Board Report – Montevideo Workshop

September 2017

Period Covering: *30 May 2017 – 28 August 2017*

ICANN Org Executive Team Reports

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ICANN Org Report to the Board

Office of the CEO

Göran Marby, President & CEO

KEY HIGHLIGHTS & MILESTONES

During this period, we made progress on a variety of projects, including the Process Documentation Initiative, finalized our International Office Strategy, and launched a 'Who Does What? project to identify internal ownership for the various projects and tasks being handled by the organization. As part of my efforts to strengthen our core functions and create an organizational succession plan, I met with the Executive Team multiple times during this period, both before and during ICANN59 and at a multi-day retreat in Visby, Sweden. I also attended EuroDIG in Tallin, Estonia, where my goal was to reinforce ICANN's position as a trusted actor within the Internet's infrastructure and ecosystem. A major theme was the upcoming new Europe Data Protection Legislation and its potential impact on WHOIS.

We also saw significant progress made for many of the initiatives the Board and the community have undertaken, but much more work still remains to be done. One of the most important tasks we need to focus on is improving the way we provide information to the community, which will allow them to make better, more well-informed decisions. At the same time, we have to ensure we aren't interfering with any ongoing discussions. We can do this by providing information in a way that makes it possible for the community to come to its own conclusions. The Open Data Initiative is a great example of just that, as is the DAAR project. Finally, I have started meeting with the various SO/AC leaders, which I always do between ICANN meetings. During these meetings, we've discussed long-term financial planning, the meetings strategy, invitations to the SO/AC leadership meeting in Abu Dhabi, the Hubba Bubba Project and GPRD.

OVERVIEW OF ACTIVITY

Our efforts to streamline core organizational functions and processes continues, and we have now finalized our International Office Strategy. Under this new strategy, we've shifted from three global hubs to five regional offices, supported by a network of engagement centers and strategic partnerships around the world. This new approach will allow us to be more responsive to and supportive of regional communities.

The Process Documentation Initiative, also known as 'Hubba Bubba,' has also progressed, with lots of input from the ICANN community. A majority of flowcharts are now completed and are being translated by our Language Services team, and a corresponding handbook being developed for each of the flowcharts. These flowcharts and their handbooks will be posted on our website.

I'm also working closely with the Executive Team to examine ICANN's overall long-term financial plans and develop a comprehensive succession plan for every level of the organization. The findings of the recently launched 'Who Does What' project, where each department is tasked with identifying the projects and tasks they handle and who is assigned to manage them, will also feed into this succession plan.

A significant portion of my travel during this period was dedicated to working closely with the Executive Team. From 22-29 June, I attended ICANN59 in Johannesburg, South Africa, and held a meeting with the Executive Team prior to its start, aimed at preparing for the Board Workshop being held during ICANN59. Shortly after, we regrouped in Visby, Sweden, for a retreat held from 11-13 July. This retreat was an important opportunity to examine the future of the organization and what each department's role is in ensuring that ICANN remains a stable, efficient organization that is transparent, accountable and responsive to the community it supports and fully capable of carrying out its core technical responsibilities.

My global outreach and engagement efforts were concentrated in Europe during this period. I first attended EuroDig, from 5-7 June, where I attended a series of bilateral meetings with key regional stakeholders, and participated in a variety of ICANN-related sessions. I also attended the 17th Meeting of the ICANN Studienkreis from 23-25 August, where I delivered remarks and answered questions on the opening day and attended a variety of program sessions.

TOP ISSUES & MITIGATION
None.

OUTSTANDING ISSUES FROM JUNE 2017 BOARD WORKSHOP
Dates: 23-29 June, 2017
Meeting: Board Workshop, Johannesburg

OUTSTANDING ISSUES
- *Data Protection/Privacy Issues GDPR:*
    o ICANN Org to prepare a list of open issues and risks and track them over time (list of "unknowns").
    o ICANN Org to provide more detailed schedule.
    o ICANN Org to investigate what we can do to maintain the status quo on the update of WHOIS. If no agreement can be reached, further discussion will be needed.
- *Long-Term Financial Planning:*
    o Long-term financial planning process session to be scheduled for the Board's September 2017 Workshop.
- *Financial Strategy:*
    o ICANN Org to keep working on proposal to present revised/final version in Montevideo. Will include edit paper to allow Board to see the two-year option (FY19-FY20)
    o ICANN Org to look at possibilities to change the overall budget process to fix the disjointed timelines (ICANN/PTI), taking into consideration the role of the community in the process (public comment periods) and the bylaws (separation of the strategic plan and the operating plan), and then come back to Board with a proposal.
- *Who Sets ICANN's Priorities:*
    o Discussion to be continued after the Board hears the input from the community in Johannesburg.
    o Invite SO/AC leaders to meetings during ICANN meetings.
- *IANA:*

- o ICANN Org to keep eye on issues arising from the way the structure has been created
- o CEO/CTO/IETF Board liaison and Board Technical Committee to work together to develop a proposal for institutional cooperation on technical matters.
- ***Community Post-Transition Resources Support:***
  - o ICANN Org to move forward on the preparation of a work-back for the input into the FY19 budget.
  - o ICANN Org to frame plan carefully at a very strategic level (develop a process for long - term financial planning).
  - o The Board suggests a two-stage process: (1) Initial input, followed by (2) providing a refined version for public comment and community consultation, with clear ground rules and a possibly widened scope (metrics and criteria).
  - o ICANN Org asked to think, in terms of capacity building, about how to generate more effective participation across the whole ICANN community and manage the process so that it is not only about travel but also providing volunteer-centric views.
  - o ICANN Org to identify impact measurement, showing where investments go and what happens to volunteers.

RESOLUTIONS
24 June 2017 | Regular Meeting of the ICANN Board

Consent Agenda:
- ***Approval of Board Meeting Minutes***
  - o Resolved (2017.06.24.01), the Board approves the minutes of the 18 May 2017 Regular Meeting of the ICANN Board.
- ***Appointment of new member to the SSAC***
  - o Resolved, (2017.06.24.02) that the Board appoints Andrew de la Haije to the SSAC for a three-year term beginning immediately upon approval of the Board and ending on 31 December 2020.
- ***Approval of GNSO Business Constituency Charter Amendments***
  - o Resolved (2017.06.24.03), the ICANN Board approves the BC Charter Amendments. The CEO or his designee is directed to share this resolution with the leadership of the BC. The BC and ICANN organization are further directed to provide access to the new governing document on the appropriate ICANN and BC web pages.
- ***March 2019 ICANN Meeting Venue Contracting***
  - o Resolved (2017.06.24.04), the Board authorizes the President and CEO, or his designee(s), to engage in and facilitate all necessary contracting and disbursements with the convention center and host hotels for the March 2019 ICANN Public Meeting in Kobe, Japan, in an amount not to exceed [AMOUNT REDACTED FOR NEGOTIATION PURPOSES].
  - o Resolved (2017.06.24.05), specific items within this resolution shall remain confidential for negotiation purposes pursuant to Article 3, section 3.5b of the ICANN Bylaws until the President and CEO determines that the confidential information may be released.
- ***November 2019 ICANN Meeting Venue Contracting***
  - o Resolved (2017.06.24.06), the Board authorizes the President and CEO, or his designee(s), to engage in and facilitate all necessary contracting and disbursements with the convention center and host hotels for the November 2019 ICANN Public Meeting in

Montréal, Canada, in an amount not to exceed [AMOUNT REDACTED FOR NEGOTIATION PURPOSES].

- Resolved (2017.06.24.07), specific items within this resolution shall remain confidential for negotiation purposes pursuant to Article 3, section 3.5b of the ICANN Bylaws until the President and CEO determines that the confidential information may be released.

- *Delegation of eight Internationalized Domain Names representing India to the National Internet exchange of India (NIXI)*
  - Resolved (2017.06.24.08), as part of the exercise of its responsibilities under the IANA Naming Function Contract with ICANN, Public Technical Identifiers (PTI) has reviewed and evaluated the request to delegate the eight country-code top-level domains representing India in various languages to National Internet Exchange of India. The documentation demonstrates that the proper procedures were followed in evaluating the request.

- *Representative of the Istanbul Liaison Office*
  - Resolved (2017.06.24.09), effective 31 August 2017, David Olive is removed from his duties as the authorized representative of ICANN's Liaison Office in Istanbul, Turkey, for any and all purposes.
  - Resolved (2017.06.24.10), as of 1 September 2017, Nicholas Tomasso, [PERSONALLY IDENTIFYING CONTACT INFORMATION REDACTED] is appointed as the representative of the Liaison Office in Istanbul, Turkey, with each and every authority to act individually on behalf of ICANN in connection with the activities of the Liaison Office.
  - Resolved (2017.06.24.11), this resolution shall remain confidential as an "action relating to personnel or employment matters", pursuant to Article 3, section 3.5b of the ICANN Bylaws, pending public announcement of the selection of the Representative of the Istanbul Liaison Office.

- *Brussels Branch Manager and Legal Representative*
  - Resolved (2017.06.24.12), Olof Nordling's authority to act as branch manager and legal representative for ICANN's branch office in Brussels, Belgium shall be withdrawn, effective 31 July 2017.
  - Resolved (2017.06.24.13), Jean-Jacques Sahel shall be the new branch manager and legal representative for ICANN's branch office in Brussels, Belgium, effective 1 August 2017 and Mr. Sahel shall not be remunerated for this role.
  - Resolved (2017.06.24.14), Jean-Jacques Sahel be delegated full power to carry out the daily management of ICANN's branch office in Brussels, Belgium including, but not limited to, the following specific powers regarding the operations of such branch:
    1. Represent the corporation vis-à-vis all public authorities, whether governmental, regional, provincial, municipal or other, the Commercial Courts, Crossroads Bank for Enterprises, the Corporate Counters, the Tax Authorities, including the V.A.T. administration, the Postal Checks service, customs, postal, telephone and telegraph services, and all other public services and authorities.
    2. Sign daily correspondence, receive and sign receipts for registered letters or parcels addressed to the corporation through the post, the customs, the rail-, air- and other transport companies and services.
    3. Take out, sign, transfer or cancel all insurance policies and all contracts for supply of water, gas, power, telephone and other utilities for the branch, and pay invoices, bills and other dues relating thereto.

4. Sign and accept all quotations, contracts and orders for the purchase or sale of office equipment and other investment goods, services and supplies necessary for the functioning of the branch which do not obligate the corporation to expend more than 500 Euro.
5. Take or grant leases, including long term leases, on real estate, equipment or other fixed assets and enter into leasing agreements with respect to the same, upon approval from President and CEO of ICANN or ICANN's Board of Directors.
6. Claim, collect and receive sums of money, documents or property of any kind and sign receipts with respect thereto.
7. Affiliate the branch with all professional or business organizations.
8. Represent the branch in court or arbitration proceedings, as plaintiff or defendant, take all necessary steps with respect to the above proceedings, obtain all judgments, and have them executed.
9. Draft all documents and sign all papers in order to be able to exercise the powers listed above.
10. Adopt all necessary measures to implement the resolutions and recommendations of the Board of Directors.
11. Move the branch to any other location in Belgium upon approval of the ICANN President and CEO or the ICANN Board of Directors.
   - o Resolved (2017.06.24.15), this resolution shall remain confidential as an "action relating to personnel or employment matters", pursuant to Article 3, section 3.5b of the ICANN Bylaws, pending public announcement of the selection of the Brussels Branch Manager and Legal Representative.
- ***Thank you to Local Host of ICANN 59 Meeting***
   - o The Board wishes to extend its thanks to ZADNA. Special thanks are extended to Vika Mpsane, CEO of ZADNA, and Peter Madavhu, Operations Manager.
- ***Thank you to Sponsor of ICANN 59 Meeting***
   - o The Board wishes to thank the following sponsor: Verisign
- ***Thank you to Interpreters, Staff, Event and Hotel Teams of ICANN 59 Meeting***
   - o The Board expresses its deepest appreciation to the scribes, interpreters, audio-visual team, technical teams, and the entire ICANN staff for their efforts in facilitating the smooth operation of the meeting. The Board would also like to thank the management and staff of the Sandton Convention Center for providing a wonderful facility to hold this event. Special thanks are extended to Nasrin Hoosen, International Sales Manager, and Janine Baltensperger, Operations Manager. In addition, the Board would also like to thank Sello Ditsoabare with the Johannesburg Convention Bureau and Yoshni Singh with the Gauteng Convention Bureau.

Main Agenda:
- ***FY18 Operating Plan and Budget, the FY18 IANA Budget and the FY18 Five-Year Operating Plan Update Approval***
   - o Resolved (2017.06.24.16), the Board adopts the FY18 Operating Plan and Budget, including the FY18 ICANN Caretaker Budget that will be in effect from the beginning of FY18 until the FY18 Operating Plan and Budget becomes effective in accordance with Section 22.4(a)(vi) of the ICANN Bylaws. The adoption of the FY18 Operating Plan and Budget establishes the

Variable Accreditation Fees (per registrar and transaction) as set forth in the FY18 Operating Plan and Budget.

- o Resolved (2017.06.24.17), the Board adopts the FY18 IANA Budget, including the FY18 IANACaretaker Budget that will be in effect from the beginning of FY18 until FY18 IANA Budget becomes effective in accordance with Section 22.4(b)(vi) of the ICANN Bylaws.
- o Resolved (2017.06.24.18), the Board adopts the FY18 Five Year Operating Plan Update. The FY18 Operating Plan Update shall become effective in accordance with Section 22.5(a)(vi) of the ICANN Bylaws.

- *Consideration of Board Advice Register SSAC recommendations from SAC062, SAC063, SAC064, SAC065, SAC070, and SAC073*
  - o Resolved (2017.06.24.19), the Board adopts the SSAC recommendations outlined in the document titled "Implementation Recommendations for SSAC Advice Documents SAC062, SAC063, SAC064, SAC065, SAC070, and SAC073 (08 June 2017) [PDF, 433 KB]", and directs the CEO to implement the advice as described in the document.

- *Consideration of the Board Governance Committee's Revised Recommendation on Reconsideration Requests 13-16 and 14-10*
  - o Resolved (2017.06.24.20), the Board adopts the BGC's Further Recommendation on Reconsideration Requests 13-16 and 14-10 [PDF, 365 KB].

- *Consideration of BGC's Rec on Reconsideration Request 17-1*
  - o Resolved (2017.06.24.21), the Board adopts the BGC Recommendation on Request 17-1 [PDF, 810 KB].

- *.NET Registry Agreement Renewal*
  - o Resolved (2017.06.24.22), the proposed .NET Renewal Registry Agreement is approved and the President and CEO, or his designee(s), is authorized to take such actions as appropriate to finalize and execute the Agreement.

Full documentation of each resolution is available at this link:
https://www.icann.org/resources/board-material/resolutions-2017-06-24-en

ICANN Org Report to the Board

Organization People
Diane Schroeder, SVP, Global Human Resources

ORGANIZATION PEOPLE HIGHLIGHTS

Since the last report, ICANN org metrics as displayed below remain relatively stable.

As of the end of July 2017, ICANN org has 397 people, which is 24 people less than the FY18 year-end budget projection of 421. Over the last three months, 15 joined and another 9 left.
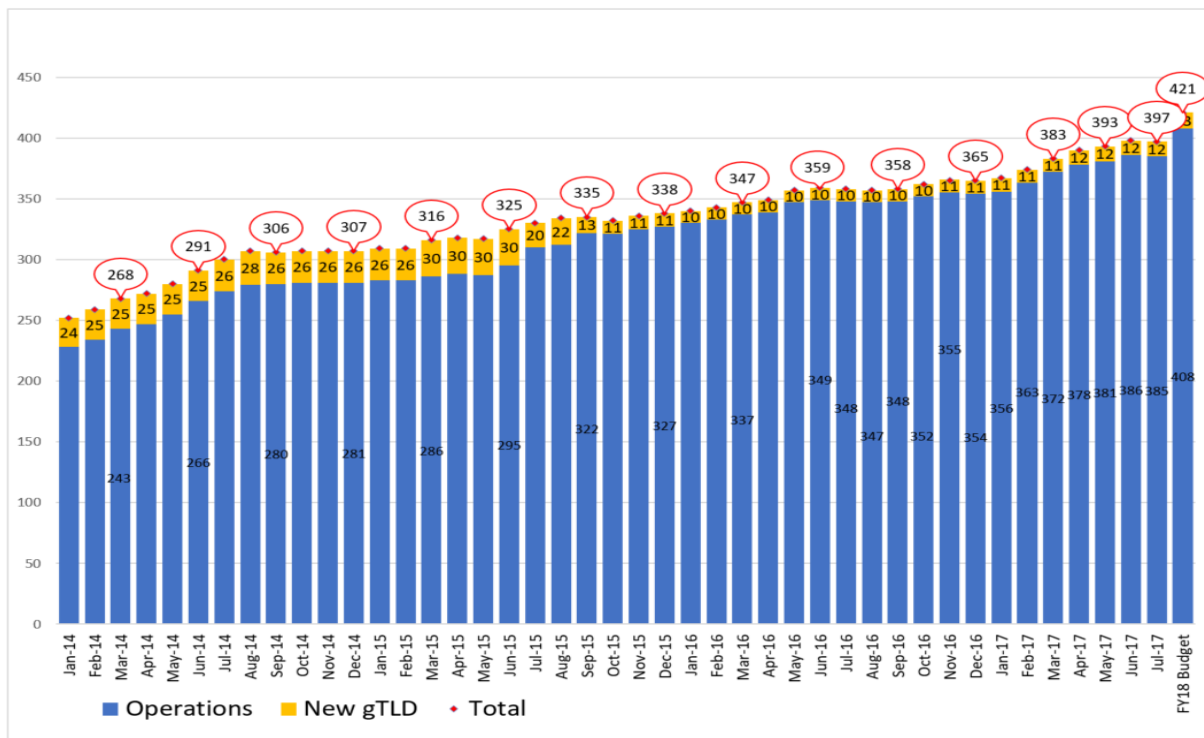
Annual growth rates (from June to June):

2013 - 2014	+46%
2014 - 2015	+12%
2015 - 2016	+10%
2016 – 2017	+ 11%
2017 – to Date	0%

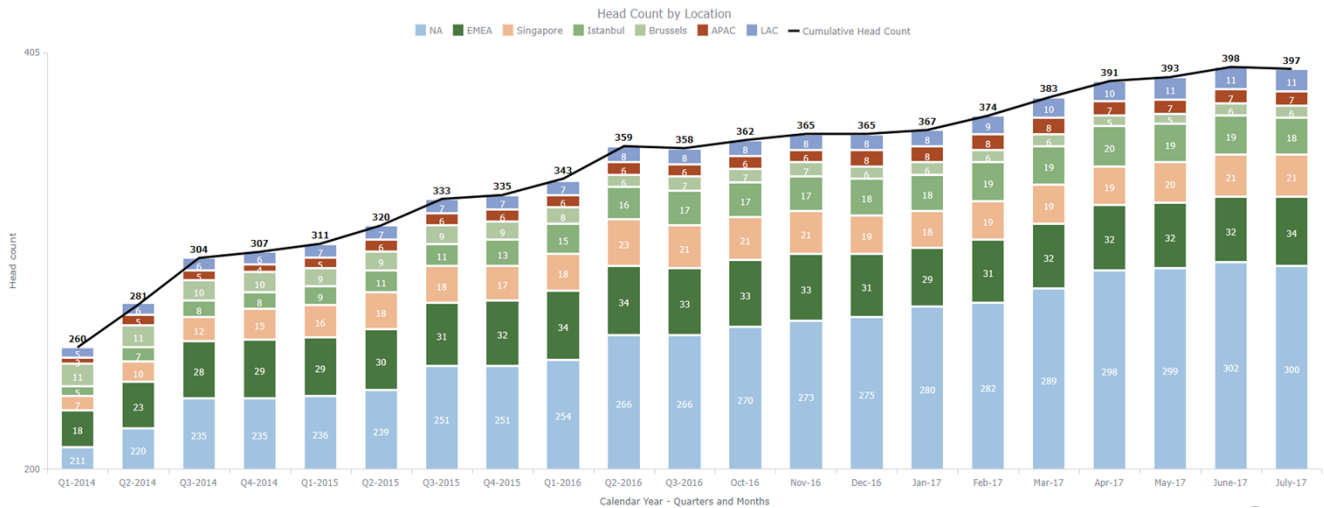**ICANN Org by Locations:** As of 31 July 2017, **North America Offices & Remote** consists of 236 (79%) in Los Angeles office, 32 in Washington DC office, 31 work remotely in US, 1 work remotely in Canada, totaling 300 (76% of the total organization).

