for Adoption ICANN FY23–27 Operating and Financial Plan and the Proposed for Adoption ICANN FY23 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 FY23 have been included in the ICANN FY23 Operating Plan and Budget.

Resolved (2022.05.26.xx), the Board adopts the ICANN FY23–27 Operating and Financial Plan, which describes the activities ICANN org will undertake and the resources needed to achieve the ICANN Board adopted ICANN's Strategic Plan for Fiscal Years 2021-2025.

Resolved (2022.05.26.xx), the Board adopts the ICANN FY23 Operating Plan and Budget including the FY23 ICANN Caretaker Budget that would be in effect in the event the FY23 ICANN Operating Plan and Budget is not in effect at the beginning of FY23.

#### **PROPOSED RATIONALE:**

On 07 December 2021, a draft of the ICANN FY23–27 Operating and Financial Plan and draft ICANN FY23 Operating Plan and Budget were posted for public comment. The published draft ICANN FY23–27 Operating and Financial Plan and draft ICANN FY23 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.

Whereas, the public comments received were considered and revisions were applied as appropriate and feasible to the Proposed for Adoption ICANN FY23-27 Operating and Financial Plan and Proposed for Adoption ICANN FY23 Operating Plan and Budget.

In addition, the following consultation activities were carried out:

- 15 September 2021 – Community webinar held on the FY23 Planning Process and Timeline
- 13 October 2021 – Community webinar held at ICANN 72 Prep Week on the Planning and and Prioritization Framework Design Update
- 8 and 9 December 2021 – Community webinars were held to review the draft ICANN FY23–27 Operating and Financial Plan and draft ICANN FY23 Operating Plan and Budget published for public comment
- 24 February 2022 – the summary of comments received through the public comment process were shared during a remote public session during the ICANN 73 Prep week

with representatives of the ICANN bodies that submitted them 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 2021 – February 2022.

All comments received were considered in developing the Proposed for Adoption ICANN FY23–27 Operating and Financial Plan and the Proposed for Adoption ICANN FY23 Operating Plan and Budget. Where feasible and appropriate these inputs have been incorporated into the Proposed for Adoption ICANN FY23–27 Operating and Financial Plan and the Proposed for Adoption ICANN FY23 Operating Plan and Budget.

In addition to the day-to-day operational requirements, the ICANN FY23 Operating Plan and Budget allocates amounts to various FY23 budget requests received from community leadership. The ICANN FY23 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 FY23 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 FY23–27 Operating and Financial Plan and the ICANN FY23 Operating Plan and Budget, all 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 in fact 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: 26 May 2022  
Email: [xavier.calvez@icann.org](mailto:xavier.calvez@icann.org)



# Operating & Financial Plans

FOR FY23-27 (FIVE-YEAR) AND FY23 (ONE-YEAR)

MAY 2022

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LETTER FROM

## SVP Planning & CFO

The Internet Corporation for Assigned Names and Numbers (ICANN) continues to ensure fulfillment of ICANN’s Mission and Bylaws-mandated responsibilities by planning and allocating resources to implement the community’s work and recommendations. The org is committed to accountability, transparency, fiscal responsibility, operational excellence, and continuous improvement.

ICANN’s robust planning process is continuously improving to increase collaboration, prioritization, and performance- monitoring on important activities to achieve the Strategic Plan and ICANN’s Mission while maintaining high standards of fiscal responsibility.

This Five-Year Operating and Financial Plan for Financial Year 2023–2027, and the One-Year Operating Plan and Budget for Financial Year 2023, lay the foundation for this work. The plans were carefully developed to implement the ICANN’s Five-Year Strategic Plan.

In a dynamic and challenging global environment since the beginning of the COVID-19 pandemic, ICANN organization and the community of stakeholders have ensured the continuation of ICANN’s policy development work for the public benefit. All have shown great resilience in participating actively and carrying out ICANN’s activities and projects in a virtual environment, ensuring that the ever so needed resource of the Internet remains secure and stable.

At the time of publication of this document, the unpredictability of the health situation across the world remains high, and decisions about operations are challenging as a result. Looking ahead, ICANN organization is looking forward to considering resuming face-to-face interaction and is making the assumption that ICANN meetings will occur during FY23 including in a face-to-face mode, as well as other types of face-to-face interaction, with uncertainty remaining high on timing and extent of such interaction considering the evolving worldwide health situation.

ICANN is expecting significant and complex work to further expand, as projects initiated during FY21 and FY22 enter into intensive preparation phases, including potential Board decisions that could lead into implementation work. ICANN org has implemented a Board

## Letter from SVP Planning & CFO, Cont'd.

decision-making process called “operational design phase” which formalizes the processes to produce in-depth analyses to support informed board decision in a publicly transparent manner. The support of these projects with adequate resources will continue to receive a significant focus of the organization and the Board throughout FY22 and FY23.

Over the next five years, ICANN’s financial position is assumed to remain stable, with moderately increasing 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.

These plans include an assumption to use the new [Supplemental Fund for Implementation of Community Recommendations \(SFICR\)](#), which provides a funding source for large projects and initiatives that last more than one year.

In a challenging context and with ambitious endeavors, ICANN org, Board and community are steadily carrying their work, with resolve, awareness and control, supported by a healthy financial position as we look forward to FY23.

Sincerely,

**Xavier Calvez**

Senior Vice President, Planning and Chief Financial Officer

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# HIGHLIGHTS

[Click here](#) for the highlights of the ICANN FY23–27 Operating and Financial Plan and ICANN FY23 Operating Plan and Budget.



# INTRODUCTION

- About ICANN
- ICANN Plans
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# 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 that of a global organization trusted worldwide to coordinate the global Internet's systems of unique identifiers to support a single, open, globally interoperable Internet. ICANN builds trust through serving the public interest, and incorporating the transparent and effective cooperation among stakeholders worldwide to facilitate its coordination role.

## 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. ICANN organization is the operational arm of ICANN. ICANN org:

1. Focuses staff and resources on policy development support, event management, registrars and registries support, community support, contractual compliance, IANA functions, outreach and capacity development, external services for the broader community, and internal staff services.
2. Implements the community's recommendations adopted by the Board.
3. Accomplishes accountability through transparency, financial responsibility, operational excellence, and continuous improvement while acting in the global public interest in a continuously 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.

## 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 services, activities, and milestones identified to achieve the Strategic Plan's objectives and goals. It is intended to serve as an overarching, holistic 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 PTI 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.

# FY23–27 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 2021, ICANN convened 16 strategic outlook sessions with 300 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 28 October 2021, 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 FY23 Strategic Outlook Trends Report which can be found [here](#).

## Affordability

The FY23–27 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 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 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. At the time of publication of the draft plan, the Reserve Fund exceeded its minimum target level and further allocation to such Reserve Fund may be considered on an annual basis.

## 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 in FY21. While the future is unknown, ICANN org has elected to conduct its planning and budgeting forecasts processes for FY23–27 based on normal, pre-COVID operations including face-to-face ICANN Public Meetings and other types of engagement activity.

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ICANN org will adapt and update operations as required in close collaboration with the Board and community.

## Changes from FY22–26 Operating Plan

The FY23–27 Operating and Financial Plan updates the FY22–26 Operating and Financial Plan, and continues to demonstrate how ICANN org implements its current Strategic Plan. Many of ICANN org’s activities to implement its Mission or operate the organization continues each year. Any new activities or changes to existing ones are marked with a delta ( $\Delta$ ).

## 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 FY23–27 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 FY23–27 Operating and Financial Plan and FY23 Operating Plan and Budget.

In the FY22 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 FY23.

“Planning at ICANN” is one of the 15 operating initiatives in ICANN’s FY23–27 Operating and Financial Plan and FY23 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. As part of this project, a pilot is being conducted on Board-approved Specific Review recommendations in April and May 2022 in collaboration with the Community. The list of prioritized recommendations from the pilot will be available in May 2022. Therefore, this plan assumes that a select number of prioritized recommendations will be included in the FY23 plans. The specific activities will be published after the conclusion of the above mentioned pilot process.

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# FY23–27 OPERATING PLAN

- Approach
- FY23–27 Operating Initiatives
- FY23–27 Functional Activities



# Approach

ICANN's FY23–27 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 FY23–27 Operating and Financial Plan, ICANN org describes 15 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 workstream, 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 in the lack of specificity that can be provided to the financial information supporting a five-year plan.



# Operating Initiatives

## FY23–27

Operating initiatives describe how ICANN org will achieve the objectives and goals set out in the Five-Year Strategic Plan. The 15 operating initiatives listed below represent major areas of work that support the Strategic Objectives identified in the [Strategic Plan](#). Draft 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 of the Root Server System
- Facilitate the 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
- Develop Internal and External Ethics Policies
- Promote and Sustain a Competitive Environment in the Domain Name System
- Promote the Universal Acceptance of Domain Names and Email Addresses
- Root Zone Management Evolution
- Evaluate, Align, and Facilitate Improved Engagement in the Internet Ecosystem
- Improve Governmental and Intergovernmental Organization (IGO) Engagement and Participation in ICANN Through Targeted Engagement
- Monitor Legislation, Regulation, Norms, Principles, and Initiatives in Collaboration with Others that May Impact the ICANN Mission
- Improve Depth of Understanding of the Domain Name Market Drivers which Impact ICANN’s Funding
- Implement New gTLD Auction Proceeds Recommendations as Approved by Board
- Planning at ICANN
- ICANN Reserves

# Support the Evolution of the Root Server System

## Purpose

As the Root Server System evolves with greater 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.

## Scope

This initiative covers these work areas:

- 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.
- Encourage development of mechanisms to further distribute and scale the root of the DNS, e.g., “hyperlocal” root configuration in recursive resolvers and set up a root zone distribution service, as discussed in [OCTO-016](#).
- 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.

## 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 impact of the metrics as defined within RSSAC047 is to ensure that the root server operators operate their respective root servers within the defined thresholds.
- Deployment of items related to root zone distribution service.
- Measure the ease of enabling hyperlocal support in popular recursive resolver implementations.
- Occurrence of the KSK Rollover.

## 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 OCTO and Policy Development Support functions.
- Deployment of the root zone distribution service will require collaboration with ICANN org’s Global Stakeholder Engagement and Governmental and Intergovernmental Organization (IGO) Engagement functions to reach audiences and coordinate messaging.
- 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/or facilitation of Domain Name System Security Extensions (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.■

# Facilitate DNS Ecosystem Improvements

## Purpose

This initiative encompasses efforts to understand, document, and improve the emergency readiness of ICANN and other actors in the Domain Name System (DNS) ecosystem.

## Scope

The scope of this initiative covers three main work areas:

### • Advocate and Promote Improvements to DNS Security Infrastructure

- Advocate for developers to enable Domain Name System Security Extensions (DNSSEC), both signing and validation, by default.
- Promote hyperlocal as an additional root zone distribution model and encourage resolver developers to enable the technology by default.
- Support the implementation of DNS-based Authentication of Named Entities (DANE).

### • Technical Engagement and Capacity Development

- Continue to improve and deliver capacity-building 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.
- 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 (KINDNS).

### • 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/or compare to the DNS through the Office of the Chief Technology Officer series of documents and other avenues of publication.
- Research the use of artificial intelligence to enhance understanding and identification of abusive trends in DNS registration.

## 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 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.
- Formalization of the Special Interest Forum 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 Governmental 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/or 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:

- 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:

- 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 SOs 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 participation gaps and challenges, and developing and assessing possible short- and long-term solutions, if needed. 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 Work Stream 2 (CCWG-WS2) recommendations 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 prior work to improve the effectiveness of ICANN's Multistakeholder Model (see "[Enhancing the Effectiveness of ICANN's Multistakeholder Model](#)" paper which was revised in October 2020), including addressing the issue of representation and inclusivity as described in that work plan. This exercise will allow the community to consider what additional work may be needed over the next five years, to ensure that ICANN's multistakeholder model of policy making and consensus building remains inclusive, globally representative, and diverse.
- Assessing improvements made to Public Comment proceedings and other forms of community consultations, to improve broad-based community input across regions and to facilitate effective and targeted outreach to affected stakeholders. This work will build on the launch of the new Public Comment feature on icann.org through the Information Transparency Initiative (ITI) and the publication of guidelines for community consultations, which was also recommended by ATRT3.

- 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.

## 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 by SOs, ACs, and Generic Names Supporting Organization (GNSO) Stakeholder Groups and Constituencies, especially in relation to CCWG-WS2 implementation.
- Completion of implementation of Board-approved recommendations from Organizational Reviews.
- Improvement in the revision and review process for GNSO Stakeholder Group and Constituency charters and other related 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 is required to ensure continuous improvements and consistent delivery of community services.
- ICANN org's Policy Development Support function will also collaborate with the Global Domains & Strategy, Operations, Policy Research, 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:

- Community expectations for facilitation and other support from the Policy Development Support function must be balanced with robust discussions about costs and benefits. There is a connection between staffing levels and the ability to maintain support to existing policy development and advisory work while providing support for community work on other important topics that require community prioritization, collaborative discussion and decisions to execute. Staffing and resource planning that does not meet 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 team member burnout.
- The need for data-driven policymaking results in requests for more robust data collection and analysis as well as external experts to aid in policy development; this can add to resource constraints, especially as the community's workload increases.
- 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, ensuring that participants in the policy process have the requisite expertise and experience could result in less diverse participation.
- Continued impact of COVID-19 on community volunteers and the need to rely on largely virtual interactions (with accompanying challenges such as time zone issues) continues to affect stakeholder interest and ability to participate in policy discussions.■



# 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 Supporting Organizations (SOs) and advice by the four Advisory Committees (ACs). Staff support is provided for developing, documenting, and implementing changes and improvements to community procedures and processes intended to reflect 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 group decision-making, elections, and reporting requirements, including as part of the Cross-Community Working Group on Enhancing ICANN Accountability Work Stream 2 (CCWG-WS2) recommendation implementation phase. Additional work to improve community processes may be required, depending on the outcomes of the evaluation of progress of the work identified to date in Evolving ICANN’s Multistakeholder Model.
- Improvement of community templates and procedures in relation to the Empowered Community powers and other Bylaws-mandated processes.
- Improvements to cross-community collaborative processes, including work on collective governance requirements and updates to terms of reference and published community-agreed guidelines for ad hoc representative 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 ICANN org accountability and community activity. Among these indicators are metrics related to:

- 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 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 projects and activities.
- Implementation of Customer Relationship Management (CRM) applications 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 Generic Names Supporting Organization (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 (e.g., on data privacy and DNS abuse) means that significant time and effort needs to be expended on understanding the issue and 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, lack of which runs 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 team member burnout.

- Increasing reliance on virtual meetings puts pressure on ICANN org to improve and expand its support for technological tools to support community work.
- As policy issues become more legally and technically complex, there is an increasing need for consistent academic-quality policy research 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.
- Continued impact of COVID-19 on community volunteers might affect project timelines and increase the amount of time required for decision-making.■

# Develop Internal and External Ethics Policies

## Purpose

This operating initiative focuses on the continuous development 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 Program.
- 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:

- Assess internal ICANN org Ethics Program for FY22.
- Improve internal ICANN org Ethics Program for FY23.
- Implement an ICANN org Ethics Program to provide additional guidance and direction for ICANN org for FY23–25.
- Assess ICANN community ethics practices for FY22.
- Collaborate with the ICANN community to develop the ICANN Community Ethics Policy for FY23–24.

## 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 department leads this initiative and coordinates with Human Resources.
- Collaboration with ICANN org’s Engineering and IT functions 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 Sustain a Competitive Environment in the Domain Name System (DNS)

## Purpose

This initiative encompasses ICANN org activities in support of a competitive environment in the DNS marketplace. This goal is supported by ongoing activities such as providing and improving services for generic top-level domain (gTLD) registry operators and ICANN-accredited registrars that enable and facilitate compliance with the respective agreements and community-developed consensus policies, implementing ICANN Board-approved Generic Names Supporting Organization (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 also focuses on preparation for the launch of additional rounds of new gTLDs, applying knowledge gained through the implementation of the 2012 round and subsequent reviews aimed at evaluating different aspects of the program. ICANN org is in the pre-planning 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 Generic Top-Level Domain Subsequent Procedures (Subpro) Policy Development Process Working Group have been delivered to the Board. With this policy work complete, the possibility of an additional round of new gTLDs being launched within this five-year period exists. Each year the 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 registries and registrars, that the Board adopts and directs ICANN org to implement.
- Production of the Domain Name Marketplace Indicators and other analysis.
- Development of new services or improvement to existing services for gTLD registry operators and ICANN-accredited registrars.
- Implementation of an operational infrastructure (systems, processes, and people) to support ongoing operations of the New gTLD Program.
- Development and execution of a global communications and awareness campaign.

## How Progress Is Tracked

Work within this initiative is expected to occur in three distinct areas, 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. For the New gTLD Subsequent Procedures recommendations, for example, this will take the form of an Operational Design Phase. Activities of this phase include considering preliminary implementation options, assessing implementation feasibility, and estimating resource requirements.
- **Policy Implementation:** This track of activity commences once the Board adopts community-developed recommendations and directs ICANN org to implement. During this phase, ICANN org works with the community to implement recommendations adopted by the Board. 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 onboards and trains vendors and internal resources, tests systems and tools, conducts exercises of the defined processes and tools, and continues executing the communications and awareness-building campaign. Opening the application window marks the end of this phase and beginning of application acceptance.

Once the application window opens, the program is operational. Once the application window closes, ICANN org begins processing applications according to the procedures defined during the implementation phase. If an application successfully completes the required evaluation and other relevant phases, the applicant will then execute a registry agreement with ICANN. Following execution of a registry agreement, the successful applicant will be required to pass technical testing of its infrastructure prior to delegation of a new gTLD into the DNS root zone.

As of this FY23 Planning process, the Board has requested the org to undertake an Operational Design Phase on the recommendations from the GNSO Policy Development Process (PDP) of New gTLD Subsequent Procedures policy development process. 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 FY23–27 time period.

The ODP will result in an assessment being delivered to the Board of Directors, which the Board has requested within 10 months from the start of the ODP. Following 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, org will support the required work.

## Resources

The ODP and the preparation of the next round are expected to be funded by the New gTLD Program funds, composed of the remaining funds from the 2012 round.

Effective cross-functional collaboration is an essential element for success in most of ICANN org's work. This project will require significant cross-functional collaboration and support from functions such as Legal, Communications, Global Stakeholder Engagement, Human Resources, Finance, Global Domains & Strategy, Office of the Chief Technology Officer, IANA, and Engineering and IT.

Based on the recommendations of the SubPro Policy Development Process 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, planning and preparation before implementation begins is essential to ensure successful implementation. The timing of such planning and preparatory work is dependent upon 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 demand and the number 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. The assumptions will be refined over time based on input received and additional information that becomes available.■

# Promote the Universal Acceptance of Domain Names and Email Addresses

## Purpose

This program encompasses ICANN's Universal Acceptance (UA) efforts to ensure that Internet applications and systems treat all Top Level Domains (TLDs) in all scripts and email addresses based on those domains in a consistent manner.

UA is important for the global consumer choice and provides broader access to end users.

## Scope

The current scope of this initiative covers these work areas:

- Outreach to providers of standards, programming language, 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 internationalized email addresses.
- 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

Document a broader state of implementation, started in FY21 and progressing through FY25. These will cover:

- The remediation of technology, e.g., programming languages, email tools, etc., from FY21–24.
- Develop and deliver training for UA readiness in FY21–23.
- Train technical stakeholders on developing and deploying UA-ready software from FY21 through FY24.
- Creating public sector awareness from FY21–25. This may be a slow and consistent effort.

## 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 (ALAC) 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 community-based working groups addressing UA at a global level as well as for local initiatives focusing on specific geographies through Universal Acceptance Steering Group.



## Considerations

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

- Efforts to increase UA readiness means globally reaching and activating stakeholders beyond the conventional ICANN community that may have different priorities.
- Raising awareness and continuing globally encouraging UA as a mainstream design consideration may require considerable effort and time.■

# Root Zone Management Evolution

## Purpose

This initiative supports 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 and the need to meet higher customer expectations. Work to improve the platform and service offerings adapts to these requirements in order to retain high levels of customer satisfaction and continue to adhere to advancing policy requirements.

## Scope

The scope of this initiative covers these work areas:

- Identify features and enhancements of how the root zone is managed that will improve operations while ensuring accuracy, quality, and timeliness of business processes.
- Develop solutions for the evolution of requirements from the New gTLD Subsequent Procedures Policy Development Process and technological developments related to Internationalized Domain Names.

## 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 to track progress for this initiative:

- Launch of a significant new version of the Root Zone Management System (RZMS) with redesigned backend.
- Launch of a new authorization model that improves the user management experience, including allowing existing managers and operators of TLDs to better control their representatives' access and approval levels.
- Launch of customer application programming interface (API) access.
- Implementation of approved policy recommendations on Internationalized Domain Names.
- Implementation of approved policy recommendations on New gTLD Subsequent Procedures, including training of ICANN org's Operations team.
- 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. This initiative is accomplished through:

- Staff who are assigned a percentage of their time to this project, along with minor additional ad-hoc resources for tasks such as security testing of the applications prior to deployments.
- Approximately 2.25 full-time employees (FTEs) within ICANN org’s Engineering and IT and Office of the CTO functions perform software development and project management and 1 FTE 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 Domain Name System (DNS) including Root Server System governance, mitigation of DNS security threats, promotion and/or 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:

- Success depends heavily on the stability and commitment of engineering resources.
- The greatest risks are the 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.
- 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 to ensure RZMS will meet those emerging requirements.■

# Evaluate, Align, and Facilitate Improved Engagement in the Internet Ecosystem

## Purpose

Increasingly, governments and intergovernmental organizations develop policies, legislation, and regulations that have the potential to, 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 plans to identify where these discussions and initiatives are taking place and determine where, whether, and how ICANN org should engage. This process includes issues identified through the trend assessment work conducted by ICANN org as part of the strategic planning process, and the legislative, regulatory, and policy evaluation work. This assists ICANN org's Governmental and Intergovernmental Organization (IGO) Engagement team in prioritizing and targeting engagement.

## Scope

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:

- FY22: Continue a cross-functional inventory of relationships in the Internet ecosystem.
- FY23: Using the cross-functional inventory of relationships in the Internet ecosystem to assess the current mechanisms and identify gaps within these relationships.
- FY22–25: Strengthen relationships in gap areas and identify 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.
- Ongoing review of alliances based on emerging issues or changes in other org focuses.

## Resources

Effective cross-functional collaboration is an essential element for success in most of ICANN org's work. While the Governmental and Intergovernmental Organization (IGO) Engagement team will lead global strategy and political and environmental assessments of global intergovernmental organizations and initiatives, collaboration will be needed as follows:

- Political assessment input from ICANN org's regional engagement offices regarding activities in the national capitals, regional trends, and influences.
- Communications team to develop narratives to ensure consistent messaging.
- Legal analysis of reports on the potential impact of legislative or regulatory activity.

Resources for this initiative are included within 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 legislative analysis.
- 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 some participation in events at a level to which the community previously had become accustomed. ■

# Improve Governmental and Intergovernmental Organization (IGO) Engagement and Participation in ICANN Through Targeted Engagement

## Purpose

This operating initiative focuses on two areas: working with governments and IGOs engaged with ICANN org and the policy development process through ICANN's Governmental Advisory Committee (GAC) and, more broadly, working with governments and IGOs on issues beyond those being addressed through an ICANN policy development process.

Governments and IGOs participate in the ICANN policy development process through the GAC. The GAC considers and provides advice on ICANN activities as those activities relate to concerns of governments, particularly matters where there may be an interaction between ICANN's policies and various laws and international agreements or where they may affect public policy issues.

The GAC has steadily grown in membership and participation, yet has more turnover of its representatives than other ACs. As a result, some GAC representatives are less familiar with ICANN's processes and issues, making it difficult for them to effectively engage. It is important, where possible, for governments to be encouraged to participate in ICANN rather than addressing potential ICANN-related issues through external legislative or regulatory activity, or attempting to take those issues to be discussed at the United Nations (UN) and/or other IGOs.

Additionally, discussions and processes that will impact ICANN increasingly involve different aspects or ministries of national governments than those commonly participating in ICANN through the GAC. Therefore, ICANN org engagement activities have to be broader than government and IGO activity within ICANN's policy development process. This requires targeted engagement through global, regional, and national governmental events, including new structures and diversified venues where dialogue is conducted on topics such as cybersecurity, data protection, privacy, cultural and geographic identifiers, emerging technologies, and proposed new systems of unique identifiers.

## Scope

The scope of this initiative covers these work areas:

- 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.
- Creating targeted materials as needed for government participants.
- Assessing and mapping 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 measures will be used over the five-year period as indicators of progress for this initiative:

- 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. Similar data will be provided for briefings and capacity building events for diplomats from the Permanent Missions to the UN, UN staff, as well as other UN agencies or other IGOs, where appropriate.
- Conduct comparison of before and after 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.
- Track collaboration with policymakers, legislators, regulators and others to inform work that may impact ICANN's Mission.
- Completed review of existing Memoranda of Understanding for continuing alignment with goals.
- Metrics related to 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.

## 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:

- Regional Global Stakeholder Engagement teams to identify which countries are not part of the GAC.
- Government Engagement and Global Stakeholder Engagement teams to conduct gap analysis on IGOs that are not observers at the GAC.
- Communications team to develop a consistent narrative for outreach messaging.
- Public Responsibility Support team to develop online courses.
- Office of the Chief Technology Officer to develop technical capacity-development curriculum to assist with training and capacity development through the GAC's Underserved Regions Working Group work plans and other collaborative initiatives in the Internet governance ecosystem.

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 following risk and consideration exists for this initiative and may impact its advancement over the FY23–27 period:

- Allocation of adequate resources to sufficiently monitor global dialogue and alignment with the Strategic Plan.■

# Monitor Legislation, Regulation, Norms, Principles, and Initiatives in Collaboration With Others That May Impact the ICANN Mission

## Purpose

This initiative began in 2018 to identify and report on legislative and regulatory developments around the world that could have an impact on ICANN's ability to fulfill its Mission. Part of ICANN's work within this initiative is to analyze 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, briefings, or educational information to governments to help ensure that lawmakers have the full benefit of ICANN's technical expertise.

## Scope

The scope of this initiative covers these work areas:

- Examine existing processes and further develop the mechanisms for evaluation and engagement.
- Creating a community dialogue process for feedback and input.
- Maintaining an internal assessment mechanism as a resource for evaluation of outreach and engagement efforts.
- Reporting on trends that may impact ICANN's Mission and any mitigations implemented as a result.

## 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:

- FY22: Refine the legislation, regulatory, standards or other external initiatives. Development of a community interaction point with support of ICANN org's Policy Development Support function.
- Ongoing Performance Measurements.
  - Providing geopolitical initiatives tracking updates and briefings
  - Publication of papers or reports on legislative or regulatory events being tracked.
  - Conduct technical assessments or use cases.



## 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:

- Regional Global Stakeholder Engagement teams to provide analysis of upcoming regional legislation that might impact ICANN. Governmental and IGO Engagement team to provide data collection and analysis, awareness raising, and technical briefings.
- Office of the Chief Technology Officer to assess the impact of proposed legislation on the DNS and to conduct use case analysis as applicable.
- Legal to review reports on legislative and regulatory activity.
- Communications to develop a narrative to ensure consistent messaging on key issues.

Resources for this initiative are included within the functional activities of the financial plan core budget and no incremental resources are needed.

## Considerations

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

- Resources are needed 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 educational engagement efforts.
- Limited ability to provide briefings, technical training, and other engagement efforts in some governmental or IGO bodies.■

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

## Purpose

The domain name marketplace has evolved and matured following the 2012 round of the New Generic Top-Level Domain (gTLD) Program. ICANN org must analyze its funding model within the context of this evolving marketplace, reviewing key market enablers and challenges which 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 which impact ICANN's funding.
- Seek to validate and improve forecasting accuracy through review of other datasets 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 datasets 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 & Strategy, Finance, Office of the Chief Technology Officer, and Global Stakeholder Engagement teams to collect and contextualize market intelligence and various datasets 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 Domain Name System (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 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 facilitate a review of the specific roles of the Board and ICANN org in this initiative. The specific roles of the Board and ICANN org in the various stages of the operational and review stage are yet to be determined. However, regardless of the eventual processes or structures needed and/or the use of external entities, the Board remains ultimately accountable for the actions related to the proceeds.
- ICANN org will provide feasibility assessments and potential implementation costs for the ICANN Board's consideration of the CCWG-AP recommendations.
- ICANN org to implement the recommendations that the Board approves, which will include coordination with a community implementation review team.

## How Progress Is Tracked

Work within this initiative will happen in distinct stages, dependent on ICANN Board and community actions. The specific milestones guiding next steps are:

- Submission of the CCWG-AP Final Report to the Chartering Organizations for approval. (Completed in FY21.)
- Chartering Organization approval. (Completed in FY21.)
- Submission to the ICANN Board for consideration. (Completed in FY21.)
- Implementation feasibility review assessment.
- Board consideration of recommendations.
- Implementation plan development.
- Board approval of implementation plan.
- Implementation work commences.

## 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 final recommendations approved by the Board and the design of the implementation plan will drive costs, which will be funded out of the auction proceeds.
- The recommendations will need to be reviewed from a resourcing standpoint in order to understand practicalities, including estimated workload, potential new hires, and needed skills.
- As implementation progresses, the internal ICANN resources supporting this work will be reimbursed to ICANN’s operations from the auction proceeds.

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

## Considerations

This work is dependent on the pending Board action on the recommendations contained in the Final Report of the CCWG-AP.■

# 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 encompasses ICANN org planning activities.

## Scope

- Delivery of a planning prioritization framework to enhance and improve ICANN's overall annual planning process.
- Improvement of progress measurement toward achievement of the 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.
- In FY22 and FY23, conduct research, consult with the community, analyze and design a prioritization framework in consultation with ICANN org, the Board and the community.
- In FY23, implement the prioritization framework during the planning process for FY24 draft operating plan and budget.
- Starting in FY22, design and implement a progress reporting framework to monitor achievement towards the Strategic Plan.

## Resources

Resources for this initiative are included within the planned functional activities and continuing operations budget and therefore no incremental resources are needed.

## 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 Public Comment proceedings.
- 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 \$26M in contributions to the Reserve Fund since the Board approved the replenishment strategy in October 2018.
- FY21 year-end balance of \$159M is equal to ~14 months of budgeted operating expenses, thus achieving the most significant milestone of this initiative.
- Since then, the initiative consists in monitoring closely and continuously the Reserve Fund level to ensure continued compliance with policy.
- Future allocations to the Reserve Fund may occur, leading to further strengthening 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 upon:

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

# Functional Activities

## FY23–27

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 department. These 33 functional activities describe ICANN’s continuing operations for the period of FY23–27.

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 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.

### FIVE SERVICE GROUPS:

**TECHNICAL & DNS SECURITY**

**POLICY DEVELOPMENT & IMPLEMENTATION SUPPORT**

**COMMUNITY ENGAGEMENT & SERVICES**

**ICANN ORG GOVERNANCE**

**ICANN SHARED SERVICES**

# Functional Activities

FY23-27

## 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 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 of the Root Server System.
- **Lead:** Facilitate DNS ecosystem improvements.
- **Support:** Evaluate, align, and facilitate improved engagement in the Internet ecosystem.
- **Support:** Improve governmental and intergovernmental organization (IGO) engagement and participation in ICANN through targeted engagement.
- **Support:** Monitor legislation, regulation, norms, principles, and initiatives in collaboration with others that may impact the ICANN Mission.

### Activities

- **External Operations:** Activities that have an external impact, such as facilitating the DNS Security Facilitation Initiative and exploration of expansion of the Domain Name Security Threat Identification, Collection and Reporting (DNSTICR).
- **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 around the analysis of the impact of new and existing technologies to 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).

## TECHNICAL & DNS SECURITY

- **Internal Operations:**

- Activities that have an internal impact or recurring activities such as support of the Action Request Register (ARR) and implementation of recommendations from Specific Reviews and policy development processes.
- Collaboratively working with ICANN’s Public Responsibility Support team on online learning development.

### 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 the [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 Forum on Technology (SIFT) program.
- Establishing community agreement on the DNS Security Facilitation Initiative.
- Items related to root zone availability service being deployed.
- Evaluation and evolution of DNSTICR.

- **Technical Engagement and Outreach:**

- More DNS resolver developers enabling hyperlocal technology.
- Deliver at least 90% of mutually agreed-upon engagement and outreach activities requested by the community or our internal 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:**

- Data or reports published as relevant to the various efforts underway such as DAAR and ITHI reporting, publication of technical papers, etc.
- Implement data collection and gathering for various statistical analyses.

## TECHNICAL & DNS SECURITY

### Resources

FY23–27: Resource requirements expected to increase.

### 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 a reprioritization.
- During FY23–27, ICANN org anticipates a number of OCTO-led implementations will be forthcoming resulting from the Board-approved recommendations from SSR2.■

## 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

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 Root Server System.
- Maintain a low total cost of operations while building 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

FY23–27: Resource requirements expected to increase.

- △ Additional locations of IMRS large “clusters” will require additional year-on-year funding to cover connectivity, colocation, and power costs.
- △ Additional locations of IMRS large “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 community-based work and leads internal operations for Internationalized Domain Names (IDNs) and Universal Acceptance (UA) efforts.

## Operating Initiative Contributions

- **Lead:** Promote the Universal Acceptance of domain names and email addresses.

## Activities

- Make the IDN table review process more consistent, transparent, and secure, and its publication in the IANA Repository of IDN Practices smoother.
- Support the development of Root Zone Label Generation Rules (RZ-LGR) by the community for remaining scripts identified in Maximal Starting Repertoire (MSR).
- Support policy development work on IDNs, including IDN variant top-level domains.
- Develop messaging and undertake communication 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 (UASG) to undertake work toward achieving UA.
- Manage the IDN and UA Steering Committee to coordinate IDN and UA-related activities cross-functionally for ICANN org.

## 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 [icann.org/idn](https://icann.org/idn) and the IDN Table review process is updated to make it more transparent and consistent using the Reference IDN tables.
- ICANN org implements IDN Guidelines based on Generic Names Supporting Organization (GNSO) input and ICANN Board approval.
- For the scripts identified in Maximal Starting Repertoire, proposals currently underway are finalized and integrated in subsequent versions of RZ-LGR.

## TECHNICAL & DNS SECURITY

- 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 generic top-level domains (gTLDs) and country code top-level domains (ccTLDs) are implemented based on the policies finalized by GNSO and Country Code Names Supporting Organization (ccNSO) and approved by the ICANN Board.
- Track and report progress through annual reports on UA readiness (e.g., [UA Readiness Report for FY21](#)).

### Resources

- FY23–27: Resource requirements expected to increase.

### Considerations

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

- The work on 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.
- Implementation of IDN Guidelines depends on the direction provided by GNSO and its eventual approval by the ICANN Board.
- Work on UA is based on influencing technology developers and policymakers who may have other priorities.■

## 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 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 ICANN's Operating Plan and Budget. Read the [FY23 PTI and IANA Operating Plans and Budgets](#).

### Operating Initiative Contributions

- **Lead:** Root zone management evolution.
- **Support:** Support the evolution of the Root Server System.
- **Support:** Facilitate Domain Name System (DNS) ecosystem improvements.
- **Support:** Promote and sustain a competitive environment in the Domain Name System.
- **Support:** Promote the universal acceptance of domain names and email addresses.

### Activities

- **Operations:** Perform the IANA functions and associated operational activities in accordance with contractual obligations.
- **Operational Excellence:** Monitor and improve operations through regular analysis and review, including third-party audits, customer engagement and satisfaction surveys and organizational assessments.
- **Technical Services:** Evolve the technical systems that manage the workflow of change requests from customers, and publish registry data to customers, ensuring quality, accuracy and timeliness of the business processes. Improve key management facilities to mitigate security threats and maintain facility quality. Validate IANA's contingency and continuity of operations and disaster recovery plans through regular tabletop exercises.
- **Governance:** Regularly engage with stakeholders within the ICANN community and oversight bodies such as the PTI Board, the Regional Internet Registries, Internet Engineering Task Force (IETF) and the Customer Standing Committee (CSC). 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.

## TECHNICAL & DNS SECURITY

### How Progress Is Tracked

- **Operations:** Continue to report on IANA performance against its service level agreements and maintain 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 results to drive operational improvements.
- **Technical Services:** Receiving an exception-free Service Organization Controls 3 (SOC3) Audit Report; performing KSK ceremonies in compliance with the DNSSEC Practice Statement (DPS); Root Zone Key Management Facilities Upgrades completed in the U.S. East and West 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

FY23–27: Increase in headcount is expected in order to meet the objectives set forth in the FY21–24 PTI 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 progress of key projects such as RZMS, the Registry Workflow System and the IANA website improvements.

△ To supplement the support provided by existing staff, professional services are a cost-effective, flexible way to supplement full-time staff 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 service level agreements 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 Security, Stability, and Resiliency Review 2 (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 generic top-level domain name registry operators and accredited registrars comply with community consensus policies and their contractual agreements with ICANN.

### Operating Initiative Contributions

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 FY23–27.
- The team also plans to reduce professional services by completing migration to the Naming Services Portal (NSp) in FY23, as well as increasing headcount to support Contractual Compliance audit and reporting activities.

### 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 elevated-risk registrars or top-level domains audited.
- High-risk issues mitigated through audit.
- Contracted parties and reporter satisfaction level measured via perception survey.

## TECHNICAL & DNS SECURITY

### Resources

FY23–27: Resource requirements 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:

- Complaints may increase in volume, type and complexity. This may lead to a reallocation of existing resources among ticket queues. At this point, no additional staff are considered necessary to address this consideration.■

# Functional Activities

**FY23–27**

## **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 functional activity 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.

## Activities

- Facilitate policy deliberations and consensus-building 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.
- Managing community governance processes and building and maintaining 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 and adopts them.
- Support the management and oversight work performed by the various SO/AC councils and community leadership teams by providing process guidance and subject matter expertise, coordinating SO/AC strategic planning and related discussions, and tracking the progress of all community-managed efforts.

## **POLICY DEVELOPMENT & IMPLEMENTATION SUPPORT**

- 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 publication of regular policy briefing papers and updates.
- Facilitate effective organizational management and reporting of community activities, including milestones, work plans, and outcomes, through adoption of a uniform project management-based approach and ICANN org's central Customer Relationship Management (CRM) platform.
- Continue transition to and implementation of the CRM 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.
- Implementation of comprehensive strategy in partnership with Engineering and IT for support of community work via improvement of communication and collaboration tools, including migration of SO and AC websites to the Information Transparency Initiative 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 department-wide adoption of uniform project management tools and framework; develop approach to program management for all teams within the function.
- Evaluate new Public Comment feature with a view to further improvements in the context of ITI.
- Improve processes for more robust data collection and analysis (if funded) in support of Policy Development Processes and operationally feasible, data-driven policy recommendations.

### **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 CRM platform.
- Reporting on community activities at ICANN Public Meetings, including:
  - ICANN Prep Week reports and statistics
  - ICANN Public Meetings reports and statistics.

## **POLICY DEVELOPMENT & IMPLEMENTATION SUPPORT**

- Annual ICANN Public Comment proceedings reports.
- ICANN Public Meeting Policy Outlook and Policy Outcomes reports.