Voluntary turnover over the last three months decreased by 0.20%, to 7.72% as of July 2017 from 7.92% as of April 2017 (both on trailing-twelve-month basis). In comparison, the benchmark is 12.7% worldwide. Most of ICANN's voluntary turnover in the last 3 months has been in the US (5). The benchmark for the US is 12.1%.
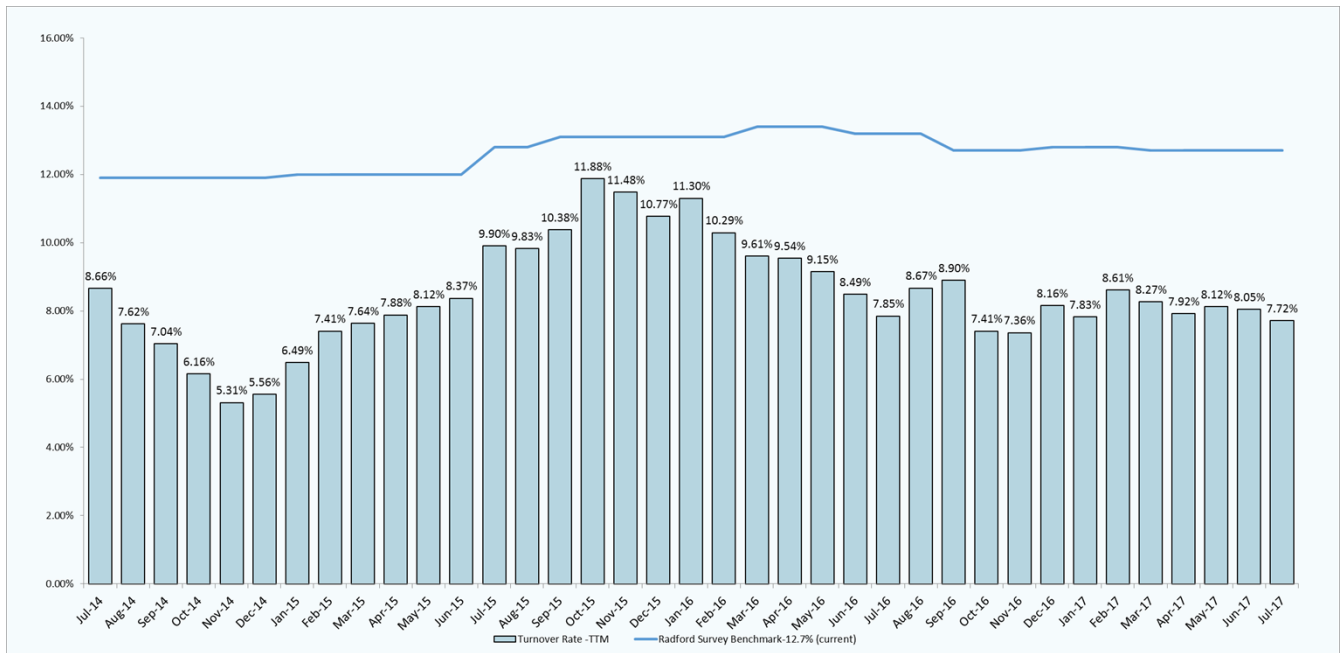
Comparing to FY18 year-end budget, most of the functional groups have not yet reached their year-end target. The variance is primarily due to July being the first month of the fiscal year. Departments

continue to reorganize for efficiencies and start up new functional focus on organizational sustainability and advancements.
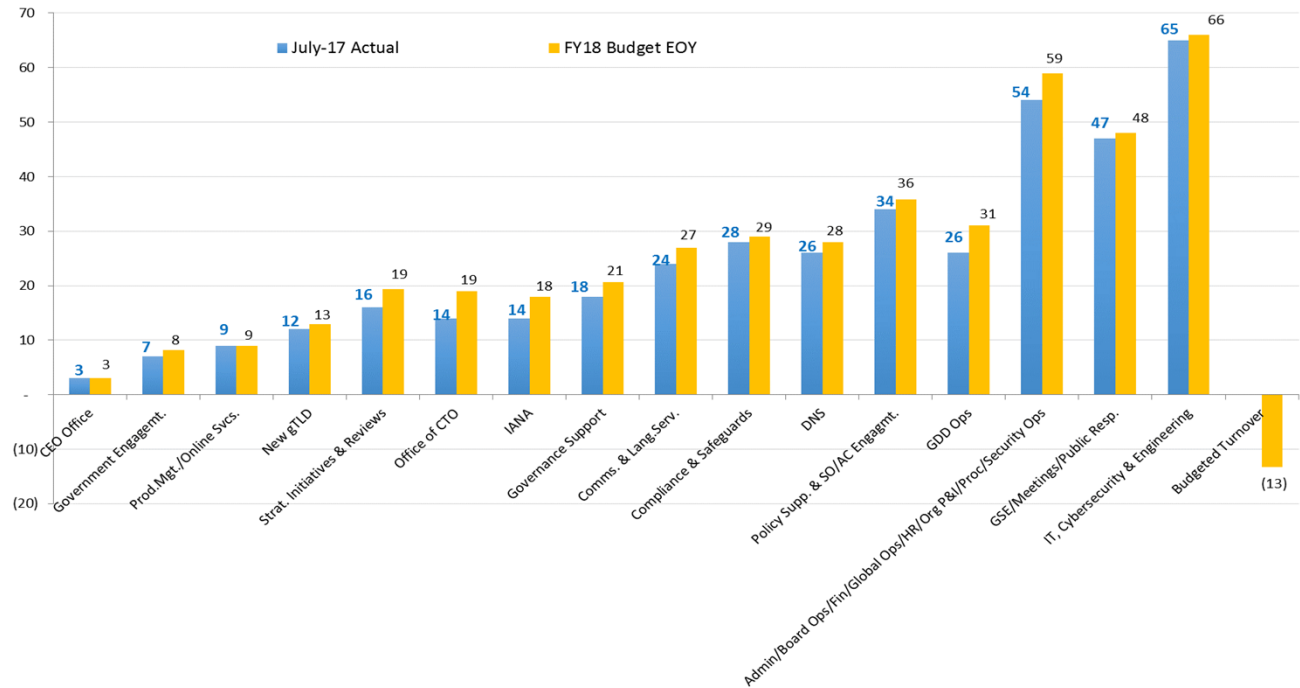
The **gender diversity** of ICANN org is well-balanced with females having a slight majority. The 53-member senior management team is 62% male and 38% female. The Executive Team gender balance remains at 29% / 71% (female/male). We have gender balance for numerical point of view, but could do better when it comes to leadership positions.
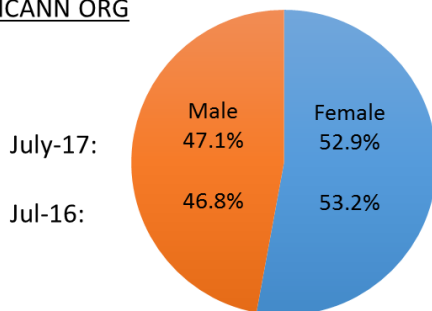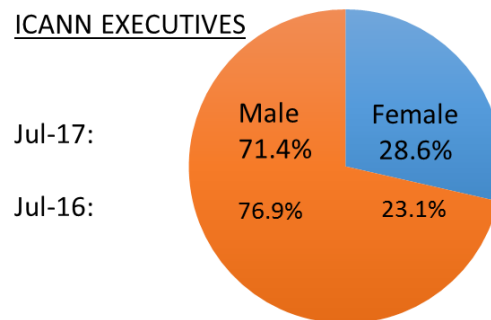
The **senior management** team's global distribution is higher in the Americas and European & Middle East regions than the Asia Pacific region, which has higher percentage of operational functions (such as Contractual Compliance and GDD Operations). These are teams with less seniority and experience than the other regions. The distribution has been stable for the last couple of years, consistent with relatively low turnovers.

Achievement of global diverse culture and knowledge levels of staff - July 2017

Location of all staff compares to senior management staff by region - growth in diversity of culture & knowledge
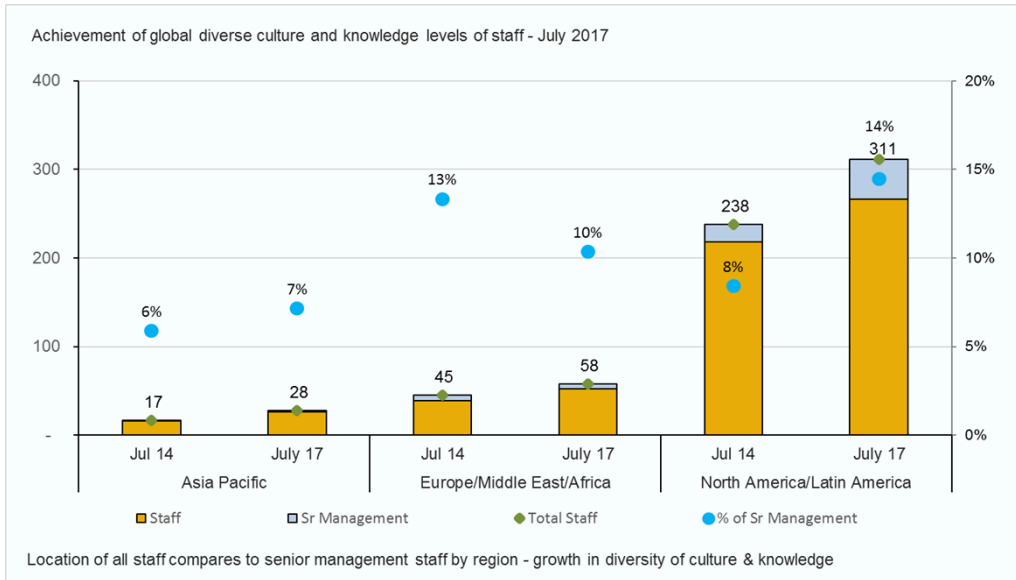
Age distribution of the organization has also been stable over the last 3 years, averaging around 42 years of age, which is around the mid-point of most professional career progressions and is as expected relative to the high professional acumen requirements in most ICANN org positions.

The average **years of service** is around 3.9 years, reflecting the growth in 2013 and relatively low turnover.

Years of Service
Average: 31 July 2016 = 3.4 years, 31 July 2017 = 3.9 years
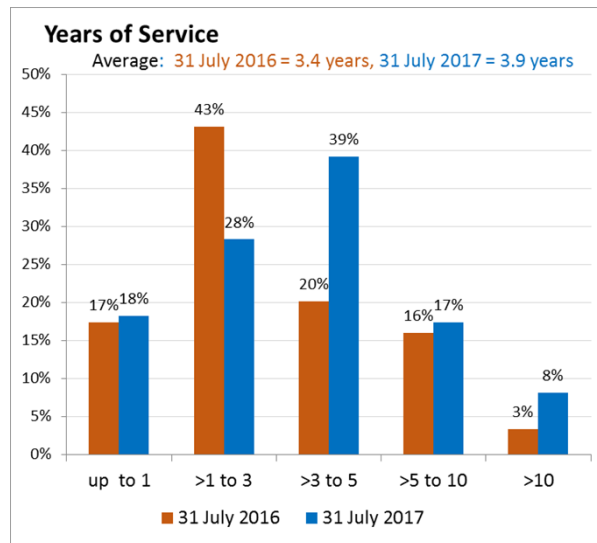
ICANN Org Report to the Board

Organization Finances

Xavier Calvez, SVP & Chief Financial Officer

FINANCIAL OVERVIEW

Please refer to the financial section of the FY17 Q4 Quarterly Stakeholder Call presentation, which is provided at the end of this document.

ICANN Org Report to the Board

Legal & Complaints Office Activities

John Jeffrey, General Counsel and Secretary

KEY HIGHLIGHTS & MILESTONES

Daniel Halloran was appointed as ICANN's Chief Data Protection Officer to focus on ICANN organization-level data, to ensure ICANN's internal data protection and privacy program is compliant and up to date.

OVERVIEW OF ACTIVITY

Contract Management: Supported the Development and Public Responsibility Department with contracting, which will enable the rollout of the new ICANN Learn platform. Assisted the Procurement Department with documentation related to the Registrar Data Escrow Program request for proposals for ICANN-subsidized providers.

Complaints Office: Received fourteen complaints, and referred 330 reports to other processes, such as Contractual Compliance. In August, the Complaints Officer visited the Singapore Regional Office to host webinars for both the APAC team and APAC community members. The webinars were to share more about the Complaints Office, how it works, and hear suggestions on how to best support the region.

General Legal: Provided general legal support and advice across ICANN on various matters.

Legal Support for GDD and Policy Teams: Advised the GDD Team on gTLD issues, including implementation of Thick Whois and Privacy and Proxy Accreditation consensus policies, and the renewal of various legacy Registry Agreements. Supported community discussions to understand potential compliance issues under ICANN agreements because of the EU General Data Protection Regulation. Provided legal support on policy development processes, including those addressing Curative Rights for IGOs and INGOs.

Legal Support for Strategic Initiatives and Implementation of IANA Stewardship Transition: Supported the completion of the first Bylaws change under the Empowered Community process, as well as the conclusion of the budget- and operating plan-related community processes. Advised on and supported the development of Board caucus groups for Specific Reviews and defining roles and responsibilities for that work. Supported Work Stream 2 proposal development through discussions directly with review teams as well as internal development of Org and proposed Board inputs.

Litigation and Internal Services: Received Final Declaration in Amazon v. ICANN IRP on 11 July 2017, which declared Amazon to be the prevailing party and recommended the Board reconsider accepting GAC advice regarding .AMAZON (and related IDNs). Facilitated analysis requested by the Board relating to Independent Review Process Final Declaration on .PERSIANGULF. Final Declaration in IRP re: .HALAL and .ISLAM expected in October 2017. In DotConnectAfrica Trust (DCA) v. ICANN lawsuit, all non-fraud claims were dismissed because of covenant not to sue, but fraud claims remain. Produced over 22,000 pages of mostly publicly available material to U.S. Department of Justice in response to the Civil Investigative Demand regarding Verisign's potential operation of .WEB. Continued efforts to

facilitate Board-initiated Community Priority Evaluation (CPE) process review, including working with CPE provider to obtain documents requested by evaluator.

TOP ISSUES & MITIGATION

We provide support and briefing documents in ongoing litigation, in support of Independent Review Process (IRP) filings concerning new gTLD Program applications. The litigation issues are mitigated by maintaining a litigation readiness plan for relevant legal filings as well as utilization of the Risk Fund for costs. We provide an attorney- client privileged version of a litigation report to the Board under separate cover. Ongoing litigation activities are published on the litigation page on the ICANN website: https://www.icann.org/resources/pages/governance/litigation-en.

ICANN Org Report to the Board

Domain Name Services & Industry Engagement, Strategic Programs, IANA Functions, Product Management, Operations, Global Support Center
Akram Atallah, President, Global Domains Division

KEY HIGHLIGHTS & MILESTONES

Data Privacy/Protection: GDD, in conjunction with others within the ICANN organization and the community, is working to gain a better understanding of the relevant aspects of the General Data Protection Regulation (GDPR) related to the work of the ICANN organization and it contracts with registries and registrars. The internal GDPR task force convened an ad hoc volunteer group to help populate a [matrix](#) of personal data user stories, which was then posted for a 30-day review period. The information in the matrix will be used to inform a legal analysis. This data will also be used in engagements with data protection authorities. In addition, a data privacy/protection [landing page](#) was established on icann.org to consolidate GDPR and related information.

Domain Name Registrants: We are working to increase domain name registrants' knowledge of their rights and obligations, as well as provide them with information that will help them navigate the domain name ecosystem. As a part of this effort we launched a series of informational blogs, which are housed on a new [web page](#), along with other relevant information such as how to register/renew/transfer a domain name, opportunities to participate in ICANN's work and more.

OVERVIEW OF ACTIVITY

Community Priority Evaluation (CPE): On 2 June 2017, we issued an [update](#) on the Community Priority Evaluation (CPE) process. As background, in September 2016 the ICANN Board directed the President and CEO, or his designees, to undertake a review of the process by which ICANN has interacted with the CPE provider. Additional information about the scope and status of the review can be found in the [letter dated 26 April 2017 to concerned parties.](#)

WHOIS ARS: We delivered the WHOIS Accuracy Reporting System (ARS) June 2017 report, explored both the syntax and operability accuracy of WHOIS records in gTLDs as compared to the requirements of the 2009 and 2013 Registrar Accreditation Agreements (RAAs). The latest report can be downloaded [here.](#) In response to ICANN community requests, ICANN now publishes additional metrics on the WHOIS ARS Contractual Compliance Metrics page [here](#).

gTLD Marketplace Health Index: In July 2017, we [published](#) an update to the generic top-level domains (gTLDs) Marketplace Health Index (Beta) that is intended to serve as a basis for community discussion and collaboration for further developing ICANN's TLD marketplace metrics. A community [Advisory Panel](#) is working with the ICANN organization to refine the Index.

Public Comment: The following is a recap of recent activity.
- Proposed Renewal of .NET Registry Agreement: Staff report published 13 June.
- Revised ICANN Procedure for Handling WHOIS Conflicts with Privacy Law: Process and Next Steps: Staff report published 28 July.
- Label Generation Rules for the Root Zone Version 2 (RZ-LGR-2): Staff report published 1 August

- Proposed Implementation of GNSO Consensus Policy Recommendations for the Protection of IGO & INGO Identifiers in All gTLDs: Staff report published 1 August.
- Statistical Analysis of DNS Abuse in gTLDs (SADAG) Report: Public comment opened 9 August.
- Draft Framework for the Registry Operator to Respond to Security Threats: Public comment closed 31 July; staff report due 7 September.

New gTLD Program – Stats Update:
- In the period of 30th May to August 28th 2017, the GDD team facilitated 7 delegations of new gTLDs, bringing the total delegated from the program to 1227. There are now 37 strings pending in the program, made up of 103 applications (1 of which is contracted) that have either not delegated or have not formally withdrawn from the application process. The primary issues impeding progress on the 103 remaining applications are that 53 of the applications in contention are awaiting the conclusion of the review of the CPE process as (Mr. Disspain mentioned in his letter to the affected parties on 26 April 2017), and that 20 applications collectively represent .CORP, .HOME and .MAIL.

GDD Operations: In August, a request for proposal (RFP) was issued to identify one or more additional Registrar Data Escrow (RDE) agent(s) to provide RDE services to the ICANN -accredited registrars. Proposals will be accepted until 6 October.

IANA Functions: Our search for a vice president of IANA Services and president of Public Technical Identifiers (PTI) is well underway. We received several applications and discussions have begun with potential candidates. The chosen candidate will replace Elise Gerich, who decided earlier this year to step down later this year. The 20th Key Signing Key (KSK) ceremony was held El Segundo, CA on 17 August. This is the last ceremony that will be held prior to the Root Zone Domain Name System Security Extensions (DNSSEC) KSK rollover on 11 October. Rolling the KSK means generating a new cryptographic public and private key pair and distributing the new public component to parties who operate validating resolvers. Public Technical Identifiers (PTI) met all Service Level Agreements to the naming, numbering, and protocol parameters communities for the months of May, June, July, 2017. The ICANN organization published a request for proposal for PTI Service Organization Control Audits. Proposals are by 8 September, 2017.

TOP ISSUES & MITIGATION
General Data Protection Regulation (GDPR): As reported previously, the European Union's GDPR will impact the personal data that participants in the domain name ecosystem collect and process, including registries and registrars pursuant to the ICANN organization's contracts. The Global Domains Division, in conjunction with both internal and external stakeholders, is working to determine the scope and potential of the impact from a contractual and compliance perspective. While efforts are well-underway, this is a resource-intensive effort and there is still much to be done.

ICANN Org Report to the Board

Contractual Compliance & Safeguards
Jamie Hedlund, Senior Vice President, Contractual Compliance & Safeguards

KEY HIGHLIGHTS & MILESTONES

Contractual Compliance Audit Program
Our Audit Program is a continuous and ongoing activity in Contractual Compliance. Below is an update on the activities that have taken place since 29 May 2017:

The ICANN organization completed the September 2016 audit of the 2013 RAA for 50 registrars. 17 registrars received an individual audit report that does not require any actions. 33 registrars received an individual audit report with findings noted and are implementing the necessary changes; they will be retested at a later date.

The top 3 findings for this audit round are:

1. **Business Dealings**, including with Registered Name Holders – registrar does not consistently keep records of Registered Name Holders (RNHs) accepting registrar's term and conditions.
2. **Abuse Contact and reporting** – registrars either do not publish an abuse contact (no ability to complain) or abuse contact is not responsive to "test" report from audit team.
3. **Required Registrar Training** – registrar key personnel did not take or complete ICANN required training.

The organization completed the review of the responses and documentations submitted by the 21 registries from the January 2017 audit round. The individual audit reports were issued to each auditee. 10 Registry Operators received individual audit reports that do not require any actions; 11 are in remediation and will be retested at a later date, when remediation is completed.

The top 3 findings for this audit round are:

1. **Whois output format/content related requirements** – Whois output on the registry website is not per ICANN's requirement.
2. **Mandatory provisions missing from RRAs** – missing some required provisions.
3. **DNSSEC Practice Statements missing and/or abuse contact information issues** – registrants missing documents describing DNS practices.

This audit round is inclusive of seven TLDs subject to safeguards applicable to Category 1 gTLDs (consumer protection, sensitive strings and regulated markets). The audit team tested compliance with Category 1 Strings related to Education (1), Gambling (1), Financial (1), Health and Fitness (1) Special Safeguards on Cyber Bullying/Harassment (2) and Inherently Governmental Function (1). No deficiencies with the safeguards noted. ICANN will continue testing the Category 1 TLDs in future audit rounds.

The audit reports are published under "Reports" at this link - https://www.icann.org/resources/compliance-reporting-performance - and available by calendar year based on the audit launch date.

OVERVIEW OF ACTIVITY

Asia Pacific Outreach in collaboration with the Global Domains Division – Xiamen, China 10 – 11 July 2017

Representatives from the Contractual Compliance team and the GDD team hosted a two-day outreach session in Xiamen, China from 10 – 11 July. 32 different registrars were represented and 14 of them were newly accredited registrars. On day one, the team presented on common issues like Whois inaccuracy, abuse, web posting obligations and registrar information specifications, compliance processes, fees, as well as questions related to dispute resolution. On day two, the team held one on one sessions by request. Topics discussed included Transfer Emergency Action Contact (TEAC) requirements, compliance with local laws and ICANN's RAA, code of conduct issues, as well as Contractual Compliance processes.

Continuous Improvement for Compliance Reporting

Since the last update to the board, the team has been developing and testing the required changes to provide more detailed information on the subject matter of complaints in the ICANN organization's publicly availably compliance reports.

The detailed information for this phase is to report on:
1. Whois Inaccuracy by the 3 categories – Syntax, Operability and Identity.
2. The subject of registrar related DNS abuse complaints such as spam, pharming, phishing, malware, and botnets, in addition to counterfeiting, pharmaceutical, fraudulent and deceptive practices, trademark or copyright infringement and registrar abuse contact.
3. The type of transfer complaints which will be relevant for policy review and evaluation.
4. All complaint types by legacy gTLDs and new gTLDs.

The changes above are consistent with the various recommendations and requests from the Competition, Consumer Choice and Consumer Trust Review Team, the Governmental Advisory Committee, the Business Constituency, the Intellectual Property Constituency, and other stakeholders. Please note that the additional granularity to reporting applies to future complaints only.

The Contractual Compliance Performance Measurement & Reporting page is available at https://features.icann.org/compliance.

Consumer Safeguards

The ICANN organization's first Consumer Safeguards Director joined the staff on 1 June 2017. He attended ICANN59 in Johannesburg, where he met with the ALAC, GAC, Business Constituency and Non-Commercial Users Constituency.

Since returning from Johannesburg, the Consumer Safeguards Director has been in contact with some community members to obtain their thoughts on holding an open discussion forum to address consumer safeguard and compliance topics. Likely to be a webinar held in mid-September, the discussion forum may include the following topics, among others:

1. Listing and assessing existing safeguards within ICANN's remit with contracted parties for community discussion;
2. Obtain thoughts on the scope of the Consumer Safeguards role within the ICANN organization; and
3. Facilitate a discussion to highlight other areas of safeguard activity within the Internet community.

Pending the level of participation and community interest in this September webinar discussion forum, a community meeting and/or panel discussion may be held at ICANN60 in Abu Dhabi.

TOP ISSUES & MITIGATION
None.

ICANN Org Report to the Board

Operations: Board Operations, Global Operations, Security Operations, Organization Assessment and Improvement, and Internal Controls Audit
Susanna Bennett, SVP & Chief Operating Officer

KEY HIGHLIGHTS & MILESTONES

The Ops team has been effectively implementing the plans and projects outlined in each of our functional roadmaps. The team came together in early August, during the Ops workshop, to focus on reducing "working in bubbles," raising awareness on "doing the right thing," and advancing team bonding. We used the interactive functional team sessions to look back on FY17, plan ahead for FY18, share achievements, challenges, lessons learned, and optimize cross-functional alignment and collaboration. We also shared our best use ideas for weCANN and set actions to advance our communication both within Ops and throughout the organization.

OVERVIEW OF ACTIVITY

The **Board Operations** team planned for the Board's upcoming 2017 and 2018 workshops, including interactions with the Community during ICANN60, and delivered on plans of the Johannesburg Board workshop and Board interactions with the Community during ICANN59. Other highlights this period include:

- On-boarded incoming Board member Matthew Shears for his participation in the Johannesburg workshop and introduced him to the Board's tools and training programs.
- Drove planning decisions for the September Board workshop and the Board's interactions with LACNIC.
- Managed the scheduling and proceedings of more than 25 telephonic/electronic meetings for the entire Board and its sub-groups for critical work between ICANN59 and the September Board workshop.
- Worked closely with an internal cross-functional group to add Board action requests to the org-wide platform, built on Salesforce, to ensure both the Board and organization are fully aligned on the various actions requested, as well as to drive the efficiency in organizing and delivering on these actions.
- As part of a year-long branding effort, and in line with HR's program for ICANN org, the team learned about each other's functions and workflow, and then gave a presentation in July to the rest of the organization, titled "Getting to Know Board Ops." They also hosted an Aloha Breakfast for all Los Angeles office colleagues. Both events were well-attended and further enhanced the team's important organization-wide collaboration efforts.

Global Operations, together with the APAC team, celebrated the fourth birthday of the APAC regional office on 1 August. They continue to focus on regional cross-functional efficiency projects, such as:

- Regional data effectiveness, strategic trend monitoring, and weCANN intranet best practices.
- Teaming with Security Operations team to implement security programs and training.
- Working with the Finance team to develop a Finance Strategic Plan, which is aimed at advancing the organization's financial functions in areas such as alliance with the ICANN community and strengthening service level commitment to the organization.

- Partnered with the APAC regional office Managing Director to finalize the FY18 Regional Office budget, which is in line with the new international regional office initiative.

The **Security Operations** team continues with its aggressive implementation of the Security Operations Roadmap and has had another fruitful period across numerous fronts, including:
- [Andrew White](#) and [Olly Kay](#) officially joined the ICANN team as the Event Security Senior Manager and Security Intelligence Manger, respectively, to further strength ICANN's security capabilities.
- On the heels of the May Crisis Management Team training, the team was activated in June and applied what we learned during the session to manage a sensitive and complex issue that occurred at an ICANN office.
- Successfully managed security for ICANN59 through a multi-layered, multi-faceted and multi-agency operational framework, with a dedicated 24/7 Health and Safety Centre, utilizing intelligence gathering and assessment, as well as a tactical and strategic incident response capabilities. They also provided on-the-ground security support for several events, including AfriNIC in Nairobi.
- Initiated a Workplace Violence Prevention program with a programmatic gap analysis and stakeholder interviews in preparation for an organization-wide roll-out.
- Implemented tools for mass emergency communications and travel preparation and validation.

The major elements on the roadmap over the next couple of months are ICANN60 security management, organization-wide security policy framework communication, and regional office security management.

The **Organizational Assessment and Improvement** (OA&I) team collaborated with other teams across the organization and:
- Launched [Accountability Indicators](#) beta version in late August, a key effort toward ICANN's [accountability and transparency](#).
- Completed the third annual organization-wide Excel@ICANN assessment, applying the EFQM Excellence Model to identify our strengths and areas for improvements. This assessment is a key element to the identifying the organization's focus areas and priorities. The planning for the fourth annual assessment has started.
- The Reports@ICANN project is well underway, with a team working to finalize the project's guidelines and process. This project will assess and improve the effectiveness and efficiency of ICANN reports.
- The FY19 operating plan development process has begun, with a focus on lessons learned to provide additional clarity on roles/responsibilities, processes and project planning guidelines and controls.

BOARD AGENDA BLOCK 2 – ICANN ORG OVERSIGHT:
Provide oversight to ensure ICANN is fulfilling its legal obligations
The reporting below is for the 2017 calendar year to date, and captures the ICANN organization's compliance with certain regulatory obligations (including office registration filings, tax filings, HR related filings, and other required filings within the jurisdictions in which ICANN has a registered presence). We target to include in the next report, in 2018, the organization's: (a) bylaws and contractual obligations; and (b) accountability and transparency best practices that the organization has adopted.

	Legal	Finance	HR	TOTAL
Regulatory Requirement	6	17	14*	37
Organizational Requirement	0	0	3*	3
TOTAL	6	17	16	39

*one item under HR falls under both regulatory and organization requirements.

Status of Compliance Matters	
On Target	19
Completed	20
TOTAL	39

TOP ISSUES & MITIGATION

None.

ICANN Org Report to the Board

Global Human Resources, Administrative & Travel Services
Diane Schroeder, SVP, Global Human Resources

KEY HIGHLIGHTS & MILESTONES

Since the last CEO Report to the Board, we have started booking supported travelers for ICANN60, At-Risk payments for the second semiannual review period for FY17 (FY17 SR2) as well as the Annual Compensation Merit Review (ACMR) process was completed for all eligible staff members. Departmental action plans for the 2017 people survey are being finalized.

OVERVIEW OF ACTIVITY

Global Human Resources: ICANN's second semiannual review period for FY17 (FY17 SR2) closed on May 16 and all eligible at-risk payments were paid out successfully in June. For the first time at ICANN, through the new Oracle system, managers had the ability to generate statements containing the At-Risk calculations details for their staff. Additionally the FY17 Annual Compensation/Merit Review (ACMR) process was successfully completed in July and was run using the Oracle ERP system instead of via spreadsheets and email. Managers were also empowered to generate ACMR statements for their staff via the Oracle system.

Action planning reflecting the results of the 2017 People Survey at the departmental level are almost complete with each department working on at least 2-3 action items. The HR Business Partners continue to integrate into departments and have successfully helped the: Eng and IT team with the change management of their recent departmental restructuring, the Registry Services and Engagement team with integrating with their new leader, OCTO/Board Support and Operations teams with a variety of strategic planning meetings. HR Change management as well as operational efforts are also underway to support the new international office strategy.

The global HR team had a week long "All hands" meeting in the month of August to discuss operational planning for this fiscal year as well as a variety of hot topics that impact ICANN the organization and the role on HR in supporting these as well as organizational objectives. Additionally, we also welcomed to the team our new HR Senior Director of Operations Gina Villavicencio who will be responsible for Operations side of the HR department, including Talent Acquisition, Compensation and Benefits and Employee Relations.

APAC Hub's all hands June meeting was successfully organized and supported by the APAC HR team.

The International Office Strategy implementation continued with identification of the Regional Managing Directors, who started working on strategies for each of their locations. All remote staff were assigned to an office for "pastoral care" – belonging, training, staff morale issues. Change management support was provided to the individual MDs.

Travel Services: For ICANN59, we engaged an outside vendor who assisted with obtaining visas help for specific funded travelers who previously had difficulties obtaining visas and this vendor proved to be a great asset as we had a 100% success rate. Travel Services has begun booking supported travelers for ICANN60 estimated at 348 travelers.

TOP ISSUES & MITIGATION

None.

ICANN Org Report to the Board

Engineering & IT
Ashwin Rangan, SVP, Engineering & Chief Information Officer

KEY HIGHLIGHTS & MILESTONES

Engineering & IT – Reorganization:

To more sharply delineate differences between Engineering activities (defined as serving the stakeholder community) and IT activities (defined as serving the Board and ICANN org), and clustering closely-related activities for better optimization, we announced a reorganization in late July. The resulting org structures more clearly reflect Eng- and IT-related org employees. Along with back-end changes to department numbers in the accounting system, this will serve as an important mechanism to better capture segmented budgets and report upon actual Eng investments and costs (for the benefit of the stakeholder community) and IT investments and costs (for the benefit of the ICANN Board and org).

OVERVIEW OF ACTIVITY

Following the 'Eng & IT Parthenon' Framework

The Pillars

Community collaboration Pillar: The Information Transparency Initiative (ITI):

During this reporting period, there were numerous meetings – both within ICANN org and with the ICANN Board members – to review finer details of the proposed ITI initiative. Following guidelines provided by the Board, a joint meeting was held with the Board Risk Committee and the Board Finance Committee. ITI is at a stage wherein it needs Board approval to proceed.

If approval is provided during the Board workshop mid-September, the Eng organization will need 60-90 days to appropriately stage and on-board external 3rd party resources to commence project work. Under this case, an early-January 2018 start-date to Eng work seems feasible.

Contracted parties Pillar: The Naming Services Portal for GDD Registries:

The Naming Services Portal (NSp) was launched in a Beta-1 shortly before Copenhagen. After incorporating feedback from Registries, a Beta-2 was launched July 31. The purpose of this beta is to fully exercise the system with participating registries and validate interdepartmental processes in preparation for release. With a successful Beta-1 and Beta-2, we expect NSp to launch in late September/early October to General Availability (GA).

Technical services Pillar: Centralized Zone Data Service (CZDS):

CZDS redevelopment is nearing completion. Redevelopment fixes many of the problems in usage reported by ICANN Contracted Parties. It also offers a newly-developed mobile front-end for making new requests for the Zone file(s). The back-end approval interface is being integrated into the new Naming Services portal, so that approving Registries have a single portal for interacting with all ICANN org related work.

The new service will roll out late October/early November. Rollout has been pushed back so as to not impact the rollout of NSp to the community.

Staff Operations Pillar: Accountability Indicators:
The prior version of the ICANN org dashboard has been completely revamped. This newly revamped version leverages a new set of technologies to make available interactive charts with drill-down capabilities. Since these metrics tie directly to the ICANN community-approved goals and objectives, we are now calling the dashboard what it actually does – which is to provide a window to view ICANN org Accountabilities. As such, these are Accountability Indicators.

The revamped service was launched in the latter half of August. To date, feedback has been positive.

The Planks: Focus on ease-of-use and security – a delicate balance

Network Audit of ICANN org LAN/WAN:
In June, an expert 3rd party firm by the name of IP Architechs was retained to perform an audit of the ICANN IP network. Their summary read, "ICANN has a mature and well established network with strong security protocols". That said, IP Architechs have recommended a few improvements to further enhance topology and performance. We will be implementing these changes in course of the next 12 months.

TOP ISSUES & MITIGATION
Following the recent reorg, the Eng & IT organization is still in a phase of "forming and norming" in the continuum leading to "performing". This is quite natural.

To assist at the micro-level, many standing meetings and rhythms are being re-visited to ensure correct participation and optimization. At a more macro-level, we have requested help from HR (Org Change Management) to assist with "Leadership assimilation", so that newly-formed leadership team members have an opportunity to get to know one another in smaller, closely-related groups.

Early feedback from these meetings has been positive.

ICANN Org Report to the Board

Office of the Chief Technology Officer
David Conrad, SVP & Chief Technology Officer

KEY HIGHLIGHTS & MILESTONES

- Launch of Open Data Initiative Early Pilots
- Inclusion of KSK-2017 in the Root Zone DNS
- RFC 8162 "Using Secure DNS to Associate Certificates with Domain Names for S/MIME" Published
- Technical Messaging Toolkit
- IPv6 Initiative Phase 1 & 2
- Partnership and Cooperation with APNIC, IPJ/ISOC, and IETF
- DAAR Project

OVERVIEW OF ACTIVITY

Launch of Open Data Initiative Early Pilots

Four implementations of platforms for Open Data are now available for community inspection as part of ICANN's Open Data Initiative Pilot project. The four platforms each contain the same data, which are two data sets from the registry monthly reports. The four implementations are an internally developed platform based on the open source CKAN package as well as three commercial products from OpenDataSoft, Socrata, and Enigma. The intent of providing the four different platforms is to allow the community to evaluate the pros and cons of each of the platforms and provide input for the next step in the Open Data Initiative. A mailing list (odi-pilot@icann.org) has been set up for public discussion of ICANN's Open Data efforts. Further data sets are being investigated for inclusion in the pilot platforms.

Inclusion of KSK-2017 in the Root Zone DNS

The public key portion of the next Root Zone KSK (referred to as KSK-2017 to distinguish it from the current Root Zone KSK, known as KSK-2010) was published in the root zone on July 11, 2017, according to plan. This public key will need to be installed as the root trust anchor for all DNSSEC-enabled resolvers and, indeed, DNSSEC validators following Automated Updates of DNSSEC Trust Anchors (RFC 5011) began the process of trusting the new KSK. There was little to no fanfare across the operational community, which is actually positive. KSK-2017 will become the active root zone KSK on October 11, 2017, when it begins signing the root zone's DNSSEC keys, i.e., the root DNSKEY resource record set.

RFC 8162 "Using Secure DNS to Associate Certificates with Domain Names for S/MIME" is Published

Using DANE (DNS-Based Authentication of Named Entities) for authenticating TLS is now becoming more common, but DNSSEC can be used to authenticate other security protocols as well. The recent publication of RFC 8162, co-authored by Paul Hoffman from OCTO, gives users of S/MIME-protected email a way to publish their public keys in the DNS in a secure fashion. This document is considered experimental, instead of being a standard, but some email software developers have already expressed interest in adding support for their products.

Technical Messaging Toolkit

We have continued to work with internal technical stakeholders to produce and refine ICANN technical narratives and messaging. During the past weeks, we have launched a project to build a comprehensive toolkit to support our engagement on specific technical topics such as DNSSEC, KSK rollover (and post rollover analysis), IPv4 exhaustion, IPv6, Identifier Technologies Health Indicators, the "L" root server, Internet of Things, and DNS Abuse mitigation. The toolkit will allow the ICANN organization to speak and represent our views and works on these topics in a consistent manner across the organization. In the context of harmonizing our positions, we have recently worked across the OCTO team to build a consensus approach to our position on supporting IPv6 awareness as part of the broader IPv6 Initiative that we initiated a few months ago. The first draft of this position is under review and should soon be a part of a briefing to the CEO and the Board in order to make it a formal position.

IPv6 Initiative Phase 1 & 2

We have started collecting key data to further support our work with others in the ecosystem in advancing IPv6 uptake. It is encouraging to highlight the important work done by ICANN's IT department to ensure that we are able to provide internal and community online services transparently over both IPv4 and IPv6. The preliminary assessment shows that 37% of our services support IPv6 and have it enabled, while 33% support it but have yet to enable it. This demonstrates a 70% readiness including most of our web and email services. We will continue working with the IT team on the assessment and looking into how we can further engage our vendors to further help us provide more IPv6 compatible services. Further research related to Registry & Registrars compliance to IPv6 provisions in their agreement is underway.

Partnership and Cooperation with APNIC, IPJ/ISOC, and IETF

In addition to our recently renewed research cooperation agreements with APNIC, we have now secured a new sponsorship/partnership agreement with the Internet Protocol Journal (IPJ) via the Internet Society (ISOC). This agreement between ICANN, IPJ, and ISOC will allow ICANN to sponsor the publication of the Journal with the ability to use their column to promote our technical activities. ICANN will help sponsor the next IETF-100 meeting in Singapore and co-host IETF-101 with Google in London. We are investigating the ability to organize a session specifically targeted towards providing better information related to the technologies ICANN helps coordinate and policy-related work at the London event.

DAAR Project

The DAAR project continues to progress through multiple means. These include the preparation of prototype monthly reports for ICANN Board of Directors for May 31 and June 30; working with developers on a renewal of our contract with them for 2018 subscription service and features development, and to define an API to help automate reporting; and completing work on a DAAR concept paper, which will be more detailed than the already published FAQ.

TOP ISSUES & MITIGATION

In populating DAAR databases, we are still finding it challenging to manage disruptions of automated processes resulting from Whois rate limiting or expiration of zone file access.

ICANN Org Report to the Board

Global Stakeholder Engagement, Development and Public Responsibility, Meetings
Sally Costerton, Sr. Advisor to President & SVP, Global Stakeholder Engagement

KEY HIGHLIGHTS & MILESTONES

This report covers Global Stakeholder Engagement (GSE), Meetings and the Public Responsibility Support Department activities from the ICANN 59 meeting through August 2017. In June through August 2017, Global Stakeholder Engagement participated in events in 43 countries and territories, such as the Asia-Pacific Regional IGF and Africa DNS Forum.

Public Responsibility Support (PRS) conducted the Gender Diversity and Participation survey from 9 June - 8 July 2017, receiving a total of 584 individual responses.

OVERVIEW OF ACTIVITY

The Global Stakeholder Engagement team participated in the Asia Pacific Regional IGF in Bangkok, the Federation of Indian Chambers of Commerce and Industry meetings and DomainX Conference in Delhi, the 4th MEAC School on Internet Governance in Ankara, the Global Domain Summit in Xiamen, SANOG 30, Asia-Pacific Telecommunity 2017 in Colombo, 5th Africa DNS Forum in Dar es Salaam, regional outreach events in Cameroon, KSK rollover outreach in Chennai, Mumbai and Delhi; IGF-USA in Washington DC, ICANN 59 readout sessions in China and Japan, PACNOG 20, among others.