### **Resources**

FY23–27: Resource requirements 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 an additional three full-time policy staff positions at analyst, specialist or higher level with research, data analysis and process management skills will be required to adequately support the community work.
- To supplement the support provided by existing staff, professional services remain a cost-effective, flexible way to supplement full-time staff resource requirements and allow for organizational efficiencies in driving improvement efforts and should be considered along with additional hiring.

### **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 when that is completed.
  - 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 as to 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.

## **POLICY DEVELOPMENT & IMPLEMENTATION SUPPORT**

- Community frustration and loss of active participants.
- Potential team member burnout.
- Discussions over 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. When complete, the proposed 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 virtual meetings remain the norm.
- As complexity of policy work increases, the skills and experience levels required of staff to support this work increase. This will require resources and commitment to training for motivated staff.
- The focus on data-driven policy development and advice work requires 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 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 includes ensuring 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 sustain a competitive environment in the DNS.

## Activities

- Supporting Board consideration of Generic Names Supporting Organization (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 and performing policy reviews.
- Executing and supporting data, research and study requests from the stakeholder community.
- Providing subject matter support to internal and external stakeholder projects, including support during development of recommendations by Supporting Organizations and Advisory Committees.
- Managing implementation of relevant review team recommendations.
- Supporting the development of Root Zone Label Generation Rules for multiple scripts.
- Supporting policy development and implementation work on Internationalized Domain Names (IDNs), including IDN variant top-level domains.
- Provide support for Operational Design Phase prior to Board consideration of policy recommendations resulting from the multistakeholder process.



## **POLICY DEVELOPMENT & IMPLEMENTATION SUPPORT**

### **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-adopted policy recommendations is reported on a dedicated consensus policy implementation page. Milestones include draft policy language, terms and requirements, analysis of input received on implementation via Implementation Review Team feedback and Public Comment, and announcement of policy effective dates.
- Progress on implementation of relevant advice items is reported on a dedicated webpage which provides status of advice to the Board from Advisory Committees. Milestones include confirmation of understanding, exchanges and discussions with the relevant advisory committee, 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 Supporting Organizations, Advisory Committees, and other stakeholder groups, by sharing work plans and draft documents for community comment and consultation, by publication of blogs and announcements, and by webinars and public meeting sessions.

### **Resources**

FY23–27: Resources requirements 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 generic top-level domain (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:

- △ Support from multiple functions across ICANN org, including: Legal, Contractual Compliance, Multistakeholder Strategy and Strategic Initiatives, Communications, Office of the Chief Technology Officer, Policy Development Support, Global Stakeholder Engagement, and Operations.
- △ Particular study and research requests may require procurement of professional services, e.g., consumer or registrant surveys, extension of statistical analysis of DNS abuse, or economic analysis.

### **Considerations**

- A number of recommendations from the Competition, Consumer Trust, and Consumer Choice (CCT) and Registration Data Services (RDS) Review Teams relate to this team's areas of responsibility. Prioritization and resource allocation for these activities is subject to the forthcoming Planning process.
- There may be insufficient resources to cover major implementation efforts such as work around registration data (Expedited Policy Development Process for Temporary Specification for gTLD Registration Data Phase 1 and if approved, Phase 2) and a future application round in the New gTLD Program simultaneously.■

## 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 lifecycle from procurement to operations for vendors that provide contracted party services, applicant evaluation, or related needs.
  - Support 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**

- FY23–27: Resource requirements 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 functional activity provides technical knowledge and data regarding domain name space inside ICANN org, working to maintain the security and stability of the Domain Name System (DNS).

## Operating Initiative Contributions

- **Support:** Promote and sustain a competitive environment in the DNS.

## Activities

- Manage systems such as the Service Level Agreement Monitoring (SLAM), Technical Compliance, Registration Reporting Interface (RRI), Technical Onboarding, Monitoring System Application Program Interface (MoSAPI), Zone File Access (ZFA), Bulk Registration Data Access (BRDA), Controlled Interruption (CI) 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 (EBERO) and Registry System Testing (RST).
- Develop and maintain technical specifications used by the contracted parties, such as data escrow, Trademark Clearinghouse (TMCH), RRI, 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**

FY23–27: Resource requirements expected to increase.

- Potential need for additional resources due to:
  - Expedited Policy Development Process (EPDP) on the Temporary Specification for generic Top-Level Domain (gTLD) Registration Data Phase 2 implementation.
  - Operational readiness planning to support future gTLD applications and operation.
  - Increased responsibilities, e.g., CZDS, Registry System Testing (RST), Technical Onboarding re-platforming, supporting RDAP amendment, supporting Registration Data Policy.

### **Considerations**

- 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/privacy legislation. It also includes cross-functional strategic efforts related to mitigating Domain Name System (DNS) security threats, New Generic Top-Level Domain (gTLD) Subsequent Procedures, the operationalization of Registration Data Access Protocol (RDAP), Internationalized Domain Names (IDNs) and Universal Acceptance (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 sustain a competitive environment in the Domain Name System.
- **Support:** Promote the Universal Acceptance of domain names and email addresses.
- **Support:** Monitor legislation, regulation, norms, principles, and initiatives in collaboration with others that may impact the ICANN Mission.

## Activities

- New gTLD Subsequent Procedures:
  - Support the preparation for and implementation of Board-adopted 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 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/privacy issues, including Registration Directory Service (RDS) compliance with GDPR and other laws.

## **POLICY DEVELOPMENT & IMPLEMENTATION SUPPORT**

- Continued engagement and activities related to the Expedited Policy Development Process 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).
- RDAP Program: 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 organization-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-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.

- For New gTLD Subsequent Procedures:
  - Provide support for implementation of policy recommendations resulting from the New gTLD Subsequent Procedures Policy Development Process, including for the Operational Design Phase.
- For 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.
- For Data Protection and Privacy Issues:
  - Provide support for implementation of policy recommendations resulting from EPDP Phase 2 on a SSAD, should the Board adopt the recommendations.
    - Support includes follow-on work resulting from Board consideration of the EPDP Phase 2 recommendations related to an SSAD following completion of the Operational Design Phase (ODP) and delivery of the Operational Design Assessment (ODA) to the Board in FY22. At the time of this plan publication, the Board is anticipated to receive the ODA in February 2022, with its consideration of the recommendations to come later in FY22.

- The Board’s decision on the recommendations, if approved, likely will result in the org beginning implementation of an SSAD in FY23.
- 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).
- Coordinated ICANN org’s strategy and related activities across functions to ensure alignment with org’s goals related to ensuring RDS and access to non-public gTLD registration data meet requirements of data protection and privacy laws, including the GDPR.
- For 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.
- For DNS Security Threat Mitigation:
  - Continued coordination of org-wide strategy, including org’s participation in ICANN community discussions on DNS security threat topics.
- For IDNs and UA:
  - Provide support for tracking progress of cross-functional strategy for increasing IDN implementation and UA-readiness globally.

## Resources

FY23–27: Resource requirements 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 for the SSAD.

## 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 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.
- **Support:** Evaluate, align, and facilitate improved engagement in the Internet ecosystem.

### 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 measures will be used over the five-year period for this functional activity:

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

### Resources

FY23–27: Resource requirements expected to be stable. The number, cost, and 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

FY23-27

## COMMUNITY ENGAGEMENT & SERVICES

- Global Stakeholder Engagement
  - Regional Offices
- Public Responsibility Support
- Governmental and Intergovernmental Organization Engagement
- GDD Accounts and Services
- 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.

## Operating Initiative Contributions

As GSE's role is to lead engagement and outreach for ICANN org, it provides direct and indirect support to many of the operating initiatives which have outreach components that contribute to success.

## 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 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 and the DNS ecosystem
- Engagement measurement, planning, and administration.
- Support cross-organizational collaboration for legislative tracking, government engagement, operational and strategic planning, and other functions.
- Ongoing implementation of engagement activities related to Specific and Organizational Reviews' implementation, community work on New gTLD Subsequent Procedures Policy Development Process recommendations. For example, we expect there to be more outreach and awareness-raising activities related to Board-approved recommendations for the subsequent round of New Generic Top-Level Domains (gTLDs).

## COMMUNITY ENGAGEMENT & SERVICES

- Support of other ICANN org team initiatives at a regional level, including Office of the Chief Technology Officer (OCTO), Governmental and IGO Engagement, and others.
- GSE participates in internal subject matter expert teams on the implementation of the various 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:

- Update and 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 ICANN org Open Data Initiative.
- Metrics related to cross-functional work on Domain Name System (DNS) ecosystem security, Domain Name System Security Extensions (DNSSEC) deployment, Universal Acceptance, and ICANN Managed Root Server (IMRS) instances.
- Engagement reporting for Competition, Consumer Trust, and Consumer Choice (CCT) Review and Registration Directory Service (RDS-WHOIS2) Review Team recommendations implementation.
- Support of community prioritization effort at 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

FY23–27: Resource requirements expected to increase.

- △ Increased funding needed for the GSE team to support the demand for: engagement stemming from operating initiatives; implementation of Organizational Review recommendations; a potential next round of new gTLDs; and regional capacity development requests.
- △ Regional ICANN DNS Forums or meetings conducted in collaboration with Global Domains & Strategy and Office of the Chief Technology Officer to raise awareness of ecosystem security issues, technical Internet governance, DNS business issues, and policy development.
- △ GSE also assumes that travel costs will increase as in-person gatherings resume from historically low levels due to the pandemic. Community demand for support with regional events is likely to continue to increase.

## 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 Governmental and IGO Engagement functions will continue and these functions rely on cross-organizational collaboration to deliver on ICANN org priorities.
- Improvements in collaboration made in FY21 continue into FY22 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.
- Uncertainty remains on the resumption of in-person engagement and global travel due to the COVID-19 pandemic. While some regional and in-country travel may return before others, the pandemic has likely resulted in long-term changes to face-to-face engagement that will need to be considered. This may impact the ability for newcomers to participate in ICANN technical and policy work and may impact 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, Washington DC and Beijing.

### 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: Resources are expected to increase.**

△ Staff increase to support increased engagement around technical and legislative issues and new initiatives such as the possible next round of New Generic Top-Level Domains (gTLDs).

△ Support for community and engagement meetings.

**Istanbul: Resources are expected to remain stable.**

## COMMUNITY ENGAGEMENT & SERVICES

- △ One new team member in the Africa region by FY23/24, supported by the Istanbul regional office.
- △ Upgrade audio-visual equipment in support of community and engagement meetings (covered by Engineering and IT).
- △ Allocation of adequate resources for Istanbul-based staff to support ICANN org engagement activities in the region

### **Montevideo: Resources are expected to increase.**

- △ Increase funding for regional staff to attend annual capacity development week and office-wide meetings.
- △ Add administrative support in FY23.
- △ Add contracted parties account manager in FY24.
- △ Add Contractual Compliance staff member in region in FY25.

### **Singapore: Resources are expected to increase.**

- △ Increased budget to expand space or relocate. Extra space to be used for hosting community meetings and workshops.
- △ Support for community and engagement meetings.
- △ Add one to two regional engagement full-time employees if a decision is made to proceed with a next round of gTLDs. Engagement expertise will focus on language communities in South Asia, where growth is expected for Internationalized Domain Names.

## 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 Customer Relationship Management (CRM) platform to better coordinate regional requests and assign resources.
- Allocation of adequate budget for Global Stakeholder Engagement 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 at ICANN is central to these efforts.

## Operating Initiative Contributions

- **Lead:** Implement New Generic Top-Level Domain (gTLD) auction proceeds recommendations as approved by Board.
- **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:** Improve governmental and intergovernmental organization (IGO) engagement and participation in ICANN through targeted engagement.

## Activities

- **Research and expertise:** Support for public responsibility initiatives within ICANN's remit in the areas of diversity, human rights, anti-harassment, public interest, and preparation for implementation of Board-adopted recommendations from the Cross-Community Working Group on New gTLD Auction Proceeds (CCWG-AP).
- **Diversity programs:** PRS is developing online curricula and virtual programming for the Fellowship Program, NextGen@ICANN, and Newcomer Day during ICANN Public Meetings.
- **Capacity-development initiatives:** ICANN Learn, Leadership Program, Chairing Skills Program, and the ICANN History Project. New online curricula and virtual programming are in development for the Chairing Skills Program.
- △ Establish 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 who perform policy development and advice work.
- △ Establish a more data-driven approach to diversity issues, program management, and evaluation.
- △ Evaluate and improve PRS programs on a rolling basis; conduct community consultation for the Fellowship Program in FY23 and for NextGen@ICANN in FY25.
- △ Phase out ICANN History Project work beginning in FY21 and reduce to minimal maintenance levels in FY25.



## COMMUNITY ENGAGEMENT & SERVICES

- △ Evaluate new engagement opportunities for Fellows and NextGen 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:**
  - Creation of a diversity toolkit for community groups published by FY23. The toolkit will include: diversity survey templates, guidance on how to collect diversity data in an inclusive way, examples of strategies (best practices) to increase diversity and inclusion, and relevant case studies.
  - A procedural Public Interest Framework piloted by FY23.
  - CCWG-AP: Continue to support coordination efforts leading up to Board approval of recommendations.
- **Diversity programs** such as: Fellowship Program, NextGen@ICANN, Newcomer Day at ICANN Meetings, the Beginner's Portal on [icann.org](https://icann.org), and the ICANN Community Childcare Grants Pilot.
  - ICANN Community Childcare Grants Pilot will be evaluated in FY22 to determine whether the program will continue as a recurring activity.
  - Evaluations of diversity programs will start five years after the previous review (Fellowship in FY23 and NextGen@ICANN in FY25).
  - Fellowship and NextGen@ICANN:
    - 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:**

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

### Resources

FY23–27: Resource requirements expected to increase.

- PRS resources will remain at FY22 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.
- Reputational risk 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 and responsiveness to the community.
- ICANN Learn should be leveraged to improve scalability of capacity-development efforts. ■

## COMMUNITY ENGAGEMENT & SERVICES

# Governmental and Intergovernmental Organization Engagement

## Purpose

ICANN org's Governmental and Intergovernmental Organization (IGO) Engagement team is responsible for outreach and engagement with national and regional governments 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 the global Domain Name System, IP addresses, and protocol parameters.

The Governmental and Intergovernmental Organization (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:** Evaluate, align and facilitate improved engagement in the Internet ecosystem.
- **Lead:** Improve governmental and intergovernmental organization (IGO) engagement and participation in ICANN through targeted engagement.
- **Lead:** Monitor legislation, regulation, norms, principles, and initiatives that may impact the ICANN Mission (in collaboration with other functions and external organizations).

## 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.
- Support cross-organizational collaboration for legislative tracking, government engagement, operational and strategic planning, and other functions.
- Review and revise the global government and IGO engagement strategies to align with the Strategic Plan, which expands the number of strategic objectives with engagement elements.

## COMMUNITY ENGAGEMENT & SERVICES

- Update demand-driven government capacity development activities against the Strategic Plan, and ensure these activities align with the new Strategic Objectives for ICANN org.
  - Evaluate the government engagement events ICANN org currently supports to determine effectiveness and modify engagement strategy as needed.
  - 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, the engagement plan will 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 through the IGF portal, views and attendance participation information and feedback from presenters to assess and plan for the following year's work.
- △ Monitor and report on developments at the United Nations (UN), International Telecommunication union (ITU) and other UN agencies, dealing with the World Summit on the Information Society (WSIS) +20 review, as well as development of UN Cybercrime Convention and other relevant UN 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 FY23 as a virtual or 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 capacity development events to measure information learned and delivery of information against expectations.
- Completed review of existing Memoranda 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 GAC and ICANN policy processes.

## COMMUNITY ENGAGEMENT & SERVICES

### Resources

FY23–27: Increased resources will be needed to address:

- △ Growth in risks to ICANN org through intended and, more frequently, 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-building workshops, technical briefings, and training to fulfill collaboration with other organizations within the Internet ecosystem.
- △ 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 UN 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. FY23–27 Operating and Financial Plan encompasses activity that will involve the UN Open Ended Working Group (OEWG), the Ad Hoc Committee (AHC), the Cybercrime convention discussions, the next round of the WSIS discussions as well as the ITU Plenipotentiary 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 in arenas that ICANN has not previously engaged as the locus of political action that can impact ICANN shifts
- △ Increased operational responsibilities in FY23–27 will require increased headcount.

### Considerations

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

- Changes in the assessment of the risk environment.
- Change in functional resources and team allocation. Given limited resources and pressure on ICANN org budget, there will need to be ongoing increasing collaboration with Global Stakeholder Engagement, Office of the Chief Technology Officer, 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 functional activity 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 about the evolution of the Domain Name System (DNS) ecosystem.

### Operating Initiative Contributions

- **Lead:** Improve depth of understanding domain name marketplace drivers which impact ICANN's funding.
- **Support:** Promote and sustain a competitive environment in 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 Registration Data Access Protocol (RDAP)-based technology platform for registration data directory services as called for in amendments to the Base gTLD Registry Agreement and Registrar Accreditation Agreement.
- Coordinates 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 toward 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

### 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

FY23–27: Resource requirements expected to increase.

Staffing levels may increase to provide account management support to a larger base of registries and registrars as more are added through subsequent rounds of New Generic Top-Level Domains (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 applied to the funding forecasting requires an additional level of effort for market analysis and improved financial models.

### Considerations

- The transition from WHOIS to RDAP depends on completion of amendments to gTLD Base Registry Agreement, and the Registrar Accreditation Agreement, expected in FY22.
- Implementation of approved GNSO Council-developed Policy Recommendations partially depends on volunteer-based Implementation Review Team (IRTs).■

## COMMUNITY ENGAGEMENT & SERVICES

# Global Communications and Language Services

### Purpose

The primary purpose of ICANN org's Global Communications and Language Services function is to ensure that ICANN is represented accurately and consistently in all forms of communication. This is accomplished in several ways:

- Demonstrate successes, knowledge, and thought leadership through compelling, clear, and consistent positioning.
- Continue to grow, globalize, and diversify communications efforts and channels for geographic and target-audience reach.
- Expand to and engage with new audiences by reaching outside of traditional forums.
- Leverage media and industry contacts to amplify key messages.
- Increase external understanding of and increase participation in ICANN's policy development process and multistakeholder model.
- Explain the role of the IANA functions and ICANN's technical remit.
- Educate internal audiences and support staff activities.
- Facilitate access to ICANN by providing translations, interpretation, and transcription services in the six United Nations (UN) 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 sustain a competitive environment in the Domain Name System.
- **Support:** Evaluate, align, and facilitate improved engagement in the Internet ecosystem.
- **Support:** Improve governmental and intergovernmental organization (IGO) engagement and participation in ICANN through targeted engagement.
- **Support:** Monitor legislation, regulation, norms, principles, and initiatives in collaboration with others that may impact the ICANN Mission.
- **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.
  - Following the rollout of the Information Transparency Initiative (ITI), the team will continue the development and implementation of the Information Transparency Platform (ITP).
  - The Global Communications function supports capacity-building 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 FY23–27, Global Communications anticipates adding writers, digital and media specialists, and a graphic designer to the team to better support each function.
- △ Several sets of community recommendations are now moving to Board consideration and, upon approval, eventual implementation. The recommendations that will require strategic communications planning and content support include those from the New gTLD Subsequent Procedures Working Group, Expedited Policy Development Process (EPDP) on Temporary Specification for gTLD Registration Policy Phase 2, and the Cross-Community Working Group on New gTLD Auction Proceeds (CCWG-AP).
- △ 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, media monitoring, and Google analytics to track key metrics including: blog and announcement reach, content likes, retweets, shares, etc.

### Resources

FY23–27: Resource requirements are expected to increase, as the team has requested the addition of staff to increase capacity.

## COMMUNITY ENGAGEMENT & SERVICES

### 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 virtual meetings, the team works with the community and the org to establish the schedule and ensure an effective participation strategy in the online environment.

### Operating Initiative Contributions

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

### Activities

The team provides extensive pre-planning and on-site and/or virtual support for:

- Three ICANN Public Meetings a year.
- Three Board Retreats 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-upon 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

FY23–27: Resource requirements 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 additional resources in FY23–27.

### 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 March 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.
- △ Raise awareness of Expected Standards of Behavior and Community Anti-Harassment Policy within the community, Board, and org. There is currently some awareness but plans over the next five years would 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.

## 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.

## COMMUNITY ENGAGEMENT & SERVICES

### Resources

FY23–27: Resource requirements expected to be stable.

The number of Reconsideration Requests also affects 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

FY23-27

## ICANN ORG GOVERNANCE

- Board Activities
- Office of the President and CEO
- Governance Support
- Nominating Committee Support
- Complaints Office
- Planning
- 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 stakeholder and appoints Liaisons to effectively contribute to community initiatives.

## 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 their charters defining the scope of their duties and activities can be found [here](#).
- 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 the global public interest.
- Board members participate in external events in order to develop effective relationships across the global Internet ecosystem. The Board advocates 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 Domain Name System (DNS) and DNS 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 [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

FY23–27: Resource requirements expected to be stable.

This may change as community recommendations related to New Generic Top-Level Domain (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. The Office of the President and CEO includes three employees: two administrative support, and the President and CEO of ICANN.

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.
- Ensures ICANN org is accountable to the Board and community.

### Resources

FY23–27: Resource requirements 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:** Develop 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 sustain a competitive environment in the Domain Name System (DNS).
- **Support:** Facilitate DNS ecosystem improvements.
- **Support:** Root zone management evolution.
- **Support:** Evaluate, align, and facilitate improved engagement in the Internet ecosystem.
- **Support:** Monitor legislation, regulation, norms, principles and initiatives in collaboration with others that may impact the ICANN Mission.
- **Support:** Implement new gTLD auction proceeds recommendations.

## Activities

- Litigation support, including maintaining litigation readiness and monitoring and managing ICANN litigation matters and issues, as well as supporting all Accountability Mechanisms and other dispute resolution mechanisms in which ICANN org is involved.
- 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 Secretary’s 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.
- Anticipated implementation of a standardized system for accessing registration data.
- Continue to support ICANN org and community, and monitor dynamic privacy and data protection legislation.

## ICANN ORG GOVERNANCE

- △ Establishment of a contract management database.
- △ With the current global environment, there has been an increase in the services provided by Governance Support to aid the org's response to the pandemic.

### How Progress Is Tracked

CANN 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

FY23–27: Resource requirements expected to increase.

- A growing trend for more legal analysis translates into additional resource requirements. This assumption is based on the continued increase in projects, reviews, and policy development processes coming before the Board for consideration. Governance resources are needed at each part of this effort, in assessing feasibility of recommendations, in supporting Board deliberations on recommendations, and in advising the org in implementation.

### Considerations

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

- Dependency: Document management system readiness.
- Risk: Unexpected legal events. To best mitigate this risk, ICANN org has to ensure sufficient contingency funding for unbudgeted events.
- 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.■

## 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, Public Technical Identifiers (PTI) Board, At-Large Advisory Committee (ALAC), Country Code Names Supporting Organization (ccNSO), and Generic Names Supporting Organization (GNSO). The NomCom acts on behalf of the interests of the global Internet community and within the scope of ICANN's Mission and responsibilities in 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 wiki.
- **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/communication program.**

## ICANN ORG GOVERNANCE

### How Progress Is Tracked

ICANN org uses a combination of milestones, metrics, and reports to track functional activities. In FY23–27, the following metrics will be used for this functional activity:

- Number of face-to-face meetings supported.
- Number of telephonic/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.

### Resources

FY23–27: 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 else, 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 FY23–27.

### Resources

FY23–27: Resource requirements expected to be stable.

## ICANN ORG GOVERNANCE

### 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

# 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. In July 2020, a new Planning department was formed to lead and coordinate all planning activities with the ICANN Board, org, and community. The long-term objective of the Planning department is to continuously develop the organization's effectiveness through adequate planning and performance measurement.

## Operating Initiative Contributions

- **Lead:** Planning at ICANN.

## 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.

## 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, Annual Operating Plan and Budget per ICANN's Bylaws requirement.
- 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 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.

## ICANN ORG GOVERNANCE

### Resources

FY23–27: Resource requirements 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.

### 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 organization-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.■

## 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-adopted 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 entire process from inception of the review to the conclusion of the implementation:

- The Review Support and Accountability team facilitates and supports both the Specific and Organizational Reviews. This work includes the evolution of review processes and ICANN org support from review inception through Board action on the recommendations made by the review team.
- The Implementation Operations team is responsible for the implementation of the Board-adopted recommendations and coordinates the efforts with all parties, including org, Board, and community, to ensure effective implementation. These recommendations could result from reviews or other community-led working groups, such as the Cross-Community Working Group on Enhancing ICANN Accountability Work Stream 2 (CCWG-WS2), the program to Evolve the Effectiveness of ICANN's Multistakeholder Model, and the Cross-Community Working Group on New gTLD Auction Proceeds (CCWG-AP).

## Operating Initiative Contributions

- **Support:** Evolve and strengthen the multistakeholder model to facilitate diverse and inclusive participation in policymaking.
- **Support:** Implement new gTLD auction proceeds recommendations as approved by the Board.
- **Support:** Planning at ICANN.

## Activities

- Support ICANN org cross-functional engagement in the review lifecycle from inception to implementation of Board-adopted recommendations.
- Establish a cohesive streamlining of reviews to enhance the efficiency and effectiveness of reviews and the review program as part of continuous improvement.
- Work in tandem with the Planning functional activities to apply the prioritization framework to Board-adopted recommendations resulting from Specific Reviews.
- Evaluate the effectiveness of review recommendations as part of informing the next cycle of that review, and also in a broader sense to ensure that all reviews deliver on community and Board expectations.

## ICANN ORG GOVERNANCE

- Continue and complete the implementation of the Board-adopted recommendations from the CCWG-WS2 that are not completed during FY22. This work involves coordination across ICANN org, as well as with the Board and the community structures carrying out their work to implement CCWG-WS2 recommendations incumbent on the community.
  - Define, plan for and implement the program Evolve the Effectiveness of ICANN’s Multistakeholder Model through monitoring of the activities already in progress which contribute to this program, and implementation of the new activities or projects that complement those already in progress to fully address the three issue areas prioritized by the community in the August 2020 Public Comment. In a second phase, the remainder of the issues identified will be considered for implementation.
  - Based on the outcome of the prioritization pilot applied to reviews recommendations (to be carried during FY22), define, plan for and implement the Competition, Consumer Trust, and Consumer Choice (CCT), Accountability and Transparency Review 3 (ATRT3), Registration Directory Service (RDS), and Security, Stability and Resiliency Review 2 (SSR2) recommendations (See [Appendix C](#)) as adopted by the Board, so that such implementation work can be considered for prioritization and scheduled for implementation accordingly.
- △ With the current review cycle completed (with resulting implementation work in progress), in FY23 the focus of work for the Review Support and Accountability team will be on the preparations for the implementation of review-related ATRT3 recommendations subject to prioritization (see below), as opposed to the support and facilitation of reviews, as in prior years. The new Holistic Review recommended by the ATRT3 serves as a critical dependency for the scheduling and timing of all future reviews. Therefore, the Holistic Review pilot that the Board directed ICANN org to initiate (subject to prioritization and available resources) could be prioritized for planning and implementation ahead of other ATRT3 and community-issued recommendations. While the timing of this cannot be determined at the time that this plan is being developed, ICANN org recognizes the possibility of work toward initiation of the Holistic Review pilot taking place in FY23.

The activities for FY24–27 will evolve from the implementation of ATRT3 recommendations, the outcomes from the Holistic Review and Continuous Improvement pilots, and the work to improve review outcomes more broadly. While the specific timing of these activities cannot be established at this time, the following section on reviews timing provides relevant information and the potential sequencing of activities.

### Significant Changes to Reviews and Timing

Previous timelines for reviews have been placed on hold while larger efforts to redesign the review process and prioritize activities are considered. The ATRT3 made several recommendations to improve reviews. One recommendation is to evolve Organizational Reviews into a Continuous Improvement Program. Another recommendation is to add a new Holistic Review to evaluate continuous improvement efforts of all community structures, to assess the effectiveness of collaboration mechanisms between the community structures, and to determine if the Supporting Organizations and Advisory Committees continue to have a purpose within ICANN as a whole. The timing and cadence of reviews will change to avoid multiple reviews taking place at the same time. In November 2020, the Board approved recommendations from the ATRT3 (see [Board resolution](#)), subject to prioritization. The timing of the implementation

## ICANN ORG GOVERNANCE

work is not yet known, as the prioritization framework is being developed in FY22 and is expected to be used to inform implementation of community-issued recommendations by the end of FY22.

Over the last several years, there have been extensive discussions between the community, Board and org that lead to a similar conclusion as ATRT3 - that reviews need to be redesigned to make them sustainable, to improve effectiveness and outcomes, to focus on continuous process improvement, and to facilitate continuous evolution of the Multistakeholder Model. The work to redesign reviews involves complexities and dependencies, which will impact the timing of future reviews. While the precise timing of the future reviews is not yet specified, the work that must be done in order to improve reviews and their outcomes is being mapped out and planned.

### ***Potential sequencing of review-related activities***

Given the review schedule currently set forth in the ICANN Bylaws and the Board's approval of the ATRT3 recommendations, the Review Support and Accountability team proposes the following sequencing of review-related activities, to leverage collective lessons learned from the recently completed cycle of reviews.

- Facilitate establishing a shared vision between community, Board and org of desired outcomes from the reviews program in order to continue evolving and strengthening the multistakeholder model in accountable and transparent manner.
- Consider all relevant inputs, such as ATRT3 recommendations, community input on reviews, lessons learned and observations from Board and org, and related elements from implementation of CCWG-WS2 recommendations and Enhancing the Effectiveness of ICANN's Multistakeholder Model work.
- Identify potential improvements that could be implemented before the initiation of any new review, with specific benchmarks, in consultation with the community.
- Propose a reasonable timeline for implementing such improvements in concert with the implementation of review-related recommendations from ATRT3.
- Reflect the modifications resulting from the agreed upon improvements in the Operating Standards, process documents, as appropriate.
- Initiate design of the Holistic Review pilot and the Continuous Improvement pilot taking into consideration identified process improvements and the expected benchmarks.
- Conduct the Holistic Review pilot and begin the Continuous Improvement pilot and assess to what extent desired outcomes and specific benchmarks are being achieved.
- Initiate appropriate modification to the Bylaws.
- Publish a clear and predictable schedule of future reviews.

## ICANN ORG GOVERNANCE

### How Progress Is Tracked

The Review Support and Accountability and Implementation Operations functional activities progress depends on progress made in FY22 in the following areas:

- Streamlining of reviews to achieve more impactful outcomes.
- Prioritization and resourcing of the Board-approved ATRT3 recommendations pertaining to reviews.
- Prioritization and resourcing of the implementation of community recommendations.
- Implementation planning and implementation of the CCWG-WS2 recommendations.
- Completed Improvements included in the program to Evolve the Effectiveness of ICANN's Multistakeholder Model.

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

- ICANN org provides cross-functional support to the review teams, so that each review team understands progress since the last review, considerations that may impact implementability of recommendations, the associated resources and costs involved in the implementation, and dependencies that could delay implementation. ICANN org provides analysis and assessment to inform Board actions and decisions in accordance with timelines set in the ICANN Bylaws and review work plan.
- Track resources and expenditures as compared to plans and budgets via fact sheets.
- Produce high-level implementation plan to inform Board consideration of review final report and recommendations; facilitate Board consideration within the Bylaws-mandated six-month period for Specific Reviews.
- Produce periodic progress reports on the status of implementation planning and implementation of recommendations resulting from reviews and cross-community working groups.
- Produce Annual Review Implementation Report on time, in compliance with the Bylaws.
- Maintain up-to-date Operating Standards for Specific Reviews, in compliance with the Bylaws.

Review Team and Independent Examiner Performance Measurement:

- Review team's adherence to its terms of reference, work plan, and operating standards and other relevant processes.
- Completion of review within the defined timeframe and allocated budget.
- Adherence to Bylaws requirements.
- Review team considers substantive feedback from the community, Board, and ICANN org, to inform focused, useful, and implementable recommendations leading to intended review outcomes.

## Resources

FY23–27: During FY21 and FY22, ICANN org has initiated and continued to increase resources focused on implementation work, in support of the implementation of review recommendations resulting from the recently completed cycle of specific reviews.

- △ As reviews are streamlined and improvements or changes made to how ICANN org supports reviews throughout their lifecycle in alignment with the Board-directed actions resulting from ATRT3 recommendations, any resourcing adjustments to ensure strong ICANN org support will be addressed.
- △ Note: the resources needed to support the next cycle of reviews will be impacted by the outcomes of various work streams to improve reviews in alignment with Board-directed actions to implement ATRT3 recommendations, such as budget amount, staff, and timing. These resource items will be forecasted once the improvement work is further along.

## Considerations

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

- FY23–27 operations will be impacted by the events that are currently unfolding, but the outcome is not yet known at the time of publication of this plan. Specifically, the ICANN Board and community work to streamline reviews, including efforts as approved by the Board through its November 2020 action on ATRT3 recommendations that are subject to prioritization. The ATRT3 recommendations related to reviews, when implemented, will bring significant changes to the timing and the nature of the reviews starting in FY23 - see above section on Timing of Reviews. Progress also depends on ICANN org’s ability to support and facilitate the process of conducting reviews as directed by ICANN Board in its action on ATRT3 Recommendation related reviews, from planning phase through assessment of implementation, and considering the Holistic Review pilot and the Continuous Improvement Program pilot.
- Timing and nature of future reviews have significant implications for the planning and work of the ICANN community.
- Given the large number of recommendations resulting from the current cycle of Specific Reviews and other community work, and their complexity and dependencies on other work, there needs to be an agreed-upon set of principles for effective recommendations and their effective implementation. Discussions are currently underway, as reflected in “[Resourcing and Prioritization of Community Recommendations: Draft Proposal for Community Discussions](#),” the effective consideration and implementation of the large number of community recommendations depends on the ICANN community, ICANN Board and ICANN org reaching agreement on applicable principles and related process steps.
- While CCWG-WS2 recommendations were prioritized in their entirety, the recommendations resulting from the specific reviews will not be prioritized on a review-by-review basis and in its entirety. Rather the review-related recommendations will be prioritized on an individual basis based on a number of factors such as dependencies on ongoing work, interdependencies between recommendations, the relevancy and criticality of the recommendation in relation to ICANN’s work.■

# Functional Activities

FY23-27

## ICANN SHARED SERVICES

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



## ICANN 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 functional activity handles all accounting, audit, planning, financial analysis, financial reporting, statutory reporting, tax, payroll, billing and collections, insurance, treasury (including payments), procurement, and sourcing for ICANN operations, IANA functions, or Public Technical Identifiers as applicable.

## Activities

The Finance and Procurement functional activity handles all accounting, audit, planning, financial analysis, financial reporting, statutory reporting, tax, payroll, billing and collections, insurance, treasury (including payments), procurement, and sourcing for ICANN operations, IANA functions, or PTI 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 SHARED SERVICES

### Resources

FY22: Resources are expected to increase.

FY23–26: Resources are expected to remain stable.

### Considerations

No new risks or considerations noted. ■

## ICANN SHARED SERVICES

# Risk Management

### Purpose

The role of the Risk Management function is to facilitate the identification and articulation of risks faced by ICANN org 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.

### Operating Initiative Contributions

- **Support:** Risk Management supports all operating initiatives.

### Activities

The Finance and Procurement functional activity handles all accounting, audit, planning, financial analysis, financial reporting, statutory reporting, tax, payroll, billing and collections, insurance, treasury (including payments), procurement, and sourcing for ICANN operations, IANA functions, or Public Technical Identifiers as applicable.

### Activities

- Active identification and articulation of risks to the organization allowing for a conscious decision to be taken regarding risks.
- Transparency of risks so that risks are managed before they become a threat to fulfilling the organization's objectives. While adverse events will occur, the goal is a proactive approach to risk management and a minimization of surprises.
- A risk-aware culture where all staff feel empowered to identify and escalate risk concerns.
- Staff and functions own 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:

- Disciplined risk planning.
- Risk Appetite Statement referenced by staff.
- Risk ownership by staff.
- Board feels assured that the org Risk Management Framework is effective.

## ICANN SHARED SERVICES

### Resources

FY23–27: Resource requirements 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 applies 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 may have other priorities. The team must rely on Risk Liaisons to respond and also staff alerting Risk Management when issues arise.■

## ICANN 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:** Root zone management evolution.
- **Support:** Promote and sustain a competitive environment in the Domain Name System.
- **Support:** Formalize 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 building 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, and off-the-shelf software selection and support, infrastructure support, security monitoring, and network services.
- Continue to emphasize portfolio management and platform reduction mindset.
- Rough cut capacity planning tool for organizational capacity planning to define, develop, and deliver on requests to the organization.

## ICANN SHARED SERVICES

- To improve staff and subject matter expertise retention as well as execution control, the E&IT team is potentially changing the development model from a mix of internal and external or offshore outsourcing, to 100 percent internal.
- Investigate professional development opportunities to improve retention, provide greater clarity to staff, and help identify resource gaps.
- Expectation 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 cancelled 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 (NIST) Cybersecurity Framework (CSF).

### Resources

FY23–27: resource requirements expected to be stable.

- FY20–21: Shifting to a development team that is entirely composed of internal staff will require additional resources.
- FY21–23: Likely to need external or outsourced resources to backfill and add to internal resources as staff is reallocated to new strategic initiatives.
- FY21: Projects such as implementation of the Board-approved Competition, Consumer Trust, and Consumer Choice Review Team recommendations will likely add pressure to the identified resource gaps. External resources will likely be needed to complete these projects per expected timelines and scope.
- The internal resource count and mix could be impacted if a net new platform technology is sourced to support new initiatives.

## ICANN SHARED SERVICES

### 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.
- Finding a suitable offshore location for outsourced work is challenging.
- 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.
- Lack of understanding of capacity and capability, leading to unrealistic scope and delivery expectations from the Board and community.■

## ICANN SHARED SERVICES

# Global Human Resources and Administrative Services

### Purpose

The primary purpose of Global Human Resources is to attract and retain top talent for ICANN org throughout the entire human capital life cycle. 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 (ERP) 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:** Develop internal and external ethics policies.
- **Support:** Promote and sustain a competitive environment in the Domain Name System.
- **Support:** Implement new gTLD auction proceeds recommendations.

### Activities

Global Human Resources activities include:

- Throughout FY23–27, 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 from the New gTLD Subsequent Procedures Policy Development Process, Auction Proceeds, and more.
- 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.
- Global Human Resources completed a significant project to launch a new Career Framework for all staff to provide more clarity on options for career growth, consistent criteria for advancement, and a refreshed salary grade structure. This new Framework includes comprehensive career paths and levels to ensure consistent criteria and application across the org while enhancing staff's understanding of growth and development opportunities. The ongoing focus is to prepare everyone to ensure continued meaningful career and development conversations in support of engagement and retention.



## ICANN SHARED SERVICES

Administrative Services activities include:

- Oversee major lease negotiations for ICANN’s office locations in Los Angeles (renewal or relocation June 2022), Istanbul (renewal or relocation October 2022), and Washington D.C. (renewal or relocation January 2023).
- 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 between offices, regions, and remote working while continuing to build diversity to best represent the community we serve.
- A primary measure is the annual staff engagement survey, which gathers structured feedback from our global staff on their employment experience. The survey results allow the org to understand priority areas of focus to make meaningful improvements towards ensuring staff engagement across the organization.
- Administrative Services will ensure lease negotiations result in favorable outcomes to maintain budgetary commitments.

### Resources

FY23–27: Resource requirements 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 over 34 countries and 19 U.S. states makes it challenging to efficiently handle staff issues within existing policies and local differences.
- A more competitive labor market as global economies recover from the impact of the COVID-19 pandemic and anticipated resources required for upcoming initiatives mean hiring full-time and part-time staff will be more challenging.