On 21 August 2017, the Meetings team published a call for public comments on proposed dates for ICANN meetings in 2021-2023. The comment period closes on 2 October 2017.

The Meetings team is now focused on the Board workshop in Montevideo, supporting the SSAC Workshop in Los Angeles, and the RSSAC retreat. The Meetings team is also continuing to work closely with the SO/AC scheduling committee on final changes to the meeting schedule for ICANN 60 in Abu Dhabi.

As noted above, Public Responsibility Support (PRS) conducted the Gender Diversity and Participation survey from 9 June - 8 July 2017. Some survey participants also completed an accompanying exit survey. This data shows that the survey was completed by community members from a broad range of regions and stakeholder groups, with varying engagement levels. Preliminary findings show that there is a positive perception about gender fairness and inclusiveness at ICANN, while other areas of focus warrant special attention. The survey report will be published in mid-September. It is meant to serve as a resource for the community to continue to engage in discussions on the topic of gender diversity. Follow-up on the findings and recommendations from this survey will be determined by the community.

PRS has identified a new platform provider for ICANN Learn. The new platform has a number of features that will significantly enhance the overall user experience and improve the delivery of material. It also meets all of the technical requirements needed to facilitate the creation of courses that are technical in nature, ensuring scalability. ICANN Learn will be central to the provision of virtual capacity development activities to address increased community demand.

TOP ISSUES & MITIGATION

At ICANN 59, Global Stakeholder Engagement conducted a series of briefings with the GNSO Council, At Large and ccNSO Strategic & Operating Plan (SOP) working group on improvements to Global Stakeholder Engagement reporting and metrics. The team is publishing a document for ICANN 60 to show the community how the regional and functional goals for GSE support increasing participation in ICANN's policy work. This document ties the Global Stakeholder Engagement goals and metrics to the ICANN Organization strategic goals and provides improved understanding of how GSE's work connects with stakeholder participation.

Following input from the ICANN Board in Johannesburg, Global Stakeholder Engagement and the Policy teams are planning to kick off a consultation with the ICANN community on community resources and the ICANN community travel guidelines. The teams intend to conduct focus group discussions at ICANN 60 and publish a questionnaire for inputs from the stakeholder groups, advisory committees and supporting organizations, before conducting a formal public comment period on the community travel guidelines.

Public Responsibility Support (PRS) issued a Request for Proposal for an internal Human Rights Impact Assessment (HRIA). This follows the ICANN organization's recognition for the need for such an assessment and is in line with the community's suggestion as part of the work on the Human Rights Framework of Interpretation. The HRIA is intended to review ICANN organization's internal operational commitment to respect human rights, mitigate risks and capitalize on opportunities to improve global business operations. The findings will enhance the transparency of internal operations and optimize planning and budgeting necessary to meet the ICANN organization's continued commitment to respect human rights. This exercise does not involve an assessment of other parts of the draft FOI, nor does it involve considerations that deal with the global multistakeholder community's policy development process. The HRIA is scheduled to take place from 20th October 2017 through 15 March 2018.

The Meetings team recently supported CEO discussions with SO/AC leaders on possible changes to the format for future ICANN meetings. The Meetings team is preparing a paper for public comment on the potential format changes, with the intention that the comment period begin prior to ICANN60.

ICANN Org Report to the Board

Communications, Language Services, U.S. Government Engagement
Duncan Burns, SVP, Global Communications & Managing Director – Washington, D.C. Office

KEY HIGHLIGHTS & MILESTONES

The Communications team continues to make strides in standardizing ICANN's content and outreach materials, and is dedicating significant time and resources to finding ways to improve the ICANN.org website. Our regional directors are working closely with OCTO to increase awareness of the KSK Rollover, which is a top organizational priority, while also supporting local outreach efforts. Most of our event support was centered around regional Internet Governance Forums (IGFs), which are a prime opportunity to educate and engage local audiences.

OVERVIEW OF ACTIVITY

ICANN59: The second Policy Forum was a success from both a Communications and Language Services perspective, and saw a significant amount of local engagement and activity. We worked closely with the Security Operations team to ensure key messages were disseminated to onsite staff.

ICANN60: Given the scale of ICANN60, the Communications team has already started making preparations for the meeting, including the development of our standard meeting materials. These include the crisis communications mitigation plan, a key messaging document, meeting newsletters and venue signage. The Language Services team has begun translating key meeting-related documents and is working closely with local vendors to ensure we can provide interpretation for meeting sessions. We have established an internal team to plan and manage any activities related to bidding farewell to departing Board members.

KSK Rollover: With the date of the KSK Rollover rapidly approaching, our regional communications teams have launched an aggressive media campaign to ensure our message is disseminated as widely as possible. In mid-September, we will be starting a comprehensive social media outreach campaign in the five standard UN languages that will last for two weeks. We've also partnered with OCTO to incorporate KSK Rollover messaging into their APAC tour, and we continue to work closely with the five Regional Internet Registries to amplify the impact of our efforts.

Information Transparency Initiative (ITI): We continue to develop and plan for ITI, including the creation of a comprehensive project plan for its execution. We are also working with the Board for review and oversight of the project.

ICANN.org: We continue to take a close look at improving the way the ICANN.org website is managed and updated, as well as how to best organize existing content, while also working within technical and resource limitations. We're currently seeking a candidate for the role of Web Strategy & Content Senior Manager, who will be responsible for executing our overall website strategy.

Regional Events/Outreach We Supported: Our regional teams provided support for a number of events in their respective regions, as part of our ongoing efforts to increase awareness of ICANN's role within the Internet ecosystem and increase participation in the community and policy development. These regional events have also been critical in spreading awareness of the upcoming KSK Rollover.

Events included the Central Asian IGF (Tajikistan), the Asia Pacific Regional IGF (Thailand), the Latin America and the Caribbean IGF (Panama), the Asia Pacific Internet Governance Academy (South Korea) and the MEAC School on Internet Governance (Turkey).

Content Highlights: Our team is working closely with staff to familiarize them with the new ICANN-branded templates for Microsoft Word and PowerPoint. We have finalized the official ICANN presentation deck, which contains over 200 pre-made slides, handouts and talking points, and have made it available for all staff to use. This new deck will ensure the messaging we use for external messaging is consistent and correct. Additionally, we have published a series of writing style guides on a variety of publications, including announcements, blogs, social media, and more. These templates, slide decks and guides have been made available on both weCANN and the Board's drive.

TOP ISSUES & MITIGATION

The Communications team is examining how to best manage the high demand for support across the organization, within existing financial and time constraints. This has become increasingly important as we dedicate more and more resources to identify more efficient ways of handling and managing the ICANN.org website. Similarly, the Language Services team is working to balance a heightened need for multilingual language support within the limitations of their available resources.

ICANN Org Report to the Board

Policy Development Support
David Olive, SVP, Policy Development Support

KEY HIGHLIGHTS & MILESTONES

Address Supporting Organization (ASO)

- ITEMS International completed an independent organizational review of the ASO in late July 2017. The [Final Report](#) makes 16 recommendations on the effectiveness of the ASO within ICANN and its accountability to the Internet number community. The five regional Internet registry (RIR) communities will conduct consultations to consider the recommendations in the next series of RIR meetings between now and early December 2017.
- LACNIC celebrates its 15th anniversary during LACNIC28 in Montevideo, Uruguay, following APNIC44 in Taichung, Taiwan. ARIN40 in San Jose, California; RIPE75 in Dubai, United Arab Emirates; and AFRINIC27 in Lagos, Nigeria, complete the next cycle of RIR meetings for this year. Robust regional policy development for Internet number resources will take place at each meeting.

Generic Names Supporting Organization (GNSO)

- The GNSO Council completed, and transmitted to the Board, its review of gTLD policy issues covered by the GAC Communique from ICANN59.
- The GNSO Council confirmed the process and criteria for the selection of the GNSO representative to the Empowered Community Administration, a role which was being fulfilled until recently on an interim basis. Based on this process, James Bladel was confirmed as the GNSO Representative to the EC Admin until the end of his term at ICANN60.
- A number of proposed changes to the GNSO Operating Procedures and ICANN Bylaws were published for public comment to implement the recommendations of the GNSO Rights & Obligations under Revised Bylaws Drafting Team which was tasked to identify the GNSO's new rights and obligations under the revised ICANN Bylaws which were adopted following the IANA Stewardship transition. Following the close of the public comment forum, the GNSO Council will start the process of reviewing the input received and determining steps to be taken next. Next steps could include further modifications and/or approval of the proposed changes. Any changes to the ICANN Bylaws will also need to be approved by the ICANN Board before these come into effect.
- The GNSO, as a Decisional Participant in the Empowered Community, approved the fundamental bylaw amendment to transfer responsibility for reconsideration requests to a new Board committee.

The GNSO currently has 9 policy development processes in progress, which will continue to be a focus for next quarter (see top issues and mitigation section for further details).

Country Code Names Supporting Organization (ccNSO)

- The ccNSO continues to work on updating / new internal guidelines to meet the requirements of the 1 October 2016 ICANN Bylaws and its role as Decisional Participant.
- The ccNSO Council adopted the final paper of the cross-community working group on use of names of country and territories, and in particular the recommendations. As a result, the cross-

community group concluded its work. Main conclusion of the CCWG is that under the circumstances it had to operate a harmonized framework for the use of country and territory names as TLDs is not feasible.

- Following the appointment of the membership of the WG on retirement of ccTLDs, the ccNSO Policy Development working group on retirement has convened its work.
- The ccNSO Council and RySG have agreed on the terms of reference for the first CSC charter review. Preparatory work starts in September 2017, with the intention to have public sessions at ICANN 60.

Customer Standing Committee (CSC)
- The CSC continues to meet monthly. Core item is review of the monthly PTI report to the CSC, and agree on the CSC report on PTI performance, which is shared with community. Since June 2017 performance is considered "excellent".
- The CSC, in close cooperation with PTI, is now working on the Remedial Action Procedure (required).
- The CSC together with PTI, is detailing the procedure to amend the agreed Service Level Expectations, as listed in the IANA Naming Function Contract. This power of the CSC is grounded in the CSC charter.

At-Large/At-Large Advisory Committee (ALAC)
- **At-Large Review** – The ALAC approved the At-Large Review Feasibility Assessment and Implementation Plan during their August monthly call. The Working Party will send it to the Board Organizational Effectiveness Committee in early September.
- **At-Large at ICANN 59** - At-Large community held 25 sessions, including local and regional outreach activities and meetings with other stakeholders.
- **Policy Advice Development** - From 30 May through 15 August, the ALAC submitted three policy statements in response to public comments. They are:
    o 7 July 2017 - **Revised ICANN Procedure for Handling WHOIS Conflicts with Privacy Law: Process and Next Steps**
    o 14 June 2017 - **Draft Framework of Interpretation for Human Rights**
    o 30 May 2017 - **Proposed Renewal of .NET Registry Agreement**
- **ALAC and Regional Elections** - The 2017 elections resulted in a good mix of experienced leaders returning as well as new leadership within several of the regions.
- The complete election results can be seen at: 2017 At-Large Elections, Selections and Appointments.

Regional At-Large Organization Activities
- AFRALO General Assembly - During ICANN 59, nearly 50 African Regional At-Large Organization (AFRALO) At-Large Structures (ALSes) across 30 countries participated in the AFRALO General Assembly (GA) and its related activities. During the GA plenary, AFRALO signed a Memorandum of Understanding with AFRINIC for future enhanced cooperation.
- Updating Rules of Procedures - Three RALOs (AFRALO, EURALO and NARALO) continued to work to update their internal regulations.
- Individual Members - AFRALO voted to implement a pilot effort to include individual members within their RALO. With this vote, there are now four out of five RALOs that include individual members. LACRALO continues to discuss next steps.

At Large Structures

- [At-Large Structures](#) – There are currently 224 At-Large Structures in 100 countries and territories.
- Since the last reporting, two At-Large Structures have joined and four have been de-certified due to lack of activity or the organization no longer exists. One individual has joined.

Governmental Advisory Committee (GAC)
- Leadership Elections – The nomination period for the GAC Chair and Vice Chair positions opened during ICANN59. Thomas Schneider previously announced that he will step down as GAC chair at the end of 2017. This means that a new GAC Chair will be elected at ICANN60 to serve the remainder of Mr. Schneider's term. As many as five GAC Vice Chairs positions could also be filled in the election. The nomination period for candidates closes on 13 September. The election balloting will begin on 28 September - concluding during the ICANN60 meeting.
- Follow-up on GAC Johannesburg Advice – The GAC and the Board held a joint call on 16 August to clarify Board member questions regarding the most recent GAC Advice issued at ICANN59.
- GAC members continue to contribute to a number of PDP and other working group efforts involving critical policy issues including IGO-INGO access to curative rights mechanisms, new gTLD subsequent procedures and the new General Data Protection Regulation, among others.
- GAC members are particularly interested in the recent Independent Review Panel declaration regarding new gTLD applications submitted by the Amazon company. Discussions on that topic are likely to continue through the ICANN60 meeting.
- As the GAC workload continues to expand, the GAC leadership is looking to identify new ways to improve support and provide guidance and coordination for GAC member participation in cross community working group and PDP activities.
- The GAC has been invited to name a co-leader to a new Work Team 5 being established by the GNSO's New gTLD Subsequent Procedures PDP WG. This new work team is expected to focus exclusively on geographic names at the top-level.
- New Bylaws Implementation – The GAC Chair, Thomas Schneider, is the current GAC representative on the Empowered Community Administration. The GAC continues its internal discussion/decisions on a permanent process for exercising its Empowered Community obligations.
- Review Team Appointments – The GAC is reviewing its options for endorsing candidates for the ATRT3 review team.
- Membership – Present GAC membership stands at 172 Members and 36 Observers (IGOs).

Root Server System Advisory Committee (RSSAC)
- 3 August RSSAC published RSSAC028, Technical Analysis of the Naming Scheme Used For Individual Root Servers. In this report, the RSSAC investigated six different naming schemes and documented advantages and disadvantages of each. The report recommends that follow up studies be carried out to investigate the current behavior of DNS resolvers, node re-delegation attacks, and DNS priming response sizes. Until these studies are completed the report recommends no changes be made to the current root server naming scheme.
- The RSSAC established two new work parties, one on the harmonization of anonymization procedures for Data Collection of Root Server Data, and one on documenting DNS, UDP, TCP/IP and ICMP parameter configurations used in root server operations.

Security and Stability Advisory Committee (SSAC)

- 30 May 2017, the SSAC published SAC096, SSAC Comment on the the CCWG-Accountability-WS2 Draft Framework of Interpretation for Human Rights.
- 12 June, the SSAC published SAC097, SSAC Advisory Regarding the Centralized Zone Data Service (CZDS) and Registry Operator Monthly Activity Reports.
- Three SSAC work parties are in various stages of development: Whois Rate limiting, IDN Harmonization, and DNSSEC Workshop Planning.

Root Zone Evolution Review Committee (RZERC)

- No updates in this reporting cycle.

Empowered Community and Empowered Community Administration

- At ICANN59, the Empowered Community Administration held the first-ever Community Forum to be organized under the new Bylaws. This first Community Power was triggered by the Board's approval of an amendment to a Fundamental Bylaw, concerning Board oversight of Reconsideration Requests. Following the requisite approval period, all five Decisional Participants notified the Empowered Community Administration of their approval of the Fundamental Bylaw amendment. The Administration has duly communicated the Empowered Community's approval to the ICANN Secretary.
- At ICANN59, the Board's approval of the ICANN and IANA Budgets for FY2018 and the ICANN Operating Plan triggered another of the Empowered Community's new Powers. This enables any community member to file a petition with any of the Decisional Participants seeking to reject one or more of these Board actions. At the close of the requisite petition period, however, no such petitions were received and the Empowered Community Administration duly communicated this outcome to the ICANN Secretary, with the result that the FY18 Budgets and Operating Plan came formally into effect as approved.

TOP ISSUES & MITIGATION

Empowered Community and Empowered Community Administration

- Some of the Decisional Participants in the Empowered Community have not yet completed the needed updates to their internal processes to ensure that each is able to fully discharge its new responsibilities under the revised ICANN Bylaws.
- A few community groups remain concerned that, even with updated internal procedures, some of the shorter deadlines enshrined in the new Bylaws may still be difficult to meet.

Address Supporting Organization (ASO)

- The ASO Address Council (ASO AC) chartered a working group on the ICANN Empowered Community. The working group is tasked with reviewing the interim procedures originally drafted by the NRO Executive Council and then making recommendations for final procedures. The working group will ensure its recommendations align with the ASO Memorandum of Understanding, ASO AC Operational Procedures, and Empowered Community provisions in the ICANN Bylaws.

Generic Names Supporting Organization (GNSO)

- The GNSO Council completed, and transmitted to the Board, its review of gTLD policy issues covered by the GAC Communique from ICANN59.
- The GNSO currently has 9 policy development processes in progress, which will continue to be a focus for next quarter. The main issues to highlight include:
    - New gTLD Subsequent Procedures PDP - At ICANN59, the new gTLD SubPro PDP WG co-chairs facilitated a community-wide dialogue on the topic of geographic names at the top-level, one of the many topics within the purview of the WG. Following those discussions, the WG is seeking to establish a sub group (i.e., Work Track 5) dedicated to geographic names at the top-level. To promote an inclusive and collaborative discussion, WT5 is expected to share leadership responsibilities equally between a representative from each of the ALAC, ccNSO, GAC, and the GNSO.
    - Review of All Rights Protection Mechanisms (RPMs) in All Generic Top-Level Domains (gTLDs) PDP - The projected timeline for the completion of Phase One was estimated to be late February/early March 2018. Collecting and analyzing the data that the Working Group has spent considerable time identifying as necessary is likely to substantially impact this timeline, given that much of the data currently does not exist in any comprehensive form and has not been collected by ICANN to date. Nevertheless, the Working Group believes that it is necessary to have the data in order to perform a thorough review of the RPMs developed for the 2012 New gTLD Program. The Working Group co-chairs plan to meet with their counterparts from the New gTLD Subsequent Procedures Working Group to coordinate their respective timelines and work. The Board may wish to take note of possible further adjustments to the completion dates of these PDPs.
    - Next-Generation Registration Directory Services to replace WHOIS PDP - In order to help inform its deliberations with independent guidance concerning the impact of GDPR on issues such as purpose, privacy and data protection, the WG engaged the law firm Wilson Sonsini Goodrich & Rosati to provide input on a number of questions that were originally formulated for the European senior privacy experts that participated at ICANN58. This legal analysis will likely have a significant impact on the direction of the deliberations of the WG and potentially the broader discussions that are taking place in relation to GDPR and the existing contractual obligations. The legal analysis is expected to be delivered to the WG in the course of September 2017.
    - IGO-INGO Access to Curative Rights Protection Mechanisms in All gTLDs - Although one of the Working Group's likely modification of its preliminary recommendations will be uncontroversial (since its amended recommendation will likely follow the United States Government's and other commenters' opinions regarding a complainant's standing to file a complaint under the existing procedures, it is highly probable that the outcome of the Working Group's current deliberations on the remaining recommendations will conflict with GAC advice and IGO submissions. As discussions stand, these other final recommendations will essentially do the following:
        - retain the legal basis for filing to either trademark or other similar (though unregistered) legal rights only;
        - will not create a separate procedure applicable to IGOs for either a rapid takedown or other resolution; and
        - address the jurisdictional immunity claims of IGOs via an arbitration process that takes place only after an IGO has successfully defended its immunity claim in a national court.

Staff has advised the Working Group that it may wish to consider publishing these proposed final recommendations for public comment, prior to submitting a Final Report to the GNSO Council for voting. The Board may wish to take note of the opportunity for the GAC, GNSO and community to engage in discussions at ICANN60 on any potential conflicts between the GAC advice and GNSO PDP outcomes.

o Reconvened PDP on Protections for IGO-INGO Identifiers in All gTLDs (note: scope limited only to certain names of the Red Cross) - It is not clear at present if the reconvened Working Group will amend its initial recommendation, or whether it will complete its discussions before ICANN60 in Abu Dhabi. The Board may wish to note that any recommendation from the Working Group will need to first be published for public comment, before submission to the GNSO Council for action – which is a necessary step before sending any final recommendations on to the Board for its review. The Board may also wish to note that, while these discussions are ongoing, the following items remain outstanding:

▪ Board action on the remaining PDP recommendations concerning IGO acronyms – this was also the subject of a facilitated discussion at ICANN59 in March 2017, with tentative agreement reached on an ICANN-implemented Ongoing Watch Service for IGOs. The expectation is that the Board will vote on the original GNSO PDP recommendations, and add a directive for such a Service, at the same time as its vote on a revised GNSO recommendation on the Red Cross National Society and International Movement names (if any); and

▪ Resolution of the Red Cross' request concerning the acronyms of the International Movement – the GAC had advised that any curative mechanisms developed for IGO acronyms should apply to these. The Red Cross acronyms are not part of the reconvened Working Group scope, and the resolution (if any) of this specific set of acronyms will probably depend on the outcome of the separate IGO-INGO Curative Rights PDP.

In the meantime, all IGO acronyms, the Red Cross National Society names, and the International Movement names and acronyms remain reserved on an interim basis by Board resolution. The Board's final disposition of the question as to appropriate protections for all these identifiers may therefore impact New gTLD Registry Operators. In this regard, the Board may also wish to note that these Registry Operators may ultimately have to implement a different policy with respect to each of the different types of IGO, Red Cross and other INGO (e.g. Olympic) names and acronyms, i.e. withhold only some from registration (permanent reservation). Action on these matters will likely carry over into the next new gTLD expansion round.

Country Code Names Supporting Organization (ccNSO)
• The ccNSO intends to continue to work on issues pertaining to the use of names of countries and territories as TLDs and intends to participate in work stream 5 under the GNSO PDP subsequent procedures.
• The 3rd ccNSO PDP is now well underway. The PDP working group on retirement of ccTLDs has had its first meeting and start to deal wil the substantive issues.
• The upcoming ccNSO Council election will be guided by the ccNSO Council election guideline which has not been (fully) updated. The update is expected by ICANN 60. The upcoming Board

Seat 12 nomination procedures will be guided by ccNSO Guideline for Board Nomination, which has been aligned with the 1 October 2016 ICANN Bylaws. Both the elections and nomination procedures will start in September 2017.

At-Large/At-Large Advisory Committee (ALAC)

- The At-Large Review Working Party worked throughout the reporting period to keep on track to submit the At-Large Review Feasibility Assessment and Implementation Plan to the OEC in early September.
- The ALAC submitted three policy advice statements during this reporting period.
- ALAC and Regional Elections were completed with a good mix of new and experienced leaders coming on board at the end of ICANN 60.

Governmental Advisory Committee (GAC)

- GAC members are particularly interested in the recent Independent Review Panel declaration regarding new gTLD applications submitted by the Amazon company. Discussions on that topic are likely to continue through the ICANN60 meeting.
- The GAC has been invited to name a co-leader to a new Work Team 5 being established by the GNSO's New gTLD Subsequent Procedures PDP WG. The new work team is expected to focus exclusively on geographic names at the top-level.

Root Server System Advisory Committee (RSSAC)

- Two Caucus work parties remain active drafting reports on root server naming schemes and best practices for the distribution of root server anycast instances.

Security and Stability Advisory Committee (SSAC)

- Three SSAC work parties are in various stages of development: Centralized Zone Data Service/Whois Rate limiting, IDN Harmonization, and DNSSEC Workshop Planning.

The Policy Development Support Team continued to facilitate an increasingly active agenda of policy development and advisory activities of three Supporting Organization and four Advisory Committee. Our efforts focus on top priority issues within each SO-AC group and to help and support community volunteers while managing the processes each community has developed to do its work.

ICANN Org Report to the Board

Governmental and IGO Engagement
Tarek Kamel, Sr. Advisor to President & SVP, Government and IGO Engagement

KEY HIGHLIGHTS & MILESTONES

While early June through late August is generally a slower time due to holidays, there were several government IGO engagement meetings where ICANN participated as part of the overall Internet Governance Ecosystem. These included the GE team meetings with government and intergovernmental representatives as well as supporting the CEO in bilaterals and a presentation at the EuroDig in Tallinn, the WSIS, the Meissen Summer School and the ICANN Studienkreis in Stockholm.

In addition, the team was very involved in the preparations for and hosting of the GAC capacity building workshop as a pre-event at ICANN 59 in Johannesburg, South Africa. This was the third capacity building workshop for GAC members and regional law enforcement representatives and the second such event to be held in Africa. Preparations for the new GAC capacity building workshop at ICANN60 in Abu Dhabi have also started.

Another focus during this reporting period was the work on GDPR at ICANN 59 (Cross Community session) and elsewhere and the bilaterals and ongoing discussion with the GAC at the ICANN meeting regarding 2 character ccTLDs.

GE, in cooperation with GSE staff, also continued its regional government engagement activities with the related officials in different countries and regions as highlighted in the monthly report to the Government Advisory Committee (GAC.)

ICANN has also successfully participated at the ECOSOC annual meeting in New York and we continued preparations for the ITU-WTDC in Argentina to be held in October and the IGF in Geneva in December.

OVERVIEW OF ACTIVITY

1. Liaising with the Government Advisory Committee (GAC)

The third capacity building workshop was held June 23-24, just before ICANN59 for GAC representatives from the southern African countries as well as a public safety workshop for Law Enforcement agencies across Africa. This two-day workshop involved 13 countries of the South African SADEC region with participants from regulatory and law enforcement from the individual countries as well as intergovernmental organizations. As in previous GAC capacity building workshops the agenda was built from the responses to a survey conducted of potential participants in the region so the sessions were tailored to the specific needs and interests of those involved. The workshop covered the Internet Governance ecosystem; the multistakeholder model; an overview of the DNS Ecosystem; Abuse of the DNS; WHOIS; key issues and processes at ICANN including data protection and privacy issues; DNS abuse mitigation and key GAC issues and processes relevant to law enforcement, consumer and data protection agencies. The workshop was planned and presented with full coordination between GAC Underserved Regions WG, the GAC Public Safety WG, constituency

leaders and community members and staff from GE, Policy Development, OCTO, and the Africa regional GSE field team.

Government Engagement and Global Stakeholder Engagement regional staff continue to work with the GAC and regional members to identify interest for future trainings and possible hosts. At this point the preliminary project plans extend possible workshop dates and locations through February 2018 and once completed would mean that the programs had been held five times across 4 regions. Plans are being prepared for a GAC capacity building workshop in the Middle East region associated with ICANN60 and discussions are underway for a GAC member's capacity building session for Latin America tentatively planned for November 2017 and a South Asia based event for February 2018. In addition, templates have now been developed to assist with and streamline future workshop planning and standardize the reporting of outcomes after the workshops are held.

2. Government and IGOs Engagement
The Government and IGO Engagement team continues its work with governments, global and regional intergovernmental organizations as well as the country missions and permanent representatives to the various IGOs in Geneva and New York.

The World Summit on the Information Society (WSIS) Forum 2017 was held in Geneva from June 12-16. ICANN presented a panel and ICANN executives and Board members participated in the Forum more broadly. The theme was Information and Knowledge Societies for Sustainable Development Goals. The Forum was co-organized by ITU, UNCTAD, UNDP and UNESCOICANN was a speaker at the opening of the Forum and participated in several other panels related to capacity building plans. ICANN also continued to follow the work of the UN Government Group of Experts which in the end failed to reach a recommendation.

The GE team worked with colleagues in the GNSO and meetings team on the design of the Cross Community High Interest Topic on data protection and the GDPR track at the ICANN 59 Johannesburg meetings. This work is part of two ongoing strands – the operational track on the issue done in collaboration with other departments at ICANN which is necessary for ICANN's contracted parties to be in compliance with the GDPR by the time of their implementation next year; and ongoing outreach to the governments in the different regions as the regulations are debated and versions adopted by governments beyond the EU. GE, in coordination with GSE and MSSI staff, are working on outreach to data protection officers and various ministries through conferences where the GDPR have been discussed and upcoming conferences such as the International Conference of Data Protection and Privacy Commissioners (ICDPPC) to be held in Hong Kong in late September.

During this time, GE also engaged with IGOs and individual Government representatives through the COM-ITU meetings in Sofia Bulgaria. GE also actively participated with the delegations at the UN ECOSOC High Level Political Forum at the UN in New York with Board members, which took place in July 2017.

3. Participation in Internet Governance Discussions
There were several strands of IG discussions in various venues in June, July and August

Planning for ICANN participation in IGF 2017 continued through the process of submitting proposals for an ICANN Open Forum and two "Day Zero" or IGF pre-events. The Multistakeholder Advisory Group (MAG) accepted the proposals for the Day Zero events and the Open Forum. ICANN will have a Civil Society themed session titled "How Digital Activists are shaping the evolution of the Internet: the voice of civil society in ICANN" about participation in the multistakeholder model and a technical themed session on "The DNS and Emerging Identifiers."

In coordination with GSE regional teams GE is following the World Telecommunication Development Conference 2017 (WTDC) through the preparatory regional conferences. In the past three months, there have been preparatory events in Victoria Falls (Africa), Vilnius (Europe) and Kuala Lumpur (Asia Pacific). The global WTDC which will be held in Buenos Aires in October 2017. Of note was the similarity of study group structures adopted in both regions and the potential tying of Digital Object Architecture into separate proposals regarding device counterfeiting and theft. This collaborative monitoring of the regional proposals provides a means to track discussions and prepare for any issues that might result in resolutions or proposals at the final global conference. For the global conference ICANN is collaborating with the I* Community and other organizations in the IG ecosystem to understand their positions on the resolutions and coordinate responses to any resolution that might impact ICANN's mission.

We continued our participation in the Munich Security Conference process on Cybersecurity through participation the 2017 Cyber Security Summit held in Tel Aviv with senior decision makers and experts. The fifth Summit focused on the cyber dimension of international relations, the challenge digital technologies can pose for democratic processes, vulnerability of infrastructure, and the efficacy of cyber norms.

Other IG discussions included the EuroDig 2017 conference held in Tallinn Estonia where the CEO gave an address and had several ministerial bilateral discussions, supported by GE. ICANN also presented at the European Commission High Level Group on Internet Governance about ICANN's ongoing priorities and participated in the conference held in Yaoundé, Cameroon on Cyber legislation and the digital economy. GE also presented on ICANN and Internet Governance as part of the newcomers training at the Asia Pacific Regional IGF in Bangkok, and in the main session, at the end of July 2017, and at the Meissen IG Summer School in July. GE also represented the organization at the ICANN Studienkreis in Stockholm in August where the CEO and Board members participated. The Studienkreis meeting was a good opportunity for exchanges about ICANN and the global IG ecosystem, the new gTLD program and the ICANN Empowered Community.

TOP ISSUES & MITIGATION
One primary focus of government engagement activity in June during ICANN 59 was the continued dialogue to address and define the concerns expressed by governments about the release of 2 and 3 character codes at the second level. GE supported senior management in specific bilateral meetings with targeted reports by extracting data from the root zone record so that specific national governments could see where their country's two letter code was registered and how their own ccTLD had addressed the use of other countries 2 letter codes. GE was part of the team to facilitate a community dialog at ICANN 59 and has drafted a proposed strategy for facilitating implementation of greater dialogue and fact sharing to inform GAC discussions through cross community dialogue and data earlier in the policy development process. This work occurred in coordination with many other

departments, to facilitate the deliberations between the different constituencies. We think the issue has now been fairly well clarified based on the right facts. This engagement model may be used in the future on other issues.

The other ongoing area of activity is the GDPR, its impact on ICANN Org processes and procedures and the effect on the various constituencies, their ICANN Contracts as well as the management of data on the WHOIS. There is a clear need for intense coordination with Data Protection Commissioners in different countries (including in the EU) and there is a need for strong coordination with the Data Protection Community at the annual meeting of DPCs in Hong Kong late September, along with effective participation of ICANN.

The third more generic issue is the failure of the UN GGE on Cybersecurity in June, this leading to a perception of a vacuum in cybersecurity policy, and hence the need to follow-up, more closely, the cybersecurity dialogue in the November Global Conference on Cyberspace (GCCS) in New Delhi.

ICANN Org Report to the Board

Multistakeholder Strategy and Strategic Initiatives (MSSI)
Theresa Swinehart, SVP, Multistakeholder Strategy and Strategic Initiatives

KEY HIGHLIGHTS & MILESTONES

Several milestones were achieved in connection with the department's areas of responsibility, including overseeing and managing CCWG-ACCT Work Stream 2, Organizational Reviews, the Specific Reviews, the Hubba Bubba (Process Documentation Initiative) project, Strategic Outlook process, and data protection/privacy issues.

In relation to Work Stream 2, the team supported both the work of the CCWG chairs in their preparations and planning calls, as well as internal coordination and support for Work Stream 2 and the respective subject areas. Half of the groups have now progressed their efforts to the point of executing public comment periods, and the remaining subgroups are expected to produce documented recommendations for public comment in the ICANN60 timeframe. The Work Stream 2 group has received approval for an extension of their work and are now on a timeline to finish their work in time for chartering organizations and board approval and adoption by the end of FY18. The independent assessor Cameron Ralph Khoury submitted the Final Report of the ICANN Office of the Ombudsman to the WS2 Ombudsman Sub-team in July. The Sub-team will consider the recommendations contained in the report as part of its own finding for its report to the WS2 plenary.

On Specific Reviews, the **Competition, Consumer Choice and Trust Review Team** (CCT-RT) is refining its draft report, based on public comments received, and strengthening its recommendations in line with the S.M.A.R.T.[1] approach. In addition, the Review Team is developing new recommendations to reflect results from the INTA survey and the "Statistical Analysis of DNS Abuse in gTLDs" Report. The Review Team plans to publish new sections of the report for public comment in September 2017 and submit its final report to the Board prior to ICANN60. The **Second Security, Stability & Resiliency of the DNS Review Team** (SSR2-RT) is refining the review's focus through the development of a detailed scope of work, timeline and work plan. The Review Team is examining a substantial number of reports and background materials. ICANN organization has delivered in-depth briefings on implementation of prior review recommendations and other topics to inform the Review Team's work. The Review Team has decided to hone in on review of implementation of the SSR1 recommendations, ICANN SSR, ICANN DNS, future challenges, and impact of the IANA transition. It is seeking external help to conduct a gap analysis of implementation of the SSR1 review recommendations. The **Registration Directory Service Review Team** (RDS/WHOIS2-RT) was announced in June 2017. The Review Team is building its scope of work and considering SO/AC input. ICANN organization has provided a draft Terms of Reference to assist the Review Team. The Review Team has elected an interim leadership and will hold its first face-to-face meeting in October 2017 in Brussels, Belgium. **The third Accountability and Transparency Review** (ATRT3) was launched on schedule. The Call for Volunteers yielded 26 applications. SO/ACs have received the list of candidates, and have been invited to identify individuals they wish to nominate. Under the oversight of OEC and in line with best practices from transition related work, Board Caucus Groups have been formed as a mechanism for the Board to provide input to Specific Reviews on scope of work, feasibility of

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[1] Specific, Measurable, Achievable, Relevant and Time-Bound

recommendations and other key matters. Additionally, to ensure transparency to the community on the resources relating to the Specific Reviews, Fact Sheets are provided on a quarterly basis. These can be found on their respective wiki pages (CCT – SSR2 – RDS-WHOIS2) and are annexed to this CEO Report.

Regarding organizational reviews, ITEMS, the independent examiners who conducted the **At-Large review**, delivered their Final Report in May, and the At-Large organization is preparing its Feasibility Assessment and Initial Implementation Plan, to be considered by the Board along with the Final Report later this year. ICANN has engaged Analysis Group as the independent examiner to conduct the **NomCom Review**. Analysis Group conducted over thirty interviews with current and former NomCom members and appointees. They will launch an online survey to supplement data gathered through the interviews and expand the outreach. This survey is expected to go live in September and remain open through mid-October. The RFP to identify an independent examiner to conduct the **RSSAC Review** solicited a number of qualified candidates, and the contracting should be completed by mid-September, with the review work to start in October. The RFP for an independent examiner for the **SSAC Review** remains open until mid-August and, provided sufficient pool of qualified candidates, the review work should get underway in November. The OEC has recommended a deferral of **ccNSO Review** until August 2018 and the ICANN Board will consider the deferral at its September meeting. The deferral stems from community concerns about their workload and has gone through the public comment process. The NRO initiated the **review of the ASO** in early 2017, in accordance with the Memorandum of Understanding. In August 2017, ITEMS, the independent examiner engaged by the NRO, submitted their Final Report. The Report has been published for public comment – to remain open until 6 September 2017.

Regarding the Hubba Bubba Project, the organization is finalizing initial drafts of the Policy Development, Reviews, Advice and Correspondence, and Empowered Community processes. Select process maps were presented at the GDD Summit and at ICANN 59, as well as on icann.org. Efforts are now underway to incorporate all feedback and produce final initial versions of the process flows for publication by the ICANN60 timeframe. We are also working on creating a set of corresponding text-based handbooks in support of these flowcharts. The purpose of these tools is to provide a more "user friendly" way to approach these processes before delving further into the detailed procedural documentation, including ICANN's bylaws, which served as the basis for this work. Following finalization all the materials will be translated.

In relation to data protection/privacy, we have been managing the coordination of the respective departments work on the GDPR (internal and external), working closely with GDD, and the Board to follow developments. ICANN organization has formed an internal GDPR Task Force comprised of 3 Board members, representation from ICANN organization relevant departments, and subject matter experts to focus on parallel tracks which include: (1) Personal data that participants in the domain name ecosystem collect, display, and process, including registries and registrars pursuant to ICANN contracts; and (2) personal data that ICANN collects and processes for internal or external services. We will continue to engage in collective discussions on this topic and provide updates on our efforts. We are also tracking developments in other jurisdictions as ICANN understands that the landscape outside of Europe also is undergoing change. Information of the work with the community can also be found at: https://www.icann.org/dataprotectionprivacy.

OVERVIEW OF ACTIVITY

The MSSI team is currently supporting four Specific Reviews (CCT, SSR2, RDS-WHOIS2 and ATRT3) under the Bylaws. Proposals to limit the scope of the RDS-WHOIS2 Review Team and the ATRT3 Review Team have been considered by the SO/AC leadership to avoid duplication of efforts with other community work underway such as the CCWG-ACCT Work Stream 2 or the PDP on the Next Generation of Registration Directory Services. Although some SO/ACs have expressed their support for limiting scope, others prefer to allow the Review Teams to decide their scope. These proposals are in response to concerns about community bandwidth and its ability to effectively participate in Specific Reviews.

In collaboration with the community and the Board, we are developing Operating Standards, a system by which to conduct reviews efficiently and effectively, in alignment with ICANN Bylaws. After several community engagement and consultations within the past year, we are preparing a draft document, containing relevant guidelines for all processes related to conducting Specific Reviews. These draft Operating Standards will be put out for public comment in September. To increase community's input and facilitate constructive feedback, MSSI will conduct targeted outreach efforts to all interested SO/ACs. Most of the proposed guidelines are based on existing best practices Following approval by the SO/AC Chairs, the Operating Standards will also be a Cross-Community Topic during ICANN60. The session will focus on gathering additional community feedback and exploring the next steps, including the adoption of the Operating Standards, currently foreseen for early 2018.

With regards to the GDPR specifically, activity has taken place in both tracks:

In the Contracted Parties and Engagement track, as reflected by GDD in their section of this report, the matrix of user stories was posted for a 30-day public review period. The public comment review period ended 24 August. With the completion of the public review period, a summary will be prepared of all the user stories to provide to the community. This will also contribute to the legal assessment work underway. On the basis of these materials, ICANN organization will also engage with Data Protection Authorities (DPA) to gain a better understanding of any potential compliance implications.

In the Internal ICANN-organization related issues track, the collection of data was completed late August and the legal team has moved into their data analysis phase, which should last through mid-October. Upon completion of that analysis, a plan will be put into place on addressing any issues identified requiring attention.

Regarding the organization's Strategic Outlook work, we are working with the 5 Trend Expert teams to finalize development of the initial trend reports to provide to the ICANN organization. In addition, work continues to refine the future trends work started with this year's departmental workshops to identify strategic outlook trends for the upcoming FY18-19 timeframe. These trends will be discussed with the executive team in the coming weeks, with the objective to provide them to the Board for discussion by the ICANN 60 Board Workshop.

TOP ISSUES & MITIGATION

The Bylaws have introduced new requirements applicable to Specific Reviews. In implementing many of the new processes under the Bylaws, areas of clarity and improvement, including the new roles and responsibilities of the SO and ACs and the scope of reviews, have ben identified which can be addressed in the Operating Standards. For example, on the topic of scope of reviews, the Bylaws only

specify items that are allowed to be part of the Review Team scope, but do not reserve the right of developing the scope to the Review Team nor specify the process by which a Review Team's scope is to be developed. A good practice suggests that scope is defined *before* reviewers are selected so that resources can be properly allocated and reviewers understand and are willing to commit to the full duration of the project. Moreover, setting the scope through community decisions prior to the Review Team's kick-off could yield a greater number of expressions of interest, facilitate the SO/ACs' selection processes and contribute to the overall cost efficiency of the project; a proposal to include this for the next round of Specific Reviews is included in the draft Operating Standards that will go out for public comment in September.

With regards to specific reviews, for the RDS-WHOIS2-RT, the ccNSO has reserved the right to appoint members once the scope of the review is determined. As such, three placeholder seats were included into the Review Team composition to be filled by the ccNSO, as deemed appropriate. The ccNSO's decision illustrates a growing community inclination towards effective participation in review efforts. Board Caucus Groups have been formed as a mechanism for the Board to provide input to Specific Review Teams on a range of topics, including scope of work (in the case of SSR2) and draft recommendations (in the case of CCT). The Board Caucus Groups also support the respective Board-appointed Review Team members to the Specific Reviews.