## ICANN SHARED SERVICES

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 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 longstanding 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 to include pandemic and business continuity preparedness in response to COVID-19.
- **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.

△ In FY23–27, the Security Operations team will further align regional governance structures to optimize operational efficiency and effectiveness. The team will also look to increase succession planning efforts in response to global volatility and an unpredictable threat and risk landscape.

## ICANN SHARED SERVICES

### 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 Security, Administrative Services, IANA, and Office of the Chief Technology Officer (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 (G-CMT), office Emergency Response Teams (ERTs), and Workplace Violence Prevention (WVP) Teams.
- Promote synergy between ICANN’s various response mechanisms to ensure a unified, optimized response to crisis events impacting the org.

### Resources

FY23–27: Resource requirements are expected to increase.

## ICANN SHARED SERVICES

### 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 to sufficiently support 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 and manage the ongoing COVID-19 pandemic. This includes robust office, meeting, and travel procedures and protocols in order to promote health and safety, as well as maintain agile crisis management teams and mechanisms to respond efficiently and effectively to incidents and spikes in cases.■

## ICANN SHARED SERVICES

# Global Shared Services

### 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 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 FY23–27, 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

FY23–27: Resource requirements expected to remain steady.

## ICANN SHARED SERVICES

### Considerations

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

- Future demand for Global Shared Services cannot be estimated with high confidence. Regional and world events occur and may result in an unanticipated and severe increase in volume.
- Policies and contractual obligations continuously evolve and Global Shared Services 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 Shared Services is highly dependent on the operating systems and tools upon which it relies. Specifically, the team is highly reliant on the Naming Services Portal (NSp).
- Global Shared Services 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.■

## ICANN 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, vendor management and relations, manages and reports Board budget, 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 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 meeting per Bylaws.
  - 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

FY23–27: Resource requirements 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 SHARED SERVICES

### ICANN Offices

#### **Purpose**

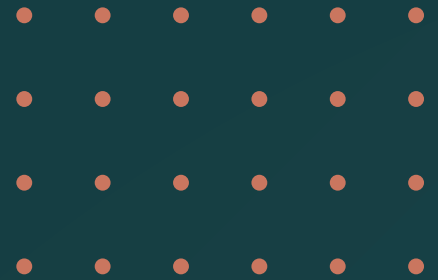
ICANN offices are located around the world and work together to serve the global community. Brussels, Istanbul, Montevideo, and Singapore have detailed plans described in the GSE section of the FY23–27 Operating and Financial Plan.

#### **Resources**

FY23–27: Resource requirements are expected to increase.■

# FY23–27 FINANCIAL PLAN

- Approach
- FY23–27 Funding Assumptions and Projections
- FY23–27 Financial Projections



# Approach

The following FY23–27 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.

The information contained within this document is based upon reasonable assumptions derived from the most current information available at the time of the FY23–27 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 FY23–27 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 FY23–27 financials do not include headcount at the functional activity level, which allows for flexibility in internal staff and external resources.
- Many of the activities in the FY23–27 financials will require substantial internal resources, meaning other activities will have less resources available. The Resources section of the FY23–27 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 year.

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 through the five-year period.

# FY23–27 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. A report on the Five-Year Funding Forecast Assumptions is published and can be found [here](#).

The funding assumptions and forecasts outlined in this document have been prepared amidst continuing uncertainty on the long-term impacts of the COVID-19 pandemic and its potential spillover effects on the DNS industry. In light of these unprecedented circumstances and as 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 recalibrated 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 (gTLD) names resulting from a new round of applications, it is assumed that no funding from such new top-level domains would be generated over the five-year period. Below, each step of the process is explained in greater detail.

## 1. The 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 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 aforementioned 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 near-term growth in total domains under management due to the continued importance of domain names in establishing a digital presence on the global Internet. As this trend was expected to continue over the forecast period, a base case assumption was developed anticipating that domain transactions would likely continue to see some level of growth. Two more future scenarios were then created: a “high” scenario built upon an expectation of accelerating growth momentum and a more conservative “low” scenario that factored in a future decline in total domain name transaction counts.

## FY23–27 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	FY23	FY24	FY25	FY26	FY27
<b>ICANN Ops Funding</b> <i>(In Millions USD)</i>					
Base	\$152.0	\$155.3	\$158.7	\$160.1	\$161.7
Low	\$132.9	\$127.1	\$124.5	\$120.7	\$117.3
High	\$158.4	\$167.5	\$177.0	\$185.2	\$194.1
<b>Transaction Volume</b> <i>(In Millions)</i>					
Base	227.1	235.4	243.7	252.0	260.5
Low	187.5	178.1	174.5	171.8	169.8
High	239.4	259.4	280.0	302.0	325.6
<b>Contracted Parties</b>					
Base	3,592	3,580	3,567	3,553	3,545
Low	3,346	3,175	3,075	3,020	2,994
High	3,625	3,675	3,730	3,787	3,845

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 FY23–27 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/or facilitation of DNSSEC 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.

## FY23–27 Funding Assumptions and Projections, Cont'd.

The FY23–27 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:

- Support the evolution of the Root Server System.
- Facilitate DNS ecosystem improvements.
- Root zone management evolution.

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 FY23–27 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.

Updates to the FY23 Budget will be subject to updates from a forecast during FY23 as part of the FY24–28 Operating and Financial Plan and FY24 Operating Plan and Budget process, and no later than in time for the publication of the FY24 annual planning documents, estimated to be in December 2022. ICANN's activities will be carried out under a principle of increased prudence, 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.

*The table below reflects financial projections for the five-year period FY23–27. The projections define the maximum amount of operational expenses to be incurred on an annual basis, considering the available funding net of a Board-approved allocation to the Reserve Fund and the funding allocated to the Operating Initiatives. The Reserve Fund allocation is designed to enable the Reserve Fund balance to reach the minimum target level of 12 months of operating expenses by the end of the Board-approved Reserve Fund Replenishment Strategy.*

# FY23–27 Financial Projections

The table below reflects financial projections for the five-year period FY23–27. The projections define the maximum amount of operational expenses to be incurred on an annual basis.

<b>ICANN Operations</b> <i>(In Millions USD)</i>						
<b>5-Year Projections</b>	<b>FY23</b>	<b>FY24</b>	<b>FY25</b>	<b>FY26</b>	<b>FY27</b>	<b>5-Year Total</b>
<b>Funding<sup>(1)</sup></b>	<b>\$152.0</b>	<b>\$155.3</b>	<b>\$158.7</b>	<b>\$160.1</b>	<b>\$161.7</b>	<b>\$787.8</b>
<b>Expenses</b>						
Personnel	\$86.5	\$88.3	\$90.0	\$91.4	\$92.8	\$449.0
Travel and Meetings	\$14.3	\$14.8	\$15.2	\$15.3	\$15.4	\$74.9
Professional Services <sup>(2)</sup>	\$29.7	\$30.3	\$31.0	\$31.0	\$31.1	\$153.1
Administrative	\$19.3	\$19.7	\$20.1	\$20.1	\$20.1	\$99.3
Capital	\$2.2	\$2.3	\$2.3	\$2.3	\$2.3	\$11.5
<b>Total Operating Expenses</b>	<b>\$152.0</b>	<b>\$155.3</b>	<b>\$158.7</b>	<b>\$160.1</b>	<b>\$161.7</b>	<b>\$787.8</b>
<b>Net Operating Excess/ (Deficit)</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>
<b>Average Headcount</b>	<b>423</b>	<b>423</b>	<b>423</b>	<b>423</b>	<b>423</b>	<b>423</b>

<sup>(1)</sup> Includes contributions for ICANN Security, Stability, and Resiliency (SSR) activities.

<sup>(2)</sup> Includes Contingency expense, which is unallocated to specific activities or functions.



## FY 23–27 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 15 Operating Initiatives included in the plan, of which 13 Operating Initiatives 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 of the Root Server System	Resources for this initiative are included within the functional activities of the financial plan
2	Facilitate 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	Develop Internal and External Ethics Policies	Resources for this initiative are included within the functional activities of the financial plan
6	Promote and Sustain a Competitive Environment in the Domain Name System	Included in this initiative, the next round will be separately funded
7	Promote the Universal Acceptance of Domain Names and Email Addresses	Resources for this initiative are included within the functional activities of the financial plan
8	Root Zone Management Evolution	Resources for this initiative are included within the functional activities of the financial plan
9	Evaluate, Align, and Facilitate Improved Engagement in the Internet Ecosystem	Resources for this initiative are included within the functional activities of the financial plan
10	Improve Governmental and Intergovernmental Organization (IGO) Engagement and Participation in ICANN Through Targeted Engagement	Resources for this initiative are included within the functional activities of the financial plan
11	Improve Depth of Understanding Domain Name Marketplace Drivers which Impact ICANN’s Funding	Resources for this initiative are included within the functional activities of the financial plan
12	Improve Depth of Understanding Domain Name Marketplace Drivers which Impact ICANN’s Funding	Resources for this initiative are included within the functional activities of the financial plan

## Financial Projections, Cont'd.

### Operating Initiatives Resources

	Operating Initiatives	Assumptions
13	Implement New gTLD Auction Proceeds Recommendations as Approved by Board	Will be separately funded by Auction Proceeds
14	Planning at ICANN	Resources for this initiative are included within the functional activities of the financial plan
15	ICANN Reserves	Resources for this initiative are included within the functional activities of the financial plan

# FY23 OPERATING PLAN

- Approach
- FY23 Operating Initiatives
- FY23 Functional Activities



# Approach

ICANN org’s FY23 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 IANA functions.

Each of the 15 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

## FY23

The 15 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. Draft 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 of the Root Server System
- Facilitate the 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
- Develop Internal and External Ethics Policies
- Promote and Sustain a Competitive Environment in the Domain Name System
- Promote the Universal Acceptance of Domain Names and Email Addresses
- Root Zone Management Evolution
- Evaluate, Align, and Facilitate Improved Engagement in the Internet Ecosystem
- Improve Governmental and Intergovernmental Organization (IGO) Engagement and Participation in ICANN Through Targeted Engagement
- Monitor Legislation, Regulation, Norms, Principles, and Initiatives in Collaboration with Others that May Impact the ICANN Mission
- Improve Depth of Understanding Domain Name Market Drivers which Impact ICANN's Funding
- Implement New gTLD Auction Proceeds Recommendations as Approved by Board
- Planning at ICANN
- ICANN Reserves

# Support the Evolution of the Root Server System

## Purpose

As the Root Server System evolves with greater 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.

## Scope

This initiative covers these work areas:

- 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.
- Encourage development of mechanisms to further distribute and scale the root of the DNS, e.g., “hyperlocal” root configuration in recursive resolvers and set up a root zone distribution service, as discussed in [OCTO-016](#).
- 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.

## Activities

During FY23, ICANN will:

- Finalize prototype and begin internal operation of RSS Metric Monitoring System.
- Encourage hyperlocal configuration in recursive resolvers.
- Operate a prototype root zone distribution service (hyperlocal) for testing purposes.
- Publish and implement KSK Rollover Policy.

## How Progress Is Tracked

During FY23, ICANN will implement the activities above based on the formalized project plans that have been established.

## 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 OCTO and Policy Development Support.
- Deployment of the root zone availability service will require collaboration with Global Stakeholder Engagement and Government Engagement functions to reach audiences and coordinate messaging.
- The awareness about the implementation plan of 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 Communication 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/or facilitation of Domain Name System Security Extensions (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 Root KSK Rollovers.
- Ensuring the Root Server System continues to meet requirements as defined by the Internet community.■

# Facilitate Domain Name System Ecosystem Improvements

## Purpose

This initiative encompasses efforts to understand, document, and improve the emergency readiness of ICANN and other actors in the Domain Name System (DNS) ecosystem.

## Scope

The scope of this initiative covers three main work areas:

### • Advocate and Promote Improvements to DNS Security Infrastructure

- Advocate for developers to enable Domain Name System Security Extensions (DNSSEC), both signing and validation, by default.
- Promote hyperlocal as an additional root zone distribution model and encourage resolver developers to enable the technology by default.
- Support the implementation of DNS-based Authentication of Named Entities (DANE).

### • Technical Engagement and Capacity Development

- Continue to improve and deliver capacity-building 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.
- Work with the community to develop and promote commonly agreed norms for a secure DNS ecosystem.

### • 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/or compare to the DNS through the Office of the Chief Technology Officer series documents and other avenues of publication.
- Research the use of artificial intelligence to enhance understanding and identification of abusive trends in DNS registration.



## Activities

The FY23 activities will cover these work areas:

- **Advocate and Promote Improvements to DNS Security Infrastructure**

- Advocate for developers to enable DNSSEC Validation by default.
- Promote hyperlocal as an additional root zone distribution model and encourage resolver developers to enable the technology.

- **Technical Engagement and Capacity Development**

- Create and continue to deliver capacity-building training on key Internet technologies, such as DNSSEC, that align with ICANN's technical remit.
- Work internally to expand ICANN org's technician training presence.
- Continue programs for DNS ecosystem security and technical outreach.
- KINDNS launched in FY21 and work will continue in FY23.

- **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/or compare to DNS.
- Research artificial intelligence abuse prediction to better understand and identify abusive trends in | DNS registration.
- Identify and report on measurements that impact the work of ICANN org and the ICANN community.
- Define the baseline and collect metrics based on security threats.

- **Facilitate**

- Continue work with the community on identifying requirements for a DNS Security Facilitation Center Initiative.
- Coordinate a Special Interest Forum on Technology (SIFT) to allow the community to engage technically with ICANN between Public Meetings.
- Work with the community to define norms for proper DNS operations.

## How Progress Is Tracked

ICANN org uses a combination of milestones and reports to ensure that initiatives advance. These measures will be used during FY23 for this initiative:

- 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 Governmental and Intergovernmental Organization (IGO) Engagement.
- Emergency preparedness efforts also support the work of teams such as Contractual Compliance.

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 FY23:

- 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 Work Stream 2 (CCWG-WS2) recommendations 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 prior work to improve the effectiveness of ICANN's Multistakeholder Model (see "[Enhancing the Effectiveness of ICANN's Multistakeholder Model](#)" paper which was revised in October 2020), including addressing the issue of representation and inclusivity as described in that work plan. This exercise will allow the community to consider what additional work may be needed over the next five years, to ensure that ICANN's multistakeholder model of policy making and consensus building remains inclusive, globally representative, and diverse.
- Assessing improvements made to Public Comment proceedings and other forms of community consultations, to improve broad-based community input across regions and to facilitate effective and targeted outreach to affected stakeholders. This work will build on the launch of the new Public Comment feature on icann.org through the Information Transparency Initiative (ITI) and the publication of guidelines for community consultations, which was also recommended by ATRT3.

- 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.

## Activities

During FY23, ICANN org will focus on these work areas within this initiative:

- Continue to facilitate and support the community's implementation of relevant recommendations from the CCWG-WS2 that impact diversity, outreach, and SO and AC accountability.
- Continue cross-functional work within the org to ensure effective collaboration with the community on evaluating progress on the priority areas highlighted in the current work on Evolving ICANN's Multistakeholder Model, with a view toward considering next steps.
- 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.
- Continue to support the community's ongoing efforts to improve planning of inclusive hybrid ICANN Public Meetings, including through assessment and updates of community-agreed guidelines, Prep Week, and plenary sessions.
- Continue cross-functional work within the org to ensure effective outreach to targeted stakeholders and affected groups for new policy development processes, Public Comment opportunities and other consultations.

## 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 FY23 for this initiative:

- Reporting of membership and participation by SOs, ACs, stakeholder groups, and constituencies to track diversity and global representation.
- Implementation status of Board-approved recommendations from Organizational Reviews, stakeholder group charters and other outcomes of community governance to enhance diversity and inclusiveness.
- Metrics related to Public Comment proceedings to evaluate the new format launched under the Information Transparency Initiative.
- Analysis of statistics for ICANN Prep Week and ICANN Public Meetings to detect participation trends and changes due to increased reliance on virtual meetings.

## Resources

The FY23 level of resources is generally expected to be consistent with the current level of staff, assuming that FY22 hiring requests are fulfilled and continuing ability to rely on professional services contractors for additional needs. Resources for increased use of virtual meeting tools and, if feasible, face-to-face or intersessional meetings will likely 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:

- The need for data-driven policymaking results in requests for more robust data collection and analysis as well as external experts to aid in policy development; this can add to resource constraints, especially as the community's workload increases.
- 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, ensuring that participants in the policy process have the requisite expertise and experience could result in less diverse participation.
- Continued impact of COVID-19 on community volunteers and the need to rely on largely virtual interactions (with accompanying challenges such as time zone issues) continues to affect stakeholder interest and ability to participate in policy discussions.■

# 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 Supporting Organizations (SOs) and advice by the four Advisory Committees (ACs). Staff support is provided for developing, documenting, and implementing changes and improvements to community procedures and processes intended to reflect 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 group decision-making, elections, and reporting requirements, including as part of the Cross-Community Working Group on Enhancing ICANN Accountability Work Stream 2 (CCWG-WS2) recommendation implementation phase. Additional work to improve community processes may be required, depending on the outcomes of the evaluation of progress of the work identified to date in Evolving ICANN’s Multistakeholder Model.
- Improvement of community templates and procedures in relation to the Empowered Community powers and other Bylaws-mandated processes.
- Improvements to cross-community collaborative processes, including work on collective governance requirements and updates to terms of reference and published community-agreed guidelines for ad hoc representative groups.

## Activities

In FY23, activities for this initiative include:

- 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.
- Support Information Transparency Initiative (ITI), including tracking usage of recent improvements to Public Comment proceedings and uniform publication of information relating to community processes.
- Work with ICANN org Meetings, Language Services, Meetings Technical Services, Communications, Legal, Board Operations, and other teams to evaluate and implement improvements to ICANN meeting support.
- Collaborate with ICANN org’s new Planning function to engage the community in collaborative strategic planning to facilitate 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 FY23 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 processes and project management tools to facilitate timely reporting and decision making by policy working groups.
- Tracking progress on migration to Customer Relationship Management (CRM) platform.

## Resources

The FY23 level of resources is generally expected to be consistent with the current level of staff, assuming that FY22 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 (e.g., on data privacy and DNS abuse) means that significant time and effort needs to be expended on understanding the issue and 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, lack of which runs 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 team member burnout.
- Increasing reliance on virtual meetings puts pressure on org to improve and expand its support for technological tools to support community work.

- As policy issues become more legally and technically complex, there is an increasing need for consistent academic-quality policy research 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.
- Continued impact of COVID-19 on community volunteers may affect project timelines and increase the amount of time required for decision-making.■



# Develop Internal and External Ethics Policies

## Purpose

This operating initiative focuses on the continued development 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 Program.
- Assess, develop and support an ICANN Community Ethics Policy.

## Activities

Over FY23, ICANN org will:

- Assess internal ICANN org Ethics Program established in FY22.
- Improve internal ICANN org Ethics Program for FY23.
- Implement an ICANN org Ethics Program to provide additional guidance and direction for ICANN org staff for FY23–25.
- Collaborate with the ICANN community to develop an ICANN Community Ethics Policy for FY23–24.

## 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 FY23 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 FY22.
- Develop a plan or policies to fill the gaps.
- Assessment of the current Ethics Program.

## 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 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 Sustain a Competitive Environment in the Domain Name System (DNS)

## Purpose

This initiative encompasses ICANN org activities in support of a competitive environment in the DNS marketplace. This goal is supported by ongoing activities such as providing and improving services for the generic top-level domain (gTLD) registry operators and ICANN-accredited registrars that enable and facilitate compliance with the respective agreements and community-developed consensus policies, implementing ICANN Board-approved Generic Names Supporting Organization (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 also focuses on preparation for the launch of additional rounds of new gTLDs, applying knowledge gained through the implementation of the 2012 round and subsequent reviews aimed at evaluating different aspects of the program. ICANN org is in the pre-planning 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 of the GNSO's New Generic Top-Level Domain Subsequent Procedures (SubPro) Policy Development Process Working Group have been delivered to the Board. With this policy work complete, it is anticipated that significant planning and implementation work around these policy recommendations will occur in FY23.

## Scope

The scope of this initiative covers these work areas:

- Implementation of community-developed recommendations that the Board adopts and directs ICANN org to implement.
- Production of the Domain Name Marketplace Indicators and other analysis.
- Development of new services or improvement to existing services for gTLD registry operators and ICANN-accredited registrars.
- Implementation of an operational infrastructure (systems, processes, people) to support ongoing operations of the New gTLD Program.
- Development and execution of a global communications and awareness campaign.

## Activities

Activities for this initiative include:

- Supporting the Board of Directors in developing information and analysis necessary to inform decisions on the policy recommendations, including execution and completion of an Operational Design Phase.
- 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.

- If approved by the Board, developing program documentation for the application process in line with new policy guidance.
- Convening the Implementation Review Team (IRT) to review and provide input on the implementation plan.

## How Progress Is Tracked

ICANN org will create a dedicated page for publications and announcements relating to the work on new gTLDs. This is in addition to the standard policy implementation tracking mechanisms. Reporting and feedback will also occur via meeting sessions, webinars, Public Comment periods, and other mechanisms as appropriate. The Operational Design Phase provides an additional mechanism for sharing and communicating the status of the org's work.

As of this FY23 Planning process, the Board has requested the org to undertake an Operational Design Phase on the recommendations from the GNSO Policy Development Process (PDP) of New gTLD Subsequent Procedures policy development process. 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 FY23–27 time period.

The ODP will result in an assessment being delivered to the Board of Directors, which the Board has requested within 10 months from the start of the ODP. Following 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, org will support the required work.

## Resources

This project will require significant cross-functional collaboration and support from across the organization. The ODP and the preparation of the next round are expected to be funded by the New gTLD Program funds, composed of the remaining funds from the 2012 round.

Based on the recommendations of the SubPro Policy Development Process 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. Two implications should be noted: First, application fees may need to be set at levels that are appropriate for the repayment of the preparatory and development expenses to be incurred to launch the next round. Second, an alternative and temporary source of funds will need to be used to cover these expenses, which will be incurred before application fees are received. This source of funding will need to be identified and approved by the Board.

## Considerations

Preparation for a subsequent round of new gTLDs is expected to be a major effort for ICANN org to support during FY23.■

# Promote the Universal Acceptance of Domain Names and Email Addresses

## Purpose

This program encompasses ICANN org's Universal Acceptance (UA) efforts to ensure that Internet applications and systems treat all top-level domains (TLDs) in all scripts and email addresses based on those domains in a consistent manner. UA promotes consumer choice and provides broader access to end users.

## Scope

The current scope of this initiative covers these work areas:

- Outreach to providers of standards, programming language, tools, and platforms to support UA.
- Raise awareness and capacity of technology developers to develop or update applications to be UA ready.
- Raise awareness and capacity of email tools and service providers to support internationalized email addresses.
- Raise awareness in the public sector for governments to require UA readiness in their tendering processes.
- Update ICANN org's relevant technical systems to be UA ready.

## Activities

During FY23, ICANN org will:

- Conduct gap analyses of tools and systems for UA readiness.
- Continue to reach out to technology developers and tool providers for UA remediation.
- Continue to raise awareness and capacity of technology developers and system administrators for UA-readiness through local initiatives in different geographies.
- Support the community-based UA working groups on technology, email address internationalization, communications, and measurements as well as its local initiatives in different countries to promote UA readiness.
- Engage with the At-Large Advisory Committee and Governmental Advisory Committee (GAC) and work with ICANN org's Global Stakeholder Engagement and Governmental and Intergovernmental Organization (IGO) Engagement teams to raise awareness especially among public sector organizations.

## How Progress Is Tracked

ICANN org uses a combination of milestones and reports to ensure that initiatives advance. The following milestones will be used in FY23 for this initiative:

- Document the progress on UA readiness of technology for FY23, with current status documented in the FY22 annual report. This will include gap analysis for tools and technologies, development of training materials, training on UA, outreach to stakeholders to make technology UA ready, and the extent of technology remediation achieved.

## Resources

UA work will support the recently created community-based working groups and local initiatives focusing on specific geographies. The work will require close collaboration with ICANN org's GSE and Governmental and Intergovernmental Organization (IGO) Engagement teams to prepare to support the local initiatives and engage the public sector. Support from the Communications team also will be needed to help in planning and outreach.

## Considerations

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

- Efforts to increase UA means reaching and activating stakeholders beyond the conventional ICANN community that may have different priorities.
- Raising awareness and encouraging UA as a mainstream design consideration may require considerable effort and time.■

# Root Zone Management Evolution

## Purpose

This initiative supports the continued advancement of the technology platform used to provide root zone management services. This system manages the workflow of change requests from customers, automates many aspects of the processing, and ensures quality, accuracy, and timeliness of the business process.

Root zone management today continues to evolve toward more complex requirements and the need to meet higher customer expectations. Work to improve the platform and service offering adapts to these requirements in order to retain high levels of customer satisfaction and continue to adhere to advancing policy requirements.

## Scope

The scope of this initiative covers these work areas:

- Identify features and enhancements of how the root zone is managed that will improve operations while ensuring accuracy, quality, and timeliness of business processes.
- Develop solutions for the evolution of requirements from the New gTLD Subsequent Procedures Policy Development Process and technological developments related to Internationalized Domain Names.

## Activities

In FY23, ICANN org will:

- 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. The following are FY23 milestones for this initiative:

- Expand security options that allow for additional integrity checks associated with customer authentication.
- Adapt technical check systems to reflect emerging operational scenarios not envisaged with the original system.
- Provide an extensible architecture and associated adaptability that will better cater for forecast initiatives emerging from the policy communities.

## Resources

Software development and project management resources (provided by ICANN org) through a contract between ICANN and its affiliate Public Technical Identifiers (PTI). Projected to taper in FY23 as maintenance backlog is cured and significant pending functionality is deployed.

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:

- Success depends heavily on the stability and commitment of engineering resources.
- The greatest risks are the loss of development resources that are prioritized to other objectives.
- The inability of IANA to provide sufficient designs and requirements settings to inform development.
- 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 to ensure RZMS will meet those emerging requirements.■



# Evaluate, Align, and Facilitate Improved Engagement in the Internet Ecosystem

## Purpose

Increasingly, governments and intergovernmental organization forums develop policies, legislation, and regulations that have the potential to, 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 plans to identify where these discussions and initiatives are taking place and determine where, whether, and how ICANN should engage. This process includes issues identified through the trend assessment work conducted by ICANN as part of the strategic planning process, and the legislative, regulatory, and policy evaluation work. This assists ICANN org's Governmental and Intergovernmental Organization (IGO) Engagement team in prioritizing and targeting engagement.

## Scope

The scope of this initiative covers these work areas:

- Reviewing trends, existing agreements and relationships, conducting an analysis of the relationship between ICANN and these organizations.
- Developing an approach to align engagement through face-to-face and virtual gatherings for these and other 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 educational and technical Internet governance briefings, forums, webinars, and events.

## Activities

In FY23, ICANN org will:

- Monitor and assess impact of the implementation of the Internet Governance Forum evolution on ICANN based on United Nations Secretary-General's Roadmap for Digital Cooperation released in June 2020.
- Continue 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 following the completed FY22 mapping and assessment in order to address challenges that arise in various IGO arenas.
- Revise engagement plan to reflect the prioritization or reprioritization of engagement based on the ecosystem mapping and the Memorandum of Understanding (MoU) evaluation and relationship assessment completed in FY22.
- Continue socializing the concept of technical Internet governance through speaking engagements.
- Publish a document that serves as a definitional publication for the distinction between technical Internet governance and Internet governance.

## How Progress Is Tracked

ICANN org uses a combination of measures, milestones and reports to ensure that initiatives advance. These measures are examples of those that will be used in FY23 for this initiative:

- Completion of cross-functional inventory of relationships in the Internet ecosystem.
- Completion of assessment of current mechanisms and identify gaps.

## Resources

While the Governmental and Intergovernmental Organization (IGO) Engagement team will lead global strategy and political and environmental assessments of global intergovernmental organizations and initiatives, collaboration will be needed as follows:

- Political assessment input from ICANN org's regional engagement offices regarding activities in the national capitals, regional trends, and influences.
- Communications team to develop narratives to ensure consistent messaging.
- Legal analysis of reports on the potential impact of legislative or regulatory activity.

## 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 legislative or other analysis.
- Possibility of forging an alliance with an organization that takes the contrary position to ICANN on a common issue.
- Potential perception from some in the community that reassignment of work might lead to a change in funding or reducing some participation in events at a level that the community previously had become accustomed to. ■

# Improve Governmental and Intergovernmental Organization (IGO) Engagement and Participation in ICANN Through Targeted Engagement

## Purpose

This operating initiative addresses two focal areas: working with governments and IGOs engaged with ICANN and the policy development process through the GAC; and more broadly working with governments and IGOs on issues beyond those being addressed through policy development processes.

Governments and IGOs participate in the ICANN policy development process through the Governmental Advisory Committee (GAC). Its members consider and provide advice on the activities of ICANN as they relate to concerns of governments, particularly matters where there may be an interaction between ICANN's policies and various laws and international agreements or where they may affect public policy issues.

The GAC has steadily grown in membership and participation, yet has more turnover of its representatives than other advisory committees. As a result, some GAC representatives are less familiar with ICANN's processes and issues, making it difficult for them to effectively engage. It is important, where possible, for governments to participate in ICANN rather than addressing potential issues through external legislative or regulatory activity.

Additionally, dialogues that will impact ICANN increasingly involve different aspects or ministries of national governments than those commonly participating in ICANN through the GAC. Therefore, activity has to be broader than government and IGO activity within ICANN's policy development process. This requires targeted engagement through global, regional and national governmental events, including new structures and diversified venues where dialog is conducted on topics such as cybersecurity, data protection, privacy, cultural and geographic identifiers, emerging technologies, and proposed new systems of unique identifiers.

## Scope

The scope of this initiative covers these work areas:

- Assessing the expectations of government participants within the GAC.
- Creating targeted information and capacity development materials to better equip government stakeholders around the world, enabling them to become more active participants in ICANN's policymaking processes.
- Assessing expectations of government participants in capacity-development activities.
- Creating targeted materials as needed for government participants.
- Assessing and mapping the scope of global dialogue venues relevant to ICANN on topics such as cybersecurity and the unique identifiers.

## Activities

In FY23, ICANN org will:

- Prepare for the possibility of three capacity-building trainings in FY23.
- Continue creating targeted materials as needed 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.
- Delivery of the postponed FY22 High-Level Governmental meeting may occur in FY23 as a virtual or in-person event in conjunction with an ICANN meeting, depending on the COVID-19 pandemic safety protocols and discussions with the GAC.

## 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 FY23 for this initiative:

- Work in conjunction with local government hosts and GAC members deliver periodic Delivery of 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. Similar data will be provided for briefings and capacity building events for diplomats from the Permanent Missions to the United Nations (UN), UN staff, as well as other UN agencies or other IGOs, where appropriate.
- Conduct comparison of before and after capacity-development event surveys to measure delivery of information against expectations and knowledge gained.
- Completed review of existing Memoranda of Understanding (MoUs) 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 GAC and ICANN policy processes.

## 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:

- Regional Global Stakeholder Engagement teams to identify which countries are not part of the GAC.
- Governmental and IGO Engagement team and Global Stakeholder Engagement team to conduct gap analysis on IGOs that are not part of the GAC.
- Communications team to develop a consistent narrative for outreach messaging.
- Public Responsibility Support Team to develop online courses.
- Office of the Chief Technology Officer to develop technical capacity development curriculum to assist with training and capacity development through the GAC's Underserved Regions Working Group (USRWG) work plans and other collaboration initiatives in the Internet governance ecosystem.

## Considerations

The following risks and considerations exist for this initiative and may impact its advancement in FY23:

- Leadership changes and challenges in partnering agencies.
- Realignment of work plan to reflect the revisions to the engagement strategy, changes in roles for ICANN org's Governmental and IGO Engagement team and Global Stakeholder Engagement team.■

## Monitor Legislation, Regulation, Norms, Principles, and Initiatives in Collaboration With Others That May Impact the ICANN Mission

### Purpose

This initiative builds on the work begun by ICANN org in 2018 to identify and report on legislative and regulatory developments around the world that could have an impact on ICANN's ability to fulfill its Mission. Part of ICANN's work within this initiative to analyze 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, briefings or educational information to governments to help ensure that lawmakers have the full benefit of ICANN's technical expertise.

### Scope

The scope of this initiative covers these work areas:

- Examine existing processes and further develop the mechanisms for evaluation and engagement.
- Creating a community dialogue process for feedback and input.
- Maintaining an internal assessment mechanism as a resource for evaluation of outreach and engagement efforts.
- Reporting on trends that may impact ICANN's Mission and any mitigations implemented as a result.

### Activities

In FY23, ICANN org will:

- Utilize the assessment and monitoring process from FY21, 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 education activities such as events and speaking opportunities.
- Develop community dialogue mechanism with support of ICANN org's Policy Development Support department.
- Plan informational briefings at the United Nations in New York, Geneva, or Brussels, and plan capacity-building sessions for governments.
- Publish country focus 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 measures will be used in FY23 for this initiative:

- Publication of reports and/or papers to the community on legislative or regulatory initiatives being tracked.
- Publication of technical assessments and use cases.
- Number of outreach events and speaking opportunities.

## 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:

- Regional Global Stakeholder Engagement teams to provide analysis of upcoming regional legislation that might impact ICANN.
- Governmental and IGO Engagement team to provide data collection/analysis, awareness raising, and technical briefings.
- Office of the Chief Technology Officer to assess the impact of proposed legislation on the DNS and to conduct use case analysis as applicable.
- Legal to review reports on legislative and regulatory activity.
- Communications to develop a narrative to ensure consistent messaging on key issues.

## Considerations

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

- Resources are needed 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.
- Political judgment is crucial in determining when to move from monitoring to active educational engagement efforts.
- Limited ability to provide briefings, technical training, and other engagement efforts in some political structures. ■

# Improve Depth of Understanding Domain Name Marketplace Drivers which Impact ICANN's Funding

## Purpose

The domain name marketplace has evolved and matured following the 2012 round of the New Generic Top-Level Domain (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 which impact ICANN's funding.
- Seek to validate and improve forecasting accuracy through review of further datasets that could provide predictive value for funding projections.

## Activities

In FY23, 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 datasets in relation to the forecast.
- Annual delivery of funding assumptions and projections for the next five fiscal years.

## 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 FY23 for this initiative:

- Build and establish a process to develop the funding model during FY22.
- Annual delivery of funding assumptions and projections for the following five fiscal years.
- Continued enhancement of 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 & Strategy, Finance, Office of the Chief Technology Officer, and Global Stakeholder Engagement teams to collect and contextualize market intelligence and various datasets 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 Domain Name System (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 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 facilitate a review of the specific roles of the Board and ICANN org in this initiative. The specific roles of the Board and ICANN org in the various stages of the operational and review stage are yet to be determined. However, regardless of the eventual processes or structures needed and/or the use of external entities, the Board remains ultimately accountable for the actions related to the proceeds.
- ICANN org will provide operational design and feasibility assessments and potential implementation costs for the ICANN Board's consideration of the CCWG-AP recommendations.
- ICANN org to implement the recommendations that the Board approves, which will include coordination with a community implementation review team.

## Activities

In FY23, ICANN org:

- 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.

## How Progress Is Tracked

Work within this initiative will happen in distinct stages, dependent on ICANN Board and community actions. The specific milestones guiding next steps are:

- Implementation feasibility review assessment.
- Board consideration of recommendations.
- Development of implementation plan.

## 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 final recommendations approved by the Board and the design of the implementation plan will drive costs, which will be funded out of the auction proceeds.
- The recommendations will need to be reviewed from a resourcing standpoint in order to understand practicalities, including estimated workload, potential new hires, and needed skills.
- As implementation progresses, the internal ICANN resources supporting this work will be reimbursed to ICANN’s operations from the auction proceeds.

## Considerations

This work is dependent on the pending Board action on the CCWG-AP Final Report recommendations. As the community has an expected role in participation in parts of the implementation effort, community resources and prioritization must be taken into account.■

# 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 encompasses ICANN org planning activities.

## Scope

The scope of this initiative covers these work areas:

- Delivery of a planning prioritization framework.
- Improvement of progress measurement toward achievement of the Strategic Plan.

## Activities

In FY23, ICANN org will:

- Research, develop and engage with the community and Board regarding a draft prioritization framework.
- Implement the draft prioritization framework during the planning process of FY24 draft operating plan and budget.
- 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 FY23. ICANN org plans to:

- Deliver a draft prioritization framework and perform a pilot.
- Implement the draft prioritization framework as part of the FY24 annual planning process.
- Deliver a project plan for engagement with org, Board and Community on a draft progress measurement framework.

## 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 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 Public Comment proceedings.
- Planning team 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 FY23 finances, please see the FY23 Budget for the Reserve Fund balance and planned replenishment.■

# Functional Activities

## FY23

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 department. These 33 functional activities describe ICANN’s continuing operations for FY23.

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 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.

### FIVE SERVICE GROUPS:

**TECHNICAL & DNS SECURITY**

**POLICY DEVELOPMENT & IMPLEMENTATION SUPPORT**

**COMMUNITY ENGAGEMENT & SERVICES**

**ICANN ORG GOVERNANCE**

**ICANN SHARED SERVICES**

# Functional Activities

FY23

## 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 ICANN helps to 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 of the Root Server System.
- **Lead:** Facilitate DNS ecosystem improvements.
- **Support:** Evaluate, align, and facilitate improved engagement in the Internet ecosystem.
- **Support:** Improve governmental and intergovernmental organization (IGO) engagement and participation in ICANN through targeted engagement.
- **Support:** Monitor legislation, regulation, norms, principles, and initiatives in collaboration with others that may impact the ICANN Mission.

### Activities

- **External Operations:** Activities that have an external impact, such as facilitating the DNS Security Facilitation Initiative and exploration of expansion of the Domain Name Security Threat Identification, Collection, and Reporting (DNSTICR).
- **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 Governmental and IGO Engagement with technical expertise as needed.
- **Research:** Activities centered around the analysis of the impact of new and existing technologies to 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.



## TECHNICAL & DNS SECURITY

- **Reporting:**

- Continue reporting on various aspects of the unique identifier ecosystem via Domain Abuse Activity Reporting (DAAR) and Identifier Technologies Health Indicators (ITHI).
- Leading or supporting other work such as the Contractual Compliance Registrar Audit Study or verifying that ICANN's contracted parties are meeting their contractual obligations related to IPv6 deployment.

- **Internal Operations:**

- Activities that have an internal impact, or recurring activities such as reviewing and responding to requests submitted through the Action Request Register (ARR), and implementing Board-approved recommendations from reviews and PDPs.
- Collaboratively working with ICANN's Public Responsibility Support team on online learning development.

### 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 fiscal period for this functional activity:

- **External Operations:** Many of the progressions and milestones will be tracked via the operating initiatives, such as:

- Formalization of the Special Interest Forum on Technology (SIFT) program.
- Establishing community agreement on the DNS Security Facilitation Initiative.
- Items related to root zone availability service being deployed.
- Development and evaluation of DNSTICR.

- **Technical Engagement and Outreach:**

- More DNS resolver developers enabling hyperlocal technology.
- Deliver at least 90% of mutually agreed-upon engagement and outreach activities requested by the community or our additional partners.

- **Research:**

- Track and support recommendations for NCAP studies 2 and 3.
- Develop of an internal RSS Metric Monitoring System as described in RSSAC047 for internal research purposes.