Volunteer bandwidth and a busy review schedule continue to pose a challenge – reviews depend on active community collaboration by members with the requisite expertise. They also consume significant time and resources. With four Specific Reviews (CCT, SSR2, RDS-WHOIS2 and ATRT3) active over the next few months, there is a continued need to ensure sufficient community participation in reviews, and sufficient financial resources made available to conduct them. The selection process for the recently launched Specific Reviews (ATRT3 and RDS-WHOIS2) produced a relatively small applicant pool, which may lead to sub-optimal representation among these Review Teams from the perspective of geographic, gender, and SO/AC diversity. Additionally, we are observing declining engagement and participation from Review Team members as well as observers.
For Organizational Reviews, one of the upcoming reviews (ccNSO) is under Board consideration for a 12-month deferral, which may offer some relief.

With regards to implementation of recommendations generated by Reviews, there are several important considerations – ability to implement recommendations to achieve desired impact, with many recommendations broad and difficult to measure; bandwidth to complete the implementation work given other concurrent community priorities; and the financial resources that may be required. The CCT-RT Draft Report describes approximately 50 proposed recommendations. By any measure, these represent a significant undertaking which is likely to compete for resources with other high-priority activities. As such, the CCT-RT is encouraged to streamline its recommendations, to test them against the S.M.A.R.T. framework and to strengthen associated rationales. ICANN organization has provided a framework of questions to assist the Review Team in this process.

With regards to Work Stream 2, the CCWG-Accountability has requested an extension of its work through the next fiscal year. All chartering organizations have expressed support for this extension except for ccNSO, which is expected to review the recommendation at ICANN59.

Fact Sheets:

Competition, Consumer Trust and Consumer Choice (CCT) Review
Fact sheet as of: 30-Jun-2017

Overview:
ICANN is committed to ensuring that, as it contemplates expanding the top-level domain space, the various issues that are involved will be adequately addressed prior to implementation.
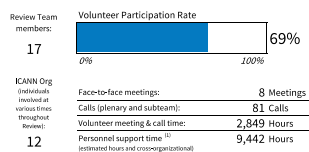
These include issues such as competition, consumer protection, security, stability and resiliency, malicious abuse issues, sovereignty concerns, and rights protection.

The AoC also requires ICANN to convene a community-driven review to examine the extent to which the introduction or expansion of gTLDs has promoted competition, consumer trust and consumer choice, as well as the effectiveness of: The application and evaluation process and safeguards put in place to mitigate issues involved in the introduction or expansion.

Wiki Page:	CCT Wiki Home Page
CCT-RT Email:	input-to-cctrt@icann.org
Review Questions:	reviews@icann.org

| CCT Chair | Jonathan Zuck |
| Competition and Consumer Choice Subteam Chair: | Jordyn Buchanan |
| Safeguards & Trust Subteam Chair: | Laureen Kapin |

Review Status (as of 30 June 2017)

Start Date:	13-Jan-2016
Expected Completion:	18-Oct-2017
Review Duration to Date:	18 Months
Total Expected Duration:	21 Months

86% Complete, Based on Duration

92% Budget Spent/Committed

Section I: People (as of 30 June 2017)

Review Team members: **17**

ICANN Org (individuals involved at various times throughout Review): **12**

Volunteer Participation Rate: 69%

Face-to-face meetings:	8 Meetings
Calls (plenary and subteam):	81 Calls
Volunteer meeting & call time:	2,849 Hours
Personnel support time [1] (estimated hours and cross-organizational)	9,442 Hours

[1] Does not include time for Executives, Legal, IT Personnel and Other Organizational Support
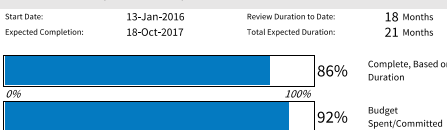
Section II: Financial Resources (as of 30 June 2017)

Direct Review Costs [1]	FY17 Approved Budget [2]	FY17 Budget Spent to Date [3]	Committed FY17 Services [4]	Remaining FY17 Budget	Actual Expenses: Review to Date [4]	Total Spent and Committed to Date
Professional Services - IAG-CCT	$ -	$ -	$ -	$ -	$ 210,000	$ 210,000
Professional Services - CCT	$ 870,000	$ 700,000	$ 80,000	$ 90,000	$ 1,590,000	$ 1,670,000
Travel	$ 340,000	$ 230,000	$ -	$ 110,000	$ 370,000	$ 370,000
Total	$ 1,210,000	$ 930,000	$ 80,000	$ 200,000	$ 2,170,000	$ 2,250,000

[1] Excludes ICANN Organization and overhead allocation.
[3] Based on the most recent month end financials (may not include recent expenditures). Represents expenses incurred since inception of work.
[2] Includes incremental approved professional services budget of $160,000.
[4] Professional services includes services from signed contracts to be provided or invoiced; travel includes upcoming scheduled meetings.

Section III: Milestones (as of 30 June 2017)

Project Management — 20% of total effort
- ☑ Adopt terms of reference
- ☑ Adopt work plan
- ☑ Assemble subteams
- ☑ Prepare templates
- ☑ Solidify list of projects
- ☑ Adopt discussion paper template
- ☑ Adopt report shell/framework

Research and Studies — 20% of total effort
- ☑ Identify data/sources needed for work
- ○ Analyze data from research and studies

Draft Report — 25% of total effort
- ☑ Assemble initial conclusions
- ☑ Populate discussion papers with findings and potential recs.
- ☑ Reach agreement on discussions papers
- ☑ Discuss/approve/consolidate findings and interim recommendations
- ☑ Approve interim recommendations
- ☑ Seek Board/ICANN Organization input on implementability of interim recommendations
- ☑ Circulate interim recommendation to Subsequent Procedures PDP WG
- ☑ Socialize interim recommendations with community
- ☑ Build and approve Draft Report for public comment
- ☑ Issue draft report for public comment and socialize draft recommendations with
- ○ Produce summary of public comment received
- ☑ GDD to provide input on draft recommendations

New Sections — 10% of total effort
- ○ Review studies' input and incorporate as appropriate
- ○ Produce additional recommendations/new sections, as appropriate and edit report
- Approve additional recommendations
- ○ Publish new sections of the report for public comment
- ○ Socialize changes to report with community
- ○ Seek ICANN Org and Board Caucus WG input on implementability of recommendations
- ○ Circulate to New gTLD Subsequent Procedures PDP WG
- ○ Produce summary of public comments

Final Report — 25% of total effort
- ○ Review public comment input received and incorporate as appropriate
- ○ Seek Board/ICANN Organization input on implementability of final recommendations
- ○ Circulate final recommendations to Subsequent Procedures PDP WG for input
- ○ Finalize Report
- ○ Adopt final recommendations and report
- ○ Socialize final report with community
- ○ Send final report to ICANN Board

TOTAL:
60% Milestones Completed

Security, Stabililty and Resiliency (SSR2) Review
Fact Sheet as of: 30-Jun-2017

Overview:
The Board shall cause a periodic review of ICANN's execution of its commitment to enhance the operational stability, reliability, resiliency, security, and global interoperability of the systems and processes, both internal and external, that directly affect and/or are affected by the Internet's system of unique identifiers that ICANN coordinates ("SSR Review").

Wiki Page:	SSR2 Wiki Home Page
SSR2-RT Email:	input-to-ssr2rt@icann.org
Review Questions:	reviews@icann.org

SSR2 Co-Chairs:	Denise Michel
	Eric Osterweil
	Emily Taylor (resigned as of 16 July 2017)

Review Status *(as of 30-June-2017)*

Start Date:	Mar-17	Review Duration to Date:	**4** Month(s)
Expected Completion:	Jun-18	Total Expected Duration:	**15** Months

26% Complete, Based on Duration

41% Budget Spent/Committed by Review Team

Section I: People *(as of 30-Jun-2017)*

Review Team members: **16**

Volunteer Participation Rate **76%**

ICANN Org (individuals involved at various times throughout Review):		
Face-to-face meetings:	**5** Meetings
Calls (plenary and subteam):	**12** Calls
Volunteer meeting & call time:	**655** Hours
Personnel support time [i] (estimated hours and cross-organizational)	**1,211** Hours

[i] Does not include time for Executives, Legal, IT Personnel and Other Organizational Support

Section II: Financial Resources *(as of 30-Jun-2017)*

Direct Review Costs [1]	Approved Budget	Spent to Date [2]	Committed Services [3]	Total Spent and Committed to Date	Remaining Budget
Professional Services	$200,000	$0	$0	$0	$200,000
Travel	$340,000	$100,000	$100,000	$200,000	$140,000
ICANN Org Support	$150,000	$10,000	$70,000	$80,000	$70,000
Total	**$690,000**	**$110,000**	**$170,000**	**$280,000**	**$410,000**

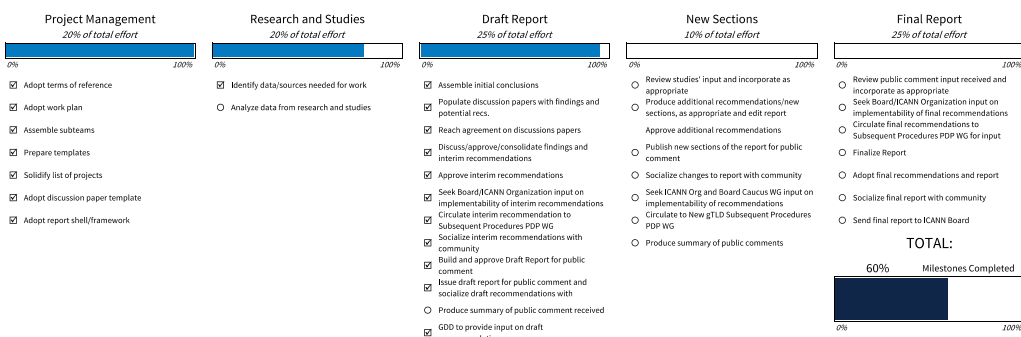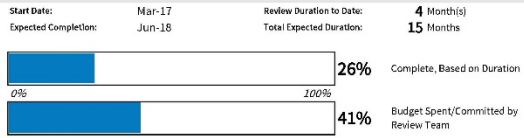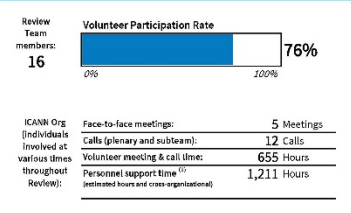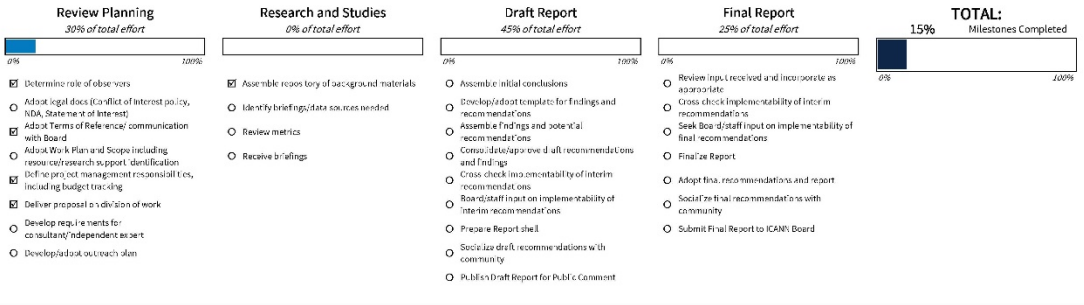[1] Excludes ICANN Organization and overhead allocation.
[2] Based on the most recent month end financials (may not include recent expenditures). Represents expenses incurred since inception of work.
[3] Professional services includes services from signed contracts to be provided or invoiced; travel includes upcoming scheduled meetings.

Section III: Milestones *(as of 30-Jun-2017)*

Review Planning
30% of total effort

- ☑ Determine role of observers
- ☐ Adopt legal docs (Conflict of Interest policy, NDA, Statement of Interest)
- ☑ Adopt Terms of Reference/ communication with Board
- ☐ Adopt Work Plan and Scope including resource/research support identification
- ☑ Define project management responsibilities, including budget tracking
- ☑ Deliver proposal on division of work
- ☐ Develop requirements for consultant/independent expert
- ☐ Develop/adopt outreach plan

Research and Studies
0% of total effort

- ☑ Assemble repository of background materials
- ☐ Identify briefings/data sources needed
- ☐ Review metrics
- ☐ Receive briefings

Draft Report
45% of total effort

- ☐ Assemble initial conclusions
- ☐ Develop/adopt template for findings and recommendations
- ☐ Assemble findings and potential recommendations
- ☐ Consolidate/approve draft recommendations and findings
- ☐ Cross check implementability of interim recommendations
- ☐ Board/staff input on implementability of interim recommendations
- ☐ Prepare Report shell
- ☐ Socialize draft recommendations with community
- ☐ Publish Draft Report for Public Comment

Final Report
25% of total effort

- ☐ Review input received and incorporate as appropriate
- ☐ Cross check implementability of interim recommendations
- ☐ Seek Board/staff input on implementability of final recommendations
- ☐ Finalize Report
- ☐ Adopt final recommendations and report
- ☐ Socialize final recommendations with community
- ☐ Submit Final Report to ICANN Board

TOTAL:
15% Milestones Completed

Registration Directory Service (RDS/WHOIS) Review
Fact Sheet as of: 30-Jun-2017

Overview:
The Board shall cause a periodic review to assess the effectiveness of the then current gTLD registry directory service and whether its implementation meets the legitimate needs of law enforcement, promoting consumer trust and safeguarding registrant data ("Directory Service Review").

The review team for the Directory Service Review ("Directory Service Review Team") will consider the Organisation for Economic Co-operation and Development ("OECD") Guidelines on the Protection of Privacy and Transborder Flows of Personal Data as defined by the OECD in 1980 and amended in 2013 and as may be amended from time to time.

The Directory Service Review Team shall assess the extent to which prior Directory Service Review recommendations have been implemented and the extent to which implementation of such recommendations has resulted in the intended effect.

Wiki Page:	RDS-WHOIS2 Wiki Home Page
RDS-WHOIS2-RT Email:	input-to-rds-whois2-rt@icann.org
Review Questions:	reviews@icann.org

Interim RDS-WHOIS2 Co-Chairs:
Cathrin Bauer-Bulst
Alan Greenberg
Susan Kawaguchi

Review Status (as of 30-Jun-2017)

Start Date:	Jun-17	Review Duration to Date:	1 Month(s)
Expected Completion:	Jun-18	Total Expected Duration:	12 Months

8% Complete, Based on Duration

17% Budget Spent/Committed by Review Team

Section I: People (as of 30-Jun-2017)

Review Team members: **11**

Volunteer Participation Rate **82%**

ICANN Org (individuals involved at various times throughout Review):

Face-to-face meetings:	0 Meetings
Calls (plenary and subteam):	1 Calls
Volunteer meeting & call time:	9 Hours
Personnel support time [1] (estimated hours and cross-organizational)	303 Hours

[1] Does not include time for Executives, Legal, IT Personnel and Other Organizational Support

Section II: Financial Resources (as of 30-Jun-2017)

Direct Review Costs [1]	Approved Budget	Spent to Date [2]	Committed Services [3]	Total Spent and Committed to Date	Remaining Budget
Professional Services	$200,000	$0	$0	$0	$200,000
Travel	$340,000	$20,000	$50,000	$70,000	$270,000
ICANN Org Support	$150,000	$0	$50,000	$50,000	$100,000
Total	$690,000	$20,000	$100,000	$120,000	$570,000

[1] Excludes ICANN Organization and overhead allocation.
[2] Based on the most recent month end financials (may not include recent expenditures). Represents expenses incurred since inception of work.
[3] Professional services includes services from signed contracts to be provided or invoiced; travel includes upcoming scheduled meetings.

Section III: Milestones (as of 30-Jun-2017)

Review Planning
20% of total effort

- ○ Determine role of observers
- ○ Determine leadership
- ○ Adopt legal docs (Conflict of Interest policy, NDA, Statement of Interest)
- ○ Develop methodology to prioritize issues to be addressed in scope
- ○ Adopt Scope of Work
- ○ Adopt Terms of Reference
- ○ Adopt Work Plan/Timeline
- ○ Define project management responsibilities, including budget tracking
- ○ Deliver proposal on division of work
- ○ Establish need for consultant/independent expert
- ○ Adopt outreach plan
- ○ Send Terms of Reference and Work Plan to Board

Research and Studies
20% of total effort (to be reviewed by RT)

- ☑ Assemble repository of background materials
- ○ Identify briefings/data sources needed
- ○ Determine requirements for consultant/ independent expert; if necessary develop requirements, scope of work, deliverables

Draft Report
35% of total effort

- ○ Assemble findings
- ○ Develop/adopt template for findings and recommendations
- ○ Seek Board Caucus Group and ICANN Org's input on findings
- ○ Consolidate findings and assemble draft recommendations
- ○ Cross-check draft recommendations with scope
- ○ Seek Board Caucus Group and ICANN Org's input on implementability of draft
- ○ Adopt report format
- ○ Approve draft findings and recommendations
- ○ Approve Draft Report for Public Comment
- ○ Publish Draft Report for Public Comment
- ○ Socialize draft recommendations with community

Final Report
25% of total effort

- ○ Analysis of Public Comment
- ○ Assemble final recommendations
- ○ Cross-check final draft recommendations with scope
- ○ Seek Board Caucus Group and ICANN Org's input on implementability of draft
- ○ Approve final findings, recommendations and report for Board consideration
- ○ Submit Final Report to ICANN Board

TOTAL: **6%** Milestones Completed

Annex

Stakeholder Participation and the New gTLD Program

This paper provides a retrospective summary of the various points of stakeholder participation in the development and operation of ICANN's New gTLD Program. The summary describes the involvement of groups such as Supporting Organizations and Advisory Committees and other multistakeholder efforts throughout the program's timeline.

Executive Summary

From 2005 to 2007, the ICANN community developed policy on the introduction of new gTLDs through the Generic Names Supporting Organization, or GNSO. The GNSO is responsible under ICANN's Bylaws for developing and recommending to the Board substantive policies relating to generic top-level domains. The GNSO engaged in a policy development process to determine whether and under what conditions new gTLDs should be introduced, working through consensus building and collaboration of with fellow community groups to create the policy ultimately recommended to the ICANN Board. These activities are described in Part 1, Policy Development on Introduction of New gTLDs.

Following deliberation and consultation, the ICANN Board of Directors adopted the GNSO's policy recommendations in 2008, providing the foundation for implementation work on the new policy and operational preparations for launching the New gTLD Program. The stakeholder community participated in this multi-year phase through public comment periods, expert working groups, and other stakeholder group inputs resulting in changes to the program. These activities are described in Part 2, Implementation of GNSO Policy Recommendations.

As the application submission process opened in 2012, new gTLD applicants put forward 1,930 applications, which proceeded through the required evaluation steps performed by relevant evaluation panels. The stakeholder community worked during this multi-year phase to resolve process points in the program, provide input on applications under review, and help develop solutions to issues either not anticipated or not fully addressed under existing procedures. These activities are described in Part 3, New gTLD Program Operations.

As these stages proceeded, the community began laying the groundwork for review of the program's performance and outcomes. Stakeholder involvement in this phase included planning for reviews by recommending data to be captured and identifying areas for analysis, and later participating in executing reviews. These activities are described in Part 4, New gTLD Program Review Activities.

Through ICANN's bottom-up process, the GNSO has begun work to examine the community's collective experiences from the 2012 round of the program to determine what, if any changes may need to be made to its existing policy recommendations, providing opportunities for cross-community collaboration and input. These activities are described in Part 5, Looking Forward.

As the New gTLD Program has matured, ICANN's multistakeholder community has continued to initiate and complete many other relevant areas of work, including organizational reviews and development and implementation of new policies. ICANN's Bylaws have been revised and organizational practices have evolved while these activities took place. While each interrelated effort may not be explicitly listed, it is important to recall that the activities described here take place in the context of a dynamic ecosystem.

1 | Policy Development on Introduction of New gTLDs

In November 2005, the **GNSO Council** resolved to launch a policy development process on new gTLDs. On 2 December 2005, the **GNSO Council** approved the Terms of Reference for the policy development process, including four charter questions:

1. **Should new generic top level domain names be introduced?**
2. **Selection criteria for new top level domains**
3. **Allocation methods for new top level domains**
4. **Policy to guide contractual conditions for new top level domains**

In accordance with the policy development process documented in ICANN's then-current Bylaws, the **GNSO Council** determined that the policy development process should be managed by the **GNSO Council** as a committee of the whole, rather than a task force. The **GNSO New TLDs Committee** consisted of councilors from all constituencies.