- **Reporting:**

- Data or reports published related to the various efforts underway such as DAAR and ITHI reporting, publication of technical papers, etc.
- Implement data collection and gathering for various statistical analyses.

## TECHNICAL & DNS SECURITY

### Resources

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
Office of the Chief Technology Officer	<b>20</b>	<b>\$5.5</b>	<b>\$6.7</b>	<b>\$12.2</b>

*\$ in Millions*

### 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 the 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 a reprioritization.
- In FY23, ICANN org notes a number of OCTO-led implementations may be forthcoming from the final recommendations from 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

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 Root Server System (RSS).
- Maintain a low total cost of operations while building 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 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

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
ICANN Managed Root Server	9	\$1.8	\$1.3	\$3.1

*\$ in Millions*

## 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-based work and leads internal operations for Internationalized Domain Names (IDNs) and Universal Acceptance (UA) efforts.

### Operating Initiative Contributions

- **Lead:** Promote the universal acceptance of domain names and email addresses.

### Activities

- Support policy development work on IDNs, including IDN variant top-level domains, by Country Code Names Supporting Organization (ccNSO) and Generic Names Supporting Organization (GNSO).
- Support the development of Root Zone Label Generation Rules (RZ-LGR) for Myanmar and Thaana scripts and second level Reference LGRs for Chinese, Greek, Korean and Latin scripts.
- Support the community-based UA working groups on technology, Email Address Internationalization, communications, and measurements, as well as its local initiatives in different countries to promote UA readiness.
- Support UA working groups in At-Large Advisory Committee (ALAC) and Governmental Advisory Committee (GAC), as needed.
- Develop and conduct training and UA-related communications in collaborations with the community.
- Manage the cross-functional coordination on IDNs and UA within ICANN org.

### How Progress Is Tracked

ICANN org uses a combination of milestones, metrics, and reports to track functional activities. The following milestones will occur in FY23:

- Progress on UA readiness is published using UA annual report for FY21 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 published with Myanmar and Thaana scripts and Reference LGRs are published for Chinese, Greek, Japanese, Korean, and Latin scripts.
- Updated IDN Guidelines reviewed by the community and approved by the board in FY22 are implemented.

## TECHNICAL & DNS SECURITY

- Next phases of Universal Acceptance gap analyses is completed:
  - Programming languages
  - Content Management Systems
  - Email tools
- Track and report progress through annual reports on UA readiness (e.g., [UA Readiness Report for FY21](#)).

### Resources

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
Internationalized Domain Names and Universal Acceptance	<b>3</b>	<b>\$0.4</b>	<b>\$0.4</b>	<b>\$0.8</b>

*\$ in Millions*

### 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 contracts, subcontracts, service level agreements 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 ICANN's Operating Plan and Budget. Read the [FY23 PTI and IANA Operating Plans and Budgets](#).

## Operating Initiative Contributions

- **Lead:** Root zone management evolution.
- **Support:** Support the evolution of the Root Server System.
- **Support:** Facilitate DNS ecosystem improvements.
- **Support:** Promote and sustain a competitive environment in the Domain Name System (DNS).
- **Support:** Promote the universal acceptance of domain names and email addresses.

## Activities

- **Operations:**
  - Conducting the daily activities required to provide the IANA functions in accordance with service level agreements such as:
    - Processing root zone, protocol parameter, and number-related requests.
    - Responding to general inquiries.
    - Generating and publishing various performance reports.
    - Facilitating community understanding of the functions to inform future policy development, and provide subject matter expertise as needed.
    - Maintaining active relationships through community engagement.
  - Maintaining systems and processes to ensure secure and highly-availability of IANA critical internet infrastructure through:

## TECHNICAL & DNS SECURITY

- Ensuring IANA systems are available and working with partners to facilitate the successful operation of essential infrastructure, such as the DNS root zone.
- Safely storing and managing the root zone Key Signing Key (KSK), including performing ceremonies and other activities to promote system trust.
- Verifying fitness of the systems and processes.

### • Operational Excellence:

- Engaging a third-party auditor to assess the IANA Registry Assignment and Maintenance Systems (RAMS) using the Service Organization Controls 2 (SOC2) Framework and the Domain Name System Security Extensions (DNSSEC) systems and processes using the Service Organization Controls 3 (SOC3) Framework.
- Conducting an annual customer engagement survey.
- Planning and executing a table-top exercise to test the Contingency and Continuity of Operations Plan (CCOP) and identify strengths and areas for improvement.
- Conducting an internal quality management assessment according to the European Foundation for Quality Management (EFQM) Excellence Model to identify strengths and areas for improvement.
- Monitoring and reporting of performance and customer satisfaction
- Enhancing project management capabilities.

### • Technical Services:

- Registry Workflow System (Opal) project:
  - Migrating workflows from legacy ticketing systems to the new platform.
  - Surfacing new dynamic presentation of registry data in additional formats.
  - Self-service opportunities for customers to complete straightforward requests.
  - Piloting new mechanisms to allow specialist community groups to review and assess changes to registry data.
- Continuing to evolve and adapt the Root Zone Management System (RZMS) to support increased customer demands and the evolution of underlying community-developed policies through:
  - Expanding security options that allow for additional integrity checks associated with customer authentication.
  - Adapting technical check systems to reflect emerging operational scenarios not envisaged with the original system.
  - Providing an extensible architecture and associated adaptability that will better cater for forecast initiatives emerging from the policy communities.

## TECHNICAL & DNS SECURITY

- Delivering updates to the IANA website to effectively deliver registry information and associated procedures and documentation. Improvement areas include:
  - Enhanced browsing and searching of registry data.
  - Improved machine-readable data, including customer application programming interface (API) and data representation.
  - Optimized experience for common customer interactions, including via mobile devices.
- Providing root zone DNSSEC management enhancements such as:
  - Perform the next KSK Rollover.
  - Facilitate research to develop an operational approach to support new cryptographic algorithms in the DNS root zone (also known as an ‘algorithm rollover’).
  - Evaluating long-term evolution of the key signing model — which presumes reliance on international travel — in light of the limitations the COVID-19 pandemic has highlighted.
- Evaluating, planning, and implementing enhancements to Key Management Facilities (KMF), including:
  - Replacement of hardware responsible for enforcing access controls.
  - Recall the recovery key shareholders to test their cards.
- **Governance:**
  - Providing support to the PTI Board.
  - Serving as subject matter experts to cross-functional operating initiatives as laid out in the ICANN Five-Year Operating Plan.
  - Providing staff management that includes career development plans, performance management cycles and professional training opportunities
  - Resuming face-to-face engagement with IANA stakeholders and the broader community groups.
  - Participating in customer-related activities such as conferences, meetings, and other community events.

### How Progress Is Tracked

ICANN org uses a combination of milestones, metrics, and reports to track functional activities. In FY23, 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.
- SOC2 Audit Report issued and delivered to stakeholders.



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- Exception-free SOC3 Audit Report published.
- KSK Ceremonies performed in compliance with the DNSSEC Practice Statement (DPS).
- Root Zone Key Management Facilities Upgrades completed in U.S. East and West regions.

### Metrics

- Performance service level agreements.
- Customer satisfaction through surveys.
- Audit Control Matrix.

### Resources

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
IANA Functions	<b>17</b>	<b>\$3.4</b>	<b>\$1.3</b>	<b>\$4.7</b>

*\$ in Millions*

### 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 service level agreements 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 Security, Stability, and Resiliency Review 2 (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 generic top-level domains may impact the root zone. ■

## TECHNICAL & DNS SECURITY

# Contractual Compliance

### Purpose

The Contractual Compliance functional activity ensures that ICANN's generic top-level domain name registries and accredited registrars comply with community consensus policies and their contractual agreements with ICANN.

### Operating Initiative Contributions

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 FY23.
- Reduce professional services by completing migration to Naming Services Portal (NSp) in FY23.

### 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 FY23 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 elevated-risk registrars or top-level domains audited.
- High-risk issues mitigated through audit.
- Contracted parties and reporter satisfaction level measured via perception survey.

## TECHNICAL & DNS SECURITY

### Resources

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
Contractual Compliance	<b>24</b>	<b>\$3.7</b>	<b>\$0.7</b>	<b>\$4.5</b>

*\$ in Millions*

### 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 two backfill positions.
- Opportunities to reduce spending depends on timely and successful 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 compliance as a result of unknown registry directory service (RDS) obligations.■

# Functional Activities

**FY23**

## **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 functional activity 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.

## Activities

In FY23, activities will include:

- Continued implementation of Board-approved recommendations from the Cross-Community Working Group on Enhancing ICANN Accountability Workstream 2.
- Evaluation of ongoing efforts and planning for any community work that may be needed for next steps on the work of Evolving the Multistakeholder Model.
- Increase 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 Customer Relationship Management (CRM) platform, including completion of new working group enrollment portal.
- Work with other ICANN org functions, including Engineering and IT, Meetings, Meetings Technical Services, Legal, and Board Operations teams on improvements to ICANN Public Meeting planning and support.
- Provide research, drafting, and facilitation support for community groups in updating their governance processes and reporting.
- 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 FY23.

# 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 FY23 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 CRM platform and rollout of project management framework and tools for department staff.

## Resources

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
Policy Development and Advice	36	\$6.3	\$1.7	\$8.0

*\$ in Millions*

## 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 FY22) for a minimum of two 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 is a challenge for individual community groups and in cross-community work. Pending the completion of the Prioritization Framework and its pilot, which may yield tools and processes that community leaders and groups can use for their planning, Policy Development Support staff will need to suggest and coordinate on appropriate tools for prioritization by the community.

## **POLICY DEVELOPMENT & IMPLEMENTATION SUPPORT**

- Continuing collaboration 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 need to develop data-driven policies demonstrates the need for skilled policy analysts to supplement existing org expertise.
- The continuing impact of COVID-19 and the possibility of an extended period of wholly or mostly virtual meetings could have an adverse impact on community interest and level of volunteer commitment, especially considering time zone and bandwidth challenges for some participants.■

## POLICY DEVELOPMENT & IMPLEMENTATION SUPPORT

# Policy Research and Stakeholder Programs

### Purpose

The Policy Research and Stakeholder Programs functional activity 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 includes ensuring cross-functional coordination and subject matter support for the Board's and org's activities around relevant recommendations and advice from the stakeholder community.

### Operating Initiative Contributions

- **Lead:** Promote and sustain a competitive environment in the Domain Name System.

### Activities

In FY23, activities will include:

- Supporting Board consideration of Generic Names Supporting Organization (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 the stakeholder community.
- Providing subject matter support to internal and external stakeholders, including support during development of recommendations by Supporting Organizations and Advisory Committees.
- Managing implementation of relevant Specific Review recommendations.

### 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 FY23 for this functional activity:

- Progress on implementation of policy recommendations is reported on a dedicated consensus policy implementation page.
- Progress on implementation of relevant advice items is reported on a dedicated webpage which provides status of advice to the Board from Advisory Committees.



## POLICY DEVELOPMENT & IMPLEMENTATION SUPPORT

For many of this function’s activities, the timing and milestone 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, by publication of blogs and announcements, and by webinars and public meeting sessions.

### Resources

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
Policy Research and Stakeholder Programs	8	\$1.5	\$0.4	\$1.9

*\$ in Millions*

### Considerations

Several recommendations from the Competition, Consumer Trust, and Consumer Choice Review Team (CCT-RT) and other review teams have been approved or are pending Board further decisions. The team anticipates taking on responsibility for a set of these recommendations, subject to the forthcoming planning and prioritization process. However, the outcomes and priorities for resource allocation are unknown.■

## **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 FY23, 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 lifecycle from procurement to operations for vendors that provide contracted party services, application evaluation, or related GDS needs.
- Support 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 in FY23 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	<b>15</b>	<b>\$2.3</b>	<b>\$1.6</b>	<b>\$3.9</b>

*\$ in Millions*

### 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 functional activity provides technical knowledge and data regarding domain name space inside ICANN org, working to maintain the security and stability of the Domain Name System (DNS).

## Operating Initiative Contributions

- **Support:** Promote and sustain a competitive environment in the Domain Name System.

## Activities

In FY23, activities will include:

- Coordinate projects and activities related to the implementation of Registration Data Access Protocol (RDAP).
- Enhance RDAP web client.
- Deploy an RDAP response validation tool for generic top-level domains (gTLDs).
- Deploy Technical Compliance Monitoring system for gTLDs.
- Enhance Service Level Agreement monitoring for gTLDs and DNS monitoring for other TLDs and the root.
- Enhance Monitoring System Application Programming Interface MoSAPI for TLDs.
- Enhance Centralized Zone Data Service (CZDS).
- △ 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

## How Progress Is Tracked

- Deployment of various systems and system enhancements.

**POLICY DEVELOPMENT & IMPLEMENTATION SUPPORT**

**Resources**

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
Technical Services	<b>5</b>	<b>\$1.4</b>	<b>\$0.5</b>	<b>\$1.9</b>

*\$ in Millions*

**Considerations**

- Additional staff will 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 (e.g., CZDS, Registry System Testing), and the next round of new gTLDs if these move forward.■

## 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/privacy legislation. It also includes cross-functional strategic efforts related to mitigating Domain Name System (DNS) security threats, New gTLD Subsequent Procedures, Registration Data Access Protocol (RDAP) operationalization, Internationalized Domain Name and Universal Acceptance related topics, and ICANN's Registrant Program.

## Operating Initiative Contributions

- **Support:** Promote and sustain a competitive environment in the Domain Name System.
- **Support:** Evolve and strengthen the multistakeholder model to facilitate diverse and inclusive participation in policymaking.
- **Support:** Promote the Universal Acceptance of domain names and email addresses.
- **Support:** Monitor legislation, regulation, norms, principles, and initiatives in collaboration with others that may impact the ICANN Mission.

## Activities

In FY23, activities will include:

- Subsequent Procedures for New gTLDs:
  - Support for the implementation of the Board-adopted 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 about issues and challenges impacting registrants.
  - Ensure that registrants' perspectives are represented in ICANN org's work when implementing policies and service.
- Data protection and privacy issues:
  - Cross-functional coordination as it relates to data protection/privacy issues, including Registration Directory Service compliance with the GDPR and other laws.

## **POLICY DEVELOPMENT & IMPLEMENTATION SUPPORT**

- Continued engagement and follow-on activities in relation to the Expedited Policy Development Process (EPDP) on Temporary Specification for gTLD Registration Data Phase 2 recommendations, including strategy as it relates to implementation, should the Board adopt the recommendations related to a System for Standardized Access/Disclosure.
- RDAP Program:
  - 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.
- Internationalized Domain Names (IDNs) and Universal Acceptance (UA):
  - Provide support for ICANN org's IDN-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. The following milestones will be used over in FY23 for this functional activity:

- For New gTLD Subsequent Procedures:
  - Provide support for Operational Design Phase prior to Board consideration of policy recommendations resulting from the New gTLD Subsequent Procedures Policy Development Procedure.
- For 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.
- For 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.

## **POLICY DEVELOPMENT & IMPLEMENTATION SUPPORT**

- Support includes follow-on work resulting from Board consideration of the EPDP Phase 2 recommendations related to an SSAD following completion of the Operational Design Phase (ODP) and delivery of the Operational Design Assessment (ODA) to the Board in FY22. At the time of this plan publication, the Board is anticipated to receive the ODA in February 2022, with its consideration of the recommendations to come later in FY22.
- The Board’s decision on the recommendations, if approved, likely will result in the org beginning implementation of an SSAD in FY23.
- 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 as ICANN org liaison 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 ensuring RDS and access to non-public gTLD registration data meet with the requirements of data protection/privacy laws, including the GDPR.
- For 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.
- For DNS Security Threat Mitigation:
  - Continued coordination of org-wide strategy, including org’s participation in ICANN community discussions on DNS security threat topics.
- For IDNs and UA:
  - Provide support for tracking progress of cross-functional strategy for increasing IDN implementation and UA-readiness globally.



## POLICY DEVELOPMENT & IMPLEMENTATION SUPPORT

### Resources

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
Strategic Initiatives	9	\$2.5	\$0.5	\$3.0

*\$ in Millions*

### Considerations

Activities related to recommendations from the New gTLD Subsequent Procedures Policy Development Process and the Expedited Policy Development Process (EPDP) on Temporary Specification for gTLD Registration Policy 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 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.
- **Support:** Evaluate, align, and facilitate improved engagement in the Internet ecosystem.

### Activities

In FY23, 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 measures will be used in FY23 for this functional activity:

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

**POLICY DEVELOPMENT & IMPLEMENTATION SUPPORT**

**Resources**

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
Constituent and Stakeholder Travel	0	\$0.0	\$2.2	\$2.2

*\$ in Millions*

**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

FY23

## COMMUNITY ENGAGEMENT & SERVICES

- Global Stakeholder Engagement
  - Regional Offices
- Public Responsibility Support
- Governmental and Intergovernmental Organization Engagement
- GDD Accounts and Services
- 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.

### Operating Initiative Contributions

As GSE's role is to lead engagement and outreach for ICANN org, it provides direct and indirect support to many of the operating initiatives which have outreach components that contribute to success.

### Activities

In FY23, activities will include:

- In light of the suspension of in-person engagements due to the COVID-19 pandemic, GSE is reviewing the impact of virtual engagement on ICANN org and the wider ICANN community. While a plan for the return to in-person meetings has been developed and is being discussed with the ICANN community, GSE will further consider the future of engagement in ICANN both virtually and in-person.
- 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 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 and the DNS ecosystem.
- Continued extension of engagement measurement and planning function and use of a Customer Relationship Management (CRM) platform for managing engagement activity, community contacts, trip reports, cases, and Memoranda of Understanding with outside organizations.
- Ongoing cross-functional regional engagement related to technical and policy work, participation in relevant national and regional discussions, and delivery of regional engagement strategies.

## COMMUNITY ENGAGEMENT & SERVICES

- Engagement measurement, planning, and administration.
- Support cross-organizational prioritization to deliver on needs for international office strategy.
- Ongoing implementation of engagement activities adopted by the Board related to Specific and Organizational Reviews' implementation, community work on New gTLD Subsequent Procedures Policy Development Process recommendations, and support of initiatives in Office of the Chief Technology Officer (OCTO), Governmental and IGO Engagement, and Global Domains & Strategy (GDS).
- △ Continue careful consideration of resource allocation to ICANN participation in external events.
- △ Continue work begun in the prior fiscal year to integrate all of ICANN's engagement and outreach activities in the region and coordinate with other ICANN org functions including Global Domains Division Accounts and Services, OCTO, and Governmental and IGO Engagement.
- △ Evaluating lessons learned from engagement during the COVID-19 health pandemic so that improvements can be made to ICANN org's engagement efforts and help prepare for a return to in-person meetings.

### How Progress Is Tracked

ICANN org uses a combination of milestones, metrics, and reports to track functional activities. In FY23, 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.
- Metrics related to cross-functional work on Domain Name System ecosystem security, Domain Name System Security Extensions (DNSSEC) deployment, Universal Acceptance, and ICANN Managed Root Server (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 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.

**COMMUNITY ENGAGEMENT & SERVICES**

**Resources**

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
Global Stakeholder Engagement	28	\$6.0	\$1.5	\$7.5

*\$ in Millions*

**Considerations**

The following considerations exist for GSE team, some of which may pose risks in FY23:

- 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 a potential next round 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, Internet Protocol version 6 (IPv6) and other technical topics. OCTO also plans to add technical engagement staff.
- GSE assumes there will be a return to face-to-face meetings and engagement events in FY23, but the pace of this return is uncertain due to continued travel restrictions and impacts from the COVID-19 pandemic.
- GSE continues to make improvements to cross-functional collaboration with OCTO, Governmental and IGO Engagement 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.
- Reputational risk may arise from failure to retain active regional stakeholders in ICANN work during the extended period without face-to-face meetings. The inability to attract newcomers and maintain volunteers in a post-COVID era may also pose 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, Washington DC and Beijing.

#### 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 FY23 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 FY23 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 region, 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 Generic Top-level Domains (gTLDs), develop region-specific plans for promoting the program.



## COMMUNITY ENGAGEMENT & SERVICES

### How Progress Is Tracked

ICANN org uses a combination of milestones, metrics and reports to track functional activities. In FY23, 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 Customer Relationship Management (CRM) 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.

### Resources

The administrative costs of running each regional office can be found in the ICANN Offices functional activity section in this document.

### Considerations

The following risks and considerations exist for the success of the regional offices in FY23 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 CRM platform in FY22.
- Allocation of adequate budget 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

- **Lead:** Implement New Generic Top-Level Domain (gTLD) auction proceeds recommendations as approved by Board.
- **Support:** Facilitate Domain Name System (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:** Improve governmental and intergovernmental organization (IGO) engagement and participation in ICANN through targeted engagement.

## Activities

In FY23, activities will include:

- Lead research and expertise: Support for public responsibility initiatives within ICANN's remit in the areas of diversity, human rights, anti-harassment, public interest, and continue to support pre-implementation coordination efforts of new gTLD auction proceeds recommendations. 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: Fellowship Program, NextGen@ICANN, Newcomer Day at ICANN Public Meetings, and Beginner's portal on icann.org, ICANN Community Childcare Grants Pilot.
- Lead and support capacity development initiatives: ICANN Learn, Leadership Program, Chairing Skills Program, and the ICANN History Project.
- △ Expand ICANN Learn curriculum to meet increased demand for online learning and capacity development.
- △ Support implementation of Board-approved recommendations from Cross-Community Working Group on Enhancing ICANN Accountability Work Stream 2 (CCWG-WS2) on human rights and diversity, including the development of a diversity toolkit that will include diversity survey templates, guidance on how to collect diversity data in an inclusive way, examples of strategies (best practices) to increase diversity & inclusion, and relevant case studies.

## COMMUNITY ENGAGEMENT & SERVICES

- △ Improve existing and explore possible new mentoring structures for the NextGen and Fellowship programs based on community feedback.
- △ Conduct community consultation on the evolution of the ICANN Fellowship Program.
- △ Identify, deliver and measure the effectiveness of anti-harassment training opportunities across the ICANN community.
- △ Community to decide whether the proposed public interest framework can be used to demonstrate how specific recommendations, advice, and public comments are in the global public interest; pilot to be completed in FY23.
- △ Continue to phase out ICANN History Project activities.

### How Progress Is Tracked

ICANN org uses a combination of milestones, metrics, and reports to track functional activities. In FY23, the following milestones will be met:

- **Research and expertise:**

- New gTLD auction proceeds: Continue to support coordination efforts leading up to Board consideration of recommendations from CCWG-AP.
- Identify, deliver, and measure the effectiveness of anti-harassment training opportunities across the ICANN community.

- **Diversity programs:**

- ICANN Community Childcare Grants Pilot will be evaluated to determine whether the program will continue as a recurring activity.
- Fellowship and NextGen:
  - 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:**

- Continue to phase out ICANN History Project work.
- Continue to leverage ICANN Learn for capacity development.
- Online Learn:
  - Number of active users.
  - Number of new courses.
  - Number of multilingual courses

### Resources

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
Public Responsibility Support	7	\$1.0	\$0.6	\$1.7

*\$ in Millions*

### 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.
- Reputational risk 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 and responsiveness to the community.
- ICANN Learn should be leveraged to improve scalability of capacity development efforts.
- Reduce barriers to participation in ICANN by improving the newcomer experience.
- Successful implementation of New Generic Top-Level Domains (gTLDs) auction proceeds Board-adopted recommendations, 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 Governmental and Intergovernmental Organization (IGO) Engagement team is responsible for outreach and engagement with national and regional governments and intergovernmental organizations to protect the remit and mandate of ICANN.

The team acts as a central point of contact to help government 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 the global Domain Name System, Internet Protocol (IP) addresses and protocol parameters.

The Governmental and Intergovernmental Organization (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 ICANN's Mission with government ministries and IGOs.

## Operating Initiative Contributions

- **Lead:** Evaluate, align and facilitate improved engagement in the Internet ecosystem.
- **Lead:** Improve governmental and intergovernmental organization (IGO) engagement and participation in ICANN through targeted engagement.
- **Lead:** Monitor legislation, regulation, norms, principles, and initiatives that may impact the ICANN Mission in collaboration with others.

## Activities

In FY23, 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.
- Support cross-organizational collaboration for legislative tracking, government engagement, operational and strategic planning, and other functions.

## COMMUNITY ENGAGEMENT & SERVICES

- Review and revise the global governmental and intergovernmental organization (IGO) engagement strategies to align with the Strategic Plan, which expands the number of strategic objectives with engagement elements.
- △ The team will update demand-driven government capacity-building activities against the new ICANN Strategic Plan, and ensure these activities align with the new strategic objectives for ICANN org.
- △ The team will evaluate the government engagement events ICANN org currently supports, determine effectiveness, and modify engagement as needed.

### 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 FY23 for this functional activity:

- Delivery of the postponed High-Level Governmental meeting may occur in FY23 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 building events for diplomats from the Permanent Missions to the United Nations (UN), UN staff, as well as other UN 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 Memoranda 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 GAC and ICANN policy processes.

**COMMUNITY ENGAGEMENT & SERVICES**

**Resources**

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
Governmental and IGO Engagement	9	\$2.6	\$1.3	\$3.9

*\$ in Millions*

**Considerations**

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

- Changes in the assessment of the risk environment.
- Change in functional resources and team allocation.■

## COMMUNITY ENGAGEMENT & SERVICES

# GDD Accounts and Services

### Purpose

The Global Domains Division (GDD) Accounts and Services functional activity is responsible for the effective implementation of the Generic Names Supporting Organization (GNSO) Consensus Policy and contract-related services. Its team builds and maintains relationships with ICANN-accredited registrars, gTLD registry operators, and their respective stakeholder groups. The team is also responsible for identifying indicators and trends about the evolution of the Domain Name System (DNS) ecosystem.

### Operating Initiative Contributions

- **Lead:** Improve depth of understanding domain name marketplace drivers which impact ICANN's funding.
- **Support:** Promote and sustain a competitive environment in the Domain Name System.

### Activities

In FY23, 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.
- Support the contracted parties transition to the Registration Data Access Protocol (RDAP)-based technology platform for registration data directory services as called for in amendments to the Base gTLD Registry Agreement and Registrar Accreditation Agreement.
- Lead implementation of the registration data policy (per Expedited Policy Development Process (EPDP) on Temporary Specification for gTLD Registration Data Phase 1) in FY22.
- 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 toward 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

### 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 FY23 for this functional activity:

- Implementation of adopted consensus policies.
- 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	16	\$3.1	\$0.7	\$3.7

*\$ in Millions*

### Considerations

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

- The transition from WHOIS to RDAP depends on completion of amendments to gTLD Base Registry Agreement, and the Registrar Accreditation Agreement, expected in FY22.
- Implementation of approved GNSO policy recommendations partially depends on volunteer-based Implementation Review Team (IRTs).■

## COMMUNITY ENGAGEMENT & SERVICES

# Global Communications and Language Services

### Purpose

The primary purpose of ICANN org's Global Communications and Language Services function is to ensure that ICANN is represented accurately and consistently in all forms of communication. This is accomplished in several ways:

- Demonstrate successes, knowledge, and thought leadership through compelling, clear, and consistent positioning.
- Continue to grow, globalize, and diversify communications efforts and channels for geographic and target-audience reach.
- Expand to and engage with new audiences by reaching outside of traditional forums.
- Leverage media and industry contacts to amplify key messages.
- Increase external understanding of and increase participation in ICANN's policy development process and multistakeholder model.
- Explain the role of the IANA functions and ICANN's technical remit.
- Educate internal audiences and support staff activities.
- Facilitates access to ICANN by providing translations, interpretation, and transcription services in the six United Nations (UN) 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 sustain a competitive environment in the Domain Name System.
- **Support:** Evaluate, align, and facilitate improved engagement in the Internet ecosystem.
- **Support:** Improve governmental and intergovernmental organization (IGO) engagement and participation in ICANN through targeted engagement.
- **Support:** Monitor legislation, regulation, norms, principles and initiatives in collaboration with others that may impact the ICANN Mission.
- **Support:** Implement new gTLD auction proceeds recommendations as approved by the Board.

## COMMUNITY ENGAGEMENT & SERVICES

### Activities

In FY23, activities will include:

- Support Global Domains & Strategy through dedicated communications staff.
- Provide strategic communications support and content development for initiatives such as DNS security threats, EPDP on Temporary Specification for gTLD Registration Data Phase 2, new gTLD auction proceeds, 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, media monitoring, Google analytics to track content likes, retweets, shares, etc.

### Resources

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
Global Communications and Language Services	22	\$4.1	\$4.3	\$8.4

*\$ in Millions*

### 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 the effective conduct of the meeting. 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 participation strategy in the online environment.

### Operating Initiative Contributions

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

### Activities

In FY23, activities will include:

- Three ICANN Public Meetings scheduled for FY23:
  - ICANN75 Kuala Lumpur, Malaysia | Annual General Meeting
  - ICANN76 Cancun, Mexico | Community Forum
  - ICANN77 TBD | Policy Forum
- Three Board Retreats.
- Community face-to-face and virtual meetings. In FY23, the number and type of meetings will be dependent on the status of the global COVID-19 pandemic. All meetings in FY22 were conducted virtually due to the pandemic.

### How Progress Is Tracked

ICANN org uses a combination of milestones, metrics, and reports to track functional activities. In FY23, 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	<b>10</b>	<b>\$2.0</b>	<b>\$3.6</b>	<b>\$5.6</b>

*\$ in Millions*

**Considerations**

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

- As we emerge from the pandemic in FY23, there is likely to be an increase in the demand for smaller face-to-face and virtual meetings, which will 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 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 shall be 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 for the Board Accountability Mechanisms Committee. 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 FY23 activities will include:

- Complaint management.
- Raise awareness of Expected Standards of Behavior and Community Anti-Harassment policy within the community, Board and org. There is currently some awareness but actions in FY23 would increase visibility and activity.
- Promote anti-harassment training via ICANN Learn.
- Increase 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.

**COMMUNITY ENGAGEMENT & SERVICES**

**Resources**

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
Ombudsman	0	\$0.0	\$0.4	\$0.4

*\$ in Millions*

**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

FY23

## ICANN ORG GOVERNANCE

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

No linked initiatives at this time. The Board supports ICANN’s ongoing, business-as-usual activities.

## Activities

The ICANN Board organizes its FY23 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 upon 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.

## ICANN ORG GOVERNANCE

- Oversee ICANN org’s efficient and effective delivery of operational services to the community.
- **Strategic and Forward Thinking:**
  - Periodic review and revision of the Strategic Plan.
  - Review and revision of the FY23—27 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 FY23 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 their charters defining the scope of their duties and activities can be found [here](#).

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 work. The following measures will be used over FY23:

## ICANN ORG GOVERNANCE

- **Outcomes**

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

- **Performance metrics**

- Timely revision of the Strategic Plan and FY23–27 Operating and Finance Plan.
- Amount of funds transferred into the Reserve Fund, per 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	\$2.4	\$2.4

\$ in Millions

### 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 FY23, 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 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	\$1.7	\$0.4	\$2.2

\$ in Millions

### 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 functional activity legally safeguards ICANN org and mitigates adverse litigation and regulatory impacts to ICANN org.

## Operating Initiative Contributions

- **Lead:** Develop 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 sustain a competitive environment in the Domain Name System.
- **Support:** Facilitate DNS ecosystem improvements.
- **Support:** Root zone management evolution.
- **Support:** Evaluate, align and facilitate improved engagement in the Internet ecosystem.
- **Support:** Monitor legislation, regulation, norms, principles and initiatives in collaboration with others that may impact the ICANN Mission.
- **Support:** Implement new gTLD auction proceeds recommendations.

## Activities

In FY23, activities will include:

- Litigation and Accountability Mechanisms support, such as maintaining litigation readiness, monitoring, and managing ICANN litigation matters and issues, and Accountability Mechanism Process 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.
- Anticipated implementation of a standardized system for accessing registration data.

## ICANN ORG GOVERNANCE

- △ Establishment of a contract management database. Currently, contracts are managed within each business unit, which can cause potential legal and financial risk to the organization.
- △ With 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 FY23, 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	20	\$7.0	\$3.8	\$10.8

*\$ in Millions*

### 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.■

## 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, Public Technical Identifiers (PTI) Board, At-Large Advisory Committee (ALAC), Country Code Names Supporting Organization (ccNSO), and Generic Names Supporting Organization (GNSO). The NomCom acts on behalf of the interests of the global Internet community and within the scope of ICANN's Mission and responsibilities in the Bylaws.

## Operating Initiative Contributions

- **Support:** Evolve and strengthen the ICANN community's decision-making processes to ensure efficient and effective policymaking.

## Activities

In FY23, activities will include:

- **Systems Administration:** Configuring systems and tools for NomCom use including the NomCom application system, web pages, and Wiki.
- **Meeting Planning:** Plans and coordinates telephone and face-to-face NomCom meetings.
- **Meeting Support:** Facilitates the work of the NomCom, including maintaining process and procedures documents and agendas.
- **Training:** Produce content used in NomCom meetings.
- **Vendor Management:** Procure, negotiate, contract, and manage vendors in support of NomCom functions, including training and recruitment firms.
- 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 FY23, the following metrics will be met:

- Number of face-to-face meetings supported.
- Number of telephonic 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.

### Considerations

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

- Increased support activities as a result of the NomCom Implementation Recommendation Working Group, may exceed the capacity of existing resources.
- Ongoing NomCom operational costs may increase as a result of the NomCom Implementation Recommendation Working Group 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 NomCom's ability to meet in-person, which may impact the need for additional 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 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 else, 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 FY23, 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.

Explore a potential role for Complaints Officer in the review of Documentary Information Disclosure Policy (DIDP) requests that have been denied.

- Explore a potential new role for Complaints Officer in the review of Documentary Information Disclosure PolicyProcess (DIDP) requests.

## ICANN ORG GOVERNANCE

### 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 FY23 for this functional activity:

- Number of complaints received.
- Number of complaints received in scope.
- Number of complaints resolved.

### Resources

Resources for the Complaints Office are found in the Governance Support functional activity.

### 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, the number of in-scope complaints could escalate rapidly.■

## ICANN ORG GOVERNANCE

# 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. In July 2020, a new Planning Department was formed to lead and coordinate all planning activities with the ICANN Board, org, and community. The long-term objective of the Planning department is to continuously develop the organization's effectiveness through adequate planning and performance measurement.

## Operating Initiative Contributions

- **Lead:** Planning at ICANN.

## Activities

In FY23, activities will include:

- Further refine ICANN's strategic planning and operating planning processes.
- Communicate and engage the FY24 planning processes and timelines, milestones with ICANN org, Board and Community.
- Carry out ICANN's Strategic Outlook Trend exercise to inform the annual Strategic Plan update.
- Manage and develop ICANN FY24–28 Operating and Financial Plan and FY24 Operating Plan and Budget.
- Complete research, consult with Board, community and org, and propose a draft prioritization framework.
- Implement the draft framework during the FY24 planning process.

## How Progress Is Tracked

The following milestones will be used to track progress of this functional activity in FY23:

- Timely delivery of PTI FY24 Operating Plan and Budget, and IANA FY24 Operating Plan and Budget per Bylaws requirements.
- Timely delivery of ICANN's Strategic Plan FY24 update (as needed), FY24–28 Operating and Financial Plan, and FY24 Operating Plan and Budget per Bylaws requirement.
- Further refine ICANN's strategic planning and operating planning processes.
- Delivery of draft prioritization framework and implementation of the draft framework during FY24 planning process.
- Report progress toward the achievement of ICANN's plans.

## ICANN ORG GOVERNANCE

### Resources

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
Planning	4	\$1.0	\$0.3	\$1.3

\$ in Millions

### 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.■

## 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-adopted 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 entire process from inception of the review to the conclusion of the implementation.

- The Review Support and Accountability team facilitates and supports both the Specific and Organizational Reviews. This work includes the evolution of review processes and ICANN org support from inception of the review through Board action on the recommendations made by the review team.
- The Implementation Operations team is responsible for the implementation of the Board-adopted recommendations and coordinates the efforts with all parties, including org, Board, and community, to ensure effective implementation. These recommendations could result from reviews or other community-led working groups, such as the Cross-Community Working Group on Enhancing ICANN Accountability Work Stream 2 (CCWG-WS2), the program to Evolve the Effectiveness of ICANN’s Multistakeholder Model, and the Cross-Community Working Group on New gTLD Auction Proceeds.

## Operating Initiative Contributions

- **Support:** Evolve and strengthen the multistakeholder model to facilitate diverse and inclusive participation in policymaking.
- **Support:** Implement new gTLD auction proceeds recommendations as approved by the Board.
- **Support:** Planning at ICANN.

## Activities

As the Board-approved recommendations from the Third Accountability and Transparency Review Team (ATRT3) may impact the timing of future Specific and Organizational Reviews, ICANN org, for planning purposes, assumes that the Review Support team will support the review requirements currently in effect. These are found in [Appendix A—ICANN Rolling Five-Year Roadmap](#). ICANN org will update the roadmap and the plan as implementation work on Board-approved ATRT3 recommendations progresses. For planning purposes, FY23 activities will include:

- The third review of the Generic Names Supporting Organization (GNSO) has been deferred and other Organizational Reviews are expected to be deferred to allow the implementation of ATRT3 recommendations to progress. The Review Support and Accountability team will facilitate and provide support as needed.

## ICANN ORG GOVERNANCE

- The third Security, Stability, and Resiliency Review (SSR3) would start in March 2022, according to the current Bylaws-mandated schedule; however, this has been overtaken by events, including Board approval of ATRT3 recommendation 3.3 (see the Five-Year Plan for more information). Additionally, conducting SSR3 starting in March 2022 would not be feasible or practical, as the [Board action](#) on SSR2 Final Report and 63 recommendations took place in July 2021. There would not be sufficient time to implement the second Security, Stability, and Resiliency Review (SSR2) recommendations before the start of the next review.
- Continue the work on the SSR2 recommendations placed into various pending categories, to prepare the Board to take dispositive action.
- Continue to support the work of the NomCom Review Implementation Working Group if it extends into FY23. This work is also expected to include supporting Board and community discussions in preparation for the initiation of an amendment process for the NomCom-related Bylaws, following the conclusion of the NomCom Review Implementation Working Group’s work.
- Perform the initial information gathering and analysis of lessons learned from the recently completed cycle of reviews, to inform Board consideration of how to improve the impact and effectiveness of the future reviews. These activities will support operating initiative three, to evolve and strengthen the multistakeholder model to facilitate diverse and inclusive participation in policymaking. In the FY22 plans, ICANN org prioritized the implementation of CCWG-WS2, as well as the implementation of the Enhancing the Effectiveness of ICANN’s Multistakeholder Model work plan. This work is continuing in FY23.
- Other implementation work is subject to prioritization. “Planning at ICANN” is one of the 15 operating initiatives in ICANN’s FY23-27 Operating Plan and FY23 Operating Plan. One component of this operating initiative is to deliver a draft prioritization framework to be used during the annual planning process. The planning prioritization project launched in FY22. As part of this project, a pilot is being conducted on Board-approved Specific Review recommendations in April and May 2022, with the results available in May 2022. Therefore, this plan contains an assumption for implementation planning and implementation of prioritized recommendations in collaboration with the community.

## ICANN ORG GOVERNANCE

### How Progress Is Tracked

ICANN org uses a combination of milestones, metrics and reports to track functional activities. In FY23, the following measures will be used:

- Facilitate and support through final Board action SSR2 recommendations placed into pending status.
- Support the completion of NomCom Review Implementation.
- Complete lessons learned from the recent cycle of reviews.
- Produce Annual Review Implementation Report on time, in compliance with the Bylaws.
- Produce periodic progress reports on the status of implementation planning and implementation of recommendations resulting from reviews and cross-community working groups.
- Maintain up-to-date Operating Standards for Specific Reviews, in compliance with the Bylaws and to reflect improvements supported by community, and at Board direction.

### Resources

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
Review Support and Implementation Operations	7	\$1.4	\$0.8	\$2.2

*\$ in Millions*

### Considerations

- Bandwidth constraints or competing priorities of the available staff resources who are subject matter experts for internal and community efforts may slow down progress in key areas of work.
- Streamlining of reviews, prioritization and resourcing of community recommendations.■

# Functional Activities

FY23

## ICANN SHARED SERVICES

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



## ICANN 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 FY23, activities will include all accounting, audit, planning, financial analysis, financial reporting, statutory reporting, tax, payroll, billing and collections, insurance, treasury (including payments), procurement, and sourcing for ICANN operations, IANA functions, or 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 FY23 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 SHARED SERVICES

### Resources

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
Finance and Procurement, and Risk Management	<b>21</b>	<b>\$4.4</b>	<b>\$1.9</b>	<b>\$6.3</b>

*\$ in Millions*

### Considerations

No new risks or considerations noted for FY23. ■

## ICANN SHARED SERVICES

# Risk Management

### Purpose

The Risk Management function is to facilitate the identification and articulation of risks faced by ICANN org so that it 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 which incorporates the risk framework into the org's activities and planning.

### Operating Initiative Contributions

- **Support:** Risk Management supports all operating initiatives.

### Activities

In FY23, 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.
- 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, ICANN Risk Register top risks, provide context and training to staff, including on the Risk Appetite Statement.
- △ Risk Management in Planning: Support achievement of the Strategic Plan, Operating and Financial Plan by leveraging the Risk Identification Management process.
- △ Board Priorities Deliverable 3.3.1: Support the Board Risk Committee's deliverable of monitoring existential threats by leveraging the Risk Identification Management process.

### How Progress Is Tracked

The following measures will be used in FY23 for this functional activity:

- Trainings provided within the org.
- Successful implementation of the existential threats monitoring for the Board Risk Committee.
- Appropriate Risk Management planning input into the Operating and Strategic Planning Process.

## ICANN SHARED SERVICES

### Resources

FY23 resources for Risk Management are found in the Finance and Procurement functional activity.

### Considerations

The largest consideration for this functional activity in FY23 is the team's dependency on other functions and staff, who may have other priorities. The team must rely on Risk Liaisons to respond and also staff alerting Risk Management when issues arise.■

## ICANN 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:** Root zone management evolution.
- **Support:** Promote and sustain a competitive environment in the Domain Name System.
- **Support:** Formalize ICANN org funding model and improve understanding of the long-term drivers of the domain name marketplace.

### Activities

In FY23, activities will include:

- Better position and prepare the E&IT function to deal with Subsequent Procedures for New Generic Top-Level Domains (gTLDs) work.
- Better position and prepare the E&IT function to work on implementation of Board-approved recommendations from Accountability and Transparency Review 3 (ATRT3), the Competition, Consumer Trust, and Consumer Choice (CCT) review team, and the Cross-Community Working Group on Enhancing ICANN Accountability Work Stream 2 (CCWG-WS2).
- Proactively securing ICANN's digital services and systems.
- Helping ICANN deliver results by aligning E&IT delivery 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.

## ICANN SHARED SERVICES

- 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.
- 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 FY23 for this functional activity:

- Number of projects and services requested and completed every six months.
- Number of projects delayed or cancelled 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 (NIST) Cybersecurity Framework (CSF).

### Resources

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
Engineering and Information Technology	<b>56</b>	<b>\$12.6</b>	<b>\$13.4</b>	<b>\$25.9</b>

*\$ in Millions*

## ICANN SHARED SERVICES

### Considerations

The following risks and considerations exist for this functional activity in FY23 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.
- Lack of understanding of capacity and capability, leading to unrealistic scope and delivery expectations from the Board and community.
- 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 SHARED SERVICES

# Global Human Resources and Administrative Services

### Purpose

The primary purpose of Global Human Resources is to attract and retain top talent for ICANN org throughout the entire human capital life cycle. 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 (ERP) 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 sustain a competitive environment in the Domain Name System.
- **Support:** Implement new gTLD auction proceeds recommendations.

### Activities

In FY23, 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 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.



## ICANN SHARED SERVICES

In FY23, Administrative Services activities include:

- Oversee one major lease renewal for ICANN’s office location in Los Angeles.
- 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 in FY23 for this functional activity:

- Global Human Resources
  - will prioritize maintaining productivity and efficiency for staff challenges of balancing work with personal isolation, concerns for family health, safety and schooling, political turmoil and prevailing economic challenges during the ongoing uncertainty presented by the COVID-19 pandemic.
  - The results of the annual staff engagement survey, which gains structured feedback from staff on their employment experience. The feedback obtained allows ICANN org to understand priority areas of focus to make meaningful improvements towards ensuring staff engagement across the organization.
- Administrative Services will ensure that lease negotiations result in favorable outcomes to maintain budgetary commitments.

### Resources

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
Global Human Resources and Administrative Services	<b>22</b>	<b>\$4.4</b>	<b>\$0.8</b>	<b>\$5.2</b>

*\$ in Millions*

## ICANN SHARED SERVICES

### Considerations

The following risks and considerations exist in FY23 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 over 34 countries and 19 U.S. states makes it challenging to efficiently handle staff relations issues within existing policies and local differences.
- A more competitive labor market as global economies recover from the impact of the COVID-19 pandemic and anticipated resources required for upcoming initiatives mean hiring full-time and part-time staff will be more challenging.
- Staff are eager for development opportunities but 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 FY23 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 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, business-as-usual activities.

### Activities

In FY23, 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 longstanding 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, inclusive of COVID-19 and its regional impact.
- **Response Planning:** Conduct annual emergency, crisis management, and workplace violence preparedness training for staff and emergency response and crisis management teams. Assist with development of bespoke pandemic and business continuity plans in response to COVID-19. Launch an org-wide emergency communication platform to optimize emergency preparedness as we return to normal operations.
- **Physical Security:** Maintain and optimize physical security procedures, processes, and protocols across ICANN's facilities. Implement physical security upgrades, including a new photo ID badge system.
- **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 Global Human Resources and Information Security teams.
- **Knowledge Management:** Provide tailored, region-specific training to staff as well as org-wide core learning and COVID-19 health and safety training.
- Continue to optimize the Regional Security Coordinator (RSC) capability across all regions.

## ICANN SHARED SERVICES

### 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 FY23 for this functional activity:

- ICANN events are safe, healthy, and secure with risks minimized through robust risk assessment 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.
- 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 (G-CMT), office Emergency Response Teams (ERTs), and Workplace Violence Prevention (WVP) Teams.

### Resources

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
Security Operations	<b>3</b>	<b>\$0.9</b>	<b>\$0.8</b>	<b>\$1.7</b>

*\$ in Millions*

### Considerations

The following risks and considerations exist in FY23 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 need 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 to sufficiently support events and travel as safely and cost-effectively as possible.

## ICANN SHARED SERVICES

- Security Operations will continue its efforts to develop and bolster an organizational culture of security awareness. This will both inform the decision-making of ICANN org’s key stakeholders and empower individual 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 the ongoing COVID-19 pandemic. This includes robust office, meeting, and travel procedures and protocols in order to promote the health and safety of staff and the community, as well as maintain agile crisis management teams and mechanisms to respond efficiently and effectively to incidents and spikes in cases.■

## ICANN SHARED SERVICES

# Global Shared Services

### 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 Shared Services, 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 FY23, activities will include:

- Tier one support for ICANN org functions
- Contracted party support and communications management.
- New Generic Top-Level Domain (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 FY23, 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.

## ICANN SHARED SERVICES

### Resources

FUNCTIONAL ACTIVITY	FTE	Staff	Non-Staff	TOTAL
Global Shared Services	<b>10</b>	<b>\$1.1</b>	<b>\$0.2</b>	<b>\$1.3</b>

*\$ in Millions*

### Considerations

The following risks and considerations exist in FY23 for this functional activity and may impact its operations:

- Future demand for Global Shared Services cannot be estimated with high confidence. Regional and world events occur and may result in an unanticipated and severe increase in volume.
- Policies and contractual obligations continuously evolve and. This requires Global Shared Services 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 upon which it relies. Specifically, the team is highly reliant on the Naming Services Portal (NSp).
- Resources 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.■

## ICANN 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 FY23, 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 Stakeholders meetings.
- **Logistics management:** Manage Board members' travel and expenses, vendor management and relations, manages and reports Board budget, facilitates and organizes calls and meetings.
- **Training and capacity development:** Support the Board training programs and tools, including Board members onboarding, development, and mentorship programs.
- **Board communications and engagement:** Support and facilitate 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:** Participate in cross-functional ICANN org teams and projects aiming 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 Board.



## ICANN SHARED SERVICES

- **Performance Measurement:**

- Content Management: Bylaws compliance, accountability and transparency metrics achievements.
  - Percent of Board Materials ready per ICANN Bylaws prior to Board Meeting.
  - Percent of Board Meeting agenda published per ICANN Bylaws prior to meeting.
- 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*

### Considerations

The following risks and considerations exist in FY23 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 teaming up 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 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 FY23 Operating Plan. Below is an overview of the Non-Staff administrative costs of running each office.

#### Resources

FUNCTIONAL ACTIVITY	Non-Staff
ICANN Offices	<b>\$6.8</b>
Istanbul Regional Office	<b>\$0.3</b>
Brussels Regional Office	<b>\$0.3</b>
Singapore Regional Office	<b>\$0.6</b>
Montevideo Regional Office	<b>\$0.0</b>
Los Angeles Headquarters	<b>\$4.5</b>
Washington D.C. Regional Office	<b>\$0.8</b>
Geneva Regional Office	<b>\$0.2</b>

*\$ in Millions*

# FY23 BUDGET

[Click here](#) for the FY23 Budget.



# APPENDIX

- **Appendix A**  
ICANN Rolling Five-Year Roadmap:  
Policy, Review and Cross-Community  
Working Groups
- **Appendix B**  
Operating Initiatives Supporting  
the Strategic Plan
- **Appendix C**  
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Cross-Community Working Group on  
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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 (CCWG-WS2) 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.

Click [here](#) for the ICANN Rolling Five-Year Roadmap.

# Appendix B: Operating Initiatives Supporting the Strategic Plan

Strategic Objectives		Strategic Goals		Operating Initiatives														
				Support the Evolution of the Root Server System	Facilitate DNS Ecosystem Improvements	Evaluate and Strengthen the Multistakeholder Model to Facilitate Policymaking	Evaluate and Strengthen the ICANN Community's Decision-making Processes to Ensure Efficient and Effective Policymaking	Develop Internal and External Ethics Policies	Promote and Sustain a Competitive Environment in the Domain Name System	Promote the Universal Acceptance of Domain Name and Email Addresses	Root Zone Management Evolution	Evaluate, Align, and Facilitate Improved Engagement in the Internet Ecosystem	Through Targeted Engagement, Improve Organization and Inter-governmental Participation in ICANN	Monitor Legislation, Regulation, Norms, Principles, and Initiatives in Collaboration with Others that May Impact the ICANN Mission	Formalize the ICANN Org Funding Model and Improve Understanding of the Long-term Domain Name Market Drivers	Implement New gTLD Auction Process Recommendations as Approved by Board	Planning at ICANN	ICANN Reserves
 Strengthen the <b>security</b> 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.	✓	✓															
	Strengthen DNS root server operations governance in coordination with the DNS root server operators.	✓																
	Identify and mitigate security threats to the DNS through greater engagement with relevant hardware, software, and service vendors.		✓															
	Increase the robustness of the DNS root zone key signing and distribution services and processes.	✓	✓								✓							
 Improve the effectiveness of ICANN's multistakeholder model of <b>governance</b> .	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.			✓	✓													
	Support and grow active, informed, and effective stakeholder participation.			✓		✓												
	Sustain and improve openness, inclusivity, accountability, and transparency.			✓		✓												
 Evolve the <b>unique identifier systems</b> 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 and encouraging readiness for Universal Acceptance, IDN implementation, and IPv6.								✓									
	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.		✓								✓							
	Continue to deliver and enhance the IANA functions with operational excellence.										✓							
	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.								✓		✓							
 Address <b>geopolitical</b> 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.										✓	✓						
	Continue to build alliances in the Internet ecosystem and beyond to raise awareness of and engage with global stakeholders about ICANN's mission and policymaking.										✓	✓						
 Ensure ICANN's long-term <b>financial</b> sustainability.	Implement a five-year Financial Plan that supports the five-year Operating Plan.												✓	✓				
	Develop reliable and predictable funding projections.												✓					
	Manage operations and their costs to optimize the effectiveness and efficiency of ICANN's activities.													✓	✓	✓	✓	✓
	Ensure that the level of ICANN reserves is continuously set, reached, and maintained consistent with the complexity and risks of the ICANN environment.														✓	✓	✓	✓

## Appendix C:

# Recommendations Relating to Cross-Community Working Group on Enhancing ICANN Accountability Work Stream 2 and Reviews

As of December 2021

Cross-Community Working Group					
Description	No. of Rec in the Final Report	No. of Rec Board Approved	No. of Rec Implementation Complete	No. of Rec Implementation In Progress	No. of Rec Implementation Not Started
Cross-Community Working Group on Enhancing ICANN Accountability - Work Stream 2 (WS2) <sup>1</sup>	<b>116<sup>2</sup></b>	<b>116<sup>3</sup></b>	<b>13</b>	<b>69</b>	<b>13</b>

1 References links of WS2: [WS2 Final Report](#); [Board resolution](#) and [Implementation status](#).

2 The total number of recommendations was refined at the conclusion of the implementation design to encompass a total of 95 recommendations. This translates into a set of 58 recommendations the org owns, 30 recommendations the community owns and 7 recommendations co-owned by the org and community. See [here](#) for more information.

3 The total number of recommendations was refined at the conclusion of the implementation design to encompass a total of 95 recommendations. This translates into a set of 58 recommendations the org owns, 30 recommendations the community owns and 7 recommendations co-owned by the org and community. See [here](#) for more information.

## Appendix C: Recommendations Relating to Cross-Community Working Group on Enhancing ICANN Accountability Work Stream 2 and Reviews , Cont'd.

As of December 2021

Specific Reviews					
Description	No. of Rec in the Final Report	No. of Rec Board Approved	No. of Rec Implementation Complete	No. of Rec Implementation In Progress	No. of Rec Implementation Not Started
Competition, Consumer Trust and Consumer Choice (CCT) Review <sup>4</sup> ( <a href="#">Section 4.6 (d) of ICANN Bylaws</a> )	<b>35</b>	<b>17</b>	<b>3</b>	<b>4</b>	<b>10</b>
Registration Directory Service (RDS)-WHOIS Review <sup>5</sup> ( <a href="#">Section 4.6 (e) of ICANN Bylaws</a> )	<b>22</b>	<b>15</b>	<b>3</b>	<b>6</b>	<b>6</b>
Security, Stability and Resiliency (SSR) Review <sup>6</sup> ( <a href="#">Section 4.6 (c) of ICANN Bylaws</a> )	<b>63</b>	<b>13</b>	<b>2</b>	<b>0</b>	<b>11</b>
Accountability and Transparency (ATRT) Review <sup>7</sup> ( <a href="#">Section 4.6 (b) of ICANN Bylaws</a> )	<b>5</b> (15 components)	<b>5</b> (15 components)	<b>1</b> component	<b>0</b>	<b>5</b> (14 components) n/a

4 References links of CCT Review: [CCT Final Report](#); [Board action 2019](#); [Board action 2020](#) and [Implementation status](#).

5 Reference links of RDS-WHOIS2 Review: [RDS-WHOIS2 Final Report](#); [Board action](#); and [Implementation status](#).

6 Reference links of SSR2 Review: [SSR2 Final Report](#); [Board Action](#); and [Implementation status](#).

7 Reference links of ATRT3 Review: [ATRT3 Final Report](#); [Board action](#); [Implementation status](#).



## Appendix C: Recommendations Relating to Cross-Community Working Group on Enhancing ICANN Accountability Work Stream 2 and Reviews , Cont'd.

As of December 2021

<b>Organizational Reviews</b>					
<b>Description</b>	<b>No. of Rec in the Final Report</b>	<b>No. of Rec Board Approved</b>	<b>No. of Rec Implementation Complete</b>	<b>No. of Rec Implementation In Progress</b>	<b>No. of Rec Implementation Not Started</b>
<b>At-Large Review 2<sup>8</sup></b>	<b>24</b>	<b>8</b>	<b>6</b>	<b>2<sup>9</sup></b>	<b>0</b>
<b>NomCom Review 2<sup>10</sup></b>	<b>27</b>	<b>27</b>	<b>25</b>	<b>2<sup>11</sup></b>	<b>0</b>
<b>RSSAC Review 2<sup>12</sup></b>	<b>15</b>	<b>6</b>	<b>4</b>	<b>2<sup>13</sup></b>	<b>0</b>
<b>SSAC Review 2<sup>14</sup></b>	<b>30</b>	<b>24</b>	<b>21</b>	<b>3<sup>15</sup></b>	<b>0</b>
<b>ASO Review<sup>16</sup></b>	<b>18</b>	<b>18</b>	<b>18</b>	<b>0</b>	<b>0</b>
<b>ccNSO Review<sup>17</sup></b>	<b>15</b>	<b>15</b>	<b>13</b>	<b>2<sup>18</sup></b>	<b>0</b>

8 Reference links of At-Large Review 2: [Board resolution](#); [Implementation completed](#); [Implementation Status reports](#).

9 The (2) recommendations that are not yet fully implemented have dependencies that are outside of the At-Large control.

10 Reference links of NomCom Review 2: [Board resolution](#) ; [Board approved the implementation plan](#); [Implementation Status Reports](#).

11 The NomCom2 review implementation is estimated to be completed by June 2022.

12 Reference links of RSSAC Review 2: [Board resolution](#); [Board approved the implementation plan](#); [Implementation Status Reports](#).

13 The RSSAC2 review implementation is estimated to be completed by June 2022.

14 Reference links of SSAC Review 2: [Board Resolution](#); [Board Accepts Implementation Plan](#); [Implementation Status Reports](#) and [Final Report](#).

15 The (3) recommendations that are not yet fully implemented have dependencies that are outside of the SSAC control.

16 Reference links of ASO Review: [ASO2 Review](#) and [Completed implementation](#).

17 Reference links of ccNSO Review: [Board Resolution to conclude the review](#); [Implementation Status Reports](#) and [Implementation Completed](#).

18 The (2) 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 FY23–27 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:

- Support the Evolution of the Root Server System.
- Facilitate DNS Ecosystem Improvements.
- Root Zone Management Evolution.

Operating Initiative	Scope of Work
<b>Support the Evolution of the Root Server System</b>	<ul style="list-style-type: none"> <li>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.</li> </ul>
	<ul style="list-style-type: none"> <li>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.</li> </ul>
	<ul style="list-style-type: none"> <li>Develop a prototype Root Server System Metric Monitoring System to collect data on the operation of the root server system as discussed in RSSAC047.</li> </ul>
	<ul style="list-style-type: none"> <li>Encourage development of mechanisms to further distribute and scale the root of the DNS, e.g., “hyperlocal” root configuration in recursive resolvers and set up a root zone distribution service, as discussed in OCTO-016.</li> </ul>
	<ul style="list-style-type: none"> <li>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.</li> </ul>
<b>Facilitate DNS Ecosystem Improvements</b>	<ul style="list-style-type: none"> <li><b>Advocate and Promote Improvements to DNS Security Infrastructure</b> <ul style="list-style-type: none"> <li>Advocate for developers to enable Domain Name System Security Extensions (DNSSEC), both signing and validation, by default.</li> <li>Promote hyperlocal as an additional root zone distribution model and encourage resolver developers to enable the technology by default.</li> <li>Support the implementation of DNS-based Authentication of Named Entities (DANE).</li> </ul> </li> </ul>
	<ul style="list-style-type: none"> <li><b>Technical Engagement and Capacity Development</b> <ul style="list-style-type: none"> <li>Continue to improve and deliver capacity-building 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.</li> <li>Expand ICANN org’s technical training footprint through new course material and virtual lab environments.</li> <li>Expand programs for DNS ecosystem security and technical engagement.</li> <li>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 (KINDNS).</li> </ul> </li> </ul>
	<ul style="list-style-type: none"> <li><b>Research</b> <ul style="list-style-type: none"> <li>Continue to collect data, analyze, and publish fact-based, unbiased, objective information on how the DNS is used and abused.</li> <li>Research, report, and raise community awareness on emerging identifiers technologies and how they impact and/or compare to the DNS through the Office of the Chief Technology Officer series of documents and other avenues of publication.</li> <li>Research the use of artificial intelligence to enhance understanding and identification of abusive trends in DNS registration.</li> </ul> </li> </ul>
<b>Root Zone Management Evolution</b>	<ul style="list-style-type: none"> <li>Identify features and enhancements of how the root zone is managed that will improve operations while ensuring accuracy, quality, and timeliness of business processes.</li> </ul>
	<ul style="list-style-type: none"> <li>Develop solutions for the evolution of requirements from the New gTLD Subsequent Procedures Policy Development Process and technological developments related to Internationalized Domain Names.</li> </ul>

## SSR Funding

The FY23–27 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/or 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 USD \$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.

Examples of how these funds may be used include 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 (ISPs), data service providers (DSPs), 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 (TLD) 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 us to make changes to how we present the data to make it more user-friendly, and look at additional data feeds that will help us further enhance and validate the statistics in DAAR. We are also looking at how we could 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 Fiscal Year 2023

## Additional Budget Request Process

Assessment Report and Proposed Recommendations  
for ICANN Board Consideration

May 2022

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# Introduction

The Fiscal Year 2023 (FY23) Additional Budget Request (ABR) process began in October 2021. ICANN org received 20 requests from 8 ICANN community groups by the January 2022 deadline.

Based on the anticipated timeline for ICANN Board consideration of the draft FY23 Operating Plan and Budget, ICANN organization (ICANN org) conducted an initial assessment of all requests in March 2022. An evaluation panel comprising the executives of the Finance and Planning, Global Stakeholder Engagement, and Policy Development Support functions reviewed the initial assessment also in March 2022.

ICANN org prepared this document for the consideration of the ICANN Board Finance Committee (BFC) and the ICANN Board. This document presents the results of the assessment process, including proposed recommendations for the consideration of the BFC and ICANN Board.

## Summary of the Assessment Process

Within the assumptions of the draft FY23 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 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 ICANN org to support individual and collective requests in an equitable and transparent manner.

To ensure accountability and transparency, several requests have reporting requirements. ICANN org will provide a report template in FY23. This requirement follows the announcement in FY20 that the timely submission of required reports will be an explicit consideration in determining whether future requests will be recommended for support. For example, one FY23 proposed recommendation is conditioned on the submission of an FY22 report. In addition, specific conditions and other requirements have been included in certain proposed recommendations.

Further clarity about the proposed use of an ABR and required reports are helpful tools for the ICANN community and iCANN org to assess the value of certain activities. Supported requests must adhere to ICANN org procurement policies. Transparency and accountability requirements



are also useful in determining whether a pilot effort 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 org observes the following statistics about the FY23 ABR process.

Number of ICANN community groups submitting requests	8
Number of total requests	20
Number of requests not recommended for support	15
Number of requests recommended for support	5
Estimated costs of requests recommended for support	\$100,000
Estimated costs of additional pilot projects	\$200,000
<b>Total allocation for FY23 ABR process</b>	<b>\$300,000</b>

## 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 org better understand and develop resources for present and future ICANN community needs. Now in its eleventh year, the ABR process has helped the ICANN Board and ICANN org 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 org have also improved joint planning, prioritization, and implementation efforts.

ICANN org appreciates the effort and time that ICANN community groups committed to the FY23 ABR process. Though specific requests may not receive support this year, ICANN org recognizes the specific needs in these requests. **ICANN org currently supports significant**

**elements of all 15 requests not recommended for support through ongoing activities, programs, and resources** such as:

- [Community Regional Outreach Program \(CROP\)](#)
- [ICANN Fellowship Program](#)
- [ICANN Learn](#)
- [Information Transparency Initiative \(ITI\)](#)

Moreover, ICANN org 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 org continues to support ICANN community objectives in areas such as accessibility; engagement; capacity development; language services, including interpretation and transcription; and outreach, including travel support and website strategies.

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

## Proposed Recommendations

The Proposed 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 (in US Dollars) and the names of the ICANN org members who will lead the coordination of implementation work. There is a fully resolved response for each request within the parameters of the request as outlined in the ABR principles.

### Requests Recommended for Support

ICANN org recommends the following requests receive ABR support in the FY23 Operating Plan and Budget.

1. Request for Travel Support for Eight RrSG Participants and Eight RySG Participants to Attend Any Global Domains Summits Held During FY23

Request number	<a href="#">FY23-06</a>
Requesting ICANN community group	Registries Stakeholder Group (RySG)
Estimated support	\$56,000
ICANN org leads	Russ Weinstein and Joseph De Jesus

This is a recommendation for travel support to the Global Domains Summit for eight RySG participants with an estimated support of \$28,000. At its discretion, ICANN org recommends to the ICANN Board 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 org encourages the RrSG and RySG to work with the ICANN 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 org. In addition and in line with the intention to conduct a review of the impact of travel support, the RrSG and RySG must submit a report to [abr-reports@icann.org](mailto:abr-reports@icann.org) within 30 days of the conclusion of the Global Domains Summit that addresses each itemized metric in the request and outlines how the travel support facilitated the desired outcomes. Furthermore, ICANN org recommends this level of communications support be included in the annual operating plan and budget going forward.

It is important to note that as of April 2022, global travel conditions continue to evolve due to the COVID-19 pandemic. ICANN org will continue to monitor these developments and provide updates to the ICANN community as appropriate.

## 2. Online Engagement Training, Enhance Web Presence, and Promotional Materials

Request number	<a href="#">FY23-09</a>
Requesting ICANN community group	Noncommercial Users Constituency (NCUC)

This is a recommendation of support only for “promotional materials”. Please refer to ["ICANN Community Communications Support"](#) for more information, which consolidates similar requests into one recommendation.

Support does not apply to “online engagement training” and “enhance web presence”. ICANN org does not manage the NCUC website, and as such, is not in a position to assess the need for enhancements. The ICANN org Policy Development Support and Engineering and Information Technology functions have developed a strategy to consistently manage technical projects for ICANN community needs, including website improvements. ICANN org will engage with NCUC and consider its needs as prioritized in the strategy for ICANN community websites.

### 3. Diversity in ICANN Leadership Bodies, Part 2

Request number	<a href="#">FY23-13</a>
Requesting ICANN community group	European Regional At-Large Organization (EURALO)
Estimated support	\$14,000
ICANN org leads	Heidi Ullrich and Ergys Ramaj

This is a recommendation for support on the condition that both the findings from the FY22 study are published and the related virtual workshop takes place by 30 June 2022. If these conditions are not met, then the estimated support will not be allocated for FY23. ICANN org agrees with EURALO that enhancing diversity in ICANN community leadership bodies would benefit from additional data. ICANN org encourages EURALO to work with the Policy Development Support function and Public Responsibility Support team to evaluate and analyze the data collected in the FY22 study about diversity in the context of the Work Stream 2 recommendations of the Cross-Community Working Group on Enhancing ICANN Accountability. The approved request must incorporate a virtual workshop series open to the broader ICANN community. Findings from the study must be published. EURALO is required to submit an initial report by 31 December 2022 and a final report by 30 June 2023 to [abr-reports@icann.org](mailto:abr-reports@icann.org).

### 4. (ISPCP) Outreach Materials

Request number	<a href="#">FY23-16</a>
Requesting ICANN community group	Internet Service Providers and Connectivity Providers Constituency (ISPCP)

This is a recommendation for support. Please refer to ["ICANN Community Communications Support"](#) for more information, which consolidates similar requests into one recommendation.

### 5. (BC) Outreach Materials

Request number	<a href="#">FY23-20</a>
Requesting ICANN community group	Business Constituency (BC)

This is a recommendation for support. Please refer to ["ICANN Community Communications Support"](#) for more information, which consolidates similar requests into one recommendation.

## ICANN Community Communications Support

Estimated support	\$30,000
ICANN org leads	Natalie Schoer and Chantelle Doerksen

At its discretion, ICANN org recommends to the ICANN Board that a request from one ICANN community group be granted broadly and consistently to other applicable ICANN community groups. For the last four fiscal years, ICANN org has consolidated all requests for communications, design, and publication support into a single recommendation, which has worked well. This approach applies to requests [FY23-09](#) (partial), [FY23-16](#), and [FY23-20](#). Combining requests allows ICANN org 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 and Global Communications functions manage this allocation. 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 org recommends this level of communications support be included in the annual operating plan and budget going forward.

## Requests Not Recommended for Support

ICANN org recommends the following requests do not receive ABR support in the FY23 Operating Plan and Budget.

### 1. NARALO Restream Broadcasting Service

Request number	<a href="#">FY23-01</a>
Requesting ICANN community group	North American Regional At-Large Organization (NARALO)

This is a recommendation for no support. Although other streaming services exist, ICANN org streams select content only through YouTube. ICANN org does not have the resourcing to support streaming on YouTube or any other streaming service beyond its current scope of designated events. The Global Communications function and Meetings Technical Services team are currently assessing demand for streaming services to benefit the entire ICANN community rather than individual ICANN community groups.

### 2. NARALO Web Presence Overhaul

Request number	<a href="#">FY23-02</a>
Requesting ICANN community group	North American At-Large Organization

	(NARALO)
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This is a recommendation for no support. ICANN org does not manage the NARALO website, and as such, is not in a position to assess the need for enhancements. The ICANN org Policy Development Support and Engineering and Information Technology functions have developed a strategy to consistently manage technical projects for ICANN community needs, including website improvements. ICANN org will engage with NARALO and consider its needs as prioritized in the strategy for ICANN community websites.

### 3. LAC Digital

Request number	<a href="#">FY23-03</a>
Requesting ICANN community group	Latin American and Caribbean Regional At-Large Organization (LACRALO)

This is a recommendation for no support. Although “challenges and risks” in Internet governance and the “digital gap” are important topics, the request does not explain how it directly and demonstrably relates to current ICANN community policy development, advisory, or technical work. The request also did not include any metrics. ICANN org encourages LACRALO to work with the Policy Development Support function and Latin American and Caribbean Stakeholder Engagement team on how to pursue its outreach and engagement objectives.

### 4. Universal Acceptance

Request number	<a href="#">FY23-04</a>
Requesting ICANN community group	Latin American and Caribbean Regional At-Large Organization (LACRALO)

This is a recommendation for no support. ICANN org already promotes Universal Acceptance and encourages readiness among operational and technical stakeholders. [ICANN org previously partnered with LACRALO](#) to organize a successful Universal Acceptance training program, and ICANN Learn already features an introduction to Universal Acceptance course. ICANN org encourages LACRALO to continue working within existing resourcing and with the Policy Development Support function, the Latin American and Caribbean Stakeholder Engagement team, and the Internationalized Domain Names and Universal Acceptance team to sustain its Universal Acceptance trainings.

## 5. Internet Analysis Framework

Request number	<a href="#">FY23-05</a>
Requesting ICANN community group	Latin American and Caribbean Regional At-Large Organization (LACRALO)

This is a recommendation for no support. ICANN Learn courses about the Domain Name System (DNS), Internet governance, and Internet history already exist. The request also did not include any metrics. ICANN org encourages LACRALO to review the ICANN Learn course catalog to assess whether existing courses meet its capacity development objectives in coordination with the Policy Development Support function and Public Responsibility Support team.

## 6. ICANN Public Meeting Travel Support

Request number	<a href="#">FY23-07</a>
Requesting ICANN community group	Registries Stakeholder Group (RySG)

This is a recommendation for no support. This is a request for additional travel support to ICANN Public Meetings, which is against the ABR principles. ICANN org encourages the RySG to provide a Public Comment submission during the planning process for the annual operating plan and budget.

## 7. Travel Support for ISPs in Developing Countries to ICANN Public Meetings

Request number	<a href="#">FY23-08</a>
Requesting ICANN community group	Internet Service Providers and Connectivity Providers Constituency (ISPCP)

This is a recommendation for no support, in line with the approach from FY20 and FY21. Although ICANN org recommended support for a similar request from the ISPCP 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 CROP, provide adequate opportunities for ICANN community groups to promote leadership development and outreach. ICANN org encourages the ISPCP 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.

## 8. Inclusion and Accessibility Consultant

Request number	<a href="#">FY23-10</a>
Requesting ICANN community group	At-Large Advisory Committee (ALAC)

This is a recommendation for no support. ITI aims to improve accessibility of ICANN content according to the World Wide Web Consortium Accessibility Standards through a disciplined content strategy. This work involves training ICANN org teams to leverage new Content and Document Management Systems.

## 9. Improve the ALAC - At-Large Information

Request number	<a href="#">FY23-11</a>
Requesting ICANN community group	At-Large Advisory Committee (ALAC)

This is a recommendation for no support. The ICANN org Policy Development Support and Engineering and Information Technology functions have developed a strategy to consistently manage technical projects for ICANN community needs, including improving the ICANN Community Wiki. ICANN org will engage with the ALAC and consider its needs in the context of the strategy for ICANN community collaboration tools.

## 10. Pilot Interpretation Zoom

Request number	<a href="#">FY23-12</a>
Requesting ICANN community group	At-Large Advisory Committee (ALAC)

This is a recommendation for no support. Remote simultaneous interpretation through Zoom is cost prohibitive and resource-heavy. The requirements include hardware, a remote simultaneous interpretation platform, in-house and contracted technical support, and qualified and skilled interpreters in target languages. ICANN org only provides this service for ICANN Public Meetings and other priority events. ICANN org encourages the ALAC to continue utilizing existing interpretation resources available through the Language Services team.

## 11. Real-Time Transcription of Zoom Meetings in Spanish and French

Request number	<a href="#">FY23-14</a>
Requesting ICANN community group	At-Large Advisory Committee (ALAC)



This is a recommendation for no support. ICANN org recommended support for a similar request in FY22, but technical limitations remain. ICANN org notes that current market offerings do not meet its requirements and standards for real-time transcription of Zoom sessions in French and Spanish. Furthermore, the current workaround used for ICANN Public Meetings is cost prohibitive and resource-heavy, requiring additional hardware and platforms.

## 12. LACRALO General Assembly

Request number	<a href="#">FY23-15</a>
Requesting ICANN community group	Latin American and Caribbean Regional At-Large Organization (LACRALO)

This is a recommendation for no support. RALO General Assemblies are already incorporated into the annual operating plan and budget. ICANN org encourages LACRALO to work with the Policy Development Support function to plan its next General Assembly.

## 13. Constituency Outreach Support

Request number	<a href="#">FY23-17</a>
Requesting ICANN community group	Internet Service Providers and Connectivity Providers Constituency (ISPCP)

This is a recommendation for no support. ICANN org notes that the existing CROP provides travel support for the ICANN community. ICANN org encourages the ISPCP to work with the Policy Development Support and Global Stakeholder Engagement functions on how to pursue its outreach and engagement objectives.

## 14. Development of BC-Specific Training, Knowledge Base, and Onboarding Materials on ICANN Learn

Request number	<a href="#">FY23-18</a>
Requesting ICANN community group	Business Constituency (BC)

This is a recommendation for no support. ICANN org notes that the BC submitted a similar request for FY22, which received support. That ICANN Learn course is still in development and is expected to be completed by the end of FY22. ICANN org encourages the BC to assess its onboarding needs after measurable experience with the “Getting to Know the Business Constituency” ICANN Learn course. ICANN Learn already includes courses about DNS fundamentals and an introduction to Universal

Acceptance. Furthermore, the ICANN Learn team continuously develops new content. Developing ICANN Learn courses about data management and DNS abuse now would only capture a snapshot of ongoing ICANN community work and discussions.

## 15. BC Leadership Development Support and Onboarding Program

Request number	<a href="#">FY23-19</a>
Requesting ICANN community group	Business Constituency (BC)

This is a recommendation for no support, in line with the approach from FY20 and FY21. Although ICANN org 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 CROP, provide adequate opportunities for ICANN community groups to promote leadership development and outreach. ICANN org 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.

## Additional Pilot Projects

ICANN org 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 through the provision of capacity development or enhanced support services. 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 org 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 FY23, ICANN org has developed two pilot projects:

### 1. Targeted Interpretation for ccNSO Sessions During ICANN75, 76, and 77

Estimated support	\$150,000
ICANN org leads	Kimberly Carlson and Christina Rodriguez

The 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. 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 Internationalized Domain Names. In addition, this pilot project will allow ICANN org 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 ICANN75, 76, and 77. This pilot project will be jointly managed by the Policy Development Support function and the Language Services team. To facilitate ICANN org review of the results of this pilot project, the ccNSO is required to submit a report by 30 June 2023 to [abr-reports@icann.org](mailto:abr-reports@icann.org).

## 2. Policy Primers

Estimated support	\$50,000
ICANN org leads	Chantelle Doerksen

To foster more informed and meaningful engagement in current policy work, the Policy Development Support function will develop four policy primers during FY23. The policy primers will supplement capacity development efforts already underway. Experienced ICANN community members and leaders understand the importance of having accessible, comprehensive information to participate in policy development. This working knowledge is especially helpful for beginners and new ICANN community members and may also serve as an evergreen resource to supplement existing subject matter expertise across ICANN. The Policy Development Support function and Public Responsibility Support team will also plan to integrate the policy primers into existing and planned programs intended to enhance ICANN community training and knowledge about priority topics at ICANN. Moreover, the policy primers can have multiple uses, including complementing the ICANN Learn course catalog and serving as the foundation for future ICANN Learn courses. The estimated support covers research, writing, design, and translation into the five United Nations languages. The policy primers must be published on the ICANN website and promoted broadly.

# **FY23-27 Operating and Financial Plan and FY23 Operating and Budget Proposed for Board Adoption**

**ICANN Board Reference Materials**



26 May 2022

# Agenda

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- Introduction
- ICANN FY23–27 and FY23 Operating Plan
- ICANN FY23–27 Financial Plan and FY23 Budget
- Next Steps and Timeline

# Introduction

- Background and Objective
- Summary of the Proposed for Adoption Plans compared to Draft Plans

# Background and Objective

- In December 2021, the Draft FY23–27 Operating and Financial Plan and FY23 Operating Plan and Budget were published for public comment
  - Prior of the draft plans' publication, ICANN org reviewed the draft plans with the BFC in November 2021.
  - In January 2022, the Draft FY23–27 Operating and Financial Plan and FY23 Operating Plan and Budget were presented to the full board at the January Board workshop
- The [public comment](#) period ended in February 2022 and the [summary report](#) on public comments was reviewed with the BFC in its meeting on 24 March before publication at the end of March 2022
  - All public comments received were considered and where feasible and appropriate, the public comment input was incorporated into the Proposed for Adoption FY23 plans
- In addition to the public comment process, ICANN org actively solicited community feedback and consultation with the ICANN community by other means, including a remote public session during ICANN 73.
- ICANN org reviewed the Proposed for Adoption plans with the BFC on 4 May 2022, and the BFC took a decision to recommend to the Board the adoption of the FY23 Plans.