On 6 December 2005, the **GNSO** published the terms of reference for public comment in accordance with the Bylaws. On 20 February 2006, the **GNSO New TLDs Committee** published a draft of its Initial Report for public comment. The Draft Initial Report set out the input received from interested stakeholders including constituency statements, public comments, and submissions in response to the committee's call for papers.

The **GNSO's New TLDs Committee** held a three day meeting in Washington DC from 23 to 25 February 2006. The substantive discussion over the three-day meeting included discussion on whether to introduce new top-level domains.

In March 2006, during the ICANN25 meeting, the **GAC-GNSO Working Group** met to discuss development of public policy principles applicable to the introduction of new gTLDs. The **GAC** continued to work on its principles document over the following year, with the **GNSO New TLDs Committee** taking the draft principles into account in developing its recommendations.

On 15 March 2006 **GNSO New TLDs Committee** made a formal call for additional information on technical criteria. No responses were received to that specific call; however, the committee paid particular attention to addressing relevant technical standards across the full range of registry operations, including those relating to Internationalized Domain Names.

The ICANN Board passed a resolution on 30 June 2006 noting that the **GNSO** was seeking to have an open dialogue with the **GAC** regarding the public policy implications of a new gTLD process. The resolution asked the **GNSO** to continue its work to meet a November 2006 target, and asked the

community to comment in a timely manner, noting also that comments from the **GAC** would be welcome at any stage.

On 28 July 2006, the **GNSO New TLD Committee** published its Initial Report for public comment. The Initial Report set out the key findings from the multi-phase policy development process. The committee met with the **GAC** during ICANN public meetings throughout 2006, to share progress on its work with GAC members.

On 11 October 2006, the **GNSO New TLDs Committee** chair wrote to request the GAC's assistance with the public policy impacts of the introduction of new TLDs.

At its sessions during the ICANN28 meeting in March 2007, the **GAC** formally adopted the GAC Principles regarding New gTLDs, a set of general public policy principles relating to the introduction, delegation, and operation of new gTLDs.

During the ICANN29 meeting in June 2007, the **GNSO New TLDs Committee** chair gave a presentation to **GAC** members describing how the **GAC** Principles regarding New gTLDs had been incorporated into the Committee's principles, recommendations and implementation guidelines.

On 23 May 2007, the **Reserved Names Working Group**, a subgroup of the **GNSO New TLDs Committee**, published its final report. The report contained the working group's recommendations on names to be reserved at the top level and second level in the new gTLD namespace, including for example IANA-related names and 2-character names.

On 1 June 2007, the **Protecting the Rights of Others Working Group**, a subgroup of the **GNSO New TLDs Committee**, published its final report, recommending minimum requirements for rights protection in the new gTLD space.

On 10 August 2007, the **GNSO New TLDs Committee** published its Draft Final Report for public comment. The report contained a set of principles, recommendations and implementation guidelines intended to result in a straightforward process for awarding new gTLDs to applicants satisfying the pre-published criteria. On 6 September 2007, the **GNSO Council** approved a motion in support of the policy recommendations on new gTLDs going forward to the ICANN Board, and on 31 October 2007, published its Council Report to the Board for public comment as per the Bylaws.

In preparation for implementing the anticipated recommendations, ICANN organization published DNS Stability: The Effect of New gTLDs on the Internet Domain Name System for public comment in February 2008. The paper sought input on implementation of **GNSO** recommendation 4: "Strings must not introduce any technical instability."

During the ICANN32 meeting in June 2008, the **GAC** issued a communique welcoming incorporation of the **GAC** Principles regarding New gTLDs in the **GNSO** policy recommendations, and also noting concern that principles on geographic names and IGO protection were not fully addressed. In follow-up to the **GAC's** communique, the ICANN CEO wrote to the GAC in August 2008 noting that the areas of concern identified in the communique were being considered by staff in implementation, and proposed a meeting of implementation team members with the **GAC** to discuss these items.

On 26 June 2008, the ICANN Board voted to approve the GNSO policy recommendations on new gTLDs. The resolution directed ICANN organization to continue development of its detailed implementation plan, continue communication with the community, and provide the Board with a final version of the implementation proposals for the board and community to approve before launch of the new gTLD process.

2 | Implementation of GNSO Policy Recommendations

On 23 October 2008, ICANN organization published a draft of the Applicant Guidebook for new gTLDs. The draft Guidebook was published for public comment and contained information on the application process, evaluation fees, and evaluation criteria. Along with the draft Applicant Guidebook, ICANN organization published a set of explanatory memoranda to assist readers in understanding the implementation work for new gTLDs.

On 18 December 2008, the acting assistant secretary for communications and information at the U.S. Department of Commerce National Telecommunications and Information Administration wrote to ICANN listing a number of items to be resolved before new gTLDs were introduced, including an economic study examining market structure and switching costs, security and stability, intellectual property protection, and capacity planning for contractual compliance.

On 3 February 2009, the ICANN Board requested RSSAC and SSAC to conduct a root zone stability study, to analyze the combined impact of IPv6 records, DNSSEC, IDNs, and new TLDs (both country-code and generic) on root zone operations.

On 18 February 2009, ICANN organization published draft version 2 of the gTLD Applicant Guidebook for public comment. Along with the new draft, the organization noted changes made to the provisions of the guidebook prompted by input from comments on the first draft. ICANN organization identified four overarching issues in the comments:

1. Trademark protection
2. Security and stability
3. Malicious conduct
4. Demand and economic analysis

On 4 March 2009, ICANN organization published draft reports from two economic studies performed by Compass Lexecon. Preliminary Report on Impact of New gTLDs on Consumer Welfare analyzed the anticipated introduction of new gTLDs from an economic perspective, and identified and addressed the benefits and costs associated with the proposal. Preliminary Analysis Regarding Price Caps for New gTLD Internet Registries examined whether price caps limiting future price increases would be necessary to ensure the potential competitive benefits of new gTLDs.

On 6 March 2009, the ICANN Board requested the **GNSO Intellectual Property Constituency** to work with ICANN organization to convene a diverse team on trademark protections in new gTLDs. The **Implementation Recommendations Team**, or IRT, was formed to provide recommendations to the Board on measures to protect trademarks in the new gTLD space. The **IRT** first met in April 2009, published its draft report for public comment in April, and delivered its Final Report on 29 May 2009.

Also on 6 March 2009, the ICANN Board directed ICANN organization to make changes to the draft Applicant Guidebook to provide greater specificity on geographic names protection and to seek clarifications to aspects of the **GAC's** advice. In accordance with the resolution, ICANN organization requested input from GAC members on possible options to resolve implementation issues in protection of geographic names. The GAC's response on 24 April 2009 suggested a set of requirements to be incorporated in the draft Applicant Guidebook. The **GNSO Council** also provided input to the GAC regarding its geographic names advice. On 26 May 2009, the GAC provided the Board with language acceptable to the **GNSO** on geographic names, with suggested protections for second-level names in new gTLDs, to be incorporated into the guidebook.

On 19 May 2009, the **Registry Internet Safety Group**, including gTLD and ccTLD operators, registrars, security vendors, and law enforcement agencies, provided ICANN organization with a set of suggestions to mitigate potential issues of security and malicious uses of domain names in new gTLD space, such as review of applicants' abuse response plans in the evaluation process.

On 6 June 2009, ICANN organization published the Report of Dennis Carlton Regarding ICANN's Proposed Mechanism for Introducing New gTLDs, combining and updating the two preliminary reports by Compass Lexecon from March 2009 and addressing feedback from the previous versions. The paper analyzed costs and benefits of ICANN's proposed introduction of new gTLDs from an economic perspective and was published for public comment.

On 10 June 2009, **SSAC** published SAC041: Recommendation to prohibit use of redirection and synthesized responses by new TLDs. The **SSAC** advised that new TLDs should not use DNS redirection and synthesized DNS responses, also known as wildcarding. A prohibition on use of these responses was included in the next published draft of the Applicant Guidebook in October.

On 18 August 2009, the GAC provided comments to draft version 2 of the gTLD Applicant Guidebook. On 22 September 2009, the ICANN Board responded to the GAC's comments submitted on draft version 2 of the gTLD Applicant Guidebook, including a commitment by the ICANN organization to undertake additional economic studies.

On 31 August 2009, ICANN organization published Scaling the Root, a paper prepared by a team of experts for the **Root Scaling Steering Group** consisting of members from **RSSAC**, **SSAC**, and ICANN organization. The report presented the results of a study undertaken to determine if, how, and to what extent scaling the root would affect the management and operation of the root system.

In September 2009, ICANN organization published Root Zone Augmentation and Impact Analysis. The paper, developed by The DNS Operations, Analysis, and Research Center (DNS-OARC), reported the results of a number of simulations and measurements with server software and varying zone sizes to better understand how changes might affect the performance of, and resource requirements for, the root DNS server infrastructure.

On 1 October 2009, the **Root Scaling Study Team**, including members from **RSSAC**, **SSAC**, and the ICANN organization, published Root Scaling Study: Description of the DNS Root Scaling Model, a report developed by The Netherlands Organisation for Applied Scientific Research, for public

comment. The report described development of a quantitative simulation model for root scalability based on data from the August "Scaling the Root" report.

On 2 October 2009, ICANN organization published draft version 3 of the gTLD Applicant Guidebook for public comment.

On 12 October 2009, the ICANN Board requested that the GNSO review the policy implications of certain trademark protection mechanisms proposed for the New gTLD Program, based on the **IRT's** work. The Board requested the **GNSO's** view on whether the recommended rights protection mechanisms for second level strings were consistent with the **GNSO's** proposed policy on the introduction of new gTLDs, and were the appropriate and effective option for achieving the **GNSO's** stated principles and objectives. In response, the GNSO formed the Special Trademark Issues Review Team, or STI Team, including representatives from each **GNSO** stakeholder group and Nominating Committee appointees, **At-Large**, and **GAC**. The **STI team** published its final report for public comment on 11 December 2009. In March 2010, the ICANN Board directed ICANN organization to take into account these comments in its Applicant Guidebook revisions.

In November 2009, the **ccNSO** Chair wrote to the ICANN Board to express concerns about potential use of country and territory names in the new gTLD space. The communication urged ICANN to prohibit introduction of gTLDs consisting of country and territory names or abbreviations. The Board Chair responded to the ccNSO on 14 June 2010, noting the continuing work in this area pertaining to the definition of a country name and the use of internationally recognized lists.

In March 2010, noting stakeholder concern about the costs of applying for new gTLDs, the ICANN Board passed a resolution requesting stakeholders to form a working group through their Supporting Organizations and Advisory Committees to develop a sustainable approach to applicant support for those requiring assistance in applying for and operating new gTLDs. In April 2010, the **GNSO** and **ALAC** formed the **Joint SO/AC Working Group** on support for new gTLD applicants, with the objective of making recommendations on a Developing Economies Support Program to be created by ICANN in conjunction with the New gTLD Program.

On 31 May 2010, ICANN organization published draft version 4 of the gTLD Applicant Guidebook, for public comment, describing changes since the previous version and acknowledging a number of stakeholder groups for responding to the challenge of working on difficult issues in a brief period of time.

In June 2010, ICANN organization published An Economic Framework for the Analysis of the Expansion of Generic Top-Level Domain Names by economists Greg Rosston, Michael Katz, and Theresa Sullivan. The team was commissioned to survey published studies and resources describing the potential impacts of new gTLD introduction, examine theoretical arguments about benefits and costs of increased numbers of gTLDs, and consider and propose new empirical studies that could help assess costs and benefits. The report was posted for public comment.

In an August 2010 letter to the ICANN Board, the GAC expressed concerns with the proposed implementation of **GNSO** new gTLD recommendation 6, "Strings must not be contrary to generally accepted legal norms relating to morality and public order," and suggested that a cross-community effort be commenced to identify improvements. In September 2010, the **New gTLD**

Recommendation #6 Cross-Community Working Group, or Rec6 CWG, consisting of members from **GNSO** stakeholder groups, **GAC**, **ALAC**, and **interested individuals**, published a Report on Implementation of GNSO New gTLD Recommendation 6 for public comment.

On 12 November 2010, the ICANN organization published a Proposed Final version of the gTLD Applicant Guidebook, to be considered by the Board at its meeting during ICANN39, with a description of changes since the previous draft version.

On 15 November 2010, **SSAC** issued SAC045: Invalid Top Level Domain Queries at the Root Level of the Domain Name System. **SSAC** recommended a prohibition of certain strings as top-level domains as well as steps to raise awareness of potential problems when a query for a TLD string historically resulting in negative response begins to resolve to a new TLD, including alerts to applicants to be incorporated in the guidebook.

In December 2010, ICANN organization published Economic Considerations in the Expansion of Generic Top-Level Domain Names, the Phase 2 report by Katz, Rosston, and Sullivan, for public comment. The report included a taxonomy of TLD types, potential benefits to the Internet community from new gTLDs, sources of potential costs to the community and means to limit such costs, and empirical research on domain names associated with top international brands.

In December 2010, **SSAC** published SAC046: Report of the Security and Stability Advisory Committee on Root Scaling. **SSAC** recommended that additional planning, documentation, and interdisciplinary studies on the implications from expanding the root zone continue to take place.

In its resolution in December 2010, the Board did not vote on the Proposed Final Applicant Guidebook but noted its expectation to participate in an inter-sessional meeting to address the **GAC**'s outstanding concerns with the new gTLD process. The Board also directed continued revisions to the draft Applicant Guidebook based on comment, and invited recommendations from the **Rec6 CWG** by January 2011.

On 23 February 2011, the **GAC** released its Indicative Scorecard on New gTLD Outstanding Issues, an effort by the **GAC** to distil key elements of its consensus advice on new gTLDs. From 28 February to 1 March 2011, the GAC and Board met intersessionally to consult on the **GAC's** advice in the scorecard. Discussions focused on identifying areas of agreement and areas where changes could be made in the implementation to address **GAC** concerns. The **GAC** and Board discussions continued during the ICANN40 meeting in March 2011, in parallel with community sessions regarding the **GAC's** advice.

As agreed during the consultations, ICANN organization published an Applicant Guidebook Discussion Draft on 15 April 2011, along with a series of explanatory memoranda related to changes made as a result of the consultations between the ICANN Board and the **GAC**.

On 12 May 2011, **SSAC** published SAC048: Comment on Orphan Glue Records in the Draft Applicant Guidebook, recommending a definition and refinement of language in the gTLD application form regarding removal of orphan glue records.

On 30 May 2011, ICANN organization published an updated version of the gTLD Applicant Guidebook.

On 20 June 2011, the Board approved the gTLD Applicant Guidebook, subject to updates in the areas of **GAC** advice processes and protection of certain Olympic and Red Cross names. With its approval, the Board authorized execution of a communications plan by ICANN organization, and establishment of an application system for the commencement of the program.

3 | New gTLD Program Operations

On 13 September 2011, the **Joint SO/AC New gTLD Applicant Support Working Group** published its Final Report, recommending an approach to providing both financial and non-financial support for applicants. On 28 October 2011, the ICANN Board considered the report and noted that it had convened a working group of Board members to oversee the scoping and implementation of the recommendations arising out of the report and provide a detailed plan for consideration.

On 17 October 2011, ICANN organization published a proposal received from the **GNSO Registries Stakeholder Group** for establishment of a continued operations fund, for public comment. The proposal provided for an alternative to the continued operations instrument required in the Applicant Guidebook, and was discussed during the ICANN42 meeting in November 2011. Prior to the launch of the program, on 23 December 2011, in response to questions and feedback received, ICANN organization published further guidelines regarding the calculation of estimated costs for the required continued operations instrument.

On 26 October 2011, ICANN organization requested participation from the community on an assistance group, the **Trademark Clearinghouse Implementation Assistance Group**, or TMCH-IAG, to work with ICANN on implementing the processes to be supported by the Trademark Clearinghouse. The group's input assisted ICANN organization in capturing business requirements for implementing the Clearinghouse processes.

In December 2011, ICANN organization posted an implementation plan for the gTLD Applicant Support Program for public comment. The plan included the criteria and process for new gTLD applicants to request financial support.

On 12 January 2012, ICANN organization opened the application period for submission of gTLD applications. Applicants registered in the TLD Application System and provided responses to questions in the application form. Instructions and materials for applicants to request assistance through the Applicant Support Program were also available at this time.

On 3 February 2012, ICANN organization sought expressions of interest from volunteer evaluators for the Support Applicant Review Panel to evaluate support applications against established criteria.

On 6 February 2012, in response to stakeholder concerns that defensive TLD applications would be needed to protect trademarks, ICANN organization opened a public comment period on the topic of defensive applications.

On 7 February 2012, the ICANN Board passed a resolution expressing a commitment to opening a second application window for the New gTLD Program as expeditiously as possible, and directing ICANN organization to publish a work plan to identify prerequisites to a future round.

On 2 March 2012, the **GNSO International Olympic Committee/Red Cross Drafting Team** published its Proposal to Protect International Red Cross and International Olympic Committee Names at the Top Level in New gTLDs for public comment. The **GNSO IOC/RC Drafting Team** developed the proposal for implementing certain protections for Red Cross, Red Crescent, and International Olympic Committee names at the top level in collaboration with the **GAC**. On 26 March 2012, the **GNSO Council** resolved to submit the proposed solution for Board consideration. At its 10 April 2012 meeting, the NGPC reviewed the proposal and determined not to make changes to the Applicant Guidebook at that time.

On 10 April 2012, the ICANN Board resolved to establish a New gTLD Program Committee, or NGPC, consisting of non-conflicted Board members, and delegated to the committee the legal and decision making authority of the Board relating to the New gTLD Program.

At its 10 April 2012 meeting, the NGPC reviewed the comments received on defensive applications and directed ICANN organization to continue implementing targeted communications about the processes used and protections available in the New gTLD Program, rather than making changes to the Applicant Guidebook at that time.

On 12 April 2012, ICANN organization issued a statement advising that it had learned of a possible technical issue in the application system software and taken the system offline to protect applicant data. ICANN organization continued to post updates on its investigation until reopening the system on 21 May 2012. On 30 May 2012, the TLD Application System closed and the application submission period was completed.

On 4 June 2012, ICANN organization published a new version of the gTLD Applicant Guidebook. The new version contained updated information in anticipation of the opening of the objection filing period and did not include changes to the application process.

On 13 June 2012, "Reveal Day," ICANN organization published the applications received. This date also marked the opening of the objection filing period and a 60-day public comment period. A total of 1,930 new gTLD applications were received during the application period. ICANN organization commenced processing of the new gTLD applications according to the procedures detailed in the Applicant Guidebook.

On 17 June 2012, the **GAC** requested information from the ICANN Board regarding root zone scaling and stability. The **SSAC** provided its comments on the concerns noted by the **GAC** on 2 July 2012. In its comments, the **SSAC** discussed the **GAC** concerns and referenced its earlier advice in SAC046 recommending additional documentation including the interactions between ICANN and the root server operators with respect to root zone scaling.

On 10 August 2012, ICANN organization extended the application comment period, based on input from the community that the period should be extended to provide additional time to analyze and provide comment on the number of applications received.

On 27 August 2012, ICANN organization began a Clarification Questions pilot program. Based on feedback collected from applicants participating in the pilot, ICANN organization made changes to the procedures for clarification questions from evaluation panels to applicants.

On 5 September 2012, ICANN organization published the Application Change Request process and criteria, which described the procedure for an applicant to make changes to an already-submitted application. The process included identification of the types of changes requiring a 30-day comment process.

On 10 October 2012, ICANN organization requested input on the potential use of a drawing for prioritization of application evaluation.

In November 2012, GAC members provided Early Warnings for new gTLD applicants. The Early Warning notified applicants that an application was seen as potentially sensitive or problematic by one or more governments.

On 17 December 2012, ICANN organization held the prioritization draw to determine the order in which the 1,930 applications received would be processed. ICANN organization used the order determined in the draw to sequence applications through the technical and financial evaluation panels required in the Initial Evaluation phase.

In February 2013, ICANN organization published a revised new gTLD registry agreement, including a proposed Public Interest Commitment specification, for public comment. ICANN organization proposed the revision of the agreement after reviewing the contractual needs of the New gTLD Program. In response to GAC advice during the ICANN45 meeting, the NGPC approved a public comment period on a proposed Public Interest Commitments Specification as a mechanism to transform application statements into binding contractual commitments, as well as to give applicants the opportunity to voluntarily submit to heightened public interest commitments.

Also in February 2013, ICANN organization requested input on "closed generic" applications. The NGPC had directed analysis on whether special requirements were needed for this type of application, as existing provisions did not provide specific guidance on this issue. The committee concurrently requested the **GNSO** to provide guidance on the issue of "closed generic" TLDs if it wished to provide such guidance. The **GNSO Council** chair provided a response with its input on 7 March 2013. The NGPC discussed the issue at its meeting on 5 April 2013, and determined to agree on next steps after the receipt of the anticipated **GAC** Advice on new gTLDs.