**Meeting Objective: ICANN Board to consider the Proposed for Adoption FY23–27 Operating and Financial Plan and FY23 Operating Plan and Budget**

# Proposed for Adoption Plans compared to Draft Plans



## **FY23–27 and FY23 Operating Plan**

Activities planned remain reasonable and unchanged as published in the Draft posted for public comment.

Few minor editorial changes were implemented as the result of Public Comment.



## **FY23–27 Funding**

Planned funding remains reasonable and 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.



## **FY23–27 Financial Plan and FY23 Budget**

Financial plan and expenses remain reasonable and unchanged as published in the Draft posted for public comment.

Based on the public comments, two points of clarification were added:

- An explanation of the growth in resources was added
- The narratives for the funds under management section was expanded

**A Summary of Changes Table is included in the FY23  
Proposed for Adoption Plans**



# FY23–27 and FY23 Operating Plan

- Overview of Operating Plans
- Proposed for Adoption Plans compared to Draft Plans

# Key FY23 Planning Assumptions

## Strategic Objectives Remain Unchanged

Based on the Strategic Outlook trends impact assessment, the Board has approved no changes to the Strategic Objectives set forth in the FY21–25 Strategic Plan

## Affordability and Balanced Budget

The Draft plans are based on “base” scenario Operations funding projections. ICANN plans for operating expenses to remain at or lower than budgeted funding, drawing from designated and available funding sources

## Face-to-Face Meetings and Engagement

Although there is still uncertainty, for planning purposes, the FY23 plans assumes that ICANN public meetings, Board, org and Community travel will resume according to the planned Meetings schedule

## Prioritization

The WS2 Implementation and Enhancing the Effectiveness of ICANN’s Multistakeholder Model work plan implementation work will continue to be prioritized in FY23 plans

The Planning Prioritization Framework project is underway. A list of Specific Review recommendations will be prioritized in collaboration with the Community and will be worked on in FY23

# Key FY23 Planning Assumptions

## Planning For Board Approved Activities

ICANN begins designing the expected implementation work only as recommendations and policies move forward and reach the stage of Board approval. Please refer to **ICANN Rolling Five-Year Roadmap: Policy, Review and Cross-Community Working Group (Appendix A)** of the draft plan for estimated timing for board approval

### For Example:

ICANN Rolling Five-Year Roadmap: Policy, Review and Cross-Community Working Group\*

Calendar Year	2021											2022											2023										
Fiscal Year	FY2021											FY2022											FY2023										
Months	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul		
<b>Legend:</b>																																	
Planning = Purple																																	
In Progress = Green																																	
Pending = Red																																	
Decision Making = Yellow																																	
Completed = Grey																																	
<b>GNSO Policy</b>																																	
Registration Data Policy for All gTLDs (EPDP Phase I)	Implementation																																
System for Standardized Access to Non-Public Registration Data (EPDP Phase 2 - SSAD)	GNSO & Board Consideration (include SSAD ODP)																																
Expedited Policy Development Process on gTLD Registration Data – Phase 2A	PDP Working Group Phase											GNSO & Board Consideration																					
PDP New gTLD Subsequent Procedures	GNSO & Board Consideration (include ODP Assessment)											Implementation Planning (Completion Date)																					
Expedited Policy Development Process on Internationalized Domain Names												PDP Working Group Phase											GNSO & Board Consideration										

SSAD ODP is scheduled to be completed during FY22. At the point of planning, resources for SSAD implementation is not included in the FY23 plan.

New gTLD Subsequent Procedures ODP is included as the work took place in FY22 and will continue into FY23. But the resources to implement this PDP and carry out the next round is not included in the FY23 Plan as of now.



The Key Planning Assumptions remain reasonable and are the same as in the Draft Plans published for public comment that were reviewed with the BFC and the Board

# Proposed for Adoption compared to Draft Plans

- ⦿ Activities planned remain unchanged as published in the Draft posted for public comment.
- ⦿ Few minor editorial changes were implemented as the result of Public Comment, see below.

Type of change	Description of the Change	Comments and Rationale
Updated reference	Update the “draft” reference of the IANA and PTI Operating Plan & Budget.	Due to the completion of the process.
Updated Functional Activity: Government and Intergovernmental Organization	Added specifics to the “Resources” section.	In response to Public Comments received
Updated Functional Activity: Policy Research and Stakeholder Programs	Wording update under the “Resources” section.	In response to Public Comments received
Updated Appendix C	Add specifics in the appendix to reflect status on Implementation	Improvements identified as part of the Planning Prioritization Pilot
FY23-27 Operating and Financial Plan	Update Planning Assumption reference to the Planning Prioritization Pilot	Update the timeline references in regards of current project status

# FY23–27 Financial Plan and FY23 Budget

- Overview of Five-Year Financials and One-Year Budget
- Proposed for Adoption Plans compared to Draft Plans

# FY23 Budget and FY23-27 Financials Overview

- Funding and expenses are unchanged from Draft Publication
- Since publishing the draft plans in December 2021, ICANN org has experienced stable funding; despite the Russia-Ukraine war and financial market volatility, there have not been any domain market developments that dictate a change to the prior funding projections
  - Funding and expense budgets are conservative which help provide confidence in dealing with any potential challenges
- In consultation with the Global Domains and Strategy team, ICANN org is maintaining the \$152M funding budget in FY23
  - 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
- ICANN org thinks these funding projections are achievable and adequate to provide the resources necessary to carry out the activities described in the operating plans



**Funding is projected to be stable and remains unchanged from Draft plans posted for public comment**

# Projected Funds Under Management Remain Unchanged

In Millions, USD	Forecast	5-Year Projections				
	FY22	FY23	FY24	FY25	FY26	FY27
<b>ICANN Operations</b>	<b>\$77.4</b>	<b>\$77.4</b>	<b>\$77.6</b>	<b>\$78.0</b>	<b>\$78.4</b>	<b>\$78.8</b>
<i>Funding</i>	\$149.1	\$152.0	\$155.3	\$158.7	\$160.1	\$161.7
<i>Expenses</i>	(\$129.4)	(\$152.0)	(\$155.3)	(\$158.7)	(\$160.1)	(\$161.7)
<i>Operating Fund Excess Transfers</i>	(\$20.0)	-	-	-	-	-
<i>Projected Investment Gains</i>	\$0.2	\$0.2	\$0.4	\$0.4	\$0.4	\$0.4
<b>New gTLD Rounds</b>	<b>\$76.5</b>	<b>\$68.7</b>	<b>\$55.1</b>	<b>\$45.5</b>	<b>\$45.7</b>	<b>\$45.9</b>
<i>Expenses</i>	(\$8.2)	(\$13.9)	(\$9.8)	-	-	-
<i>Projected Investment Gains</i>	\$0.3	\$0.3	\$0.2	\$0.2	\$0.2	\$0.2
<b>SFICR</b>	<b>\$15.0</b>	<b>\$20.1</b>	<b>\$20.2</b>	<b>\$20.3</b>	<b>\$20.4</b>	<b>\$20.5</b>
<i>Transfer from Operating Fund</i>	\$5.0	-	-	-	-	-
<i>Projected Investment Gains</i>	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1
<b>Reserve Fund</b>	<b>\$154.3</b>	<b>\$175.2</b>	<b>\$181.3</b>	<b>\$187.7</b>	<b>\$194.2</b>	<b>\$201.0</b>
<i>Transfer from Operating Fund</i>	\$15.0	-	-	-	-	-
<i>Projected Investment Gains</i>	\$5.9	\$6.1	\$6.3	\$6.6	\$6.8	\$7.0
<b>Auction Proceeds</b>	<b>\$212.2</b>	<b>\$213.3</b>	<b>\$214.4</b>	<b>\$215.4</b>	<b>\$216.5</b>	<b>\$217.6</b>
<i>Projected Investment Gains</i>	\$1.1	\$1.1	\$1.1	\$1.1	\$1.1	\$1.1

- ICANN Operations FY23 Budget is balanced with no excess; future transfers to SFICR and Reserve Fund will continue to be assessed annually if excess is available
- New gTLD rounds includes projected costs for processing 2012 applications and Next Round ODP costs; further costs for subsequent procedures will be included when approved by Board

# ICANN Ops FY23 Proposed for Adoption vs FY22 Forecast

In Millions, USD	FY23 Budget	FY22 Forecast	Under/(Over) vs. FY22 Forecast	
	ICANN Operations	ICANN Operations	\$	%
<b>Funding</b>	<b>\$152.0</b>	<b>\$149.1</b>	<b>\$3.0</b>	<b>2%</b>
Personnel	86.5	78.4	(8.1)	-10%
Travel & Meetings	14.3	4.7	(9.6)	-206%
Professional Services <sup>(1)</sup>	29.7	26.8	(2.9)	-11%
Administration	19.3	16.9	(2.4)	-14%
Capital	2.2	2.5	0.4	15%
<b>Total Operating Expenses</b>	<b>\$152.0</b>	<b>\$129.4</b>	<b>(\$22.7)</b>	<b>-18%</b>
<b>Net Operating Excess/(Deficit)</b>	<b>\$0.0</b>	<b>\$19.7</b>	<b>(\$19.7)</b>	<b>-100%</b>
<b>Average Headcount</b>	<b>423</b>	<b>394</b>	<b>(29)</b>	<b>-7%</b>

<sup>(1)</sup> Includes Contingency expense which is unallocated to specific activities or functions

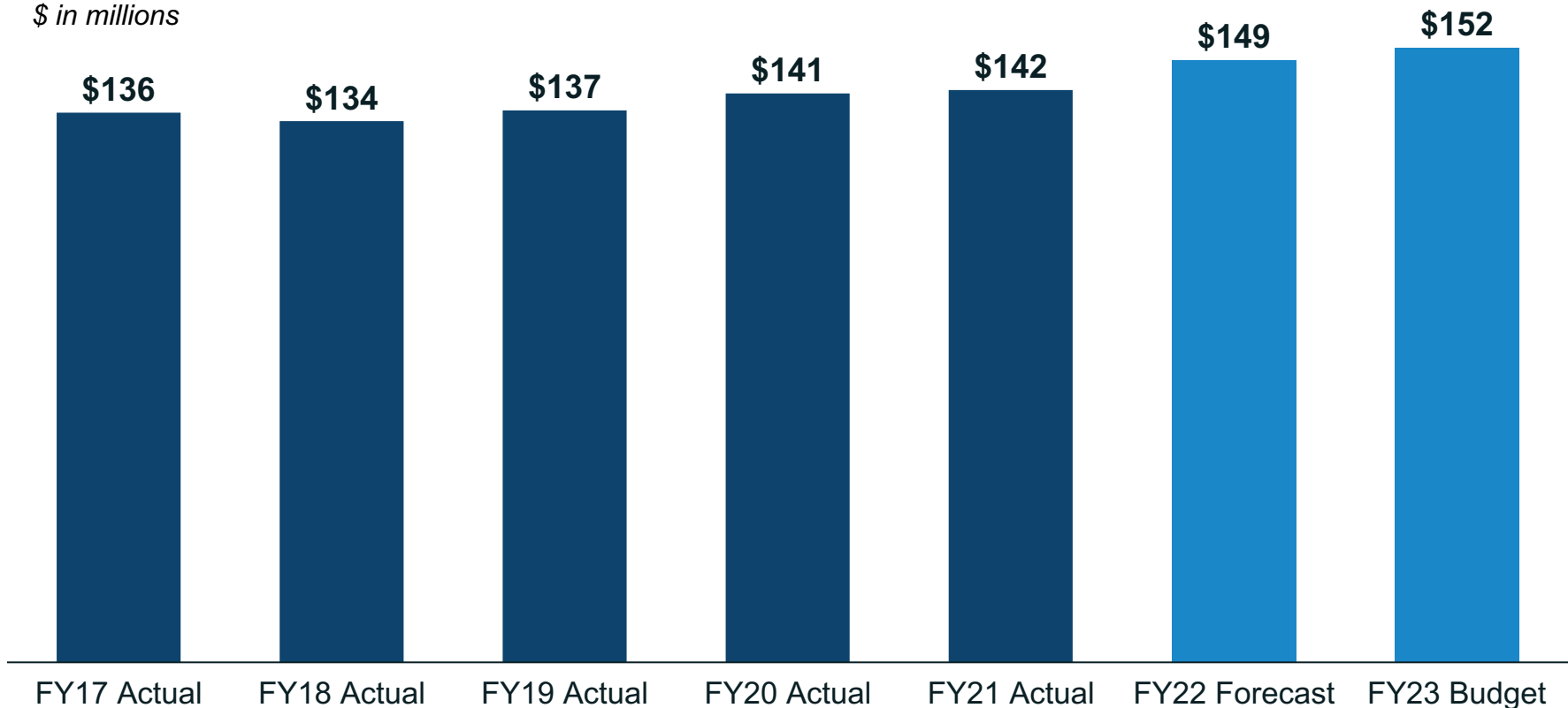
- The ICANN Operations FY23 Proposed for Adoption Budget Funding is \$3.0 million higher than the FY22 Forecast, driven by growth in domain name transactions
- The FY23 Proposed for Adoption Budget assumes unrestricted travel for the entire fiscal year, whereas the FY22 Forecast assumes pandemic-related travel restrictions for the first nine months of the fiscal year
- Expenses in the FY23 Proposed for Adoption Budget are \$22.7 million higher, primarily due to two incremental face to face ICANN Public Meetings and increased personnel costs driven by increased headcount



# ICANN Operations Funding Trends

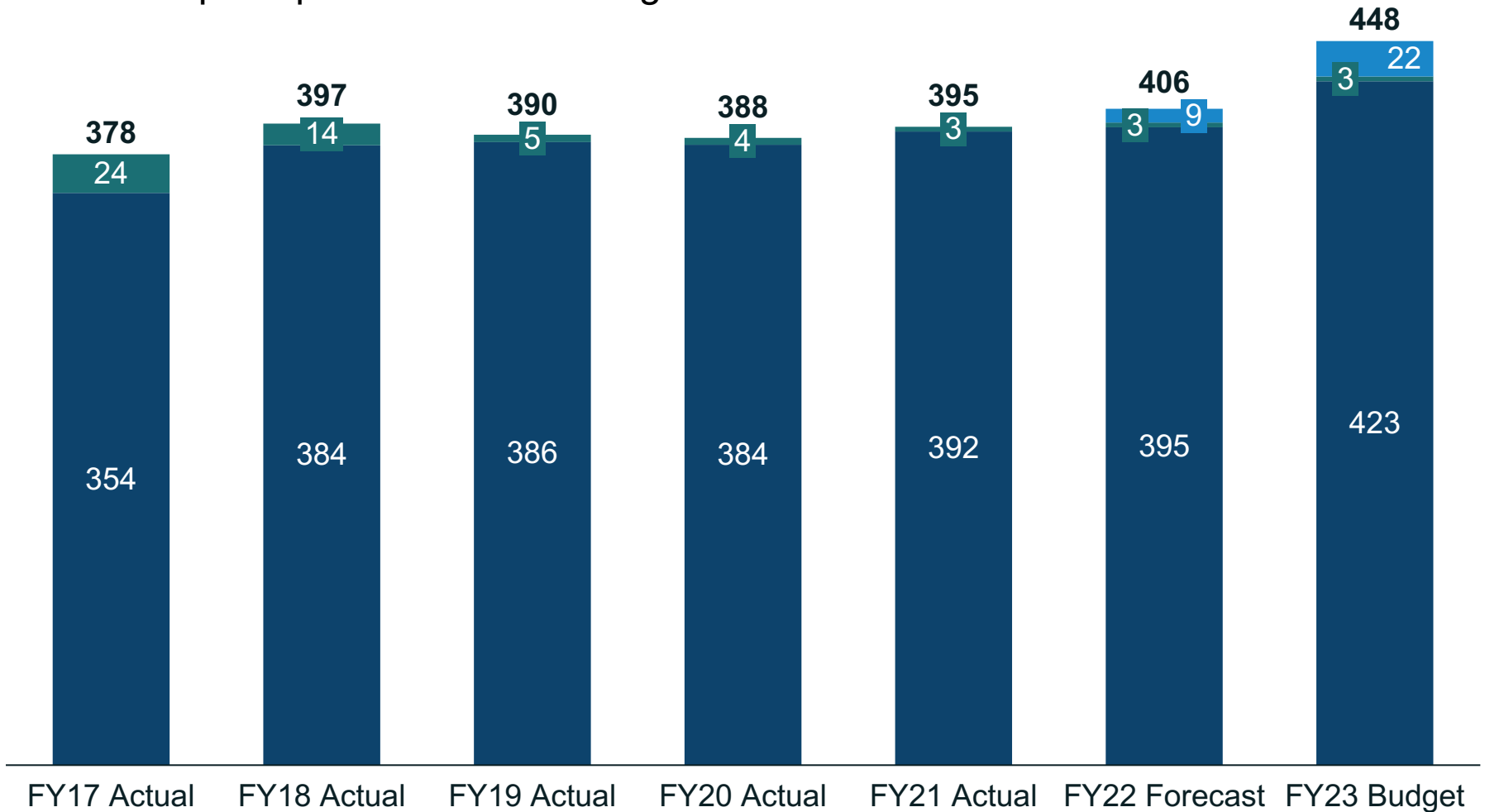
- There are still several unknowns due to the global pandemic, but we are assuming ICANN Operations Funding will be aligned with prior year trends
- The FY22 Forecast and FY23 Budget assume a full year contribution for SSR activities

*\$ in millions*



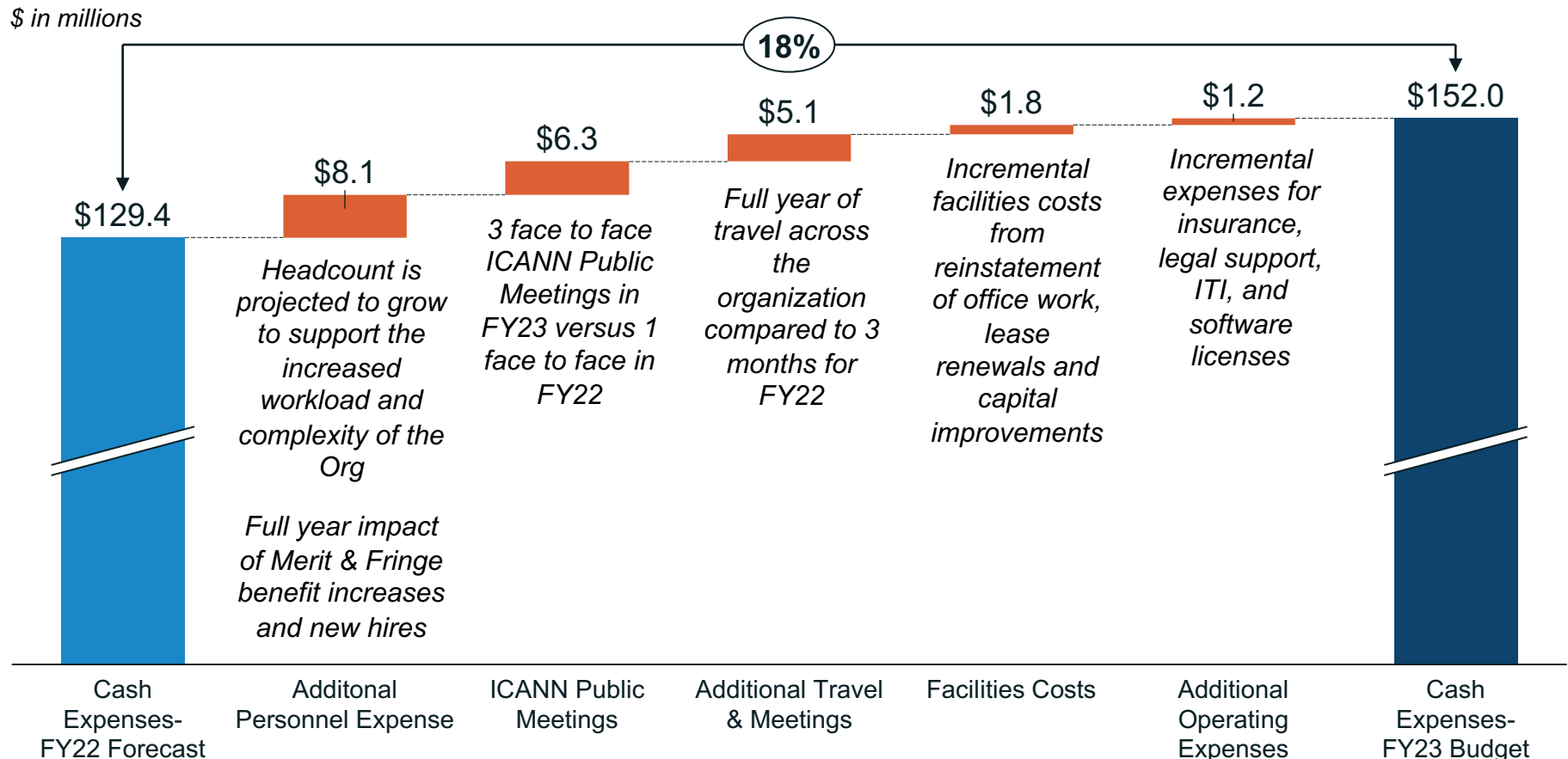
# Total ICANN Average Headcount Trends

- Headcount is projected to increase as the Org begins staffing to support the subsequent procedures of New gTLDs and other new work



# Expense Analysis: FY22 Forecast vs FY23 Budget

- While the ICANN Operations FY22 Forecast expenses are impacted by the pandemic, ICANN org assumes activities to occur in FY23 without impact from the pandemic
- Excluding the impact of incremental expenses due to a return to full meeting operations, the FY23 Proposed for Adoption Budget expenses are growing ~8.5% over the FY22 Forecast



# Additional Budget Request Process

- The Additional Budget Request 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 that was posted for public comment included a placeholder of \$300K for Additional Budget Requests
- Since the draft budget was posted, ICANN org has collaborated with the community to evaluate the 20 submissions submitted by 5 groups
- 5 requests are recommended for approval for a total of \$100K; 15 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 \$200K as placeholder for community activities



**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 and Timeline

# Next Steps- Proposed for Adoption Plans

What	Who	When
✓ Review draft FY23-27 O&FP and FY23 OP&B	BFC	30 November 2021
✓ FY23–27 O&FP Public Comment ✓ FY23 OP&B Public Comment	Community	07 December 2021- 07 February 2022
✓ Review draft FY23-27 O&FP and FY23 OP&B	Board	January 2022 Board workshop
✓ Review ICANN FY23 Draft Plans Public Comment inputs	BFC	24 March 2022
✓ Public Comment Summary Report Due Date	ICANN Org	30 March 2022
✓ BFC to consider recommending the Board adopt the ICANN Proposed for Adoption FY23 Plans	BFC	4 May 2022
Board Adoption of Plans	Board	26 May 2022
Empowered Community Consideration Period	Community	May / June 2022

# Board Reference Materials

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- **Proposed for Adoption FY23 Plans:**
  1. Proposed for Adoption Highlights
  2. Proposed for Adoption ICANN FY23-27 Operating and Financial Plan and FY23 Operating Plan
  3. Proposed for Adoption ICANN FY23 Budget
  
- The above plans are published on the [public comment page](#) following the BFC's recommendation
  
- **Other documents attached:**
  4. Board resolution paper
  5. Additional Budget Request report

# Appendix



# Public Comments and Empowered Community

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- ⦿ 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, Annex D, Section 2.2(A): 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”

# ICANN Caretaker Budget

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- ⦿ If an ICANN Budget has not come into full force and effect pursuant to this Section 22.4(a) on or prior to the first date of any fiscal year of ICANN, the Board shall adopt a temporary budget in accordance with Annex E hereto ("**Caretaker ICANN Budget**"), which Caretaker ICANN Budget shall be effective until such time as an ICANN Budget has been effectively approved by the Board and not rejected by the EC pursuant to this Section 22.4(a).

# Number of Comments by Theme and by Submitter

Theme	Total Number FY23	ALAC	BC	ccNSO SOPC	GNSO	RrSG	RySG
Document Structure	13	3	3	1		1	5
Financial Management	32	8	9	8	3	2	2
Functional Activities Plans	24	5	3	15	1		
Operating Initiatives Plan	22	4	3		3		12
Operating Plan	6	2		3	1		0
Other	3			1	1		1
<b>Total</b>	<b>100</b>	<b>22</b>	<b>18</b>	<b>28</b>	<b>9</b>	<b>3</b>	<b>20</b>

# Public Comments: Thematic Breakdown by SO/AC

No.	Groups Submitting Comments	FY21 Number of Comments	FY22 Number of Comments	FY23 Number of Comments	FY23 vs FY22 Higher / (Lower)
1	Article 19		2		(2)
2	At-Large Advisory Committee (ALAC)	17	19	22	3
3	ccNSO Strategic and Operational Planning Committee (SOPC)	48	57	28	(29)
4	Coordination Center for TLD RU (ccNSO Community)		6		(6)
5	Generic Names Supporting Organization Council (GNSO)	17	15	9	(6)
6	gTLD Registries Stakeholder Group (RySG)	37	33	20	(13)
7	i2Coalition	7			
8	ICANN Business Constituency (BC)*	21	64	18	(46)
9	ICANN Governmental Advisory Committee (GAC)	1	7		(7)
10	Individual	8	1		(1)
11	Non-Commercial Stakeholders Group (NCSG)	8	10		(10)
12	The Registrar Stakeholder Group (RrSG)*	7	4	3	(1)
	<b>Total</b>	<b>171</b>	<b>218</b>	<b>100</b>	<b>(118)</b>
	<b># of Groups Submitting by Year</b>	<b>10</b>	<b>11</b>	<b>6</b>	<b>(5)</b>

\* 2 of the 6 submissions were received late.

# Public Comment Highlights

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- 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 raised concerns about the clarity and transparency of progress measurement and reporting. ICANN org responded to those comments in the Public Comment Summary Report.
- Particular attention was placed in the headcount section to explain differences between headcount in ICANN Operations versus SubPro, overall headcount growth, and the process for adding headcount at ICANN org. Additional explanation was added in the proposed for adoption plans.

# Registrar Fees

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- 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 FY23 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 FY22 Registrar Fees
- Below is a summary of the Registrar fees included in the FY23 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

# FY23 SO/AC Additional Budget Requests

- All requests that met the program criteria were approved

Organization	Yes	No	FY23 Recommended Amount
ALAC	1	4	14,000
BC	1	2	15,000
ISPCP	1	2	15,000
LACRALO	0	4	0
NARALO	0	2	0
NCUC	1	0	0
RySG	1	1	56,000
Community Contingency			200,000
<b>FY23 Total</b>	<b>5</b>	<b>15</b>	<b>100,000</b>

FY22 Approved Requests	12	18	209,000
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In the interest of keeping the \$0.3M ABR budget whole for the community, the remaining budget not allocated to SO/AC requests will be held as a contingency fund for any unforeseen requests or needs that arise in FY23

# FY23 SO/AC Additional Budget Requests

Request Type (Internal Use)	Yes	No	FY23 Recommended Amount
Communications	2	0	30,000
Language Services	0	1	0
Outreach	1	9	14,000
Training	1	3	0
Travel Support	1	2	56,000
Community Contingency			200,000
<b>FY23 Total</b>	<b>5</b>	<b>15</b>	<b>300,000</b>



# New gTLD Program 2012 Round Overview

New gTLD Program 2012 Round	Statement of Activities by Fiscal Year					Statement of Activities for Full Program (Dec 2021) Current Estimate
	FY12 - FY20 Actual	FY21 Actual	FY22 Forecast	FY23 Budget	FY24 & Beyond Forecast	
New gTLD Applicant Fees	360	0	0	0	1	361
Refunds	(52)	-	(0)	(0)	(0)	(53)
<b>Applicant Fees (Net of Refunds)</b>	<b>\$ 308</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 308</b>
Initial and Extended Evaluation	(68)	-	-	-	-	(68)
Quality Control and Objection Processes	(11)	-	-	-	-	(11)
Pre-delegation	(12)	-	-	-	-	(12)
Program Costs	(38)	(2)	(3)	(2)	(9)	(54)
Staff Costs	(56)	(1)	(1)	(1)	(1)	(61)
<b>Operating Expenses</b>	<b>\$ (185)</b>	<b>\$ (4)</b>	<b>\$ (4)</b>	<b>\$ (4)</b>	<b>\$ (10)</b>	<b>\$ (206)</b>
Historical Development Costs	(32)	-	-	-	-	(32)
Risk Costs	(25)	(4)	(1)	-	-	(31)
<b>Non Operating Expenses</b>	<b>\$ (58)</b>	<b>\$ (4)</b>	<b>\$ (1)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (63)</b>
<b>Other Income/(Expense)</b>	<b>\$ (2)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (2)</b>
<b>Investment Income/(Expense)</b>	<b>\$ 11</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 11</b>
<b>Total Expenses</b>	<b>\$ (234)</b>	<b>\$ (8)</b>	<b>\$ (5)</b>	<b>\$ (4)</b>	<b>\$ (10)</b>	<b>\$ (259)</b>
<b>Net Remaining New gTLD Funds</b>	<b>\$ 74</b>	<b>\$ (8)</b>	<b>\$ (5)</b>	<b>\$ (3)</b>	<b>\$ (10)</b>	<b>\$ 49</b>

- New revenue recognition standard (ASC 606) was adopted in FY21 and impacted the timing of the recognition of the revenue from the application fees
- No impact to ICANN's funding or cash balances
- Risk costs and investment gains are not estimated for future years

# Highlights of the Proposed for Adoption ICANN FY23–27 Operating and Financial Plan and ICANN FY23 Operating Plan and Budget

May 2022



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# 1 Overview

The purpose of the Highlights document is to provide an overview of ICANN’s FY23–27 Operating and Financial Plan and its FY23 Operating Plan and Budget.

It accompanies two other documents:

- Proposed for Adoption ICANN FY23–27 Operating and Financial Plan and FY23 Operating Plan
- Proposed for Adoption ICANN FY23 Budget

In accordance with ICANN’s Bylaws and the Empowered Community process, 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 2022. 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
FY23-27 Operating and Financial Plan	Update reference	Update the “draft” reference of the IANA and PTI Operating Plans & Budgets.	Due to the completion of the process.
FY23-27 Operating and Financial Plan	Update Functional Activity: Government and Intergovernmental Organization Engagement	Added specifics to the “Resources” section.	In response to Public Comments received, see <a href="#">section 4.4.7.</a>
FY23-27 Operating and Financial Plan	Update Functional Activity: Policy Research and Stakeholder Programs	Wording update under the “Resources” section.	In response to Public Comments received, see <a href="#">section 4.4.3.</a>

FY23-27 Operating and Financial Plan	Update Appendix C	Add specifics in the appendix to reflect status on Implementation	Improvements identified as part of the Planning Prioritization Pilot.
FY23-27 Operating and Financial Plan	Update Planning Assumption reference to the Planning Prioritization Pilot	Update the timeline references in regards of current project status	Due to the Planning Prioritization Framework project progress.
FY23 Budget	Additional headcount explanation	Added wording to explain headcount figures for the Subsequent Procedures Operational Design Phase and ICANN Operations as well as clarifications regarding headcount growth in FY23 and ICANN org's process for adding headcount	In response to Public Comments received, see <a href="#">section 4.5.5.</a>
FY23 Budget	Updated funds under management bullets	Updated bullets in the funds under management section to clarify ending balances for the Reserve Fund and Supplemental Fund for Implementation of Community Recommendations (SFICR)	In response to Public Comments received, see <a href="#">section 4.5.3.</a>

## 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 January and April 2021, ICANN convened 16 strategic outlook sessions with 300 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 28 October 2021, 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 FY23 Strategic Outlook Trends Report which can be found [here](#).

**Affordability:** The FY23–27 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 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 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. At the time of publication of the draft plan, the Reserve Fund exceeds its minimum target level and further allocation to such Reserve Fund may be considered on an annual basis.

**Face-to-Face meeting 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 in FY21. While the future is unknown, ICANN org has elected to conduct its planning and budgeting forecasts processes for FY23–27 based on normal, pre-COVID operations including face-to-face ICANN Public meetings and other types of engagement activity. ICANN org will adapt and update operations as required in close collaboration with the Board and community.

**Changes from FY22-26 Operating Plan:** The draft FY23–27 Operating and Financial Plan updates the FY22–26 Operating and Financial Plan, and continues to demonstrate how ICANN org implements its current Strategic Plan. Many of ICANN org’s activities to implement its Mission or operate the organization continues each year. Any new activities or changes to existing ones are marked with a delta ( $\Delta$ ).

**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 FY23–27 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 FY23–27 Operating and Financial Plan and FY23 Operating Plan and Budget.

In the FY22 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 FY23.

“Planning at ICANN” is one of the 15 operating initiatives in ICANN’s FY23–27 Operating and Financial Plan and FY23 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. As part of this project, a pilot is being conducted on Board-approved Specific Review recommendations in April and May 2022 in collaboration with the Community. The list of prioritized recommendations from the pilot will be available in May 2022. Therefore, this plan assumes that a select number of prioritized recommendations will be included in the FY23 plans. The specific activities will be published after the conclusion of the above-mentioned pilot process.

## 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 15 operating initiatives listed below represent major areas of work that support the strategic objectives and targeted outcomes identified in the Strategic Plan.

The 15 operating initiatives are:

1. Support the Evolution of the Root Server System
2. Facilitate the 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 Sustain a Competitive Environment in the Domain Name System
7. Promote the Universal Acceptance of Domain Names and Email Addresses
8. Root Zone Management Evolution
9. Evaluate, Align, and Facilitate Improved Engagement in the Internet Ecosystem
10. Improve Governmental and Intergovernmental Organization (IGO) Engagement and Participation in ICANN Through Targeted Engagement
11. Monitor Legislation, Regulation, Norms, Principles, and Initiatives in Collaboration with Others that May Impact the ICANN Mission
12. Improve Depth of Understanding of the Domain Name Market Drivers which Impact ICANN's Funding
13. Implement New gTLD Auction Proceeds Recommendations as Approved by Board
14. Planning at ICANN
15. 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
- **Policy Development and Implementation Support:**
  - Policy Development and Advice
  - Policy Research
  - 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 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
  - Planning
  - Reviews Support and Implementation
- **ICANN Shared Services:**
  - Finance and Procurement
  - Risk Management
  - Engineering and Information Technology
  - Global Human Resources and Administrative Services
  - Security Operations
  - Global Shared Services
  - 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 FY23–27 is at a high-level, the planned resources for FY23 are more detailed (please click [here](#) to review).

## 4 Financial Plan Highlights

### 4.1 FY23–27 Funding Approach and Assumptions

The FY23–27 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 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.

5-Year Projections	FY23	FY24	FY25	FY26	FY27
<b>ICANN Ops Funding (In Millions USD)</b>					
Base	\$ 152.0	\$ 155.3	\$ 158.7	\$ 160.1	\$ 161.7
Low	\$ 132.9	\$ 127.1	\$ 124.5	\$ 120.7	\$ 117.3
High	\$ 158.4	\$ 167.5	\$ 177.0	\$ 185.2	\$ 194.1
<b>Transaction Volume (In Millions)</b>					
Base	227.1	235.4	243.7	252.0	260.5
Low	187.5	178.1	174.5	171.8	169.8
High	239.4	259.4	280.0	302.0	325.6
<b>Contracted Parties</b>					
Base	3,592	3,580	3,567	3,553	3,545
Low	3,346	3,175	3,075	3,020	2,994
High	3,625	3,675	3,730	3,787	3,845

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 FY23–27 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/or facilitation of DNSSEC deployment, the mitigation of name collisions, and DNS operations research.

## 4.2 FY23–27 Financial Projections

The table below reflects financial projections for the five-year period FY23–27. The projections define the maximum amount of operational expenses to be incurred on an annual basis.

<b>ICANN OPERATIONS</b>						
<i>(in Millions USD)</i>						
<b>5-Year Projections</b>	<b>FY23</b>	<b>FY24</b>	<b>FY25</b>	<b>FY26</b>	<b>FY27</b>	<b>5-Year Total</b>
<b>Funding <sup>(1)</sup></b>	<b>\$152.0</b>	<b>\$155.3</b>	<b>\$158.7</b>	<b>\$160.1</b>	<b>\$161.7</b>	<b>\$787.8</b>
<b>Expense</b>						
<b>Personnel</b>	<b>\$86.5</b>	<b>\$88.3</b>	<b>\$90.0</b>	<b>\$91.4</b>	<b>\$92.8</b>	<b>\$449.0</b>
<b>Travel and Meetings</b>	<b>\$14.3</b>	<b>\$14.8</b>	<b>\$15.2</b>	<b>\$15.3</b>	<b>\$15.4</b>	<b>\$74.9</b>
<b>Professional Services</b>	<b>\$29.7</b>	<b>\$30.3</b>	<b>\$31.0</b>	<b>\$31.0</b>	<b>\$31.1</b>	<b>\$153.1</b>
<b>Administrative</b>	<b>\$19.3</b>	<b>\$19.7</b>	<b>\$20.1</b>	<b>\$20.1</b>	<b>\$20.1</b>	<b>\$99.3</b>
<b>Capital</b>	<b>\$2.2</b>	<b>\$2.3</b>	<b>\$2.3</b>	<b>\$2.3</b>	<b>\$2.3</b>	<b>\$11.5</b>
<b>Total Operating Expenses</b>	<b>\$152.0</b>	<b>\$155.3</b>	<b>\$158.7</b>	<b>\$160.1</b>	<b>\$161.7</b>	<b>\$787.8</b>
<b>Net Operating Excess/(Deficit)</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>
<b>Average Headcount</b>	<b>423</b>	<b>423</b>	<b>423</b>	<b>423</b>	<b>423</b>	<b>423</b>

<sup>(1)</sup> Includes contributions for ICANN Security, Stability, and Resiliency (SSR) activities.

## 5 Budget Highlights

### 5.1 Total ICANN Financial Overview

Total ICANN Financials		For the Twelve Months Ending 30 Jun 2023				
In Millions, US dollars	ICANN Operations	New gTLD Program <sup>1</sup>	SFICR <sup>2</sup>	Reserve Fund	Auction Proceeds	Total
<b>Funds Under Management - 30 Jun 2022</b>	<b>77.4</b>	<b>68.7</b>	<b>20.1</b>	<b>175.2</b>	<b>213.3</b>	<b>554.6</b>
Funding	152.0	-	-	-	-	152.0
Personnel	(86.5)	(7.2)	-	-	-	(93.7)
Travel & Meetings	(14.3)	(1.0)	-	-	-	(15.3)
Professional Services	(29.7)	(5.0)	-	-	-	(34.7)
Administration	(19.3)	(0.7)	-	-	-	(20.0)
Capital	(2.2)	(0.1)	-	-	-	(2.2)
<b>Total Expenses</b>	<b>(152.0)</b>	<b>(13.9)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(165.9)</b>
Operating Fund Excess Transfers (subject to Board Approval)	-	-	-	-	-	-
Change In Market Value	0.2	0.3	0.1	6.1	1.1	8.1
<b>Funds Under Management - 30 Jun 2023</b>	<b>77.6</b>	<b>55.1</b>	<b>20.2</b>	<b>181.3</b>	<b>214.4</b>	<b>548.8</b>

<b>Total Average Headcount</b>	<b>423</b>	<b>25</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>448</b>
<sup>1</sup> New gTLD Program consists of the 2012 Round and the Subsequent Procedures ODP <sup>2</sup> ICANN org will recommend utilization of the SFICR for the SSAD ODP and implementation work, if the Board approves the implementation plan which will be reviewed ~ March 2022						

The chart above starts with funds under management and the estimated beginning balance of each fund as of 30 June 2022, which is the end of FY22 and the beginning of FY23. The following lines of the chart show the expected funding and expense activities of each fund as it relates to operations. 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 2023, which is the end of FY23.

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

### **ICANN Operations**

- Funding is \$152 million, which reflects recent positive trends, possible negative impacts, and a contribution for ICANN Security, Stability, and Resiliency (SSR) initiatives.
  - \$148 million is ICANN org’s base funding, taking into consideration historical data and growth from the past few years as well as possible negative impacts resulting from the pandemic.
  - \$4 million is a contribution Verisign will make to fund SSR initiatives that are a part of ICANN org’s functional activities.
- Expenses are \$152 million, balanced to ICANN Operations funding and assume that working conditions will return to normal.
  - Personnel expense reflects an average headcount of 423.
  - Travel and meetings expense assumes three face-to-face ICANN Public Meetings and otherwise unrestricted travel.
  - Total expenses include contingency and SSR activities in the cost categories to which they relate.

### **New gTLD Program**

- Expenses are \$14 million.
  - \$4 million is related to the 2012 round including direct expenses and allocations from ICANN Operations.
  - \$10 million is related to the New gTLD Subsequent Procedures ODP (expected to begin in early calendar 2022) including direct expenses and allocations from ICANN Operations.

### **Supplemental Fund for Implementation of Community Recommendations (SFICR)**

- Beginning balance is \$20 million, following a \$5 million transfer in FY22.
- If the Board approves the SSAD implementation plan, which is expected to be reviewed around March 2022, ICANN org will recommend to the Board the use of the SFICR for the SSAD ODP (Operational Design Phase) and implementation.

### **Reserve Fund**

- Beginning balance is \$175 million following a \$15 million transfer in FY22.
- Ending balance is estimated at \$181 million, which is over 14 months of operating expenses and above the 12-month minimum set by the Reserve Fund replenishment strategy approved by the Board in October 2018.

### **Auction Proceeds**

- Beginning balance is \$213 million and ICANN org is projecting \$1 million in interest gains.

## 5.2 ICANN Operations FY23 Proposed for Adoption Budget versus FY22 Forecast

In Millions, USD	FY23 Budget	FY22 Forecast	Under/(Over) vs. FY22 Forecast	
	ICANN Operations	ICANN Operations	\$	%
<b>Funding</b>	<b>\$152.0</b>	<b>\$149.1</b>	<b>\$3.0</b>	<b>2%</b>
Personnel	86.5	78.4	(8.1)	-10%
Travel & Meetings	14.3	4.7	(9.6)	-206%
Professional Services <sup>(1)</sup>	29.7	26.8	(2.9)	-11%
Administration	19.3	16.9	(2.4)	-14%
Capital	2.2	2.5	0.4	15%
<b>Total Operating Expenses</b>	<b>\$152.0</b>	<b>\$129.4</b>	<b>(\$22.7)</b>	<b>-18%</b>
<b>Net Operating Excess/(Deficit)</b>	<b>\$0.0</b>	<b>\$19.7</b>	<b>(\$19.7)</b>	<b>-100%</b>
<b>Average Headcount</b>	<b>423</b>	<b>394</b>	<b>(29)</b>	<b>-7%</b>

<sup>(1)</sup> Includes Contingency expense which is unallocated to specific activities or functions

The above table compares ICANN Operations financials from the FY23 Proposed for Adoption Budget to the FY22 Forecast financials. The FY22 Forecast is based on four months of actual data and eight months of estimates. The FY23 Proposed for Adoption Budget figures assume unrestricted travel for the entire fiscal year, whereas the FY22 Forecast figures assume pandemic-related travel restrictions for the first nine months of the fiscal year.



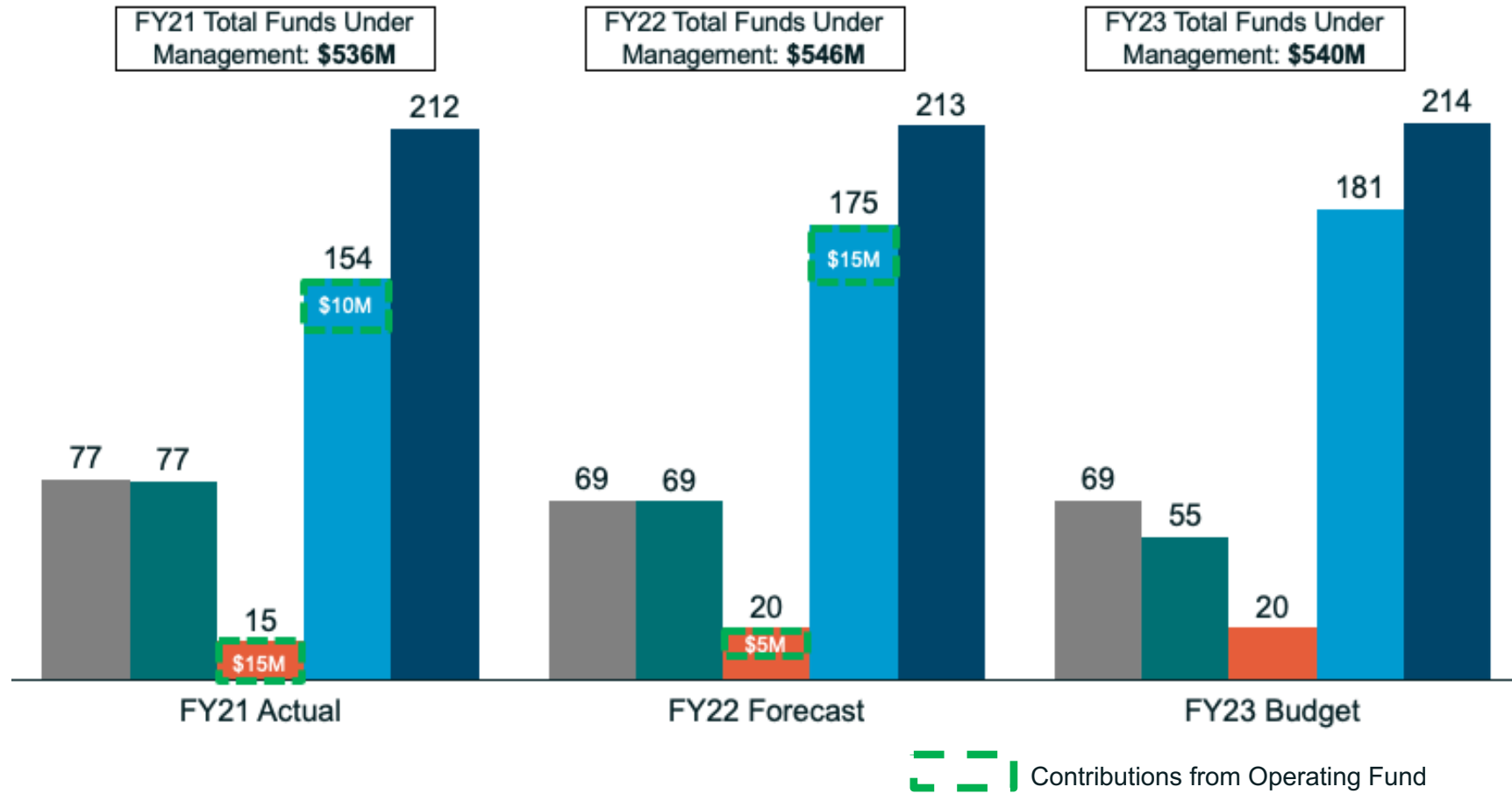
Compared to the FY22 Forecast funding, the FY23 Proposed for Adoption Budget funding is \$3 million higher, driven by growth in domain name transactions per historical trends. The FY23 Proposed for Adoption Budget expenses are \$23 million higher than FY22 Forecast expenses, driven by two incremental face-to-face ICANN Public Meetings, as well as more headcount and inflationary personnel expenses. Future contributions to the ICANN Reserve Fund and SFICR will be assessed at the end of FY22.

## 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.



*\$ 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 in FY21 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. All three funds are governed in accordance with the [ICANN Investment Policy](#).

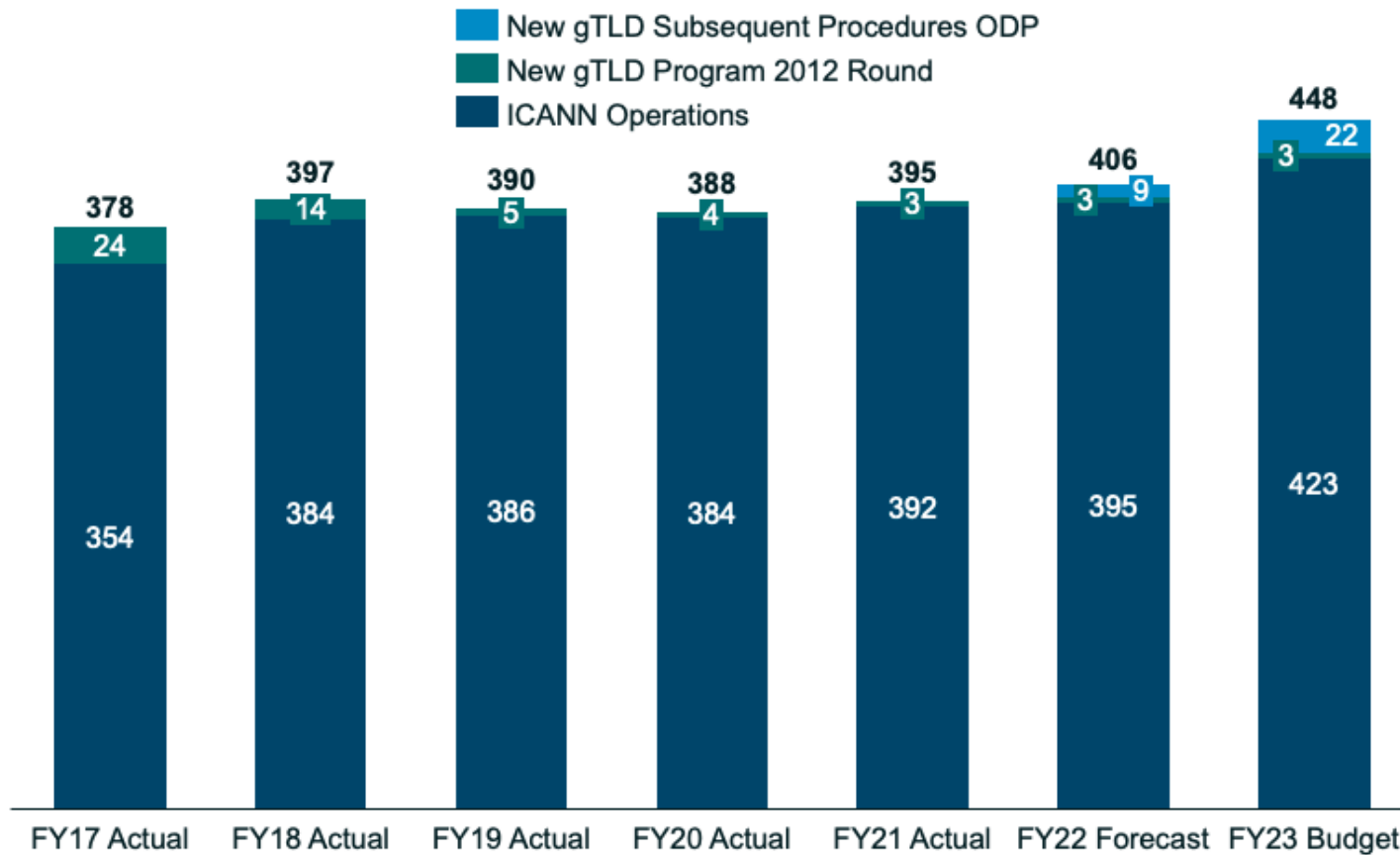
The New gTLD Program corresponds to the unspent portion of the New gTLD Program 2012 Round application fees collected from applicants during the application window in 2012. The funds are used to evaluate the applications and to cover hard-to-predict cost (including risks), and starting in FY22, to cover the New gTLD Subsequent Procedures ODP. Auction Proceeds come from ICANN auctions held to resolve string contention in the New gTLD Program 2012 Round. The Auction Proceeds are reserved and earmarked until the Board approves a plan for the appropriate use of the funds after consultation with the community. 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 FY23 despite the uncertainty from the impact of COVID-19. The funds under management listed in the FY23 Proposed for Adoption Budget reflect the following:

- Based on net excess generated in the Operating Fund from FY21:
  - In July 2021, the Board approved a \$15 million transfer from the Operating Fund into the newly created SFICR (reflected in FY21 ending balance for presentation purposes).
  - In July 2021, the Board approved a \$5 million transfer from the Operating Fund to the Reserve Fund (reflected in FY22 ending balance).
  - In October 2021, the Board approved a \$5 million transfer to the SFICR and a \$10 million transfer to the Reserve Fund from the Operating Fund (reflected in FY22 ending balances).
- Additional transfers will be assessed at the end of the FY22.
- Each fund is projecting interest gains according to its corresponding investment policy as referenced above.

## 5.4 Average Headcount Trends

The following headcount chart shows the average number of ICANN org personnel working under each segment of Total ICANN. New gTLD Program 2012 Round personnel shown below reflect direct staff and allocations from ICANN Operations of staff working on processing applications received in 2012. Starting in FY22, ICANN org plans to hire new personnel in support of the Subsequent Procedures ODP.



## 5.5 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 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 org operations over the five-year period, the FY23–27 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 FY23 Budget is \$6.0 million (approximately 4% of budgeted expenses).

# Internet Corporation for Assigned Names and Numbers (ICANN) FY23 Proposed for Adoption Budget

May 2022



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# 1 Introduction

This document contains the Internet Corporation for Assigned Names and Numbers (ICANN) Fiscal Year 2023 (FY23) Proposed for Adoption Budget. ICANN's FY23 comprises the following dates:

1 July 2022 – 30 June 2023

The ICANN FY23 Proposed for Adoption Budget includes a detailed overview of ICANN's financial plan for FY23. For operating plans and five-year financial projections, please see the [FY23-27 Operating and Financial Plan and FY23 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.

ICANN's FY23 Draft Budget was posted for Public Comment in December 2021. Following the Public Comment period and discussions with stakeholders, ICANN org published its [Public Comment Summary Report](#) in March 2022. 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 ICANN FY23 Proposed for Adoption Budget includes:

- Overview of Total ICANN, including separate detailed sections on ICANN Operations and the New Generic Top-Level Domain (New gTLD) Program.
- Activities that have already been submitted for Public Comment and as a part of the IANA FY23 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 FY22 is provided.

## IANA Operations

The IANA FY23 Draft Operating Plan and Budget was posted for Public Comment in October 2021 and was adopted by the ICANN Board in February 2022.

IANA Operations are part of ICANN Operations and are documented in the ICANN FY23 Operating Plan.



## Background Information

Since March 2020, ICANN organization (org) has been operating amid the COVID-19 pandemic. FY22 (1 July 2021–30 June 2022) represented the first full year in which ICANN org conducted almost all of its work remotely. ICANN org's funding remained stable while expenses were less than those in prior years, driven mainly by travel restrictions.

Starting in FY22, ICANN org has embarked on two important Operational Design Phases (ODP) for System for Standardized Access/Disclosure to Nonpublic Generic Top-Level Domain Registration Data (SSAD) and New gTLD Subsequent Procedures. With these two new initiatives and the resources available in ICANN's funds under management, including the Supplemental Fund for Implementation of Community Recommendations (SFICR), ICANN org will highlight the holistic view of Total ICANN. Please see the Glossary of Terms section for an explanation of Total ICANN and its financial components.

For FY23, ICANN org assumes that operational funding will continue to grow modestly per historical levels and that travel will resume. Below are highlights of the projections and assumptions of the FY23 Proposed for Adoption Budget:

- ICANN Operations funding is \$152 million, which reflects recent positive trends, possible negative impacts, and a contribution for ICANN Security, Stability, and Resiliency (SSR) initiatives.
  - \$148 million is ICANN org's base funding, taking into consideration historical data and growth from the past few years as well as possible negative impacts resulting from the pandemic.
  - \$4 million is a contribution for SSR initiatives that are a part of ICANN org's functional activities.
- ICANN Operations expenses are \$152 million, balanced to ICANN Operations funding and assume that working conditions will return to normal.
  - Personnel expense reflects an average headcount of 423.
  - Travel and meeting expense assumes three face-to-face ICANN Public Meetings and otherwise unrestricted travel.
  - Total expenses include contingency and SSR activities in the cost categories to which they relate.
- New gTLD Program expenses are \$14 million.
  - \$4 million is related to the 2012 round including direct expenses and allocations from ICANN Operations.
  - \$10 million is related to the New gTLD Subsequent Procedures ODP (expected to begin in early calendar 2022) including direct expenses and allocations from ICANN Operations.

ICANN org understands that its role remains crucial to maintain the effective operation of the Internet. The organization's technical coordination of the Internet's unique identifier systems plays a critical role in the security, stability, and resiliency of the Internet. Throughout the pandemic, the org, community, and the Board have performed their work successfully without face-to-face interaction. Although ICANN org plans for

operations and travel to return to historical levels in FY23, the org is prepared to resume conducting its work remotely and reevaluate expenses if necessary. Organizational activities will continue to be carried out under principles of prudence, frugality, and with heightened attention to necessity.

## 2 Planning and Budget Overview

The following illustration depicts the five-year planning cycle for FY23-27. The planning process consists of the ICANN Strategic Plan for FY21-25 and the FY23-27 Operating and Financial Plan, which provide input and a basis for the FY23 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, cash expenses, headcount, and funds under management.

#### 3.1 Financial Overview

<b>Total ICANN Financials</b>		<b>For the Twelve Months Ending 30 Jun 2023</b>				
<b>In Millions, US dollars</b>	<b>ICANN Operations</b>	<b>New gTLD Program <sup>1</sup></b>	<b>SFICR <sup>2</sup></b>	<b>Reserve Fund</b>	<b>Auction Proceeds</b>	<b>Total</b>
<b>Funds Under Management - 30 Jun 2022</b>	<b>77.4</b>	<b>68.7</b>	<b>20.1</b>	<b>175.2</b>	<b>213.3</b>	<b>554.6</b>
Funding	152.0	-	-	-	-	152.0
Personnel	(86.5)	(7.2)	-	-	-	(93.7)
Travel & Meetings	(14.3)	(1.0)	-	-	-	(15.3)
Professional Services	(29.7)	(5.0)	-	-	-	(34.7)
Administration	(19.3)	(0.7)	-	-	-	(20.0)
Capital	(2.2)	(0.1)	-	-	-	(2.2)
<b>Total Expenses</b>	<b>(152.0)</b>	<b>(13.9)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(165.9)</b>
Operating Fund Excess Transfers (subject to Board Approval)	-	-	-	-	-	-
Change In Market Value	0.2	0.3	0.1	6.1	1.1	8.1
<b>Funds Under Management - 30 Jun 2023</b>	<b>77.6</b>	<b>55.1</b>	<b>20.2</b>	<b>181.3</b>	<b>214.4</b>	<b>548.8</b>
<b>Total Average Headcount</b>	<b>423</b>	<b>25</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>448</b>

<sup>1</sup> New gTLD Program consists of the 2012 Round and the Subsequent Procedures ODP

<sup>2</sup> ICANN org will recommend utilization of the SFICR for the SSAD ODP and implementation work, if the Board approves the implementation plan which will be reviewed ~ March 2022

The chart above starts with funds under management and the estimated beginning balance of each fund as of 30 June 2022, which is the end of FY22 and the beginning of FY23. The following lines of the chart show the expected funding and expense activities of each fund as it relates to operations. 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 2023, which is the end of FY23.

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

### **ICANN Operations**

- Funding is \$152 million, which reflects recent positive trends, possible negative impacts, and a contribution for ICANN Security, Stability, and Resiliency (SSR) initiatives.
  - \$148 million is ICANN org's base funding, taking into consideration historical data and growth from the past few years as well as possible negative impacts resulting from the pandemic.
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  - Total expenses include contingency and SSR activities in the cost categories to which they relate.

### **New gTLD Program**

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  - \$4 million is related to the 2012 round including direct expenses and allocations from ICANN Operations.
  - \$10 million is related to the New gTLD Subsequent Procedures ODP (expected to begin in early calendar 2022) including direct expenses and allocations from ICANN Operations.

### **Supplemental Fund for Implementation of Community Recommendations (SFICR)**

- Beginning balance is \$20 million, following a \$5 million transfer in FY22.

- If the Board approves the SSAD implementation plan, which is expected to be reviewed around March 2022, ICANN org will recommend to the Board the use of the SFICR for the SSAD ODP (Operational Design Phase) and implementation.

**Reserve Fund**

- Beginning balance is \$175 million following a \$15 million transfer in FY22.
- Ending balance is estimated at \$181 million, which is over 14 months of operating expenses and above the 12-month minimum set by the Reserve Fund replenishment strategy approved by the Board in October 2018.

**Auction Proceeds**

- Beginning balance is \$213 million and ICANN org is projecting \$1 million in interest gains.

*(See Appendix for financial information regarding FY22)*

## 3.2 Headcount

### 3.2.1 Subsequent Procedures ODP Headcount Overview

Of the 25 New gTLD Program positions in the chart in the previous section, 22 Full-Time Equivalents (FTEs) will be hired in FY23 to support the Subsequent Procedures ODP. The average headcount of 423 and ending headcount of 427 (including 37 new hires) mentioned in the FY23 plans refer to that of ICANN Operations, which excludes both the Subsequent Procedures ODP and the 2012 Round of the New gTLD Program. Please see the following subsection for more information about the FY23 Headcount and Personnel Budget for ICANN Operations.

As referenced in the appendix section 6.5 of this document, the Board authorized a range of US\$7-\$9 million of direct expenses to fund the resources needed for ICANN org to initiate and conduct the Subsequent Procedures ODP. This work will build the design and lead to a more efficient and effective implementation. ICANN org is using a general assumption that the Subsequent Procedures ODP phase will be followed, after Board approval, by a phase of preparation for the next round of the New gTLD Program and, therefore, in many cases, FTE resources may be hired to handle the ODP work. Each FTE or temporary resource translates to approximately 1,800 working hours per year.

A key component of the expenditures will be additional personnel for ICANN org to increase its capacity. Some of the new resources will directly support the Subsequent Procedures ODP, while some will backfill for existing positions that will be supporting the ODP (and program preparation work after Board adoption) and transitioning prior work. ICANN will be seeking a combination of temporary resources and FTEs to support this project. Work that is temporary in nature and will no longer continue once the Subsequent Procedures ODP 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 FTEs.

### 3.2.2 ICANN Operations Headcount Overview

ICANN org begins budgeting for headcount and personnel with existing staff. The FTEs and personnel dollars in ICANN org's service groups and functional activities reflect only the current state of headcount of ICANN Operations. ICANN org then budgets for new positions. The 37 new hires budgeted in FY23 roughly corresponds to the open positions that ICANN org is currently recruiting for across a variety of functions.

The 37 new hires are not allocated to specific service groups and functional activities. ICANN org budgets several months in advance and anticipates that throughout the fiscal year the functional teams will determine when new positions or resources are needed in light of planned work, undertaking new work as confirmed, or due to unplanned staff attrition. Because of the variables and unknowns, ICANN org leaves an amount of open positions unallocated to service groups and functional activities, and presents them at the total organizational level. As and

when position requests have been submitted and approved (see subsection below for an overview of this process), they are accurately reported into the appropriate functional activities.

ICANN Operations headcount in FY23 is shown as 427 in some areas and 423 in others. The headcount total of 427 in section 4.4 of this document reflects the FTEs at the end of the fiscal year, whereas other areas of the document refer to the average FY23 headcount of 423 throughout the fiscal year. The difference between ending and average headcount is due to the assumption that headcount will be added gradually throughout the fiscal year. ICANN org reports both figures, as ending headcount is a better metric to understand capacity and resource planning while average headcount is a better metric to analyze costs. ICANN org will clarify this distinction going forward.

### 3.2.3 ICANN Operations Headcount Growth

ICANN Operations' workload is currently expanding in volume and complexity, creating the need to increase the number of staff and diversity of skillset. It is clear in the foreseeable future that the workload of the ICANN ecosystem is going to increase, specifically for the org, which is responsible for facilitating the community's development of policies and advice as well as implementing policies, advice, and recommendations. Some examples of projects that new resources will support include but are not limited to: (i) addressing approximately 250 recommendations from reviews and CCWGs (e.g., ATRT3, SSR2, CCT, RDS, WS2, Effectiveness of the Multistakeholder Model (MSM), and others); and (ii) the RSS governance model. In addition, there are other initiatives outside of ICANN Operations, such as the next round of the New gTLD Program and a grant distribution program of the auction proceeds, which will have separate funding and require additional resources. The workload expansion driven by these projects and activities is also expected to require a strengthening of the organization's support infrastructure, such as support functions and systems.

While headcount is projected to increase through FY23, ICANN org has assumed that ICANN Operations headcount will remain flat throughout the five year period of FY23-27. This projection assumes that ICANN org will be able to meet its needs with the increased personnel resources given the current or near-term workload of ICANN Operations. As new projects get approved by the Board, the org will reassess headcount projections in future planning processes.

### 3.2.4 Process for Adding Headcount

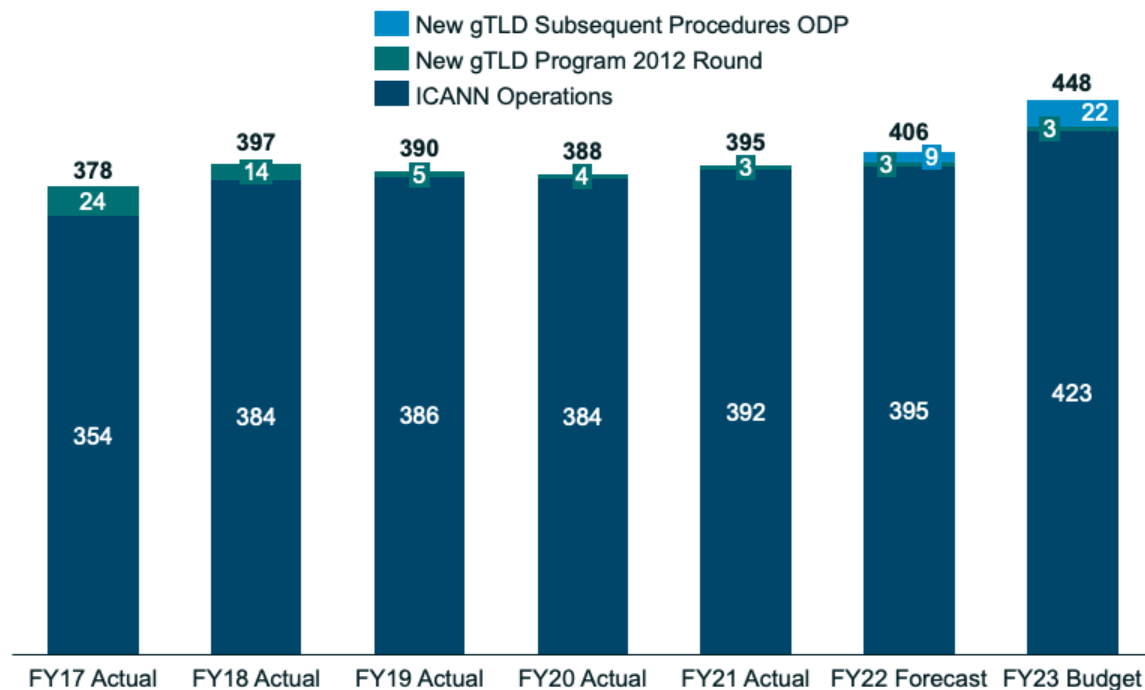
When an ICANN org executive requests a new position or to replace an existing vacant position, the request must be approved by the President and CEO, the SVP, Planning and CFO, and the SVP, Global Human Resources (HR). These three executives meet monthly to review the org's headcount level and the list of hiring requests submitted and justified by each executive with HR's help. This systematic process allows the organization to strategically evaluate each new hire, controlling headcount levels, and ensuring proper allocation of resources. This measure and other measures help ensure that the org has adequate headcount to accomplish its strategic and operational goals, and have helped the org maintain a stable headcount over the past five years.



In addition, ICANN org utilizes an internal volunteer program for short term needs that also provide a development opportunity for staff internally, and leverages temporary labor for some needs when available and appropriate. Adding new positions is not always the best solution for resource needs and ICANN org is strategic and thoughtful about increasing headcount. ICANN org recognizes the importance of a structured and carefully considered approach to the approval of both additional hiring or back-filling existing vacant positions in order to be good stewards of ICANN’s funding and to ensure permanent hiring decisions are long-term focused.

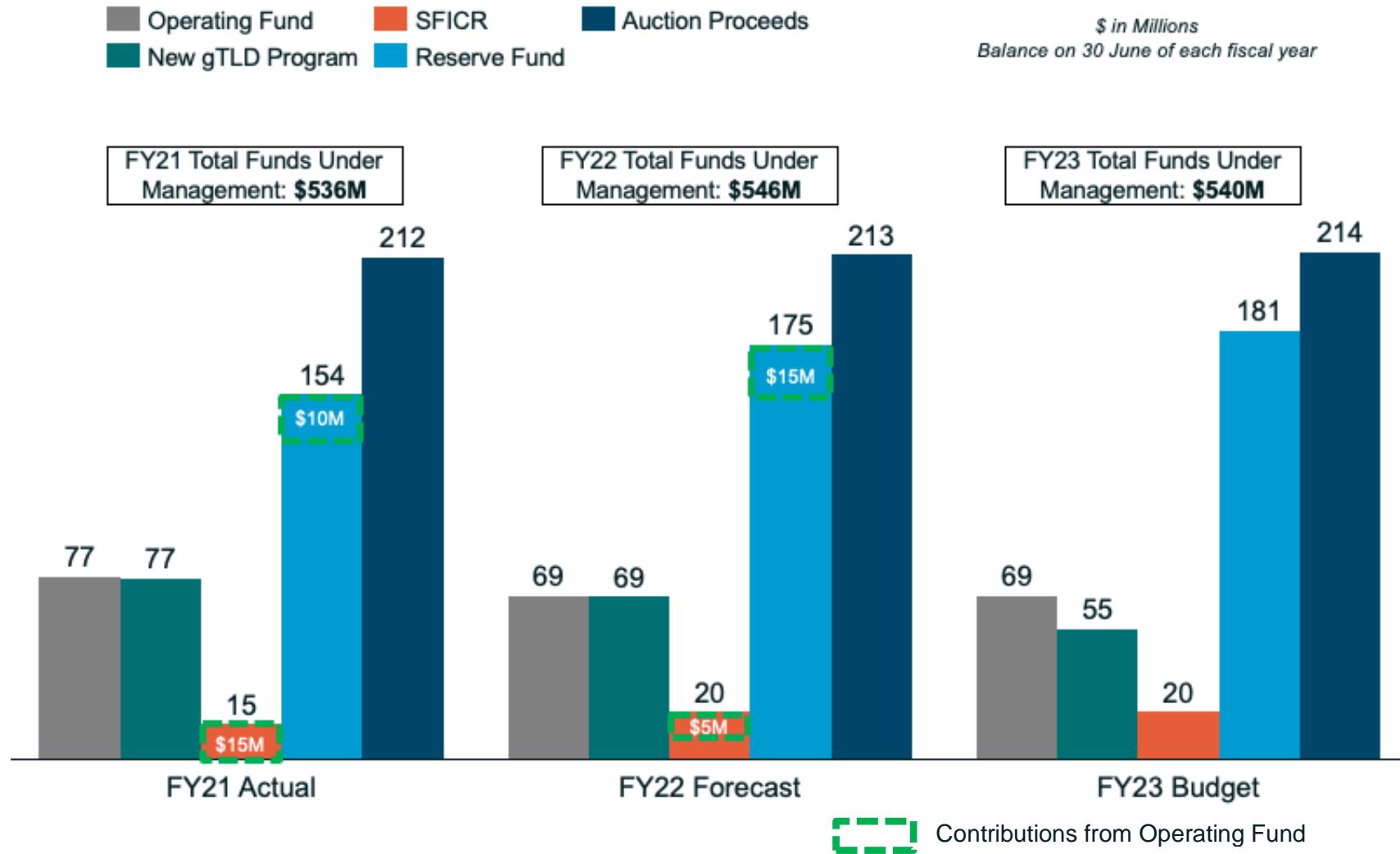
### 3.2.5 Average Headcount Trends

The following headcount chart shows the average number of ICANN org personnel working under each segment of Total ICANN. New gTLD Program 2012 Round personnel shown below reflect direct staff and allocations from ICANN Operations of staff working on processing applications received in 2012. Starting in FY22, ICANN org plans to hire new personnel in support of the Subsequent Procedures ODP.



### 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.



The Operating Fund covers day-to-day operations. The Supplemental Fund for Implementation of Community Recommendations (SFICR) was created in FY21 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. All three funds are governed in accordance with the [ICANN Investment Policy](#).

The New gTLD Program 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 risks), and starting in FY22, to cover the New gTLD Subsequent Procedures ODP. Auction Proceeds come from ICANN auctions held to resolve string contention in the New gTLD Program 2012 Round. The Auction Proceeds are reserved and earmarked until the Board approves a plan for the appropriate use of the funds after consultation with the community. 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 FY23 despite the uncertainty from the impact of COVID-19. The funds under management listed in the FY23 Proposed for Adoption Budget reflect the following:

- Based on net excess generated in the Operating Fund from FY21:
  - In July 2021, the Board approved a \$15 million transfer from the Operating Fund to create the SFICR (reflected in FY21 ending balance for presentation purposes).
  - In July 2021, the Board approved a \$5 million transfer from the Operating Fund to the Reserve Fund (reflected in FY22 ending balance).
  - In October 2021, the Board approved a \$5 million transfer to the SFICR and a \$10 million transfer to the Reserve Fund from the Operating Fund (reflected in FY22 ending balances).
- Additional transfers will be assessed at the end of the FY22.
- Each fund is projecting interest gains according to its corresponding investment policy as referenced above.

### 3.3.1 Supplemental Fund for Implementation of Community Recommendations

The Supplemental Fund for Implementation of Community Recommendations (SFICR) was created in FY21 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. These projects are essential to ICANN and included within the strategic and operating plans. Due to their size and length, the funding of these projects is unlikely to happen with ICANN's annual funding, which is largely committed to existing activities every year.

The governance of the SFICR is defined in the [ICANN Investment Policy](#). Its funding and expenses are evaluated annually during the planning process as well as periodically by the Board Finance Committee (BFC) and Board. The following section will address key facts about the SFICR and a potential utilization of it in FY23.

#### **SFICR Milestones**

- On 27 April 2021, ICANN org held a webinar with the community to discuss work prioritization and the SFICR.
- On 12 May 2021, the Board [approved](#) the creation of the SFICR and the revised ICANN Investment Policy that establishes the SFICR governance.
- On 22 July 2021, the Board [approved](#) a \$15 million transfer from the Operating Fund to the SFICR as initial funding.
- On 28 October 2021, the Board [approved](#) a \$5 million transfer from the Operating Fund to the SFICR.

Please refer to the [SFICR FAQ](#) document on the Finance and Planning Community Wiki for additional explanations and frequently asked questions about the SFICR.

#### **FY23 Planning**

Although the SSAD ODP is already in progress, the Board has not yet approved for the SFICR to be the funding source for this project. If the Board approves the SSAD implementation plan, which is expected to be reviewed around March 2022, ICANN org will recommend to the Board the use of the SFICR for the SSAD ODP and implementation. No other project or activity is currently planned to use funds in the SFICR. The Board will review candidates for SFICR funding throughout the fiscal year.

### 3.3.2 Reserve Fund

The Reserve Fund is a pillar of ICANN's financial sustainability and critical to ICANN's ability to fulfill its mission. During FY21 and FY22, ICANN's Reserve Fund has continued to exceed its minimum target level and to grow, thanks to further allocations from the Operating Fund adopted by the Board. Continuous focus is necessary to ensure that the Reserve Fund always meets or exceeds its minimum level in the future.

## 4 ICANN Operations

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

### 4.1 FY23 Proposed for Adoption Budget versus FY22 Forecast

In Millions, USD	FY23 Budget	FY22 Forecast	Under/(Over) vs. FY22 Forecast	
	ICANN Operations	ICANN Operations	\$	%
<b>Funding</b>	<b>\$152.0</b>	<b>\$149.1</b>	<b>\$3.0</b>	<b>2%</b>
Personnel	86.5	78.4	(8.1)	-10%
Travel & Meetings	14.3	4.7	(9.6)	-206%
Professional Services <sup>(1)</sup>	29.7	26.8	(2.9)	-11%
Administration	19.3	16.9	(2.4)	-14%
Capital	2.2	2.5	0.4	15%
<b>Total Operating Expenses</b>	<b>\$152.0</b>	<b>\$129.4</b>	<b>(\$22.7)</b>	<b>-18%</b>
<b>Net Operating Excess/(Deficit)</b>	<b>\$0.0</b>	<b>\$19.7</b>	<b>(\$19.7)</b>	<b>-100%</b>
<b>Average Headcount</b>	<b>423</b>	<b>394</b>	<b>(29)</b>	<b>-7%</b>

<sup>(1)</sup> Includes Contingency expense which is unallocated to specific activities or functions

The following table compares ICANN Operations financials from the FY23 Proposed for Adoption Budget to the FY22 Forecast financials. The FY22 Forecast is based on four months of actual data and eight months of estimates. The FY23 Proposed for Adoption Budget figures assume unrestricted travel for the entire fiscal year, whereas the FY22 Forecast figures assume pandemic-related travel restrictions for the first nine months of the fiscal year.

Compared to the FY22 Forecast funding, the FY23 Proposed for Adoption Budget funding is \$3 million higher, driven by growth in domain name transactions per historical trends. The FY23 Proposed for Adoption Budget expenses are \$23 million higher than FY22 Forecast expenses, driven by two incremental face-to-face ICANN Public Meetings, as well as more headcount and inflationary personnel expenses. Future contributions to the ICANN Reserve Fund and SFICR will be assessed at the end of FY22.

## 4.2 Funding

As done in prior years, ICANN org has developed three scenarios to estimate funding. The “Medium” scenario is reflected in the FY23 Proposed for Adoption Budget figures. In addition, ICANN org 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 org 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 FY23 projections. The information in the “Medium Estimate” column corresponds to the FY23 funding included throughout the FY23 Proposed for Adoption Budget. References to growth and declines are in comparison with the FY22 Forecast.

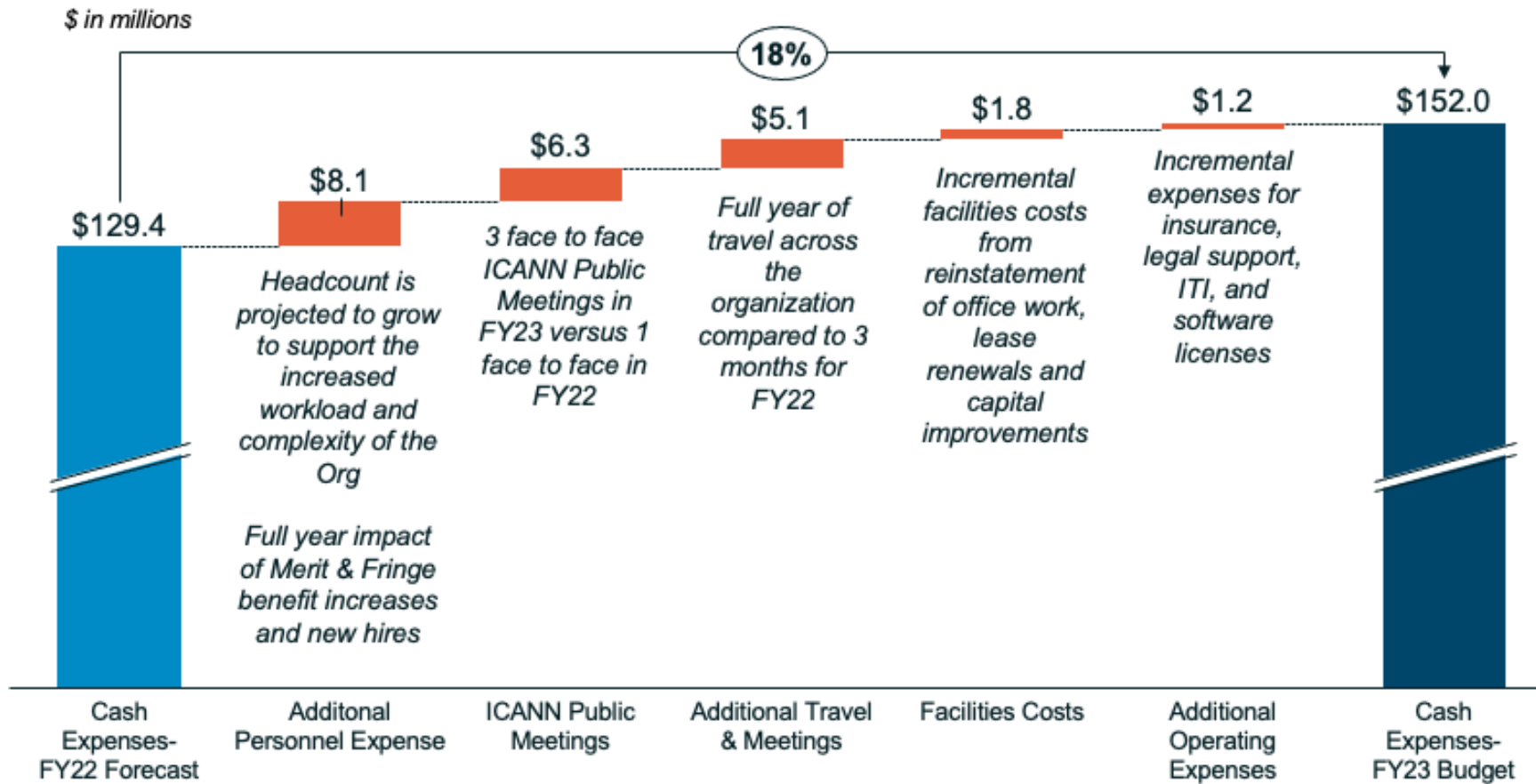
	Funding Type	Medium Estimate	High Estimate	Low Estimate
<b>Legacy TLDs</b>	Transaction-based Fees	3% growth	9% growth	(14%) decline
<b>New TLDs</b>	Fixed Fees	Decrease of 4 TLDs, starting FY23 with 1,149 and ending with 1,145	Decrease of 3 TLDs, starting FY23 with 1,149 and ending with 1,146	Decrease of 47 TLDs, starting FY23 with 1,149 and ending with 1,102
	Transaction-based Fees	4% growth	17% growth	(19%) decline
<b>Registrar Accreditation</b>	Application Fees	Reflects 28 new registrar accreditation applications	Reflects 60 new registrar accreditation applications	Reflects no new registrar accreditation applications
	Accreditation Fees	Registrar base grows by 28 accreditations	Registrar base grows by 60 accreditations	Registrar base declines by (175) 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 chart below shows a breakdown of ICANN Operations funding. Figures from the FY23 Proposed for Adoption Budget reflect the information from the medium estimate shown in the previous chart compared to figures from the FY22 Forecast. The high and low scenarios from the previous chart are also shown as other scenarios.

In Millions, US Dollars	FY23 Budget	FY22 Forecast	Over / (Under)		Other FY23 Scenarios	
			\$	%	High	Low
<b>Transactions</b>						
Legacy TLD transaction fees	\$ 93.1	\$ 90.1	\$ 3.0	3%	\$ 98.0	\$ 77.8
New gTLD transaction fees	9.9	9.5	0.4	4%	11.1	7.7
<b>Sub-total</b>	<b>103.0</b>	<b>99.6</b>	<b>3.4</b>	<b>3%</b>	<b>109.1</b>	<b>85.5</b>
<i>Volume: Legacy TLD transactions (millions)</i>	201.2	193.6	7.6	4%	210.6	167.3
<i>Volume: New gTLD transactions (millions)</i>	25.8	24.8	1.0	4%	28.8	20.1
<b>Sub-total</b>	<b>227.1</b>	<b>218.4</b>	<b>8.7</b>	<b>4%</b>	<b>239.4</b>	<b>187.5</b>
<i>Volume: New gTLD billable transactions (millions)</i>	21.1	20.3	0.8	4%	23.7	16.5
<i>New gTLD Billable rate - average</i>	81.8%	81.8%	(0%)		82.4%	81.8%
<b>Registry Fixed Fees</b>	<b>28.7</b>	<b>28.9</b>	<b>(0.3)</b>	<b>(1%)</b>	<b>28.7</b>	<b>27.7</b>
<i>Count of total Registries/TLDs - at end of year</i>	1,145	1,149	(4)	(0%)	1,146	1,102
<b>Registrars Accreditation</b>						
Application fees	0.1	0.2	(0.1)	(59%)	0.2	-
Accreditation fees - annual	9.7	9.7	0.0	0%	9.9	9.2
Per-registrar variable fees	3.4	3.4	-	-	3.4	3.4
<b>Sub-total</b>	<b>13.3</b>	<b>13.4</b>	<b>(0.1)</b>	<b>(1%)</b>	<b>13.5</b>	<b>12.6</b>
<i>Count of total Registrars - at end of year</i>	2,447	2,419	28	1%	2,479	2,244
<b>Contributions</b>						
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	-	-	-	-	-	-
<b>Sub-total</b>	<b>7.1</b>	<b>7.1</b>	<b>-</b>	<b>-</b>	<b>7.1</b>	<b>7.1</b>
<b>ICANN Ops Funding</b>	<b>\$ 152.0</b>	<b>\$ 149.1</b>	<b>\$ 3.0</b>	<b>2%</b>	<b>\$ 158.4</b>	<b>\$ 132.9</b>

### 4.3 Cash Expenses

The chart below shows the variances between the cash expenses of the FY22 Forecast and the cash expenses of the FY23 Proposed for Adoption Budget. While the FY22 Forecast expenses were impacted by the COVID-19 pandemic, ICANN org assumes that most activities will occur in FY23 without impact from the pandemic. Excluding the impact of incremental expenses due to a return to full meeting operations post COVID-19, the FY23 Proposed for Adoption Budget expenses are growing at about 8.5 percent over expenses of the FY22 Forecast. Please note the bars in the chart are not to scale.





## 4.4 Expenses by Service Group and Functional Activity

The following table compares the ending headcount (as FTE or Full-Time Equivalent) and expenses by ICANN Operations service group in the FY23 Proposed for Adoption Budget with the headcount and expenses in the FY22 Forecast. 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 [here](#).

In millions, USD Service Group / Functional Activity	FY23 Budget Expenses				FY22 Forecast Expenses				Increase/(Decrease) Expenses			
	FTE <sup>1</sup>	Pers.	Non Pers. <sup>2</sup>	Total	FTE <sup>1</sup>	Pers.	Non Pers. <sup>2</sup>	Total	FTE <sup>1</sup>	Pers.	Non Pers. <sup>2</sup>	Total
Technical and DNS Security	73	\$14.9	\$10.4	\$25.3	73	\$14.2	\$5.9	\$20.1	0	\$0.6	\$4.6	\$5.2
Policy Development and Implementation Support	73	\$13.9	\$6.9	\$20.8	71	\$12.6	\$4.4	\$16.9	2	\$1.4	\$2.5	\$3.9
Community Engagement & Services	92	\$18.7	\$12.5	\$31.2	91	\$17.4	\$8.2	\$25.6	1	\$1.4	\$4.2	\$5.6
ICANN Org Governance	34	\$11.2	\$7.7	\$18.9	34	\$10.8	\$6.7	\$17.5	0	\$0.4	\$1.0	\$1.4
ICANN Org Shared Services	118	\$24.6	\$24.0	\$48.6	118	\$22.2	\$21.5	\$43.8	0	\$2.3	\$2.5	\$4.8
<b>Subtotal <sup>3</sup></b>	<b>390</b>	<b>\$83.3</b>	<b>\$61.5</b>	<b>\$144.8</b>	<b>387</b>	<b>\$77.2</b>	<b>\$46.7</b>	<b>\$123.9</b>	<b>3</b>	<b>\$6.1</b>	<b>\$14.8</b>	<b>\$20.9</b>
Budgeted New Hires	37	\$5.7	\$0.0	\$5.7	23	\$2.6	\$0.0	\$2.6	14	\$3.1	\$0.0	\$3.1
Contingency	0	\$0.0	\$6.0	\$6.0	0	\$0.0	\$5.2	\$5.2	0	\$0.0	\$0.8	\$0.8
Organizational Adjustments and Allocations	0	(\$2.4)	(\$2.0)	(\$4.5)	0	(\$1.4)	(\$1.0)	(\$2.4)	0	(\$1.1)	(\$1.0)	(\$2.1)
<b>Total</b>	<b>427</b>	<b>\$86.5</b>	<b>\$65.5</b>	<b>\$152.0</b>	<b>410</b>	<b>\$78.4</b>	<b>\$50.9</b>	<b>\$129.4</b>	<b>17</b>	<b>\$8.1</b>	<b>\$14.6</b>	<b>\$22.7</b>

<sup>1</sup> Full-Time Equivalents at the end of the fiscal year

<sup>2</sup> Non Personnel Expenses include Travel & Meetings, Professional Services, Administration and Capital

<sup>3</sup> Subtotal of allocated Functional Activities. Items below the Subtotal are not allocated and are defined in the Glossary of the FY23 Budget document

## 4.5 Travel and Community Engagement

### 4.5.1 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 FY22 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 FY22 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 Council	GNSO
Next Generation	NextGen
Root Server System Advisory Committee	RSSAC
Security and Stability Advisory Committee	SSAC
Nominating Committee Selectees	NomCom Selectees

ICANN Meeting Constituent Travel by SO/AC	ICANN75 – Kuala Lumpur		ICANN76 – Cancun		ICANN77 - TBD	
	TRIPS	AMOUNT	TRIPS	AMOUNT	TRIPS	AMOUNT
ALAC	29	\$85,840	29	\$69,790	29	\$85,840
Fellows	45	\$127,800	45	\$107,100	45	\$127,800
ccNSO	17	\$51,760	17	\$41,230	17	\$51,760
GAC	40	\$113,600	40	\$95,200	40	\$113,600
GNSO	51	\$148,320	51	\$122,150	51	\$148,320
NextGen	15	\$42,600	15	\$35,700	15	\$42,600
RSSAC	6	\$24,000	6	\$15,820	6	\$24,000
SSAC	16	\$48,920	16	\$38,850	16	\$48,920
Technical Liaison Group	8	\$50,560	8	\$25,200	8	\$50,560
Incoming Travelers	5	\$14,200	0	\$0	0	\$0
NomCom Selectees	5	\$14,200	0	\$0	0	\$0
<b>Total</b>	<b>237</b>	<b>\$721,800</b>	<b>227</b>	<b>\$551,040</b>	<b>227</b>	<b>\$693,400</b>
<b>ICANN Meetings Subtotal</b>	<b>\$1,966,240</b>					

OTHER SO/AC Events	Amount
Placeholder for SO-AC Additional Budget Requests	\$300,000
AFRALO General Assembly	\$138,040
APRALO General Assembly	\$147,560
GNSO - GDD Summit/Working Sessions	\$41,860
GAC High Level Government Meeting (HLGM)	\$56,800
GAC Capacity Development Workshop	\$39,760
CROP Program	\$50,400
<b>Total</b>	<b>\$774,420</b>

<b>FY23 Budget - Constituent Travel</b>	<b>\$2,740,660</b>
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## 4.5.2 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 FY23 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.

After a review of the approved FY21 Adopted Budget ABRs, ICANN org determined that eight ABRs should be included in the core ICANN org Budget and, as such, will not be eligible for ABR submissions in the FY23 Budget cycle. Starting in FY22, the following activities are part of the core ICANN Budget on an annual basis. It is important to note that moving an activity to the core Budget does not guarantee that it will be funded each year.

Organization	ABR Title	Approved Amount
ALAC	RALO Discretionary Funding - policy-related engagement activities such as At-Large Structure read out sessions, registration fees, displays, graphics and travel	20,000
ALAC	Real Time Captioning RTT services in English and Spanish	18,000
BC	Production of BC Outreach materials, primarily Newsletters and Factsheets specific to events	15,000
GAC	Continuation of GAC Capacity Development Workshops	40,000
GAC	Additional Travel Support for Senior Government Travelers to the High-Level Government Meeting (HLGM) at ICANN Public Meetings	60,000
GNSO	GNSO Council Strategic Planning Session	65,000
GNSO	GNSO Additional Community Travel Support Funding	19,500
NCUC	Communication support	15,000
<b>Total</b>		<b>\$252,500</b>

No FY22 ABRs were added to the core ICANN org Budget. In FY23, the available ABR Budget remains at \$300,000 which is in line with prior year Budgets and approvals. After review of the FY23 Additional Budget Request Submissions, 5 submissions out of the 20 requests were approved for \$0.1M for the FY23 Budget. ICANN org will keep the remaining \$0.2M of ABR budget as a contingency fund for unforeseen

community needs and requests that may arise during FY23. More detailed information on the FY23 Additional Budget Requests can be located on the ICANN wiki [here](#).

Request No.	Organization	ABR Title	Approved Amount
FY23-06	RySG	GDD Summit Travel	56,000
FY23-09	NCUC	Online Engagement Training, Enhance web presence and promotional materials	0
FY23-13	ALAC	Diversity in ICANN Leadership bodies	14,000
FY23-16	ISPCP	Outreach Materials	15,000
FY23-20	BC	Outreach Materials	15,000
Community Contingency	All	Placeholder of approved funds for unforeseen community expenses and/or programs	200,000
	<b>Total</b>		<b>\$300,000</b>

### 4.5.3 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, conducting business deals, and interacting with members of the ICANN community, Board, and org. 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 person. 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, since March 2020 ICANN Public Meetings have been conducted in a virtual format, and therefore, reflect cost savings. For the FY23 Proposed for Adoption Budget, the assumption has been made that all ICANN Public Meetings will return to a face-to-face format.

In Millions, US Dollars	Meeting Format	Actuals	Budget
ICANN77 - TBD	Policy	n/a	\$3.4
ICANN76 - Cancun	Community	n/a	\$3.7
ICANN75 - Kuala Lumpur	AGM	n/a	\$3.7
<b>Total FY23 ICANN Meetings</b>		<b>n/a</b>	<b>\$10.8</b>
ICANN74 - The Hague	Policy	n/a	\$3.5
ICANN73 - San Juan	Community	n/a	\$3.8
ICANN72 - Seattle (Virtual)	AGM	\$0.5	\$3.5
<b>Total FY22 ICANN Meetings</b>		<b>\$0.5</b>	<b>\$10.8</b>
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
<b>Total FY21 ICANN Meetings</b>		<b>\$1.5</b>	<b>\$11.6</b>
ICANN68 - Kuala Lumpur (Virtual)	Policy	\$0.4	\$3.4
ICANN67 - Cancun (Virtual) <sup>1</sup>	Community	\$1.4	\$4.2
ICANN66 - Montreal	AGM	\$3.6	\$4.0
<b>Total FY20 ICANN Meetings</b>		<b>\$5.4</b>	<b>\$11.6</b>

<sup>1</sup> ICANN67 - Cancun (Virtual) expenses are higher than other virtual meetings due to one-time technical investments, good faith payments, and cancellation fees incurred due to timing of face-to-face meeting cancellation

## 4.6 Risks and Opportunities

This section identifies risks and opportunities in the FY23 Proposed for Adoption 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 losses of domain registrations and contracted parties	-\$3.0 million	Low
Expense: Increased cost of traveling and operating due to the pandemic	-\$1.5 million	Medium
Expense: GDPR compliance	TBD	Medium

Opportunities	Potential Amount	Probability
Expense: Lower travel and meetings due to travel restrictions	+\$4.0 million	Medium
Expense: Personnel savings from difficulties in hiring new staff	+\$2.0 million	Medium
Funding: Higher than planned growth as a result of digitalization	+\$2.0 million	Low



## 4.7 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 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 org operations over the five-year period, the FY23–27 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 FY23 Proposed for Adoption Budget is \$6.0 million (approximately 4% of budgeted expenses).

## 4.8 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 Plan. The IANA FY23 Operating Plan and Budget is a component of ICANN's FY23 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 fiscal year.

Consultations were conducted with stakeholders on the IANA FY23 Operating Plan and Budget priorities. After developing a final proposed draft, the Draft IANA FY23 Operating Plan and Budget was published for Public Comment from 15 September 2021 through 25 October 2021. A report of submissions for Public Comment was published on 30 November 2021. The completed FY23 IANA Operating Plan and Budget was adopted by the ICANN Board on 24 February 2022.

ICANN org receives input from PTI on its Budget and then develops an IANA Budget each year. The IANA FY23 Operating Plan and Budget is \$10.4M, of which \$9.8M is for PTI activities and \$0.6M is for IANA support activities not performed by PTI. The IANA FY23 Budget is \$0.1M higher than the FY22 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 is \$0.1M lower compared to the support activities component in the FY22 IANA Budget due to the mix of personnel support. Overall, the services remain the same to the FY22 Budget.

FY23 IANA Budget in Millions, USD	FY23 IANA Budget	FY22 IANA Budget	Under/(Over)		FY21 IANA Actuals
			Total	%	
<b>FUNDING</b>	<b>\$10.4</b>	<b>\$10.3</b>	<b>(\$0.1)</b>	<b>-0.5%</b>	<b>\$8.3</b>
Personnel	\$6.5	\$6.4	(\$0.1)	-2.2%	\$5.9
Travel & Meetings	\$0.6	\$0.6	\$0.0	3.9%	\$0.0
Professional Services	\$1.6	\$1.6	\$0.0	1.8%	\$1.1
Administration	\$0.9	\$0.9	(\$0.0)	-5.4%	\$1.0
Contingency	\$0.5	\$0.5	\$0.0	0.0%	\$0.0
Capital	\$0.3	\$0.3	\$0.0	0.0%	\$0.3
Depreciation <sup>(1)</sup>	\$0.0	\$0.1	\$0.1	83.2%	\$0.0
<b>TOTAL CASH EXPENSES</b>	<b>\$10.4</b>	<b>\$10.3</b>	<b>(\$0.1)</b>	<b>-0.5%</b>	<b>\$8.3</b>
<b>EXCESS/(DEFICIT)</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>0.0%</b>	<b>\$0.0</b>
<b>Average Headcount</b>	23.5	23.5	0.0	0.0%	22.3

(1) Depreciation is treated as a cash expense for PTI since it will be reimbursed to ICANN

FY23 IANA Budget in Millions, USD	FY23 IANA Budget	FY22 IANA Budget	Under/(Over)		FY21 IANA Actuals
			Total	%	
PTI Budget	\$9.8	\$9.7	(\$0.1)	-1.1%	\$7.7
IANA Support Activities <sup>(2)</sup>	\$0.6	\$0.6	\$0.1	8.8%	\$0.6
<b>TOTAL</b>	<b>\$10.4</b>	<b>\$10.3</b>	<b>(\$0.1)</b>	<b>-0.5%</b>	<b>\$8.3</b>

(2) IANA Support Activities include 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 gTLD Program 2012 Round

The New gTLD Program 2012 round is a \$360 million multiyear program launched in 2012 to create new generic top-level domains (gTLDs). A key goal of the program is to enhance competition, innovation, and consumer choice.

### 5.1 Multiyear View

ICANN org periodically reviews the total estimated costs of the New gTLD Program 2012 round and currently estimates that this program will end sometime after fiscal year 2023.

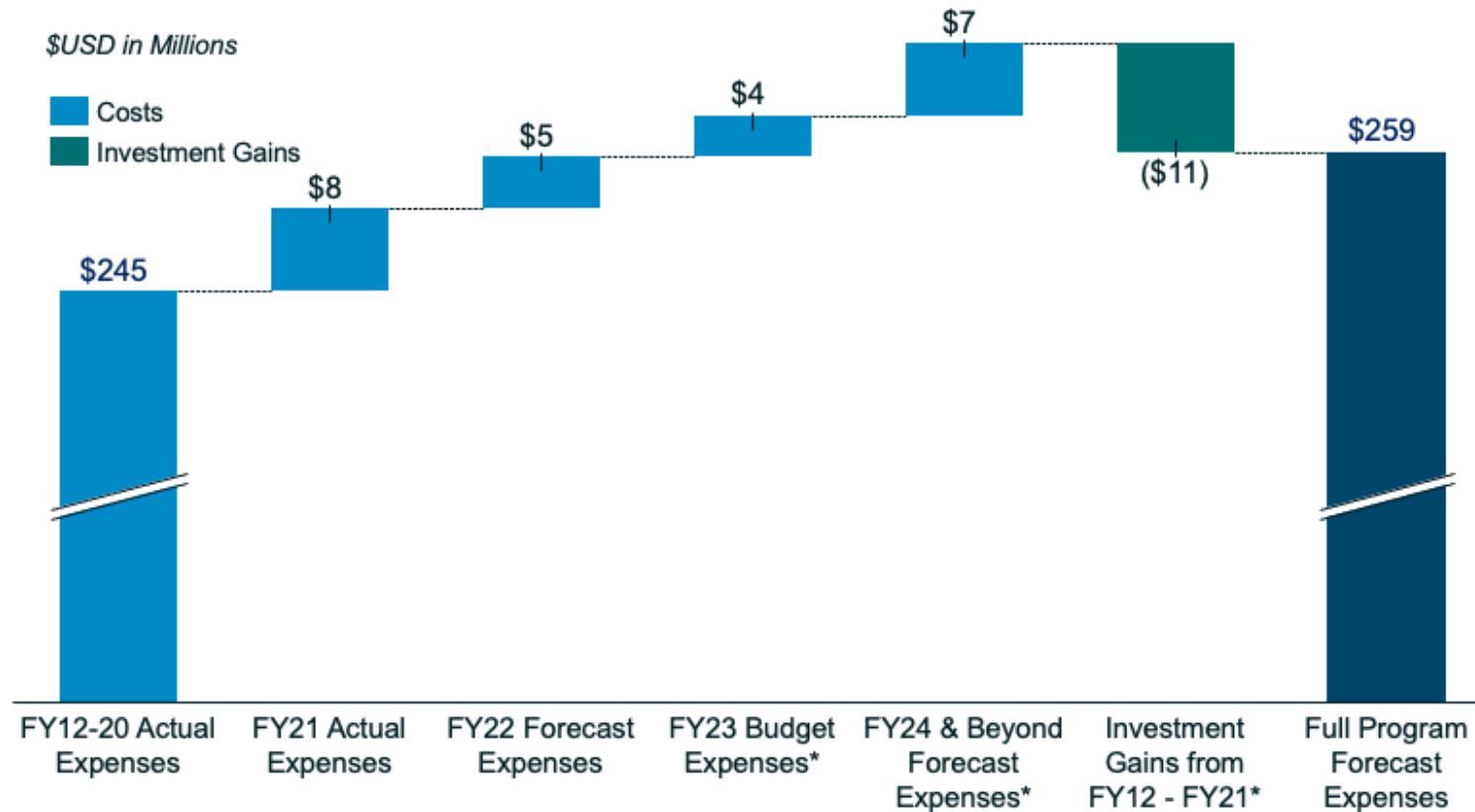
Starting with FY21, all public, private, and non-profit entities, including ICANN, were required to adopt a new revenue recognition standard (ASC 606) issued by the Financial Accounting Standards Board. The adoption of ASC 606 had no impact on ICANN's funding or cash balances. The adoption of ASC 606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

The following chart reflects the adoption of the new revenue recognition standard in addition to multiyear cost projections. Risk costs 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 (Dec 2021) Current Estimate
	FY12 - FY20 Actual	FY21 Actual	FY22 Forecast	FY23 Budget	FY24 & Beyond Forecast	
New gTLD Applicant Fees	360	0	0	0	1	361
Refunds	(52)	-	(0)	(0)	(0)	(53)
<b>Applicant Fees (Net of Refunds)</b>	<b>\$ 308</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 308</b>
Initial and Extended Evaluation	(68)	-	-	-	-	(68)
Quality Control and Objection Processes	(11)	-	-	-	-	(11)
Pre-delegation	(12)	-	-	-	-	(12)
Program Costs	(38)	(2)	(3)	(2)	(9)	(54)
Staff Costs	(56)	(1)	(1)	(1)	(1)	(61)
<b>Operating Expenses</b>	<b>\$ (185)</b>	<b>\$ (4)</b>	<b>\$ (4)</b>	<b>\$ (4)</b>	<b>\$ (10)</b>	<b>\$ (206)</b>
Historical Development Costs	(32)	-	-	-	-	(32)
Risk Costs	(25)	(4)	(1)	-	-	(31)
<b>Non Operating Expenses</b>	<b>\$ (58)</b>	<b>\$ (4)</b>	<b>\$ (1)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (63)</b>
<b>Other Income/(Expense)</b>	<b>\$ (2)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (2)</b>
<b>Investment Income/(Expense)</b>	<b>\$ 11</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 11</b>
<b>Total Expenses</b>	<b>\$ (234)</b>	<b>\$ (8)</b>	<b>\$ (5)</b>	<b>\$ (4)</b>	<b>\$ (10)</b>	<b>\$ (259)</b>
<b>Net Remaining New gTLD Funds</b>	<b>\$ 74</b>	<b>\$ (8)</b>	<b>\$ (5)</b>	<b>\$ (3)</b>	<b>\$ (10)</b>	<b>\$ 49</b>

## 5.2 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 \$271 million, which are partially offset by investment gains from FY12–FY21 of \$11 million. This results in total costs of \$259 million, equating to projected remaining funds of \$49 million, which will be reserved for unexpected expenses including risk costs.



\*Risk Costs and Investment Gains are not estimated for future years

## 5.3 Risks and Opportunities

This section outlines the risks and opportunities of the New gTLD Program 2012 round in the FY23 Proposed for Adoption 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 risk	TBD	Medium

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

# 6 Appendix

## 6.1 Registrar Fees

Registrar fees are to be approved by the Board before submitting them to voting by the registrars.

Approximately 2,500 registrars are accredited by ICANN as of 30 September 2021. 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
<b>Application Fees</b>	<p>Application fees are paid one time by prospective registrars at the time of application.</p> <p>In FY23, application fees are estimated to be \$98,000 based on a volume of 28 applications and a fee of \$3,500 per application.</p>
<b>Annual Accreditation Fees</b>	<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 FY23, the annual accreditation fees are estimated at \$9.7 million, based on 2,447 registrars renewing and being newly accredited.</p>

Fee Type	Description
<b>3 Variable Accreditation Fees</b>	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: <ul style="list-style-type: none"> <li>• Per-registrar variable fee</li> <li>• Transaction-based fee</li> </ul>
<b>3.1 Per-Registrar Variable Fees</b>	<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"> <li>• Less than 350,000 gTLD names under its management</li> <li>• No more than 200 attempted adds per successful net add in any TLD</li> </ul> <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>
<b>3.2 Transaction-Based Fees</b>	<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 FY23 Proposed for Adoption 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	FY23 Budget	FY22 Forecast
Registrar Transaction Fees	\$ 40.9	\$ 39.3
Accreditation Fees - annual	9.7	9.7
Per-registrar Variable Fees	3.4	3.4
<b>Total Registrar Funding</b>	<b>\$ 54.0</b>	<b>\$ 52.5</b>

Other FY22 Scenarios	
High	Low
\$ 43.1	\$ 33.7
9.9	9.2
3.4	3.4
<b>\$ 56.4</b>	<b>\$ 46.3</b>



## 6.2 Governance

Name of Fund	Description of Fund
<b>1 Operating Fund, SFICR, and Reserve Fund</b>	These are governed in accordance with the <a href="#">ICANN Investment Policy</a> . Extracts are shown below.
<b>1.1 Operating Fund</b>	Sometimes called the Working Capital 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 (SFICR).
<b>1.2 SFICR</b>	The Supplemental Fund for Implementation of Community Recommendations (SFICR) was created in FY21 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. Its funding and expenses are evaluated annually during the planning process as well as periodically by the Board Finance Committee (BFC) and Board.
<b>1.3 Reserve Fund</b>	<p>The Reserve Fund is ICANN's funding of last resort 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>To address and remediate the depletion of the Reserve Fund that occurred during the IANA stewardship transition, the ICANN Board <a href="#">approved</a> a Reserve Fund replenishment strategy in October 2018. Significant progress has been made and, as of the end of FY21, the ICANN Reserve Fund is now above its minimum target level of 12 months of operating expenses. Continuous focus is necessary to ensure that the Reserve Fund always meets or exceeds its minimum level in the future.</p>

Name of Fund	Description of Fund
<b>2 New gTLD Program and Auction Proceeds</b>	These are governed in accordance with the <a href="#">New gTLD and Auction Proceeds Investment Policy</a> . Please see extracts from this document below.
<b>2.1 New gTLD Program</b>	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 cost (including risks), and starting in FY22, to cover the Operational Design Phase (ODP) of New gTLD Subsequent Procedures.
<b>2.2 Auction Proceeds</b>	The ICANN Auction is a mechanism of last resort to resolve string contention within the New gTLD Program 2012 round. ICANN expects most string contentions to be resolved by other means before reaching an auction conducted by ICANN's authorized auction service provider. Auction Proceeds will be reserved and earmarked until the Board approves a plan for the appropriate use of the funds after consultation with the community. Auction Proceeds are a net of any auction costs. Auction costs may include initial set-up costs, auction management fees, and escrow fees.

## 6.3 Additional Financials

### 6.3.1 Total ICANN FY22 Forecast

<b>Total ICANN Financials</b>		<b>For the Twelve Months Ending 30 Jun 2022</b>				
<b>In Millions, US dollars</b>	<b>ICANN Operations</b>	<b>New gTLD Program <sup>1</sup></b>	<b>SFICR <sup>2</sup></b>	<b>Reserve Fund</b>	<b>Auction Proceeds</b>	<b>Total</b>
<b>Funds Under Management - 30 Jun 2021</b>	<b>77.4</b>	<b>76.5</b>	<b>15.0</b>	<b>154.3</b>	<b>212.2</b>	<b>535.5</b>
Funding	149.1	-	-	-	-	149.1
Personnel	(78.4)	(3.1)	-	-	-	(81.5)
Travel & Meetings	(4.7)	(0.2)	-	-	-	(4.8)
Professional Services	(26.8)	(4.6)	-	-	-	(31.5)
Administration	(16.9)	(0.3)	-	-	-	(17.2)
Capital	(2.5)	(0.0)	-	-	-	(2.6)
Total Expenses	(129.4)	(8.2)	-	-	-	(137.6)
Operating Fund Excess Transfers	(20.0)	-	5.0	15.0	-	-
Change In Market Value	0.2	0.3	0.1	5.9	1.1	7.7
<b>Funds Under Management - 30 Jun 2022</b>	<b>77.4</b>	<b>68.7</b>	<b>20.1</b>	<b>175.2</b>	<b>213.3</b>	<b>554.6</b>
<b>Total Average Headcount</b>	<b>394</b>	<b>12</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>406</b>

<sup>1</sup> New gTLD Program consists of the 2012 Round and the Subsequent Procedures ODP

<sup>2</sup> ICANN org will recommend utilization of the SFICR for the SSAD ODP and implementation work, if the Board approves the implementation plan which will be reviewed ~ March 2022

The chart above starts with funds under management and the beginning balance of each fund as of 30 June 2021, which is the end of FY21. Based on four months of actual data and eight months of estimates in FY22, the following lines of the chart show the funding and expense activities of each fund as it relates to operations. Operating Fund transfers resulting from excess in that fund have been approved by the Board and are detailed below. 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. The result of these activities shows the ending balance of each fund as of 30 June 2022, which is the end of FY22.

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

### **ICANN Operations**

- Funding is \$149 million which reflects recent positive trends, possible negative impacts, and a contribution for ICANN Security, Stability, and Resiliency (SSR) initiatives.
  - \$145 million is ICANN org's base funding, taking into consideration historical data and growth from the past few years as well as possible negative impacts resulting from the pandemic.
  - \$4 million is a contribution for SSR initiatives that are a part of ICANN org's functional activities.
- Expenses are \$129 million, creating an operating excess of \$20 million primarily due to the impact of the pandemic.
  - Personnel expense reflects an average headcount of 394.
  - Travel and meetings expense assumes travel restrictions for the first nine months of the fiscal year.
  - Total expenses include contingency and SSR activities in the cost categories to which they relate.

### **New gTLD Program**

- Expenses are \$8 million.
  - \$4 million is related to the 2012 Round including direct expenses and allocations from ICANN Operations.
  - \$4 million is related to the Subsequent Procedures ODP (expected to begin in early calendar 2022) including direct expenses and allocations from ICANN Operations.

### **Supplemental Fund for Implementation of Community Recommendations (SFICR)**

- Beginning balance is \$15 million following the Board approval to create the SFICR in May 2021 and the Board approval for the initial transfer of \$15 million from the Operating Fund in July 2021.
- A transfer of \$5 million from the Operating Fund was approved by the Board in October 2021.

### **Reserve Fund**

- Beginning balance is \$154 million.
- A transfer \$15 million from the Operating Fund was approved by the Board in October 2021.

- After projected interest gains, the ending balance is \$175 million.

**Auction Proceeds**

- Beginning balance is \$212 million and ICANN org is projecting \$1 million in interest gains.

## 6.3.2 ICANN Operations FY22 Forecast versus FY22 Adopted Budget

In Millions, USD	FY22 Forecast ICANN Operations	FY22 Adopted Budget ICANN Operations	Under/(Over) vs. FY22 Budget	
			\$	%
<b>Funding</b>	<b>\$149.1</b>	<b>\$144.4</b>	<b>\$4.7</b>	<b>3%</b>
Personnel	78.4	80.1	1.7	2%
Travel & Meetings	4.7	13.8	9.1	195%
Professional Services <sup>(1)</sup>	26.8	25.1	(1.8)	-7%
Administration	16.9	16.9	0.0	0%
Capital	2.5	4.0	1.5	59%
<b>Total Operating Expenses</b>	<b>\$129.4</b>	<b>\$143.2</b>	<b>\$13.9</b>	<b>11%</b>
<b>Excess/(Deficit) before Contributions</b>	<b>\$19.7</b>	<b>\$1.1</b>	<b>\$18.6</b>	<b>n/a</b>
Reserve Fund Contribution	0.0	1.1	1.1	n/a
<b>Net Operating Excess/(Deficit)</b>	<b>\$19.7</b>	<b>\$0.0</b>	<b>\$19.7</b>	<b>n/a</b>
<b>Average Headcount</b>	<b>394</b>	<b>405</b>	<b>11</b>	<b>3%</b>

<sup>(1)</sup> Includes Contingency expense which is unallocated to specific activities or functions

The following table compares the ICANN Operations FY22 Forecast to the FY22 Adopted Budget. The FY22 Forecast is based on four months of actual data and eight months of estimates. The FY22 Adopted Budget assumed unrestricted travel for the entire fiscal year, whereas the FY22 Forecast assumes pandemic-related travel restrictions for the first nine months of the fiscal year.

Compared to the FY22 Adopted Budget, the FY22 Forecast funding is \$5 million higher, driven by growth in domain name transactions. Expenses in the FY22 Forecast are \$14 million lower, driven by less travel and meetings than planned because of the pandemic as well as lower than planned headcount.

## 6.4 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 drafted. 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.

## 6.5 Operational Design Phase for New Generic Top Level Domains

### Milestones

- On 21 January 2016, the GNSO Council chartered a Policy Development Process (PDP) for the New gTLD Subsequent Procedures.
- 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 is now considering the Outputs contained in the Final Report. The Final Report Outputs concern complex operational requirements, and the Board will benefit from further due diligence to evaluate the impact of implementing the Final Report Outputs. The Board agreed to undertake further due diligence by initiating 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)).

### Next Steps

In September 2021, the Board authorized a range of [\\$7-\\$9 million](#) of direct expenses to fund the resources needed for ICANN org to initiate and conduct an ODP for the Final Report Outputs. This work will build the design and lead to a more efficient and effective implementation. ICANN org is using a general assumption that the ODP phase will be followed, after Board approval, by a phase of preparation for the next round of the New gTLD Program and, therefore, in many cases, FTE (Full-Time Equivalent) resources may be hired to handle the ODP work, which would have been handled by temporary resources under a different assumption. Each FTE or temporary resource translates to approximately 1,800 working hours per year.

A key component of the expenditures will be additional personnel for ICANN org to increase its capacity. Some of the new resources will directly support the ODP, while some will backfill for existing positions that will be supporting the ODP (and program preparation work after Board adoption) and transitioning prior work. ICANN will be seeking a combination of temporary resources and FTEs to support this project. Work that is temporary in nature and will no longer continue once the ODP 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 FTEs.



<b>Estimated ODP Expenses</b>	<b>Staff/Contractors (estimated range)</b>	<b>USD\$ in millions (estimated range)</b>
Full-Time Equivalent (FTE)	22-34	\$2.8M-\$3.3M
Temporary Resources	10-15	\$1.7M-\$2.2M
External Support and Expertise		\$2.5M-\$3.5M
<b>Total</b>	<b>32-49</b>	<b>\$7.0M-\$9.0M</b>

ICANN org included, in its estimated expenses, a line item to investigate whether it is feasible for ICANN org to facilitate small in-person or hybrid community meeting(s), should travel and meeting conditions allow, to begin generating awareness in underserved regions regarding the potential opportunities of the next 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 such development costs, including those for an 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 ODP relating to the next round.

ICANN org is working under the general assumption that there will be further subsequent rounds of new gTLDs. The estimated resource requirements for the ODP have been calculated to ensure that, under the assumption there will be future rounds, following a Board decision regarding the Final Report, ICANN org will be well positioned to not only support the ODP itself, but to use the additional resources to support implementation planning, implementation, and ongoing operations of the approved policy recommendations.

## 7 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](#).

### 7.1 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 “Draft” 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, and the Operational Design Phase (ODP) of New gTLD Subsequent Procedures. 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 the New gTLD Subsequent Procedures ODP.

### **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.

### **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.

## 7.2 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.

**Budgeted New Hires**

Open positions planned to be hired between the time of publication and the end of FY23. These positions are budgeted at the organizational level instead of being allocated to specific functional activities.

**Cost Savings Initiatives**

ICANN org will often plan to perform cost savings initiatives to achieve a balanced Budget. Because the Budget is done so far in advance, these initiatives are not allocated to specific expense categories but may include reprioritizing activities or negotiating lower costs versus budget.

**Organizational Adjustments and Allocations**

This category includes allocations to the New gTLD Program and the organization's cost savings initiatives. A fraction of ICANN org's expenses, consisting of personnel costs and overhead expenses, are allocated to the New gTLD Program.