Also in February 2013, in advance of the objection filing deadline, ICANN organization posted instructions for governments and for ALAC to request objection funding. Both **ALAC** and governmental entities could request ICANN to fund an objection to a new gTLD application.

Also in February 2013, ICANN organization requested applicant volunteers for a pre-delegation testing pilot program in advance of the anticipated start of the pre-delegation testing phase in April.

In March 2013, ICANN organization published Public Interest Commitment specifications received from applicants. Applicants submitted 499 PIC specifications, available for public review.

On 13 March 2013, the objection filing period closed. A total of 263 objections were filed, with the list of objections published by ICANN organization on 12 April 2013.

On 15 March 2013, ICANN organization published a draft Public Interest Commitments Dispute Resolution Procedure for public comment. Under the procedure, an expert panel would determine whether a registry operator was in violation of its public interest commitments and recommend remedies to ICANN.

On 22 March 2013, ICANN organization published Initial Evaluation results for the first set of applications, those with priority numbers 1 to 30. ICANN organization released Initial Evaluation results in priority order in increments of 30 per week, later increased to 100 applications per week.

On 11 April 2013, the **GAC** issued its ICANN46 communique, including **GAC** Advice on New gTLDs. This included advice on specific TLD applications, identification of strings for further consideration, and safeguard advice on categories of strings. Applicants had 21 days to respond to **GAC** advice on applications. In May 2013, ICANN organization published applicant responses to GAC advice received.

On 23 April 2013, the NGPC requested input on GAC safeguard advice in a public comment period.

On 29 April 2013, ICANN organization published a revised Draft New gTLD Registry Agreement for public comment. The revised draft resulted from the work of a **negotiating team** following the previous version posted for comment in February 2013.

On 18 May 2013, the ICANN Board directed the ICANN President and CEO to commission a study on the use of TLDs not currently delegated at the root level of the public DNS. The Board also requested data collection assistance from **RSSAC** and additional advice from **SSAC**.

On 2 July 2013, the NGPC approved the New gTLD Registry Agreement, allowing eligible applicants to execute contracts with ICANN organization as TLD registry operators. On 15 July 2013, the ICANN organization signed the first new gTLD registry agreements with applicants.

In August 2013, ICANN organization published Name Collision in the DNS, a study prepared by Interisle Consulting Group on the likelihood and potential consequences of collision between new public gTLD labels and existing private uses. The report, together with a New gTLD Collision Risk Mitigation Proposal describing proposed mitigation efforts for various string risk profiles and additional supporting documents, was published for public comment.

Also in August, ICANN organization posted Community Priority Evaluation Guidelines, developed by the panel performing the community priority evaluation based on the Applicant Guidebook criteria, for community review and input.

On 7 October 2013, the NGPC approved an updated proposal, the New gTLD Collision Occurrence Management Plan, to manage name collision occurrences in the new gTLD space and mitigate the risks of potential name collisions. The NGPC also called for a follow-up study that would develop a Name Collision Occurrence Management Framework.

On 23 October 2013, the first new gTLDs were delegated.

On 1 November 2013, ICANN organization published a set of preliminary auction rules for public comment.

On 7 November 2013, **SSAC** issued SAC062: Advisory Concerning the Mitigation of Name Collision Risk. The **SSAC** provided advice to the ICANN Board based on its assessment of the issues identified in the Interisle study and the updated proposal to mitigate potential collision risks approved in October.

On 17 December 2013, ICANN organization published a new version of auction rules for public comment. Auctions were a means of resolving contention when there was more than one qualified application for the same or similar gTLDs. A set of preliminary auction rules was published on 1 Nov 2013 and ICANN organization used feedback received on these rules during a webinar and the ICANN48 meeting to create an updated set of auction rules for public comment.

On 19 December 2013, ICANN organization called for expressions of interest to form a Public Interest Commitments Dispute Resolution Procedure standing panel. During the compliance review and investigation process for a report submitted to ICANN under the Public Interest Commitments Dispute Resolution Procedure, the Standing Panel would review reports to evaluate whether the relevant registry operator was in compliance with Specification 11 of its agreement.

In February 2014, ICANN organization requested comment on a Proposed Review Mechanism to Address Perceived Inconsistent Expert Determinations on String Confusion Objections. The proposal included principles for a potential review mechanism. On 12 October 2014, the NGPC directed the establishment of procedures to re-evaluate the materials and determinations in two objection proceedings.

Also in February 2014, ICANN organization published a Draft Qualified Launch Program for public comment. The program was intended to provide a mechanism for registry operators to register a limited number of names to third parties to promote their TLDs prior to the sunrise period, while maintaining safeguards against intellectual property infringement.

Also in February 2014, ICANN organization published Draft Phase One Report on Mitigating the Risk of DNS Namespace Collisions for public comment. Developed by JAS Global Advisors, the report recommended a framework to address name collisions.

On 10 April 2014, ICANN organization published the Qualified Launch Program for new gTLD registries, amended from the draft version based on feedback received in the public comment period.

On 16 May 2014, ICANN organization published the final Initial Evaluation result, bringing this phase of application processing to completion.

On 6 June 2014, **SSAC** published SAC066: SSAC Comment Concerning JAS Phase One Report on Mitigating the Risk of DNS Namespace Collisions, noting issues and recommendations on the approach proposed in the February draft report.

On 10 June 2014, ICANN organization published a Revised Phase 1 Report on Mitigating the Risk of DNS Namespace Collision, an updated version of the February report taking into consideration feedback received during the public comment period.

In July 2014, ICANN organization published an updated process for applicants to request Specification 13 of the New gTLD Registry Agreement, relating to brand registry provisions. Based on feedback from the **Brand Registry Group** that its members needed additional time, the updated procedure provided for a 9-month extension of the period of time for execution of the registry agreement, as well as guidance on the criteria used for assessing Specification 13 requests.

On 30 July 2014, the NGPC approved the Name Collision Occurrence Management Framework, describing the requirements and steps for new gTLD registry operators and ICANN organization to mitigate the impact of name collisions.

On 1 December 2014, ICANN organization published the Process for Requests for Release of Two-Character ASCII Labels. The process permitted new gTLD registries to request the release of two-character ASCII labels for registration at the second level and activation in the DNS under Specification 5 of the registry agreement.

In February 2015, the Universal Acceptance Steering Group was formed. The industry group began working with ICANN organization to promote universal acceptance of all valid domain names and email addresses and is still actively engaged. The group's primary objective is to help software developers and website owners understand how to update their systems to keep pace with an evolving DNS.

On 20 February 2015, ICANN organization published an Updated Authorization Process for Release of Two-Character ASCII Labels. This included a process to alert relevant governments when requests were initiated by a registry operator.

On 30 July 2015, the **GAC** established its notification list for Country and Territory Names, to facilitate government notification of registry requests for release of country/territory names as second-level domains in new gTLDs.

On 8 September 2015, ICANN organization published a discussion paper on new gTLD auction proceeds for public comment. The discussion paper outlined questions to determine next steps on new gTLD auction proceeds. In December 2016, ICANN organization called for volunteers for a **cross-**

community working group on new gTLD auction proceeds. The group's charter was approved by each individual Supporting Organization and Advisory Committee, and the group's work is in process.

In October 2015, prior to the decommissioning of the NGPC, the committee released its scorecard, a comprehensive report of responses to **GAC** Advice on the New gTLD Program documenting details of its consideration and actions on all **GAC** advice between April 2013 and June 2015.

In December 2016, ICANN organization published a general authorization for release of 2-character ASCII labels. Over a two-year period, members of the Internet community, the ICANN organization, **GAC** members, **gTLD registries**, and others worked together to establish the framework permitting the release of these labels, resulting in multiple authorizations to release two-character labels from reservation.

In May 2017, the ICANN Board directed ICANN approvals for the release of country and territory names at the second level, where the **GAC** database indicates relevant government approval.

4 | New gTLD Program Review Activities

In December 2010, the Board requested advice from **Supporting Organizations and Advisory Committees** on measures and targets for competition, consumer trust, and consumer choice in the DNS. The request was in anticipation of the review called for in section 9.3 of the 2009 Affirmation of Commitments by the U.S. Department of Commerce and ICANN, to be completed "if and when new gTLDs have been in operation for one year."

In September 2012, the **ALAC** submitted Consumer Metrics Final Advice, and in December 2012, the **GNSO** adopted its Final Advice Letter on consumer metrics. Both inputs proposed measures for competition, consumer trust, and consumer choice.

In July 2013, the ICANN Board convened an **Implementation Advisory Group on Competition, Consumer Trust, and Consumer Choice**, or IAG-CCT. This volunteer group was tasked with advancing the work on the set of metrics provided by the GNSO and ALAC.

In March 2014, the ICANN Board approved an interim recommendation from the **IAG-CCT** to conduct certain consumer surveys and economic studies. The group recommendations prioritized early collection of data to provide benchmark metrics for evaluation of the New gTLD Program's impact in these areas. The Board's resolution authorized procurement of qualified providers to undertake these studies.

In October 2014, the **IAG-CCT** submitted its Final Report to the ICANN Board. The group recommended 66 different metrics to inform the upcoming community review of competition, consumer trust, and consumer choice. In February 2015, the ICANN Board directed ICANN organization to carry out the necessary steps for data collection for the metrics in the report. Data was collected by ICANN organization to fulfill these metrics and published beginning in September 2015.

In February 2015, ICANN organization published a draft Rights Protection Mechanisms Review report to help inform the upcoming review team's consideration of the effectiveness of these protections. The report was published for public comment, with a revised report published in September 2015.

In May 2015, ICANN organization published the first Global Consumer Survey report. The survey, conducted by Nielsen, included questions based on the **IAG-CCT's** metrics recommendations as well as input from **IAG-CCT** members.

In September 2015, ICANN organization published a draft Program Implementation Review report to help inform the upcoming review team's consideration of the effectiveness of the implementation. The report was published for public comment, with a revised report published in January 2016.

Also in September 2015, ICANN organization published the Phase 1 Assessment of the Competitive Effects of the New gTLD Program for public comment. The study covered three of the **IAG-CCT's** recommended metrics, which were identified as best being measured via a study of competition in the domain name marketplace before and after the expansion of the DNS.

On 1 October 2015, ICANN organization called for volunteers for the **Competition, Consumer Trust and Consumer Choice Review Team**, or CCT Review Team, provided for in section 9.3 of the Affirmation of Commitments, inviting representatives of the various supporting organizations and advisory committees, as well as independent experts, to apply. The **CCT Review Team's** mandate was to examine the extent to which the introduction or expansion of gTLDs has promoted competition, consumer trust and consumer choice, as well as effectiveness of (a) the application and evaluation process, and (b) safeguards put in place to mitigate issues involved in the introduction or expansion.

In December 2015, ICANN organization published the study plan for the Continuous Data-driven Analysis of Root Server System Stability, or CDAR, for public comment. The study was designed to examine the technical impact of the New gTLD Program on the root server system.

On 23 December 2015, the CCT Review Team was seated. Team members were selected by the ICANN CEO and **GAC** Chair based on factors such as experience, geographic diversity, and endorsements from supporting organizations and advisory committees.

In February 2016, ICANN organization advised **supporting organizations and advisory committees** of the upcoming independent review of the Trademark Clearinghouse and invited interested groups to meet with the independent review team during the ICANN55 meeting. Performed by Analysis Group, the review was based on the **GAC's** 2011 recommendation for a comprehensive post-launch independent review of the Trademark Clearinghouse to be conducted one year after the launch of the 75th new gTLD in the round. In July 2016, ICANN organization published the Draft Trademark Clearinghouse Independent Review report for public comment, with the revised report published in February 2017.

In March 2016, ICANN organization published the Draft DNS Abuse review report to help inform the **CCT Review Team's** consideration of the effectiveness of safeguards in this area. The report was published for public comment with a revised report published in July 2016. Subsequently, the **CCT Review Team** requested a study to measure and compare rates of common forms of DNS abuse, such as phishing, spam, and malware distribution. SIDN Labs carried out the study, titled Statistical Analysis of DNS Abuse in gTLDs**,** which was published in August 2017 and is currently open for public comment.

In June 2016, ICANN organization published the Phase 2 Economic Study on the Competitive Effects of the New gTLD Program. The report, developed by Analysis Group, compared results against the Phase 1 findings. The Phase 2 report was posted for public comment, to be analyzed by the **CCT Review Team** in its consideration of the report.

In October 2016, ICANN organization published the draft Continuous Data-Driven Analysis of Root Server System Stability, or CDAR report, for public comment. Performed by independent research organization The Netherlands Organization and its consortium partners, SIDN and NLnet Labs, the study examined the technical impact of the New gTLD Program on the security and stability of the root system. A revised report following the public comment period was published in March 2017.

In March 2017, the CCT Review Team published its draft report for public comment. The team is currently in the process of considering the feedback received and making updates to its recommendations where relevant.

5 | Looking Forward

On 15 December 2011, the **GNSO Council** requested that, eighteen months after the launch of the New gTLD Program, ICANN organization prepare and publish an Issue Report on the state of all rights protection mechanisms implemented for both existing and new gTLDs.

In June 2014, the **GNSO** formed a discussion group on New gTLD Subsequent Procedures. The **non-PDP discussion group** was formed to review the 2012 round of the New gTLD Program and the experiences gained therein.

In June 2015, the **Discussion Group** reported its findings to the **GNSO Council**, including an issue matrix and draft charter for a PDP working group. Concurrently, the **GNSO Council** requested a Preliminary Issue Report on New gTLD Subsequent Rounds, to analyze subjects that might lead to changes for subsequent new gTLD procedures.

On 31 August 2015, ICANN organization submitted the requested Preliminary Issue Report on New gTLD Subsequent Procedures, which was posted for public comment.

On 9 October 2015, ICANN organization submitted the requested Preliminary Issue Report on a Policy Development Process to Review All Rights Protection Mechanisms in All gTLDs, which was posted for public comment.

On 4 December 2015, ICANN organization submitted the Final Issue Report on New gTLD Subsequent Procedures to the **GNSO Council**. On 17 December 2015, the **GNSO Council** resolved to initiate a policy development process on New gTLD Subsequent Procedures.

On 11 January 2016, ICANN organization submitted the Final Issue Report on a Policy Development Process to Review All Rights Protection Mechanisms in All gTLDs to the **GNSO Council.** On 18 February 2016, the GNSO Council resolved to initiate a policy development process on **a** Review of All Rights Protection Mechanisms (RPMs) in All Generic Top-Level Domains (gTLDs).

In June 2016, the **New gTLD Subsequent Procedures PDP Working Group** issued Community/Constituency Comment 1 to **Supporting Organizations and Advisory Committees**. The group sought feedback on cancellation of subsequent procedures, TLD types, use of application rounds, predictability, community engagement, and application submission limits.

In March 2017, the **New gTLD Subsequent Procedures PDP Working** Group issued Community Comment 2, seeking feedback via a public comment period on a list of topics across the group's work tracks.

In June 2017, the **New gTLD Subsequent Procedures PDP Working Group** held a cross-community discussion on geographic names at the top level, during the ICANN59 meeting.

The **New gTLD Subsequent Procedures PDP Working Group** is currently in progress, with updates available here.

The **RPM PDP Working Group** is currently in progress, with updates available here.

Financial Update

For July 2016 – June 2017

ICANN Organization Reporting Structure
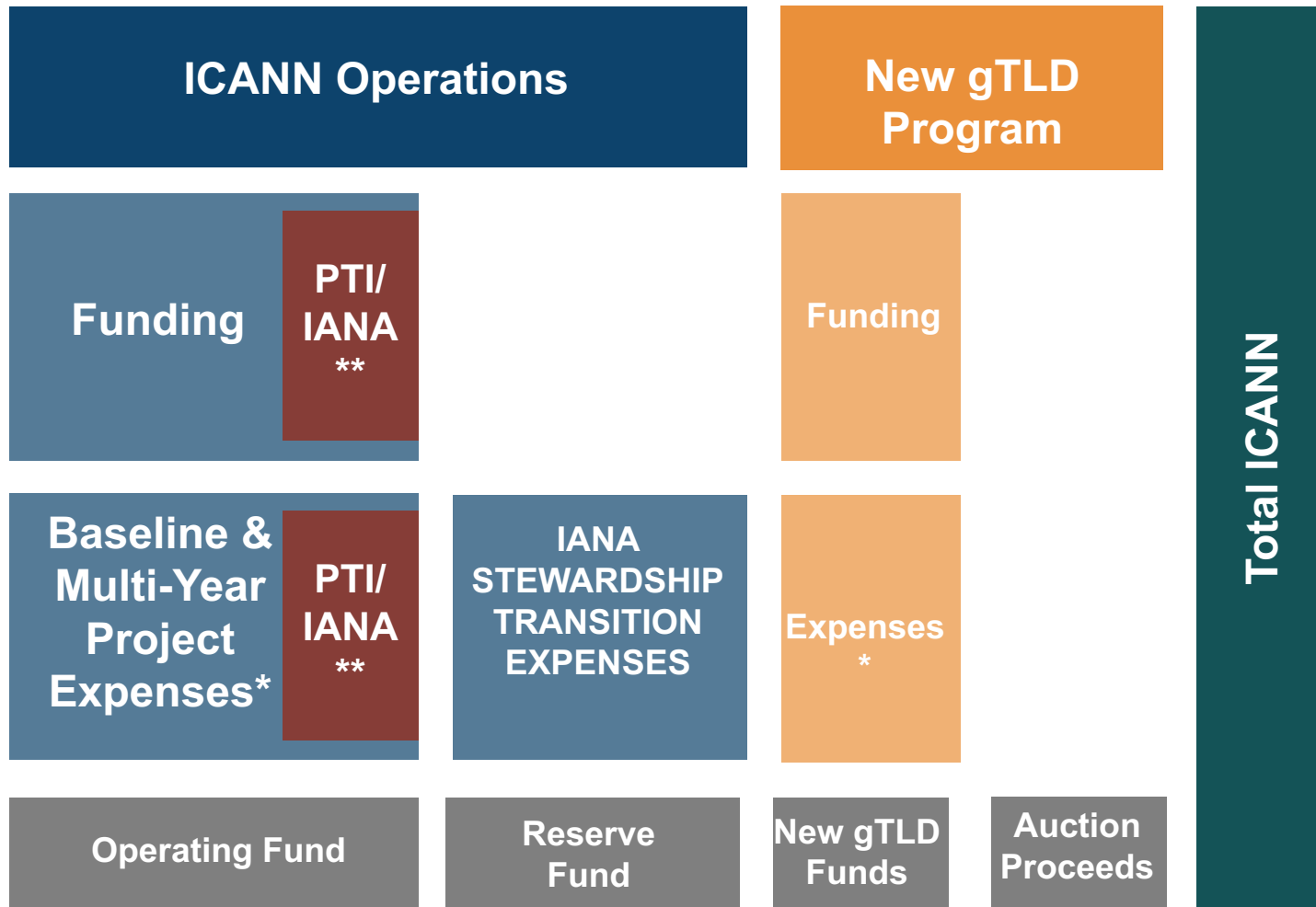
*Excludes depreciation and bad debt expenses

**IANA Services includes ICANN's and PTI's IANA Expenses

FY17 Year-to-date Overview

Funding ahead of target and expenses below target.

In Millions USD	Actual	Budget	Var	% Var	FY16	Var	% Var
Funding	$ 135	$ 132	$ 2	2 %	$ 126	$ 9	7 %
Baseline Expenses	-$ 128	-$ 132	$ 5	3 %	-$ 107	-$ 21	-20 %
IANA Stewardship Transition Expenses	-$ 5	-$ 9	$ 3	39 %	-$ 18	$ 13	70 %
Net	$ 1	-$ 9	$ 10	n/a	$ 1	$ 0	9 %

Breakdown of Baseline Expenses	Actual	Budget	Var	% Var	FY16	Var	% Var
IANA Services*	-$ 6	-$ 7	$ 2	24 %	-$ 6	$ 1	12 %
All Other	-$ 122	-$ 125	$ 3	2 %	-$ 100	-$ 22	-22 %

*IANA Services includes ICANN's and PTI's Expenses relative to IANA functions from the effective PTI affiliate incorporation date.

Note: Expenses exclude bad debt and depreciation and include capital expenses.

In millions, USD- unaudited - Arithmetic inconsistencies are due to rounding to the nearest million.

July 2016 – June 2017 | 43

FY17 Year-to-date Funding

	Driven By Domain Name Registrations	Driven By # of Contracted Parties
FROM REGISTRIES	Transaction-based fees $54M 40%	Per-TLD fixed fees $30M 23%
FROM REGISTRARS	Transaction-based fees $32M 23%	Application fees Accreditation fees $14M 11%

Other Income: $4M, 3%   Total Funding: $135M

In millions, USD- unaudited - Arithmetic inconsistencies are due to rounding to the nearest million.

July 2016 – June 2017 | 44

FY17 Year-to-date Funding vs Budget and FY16

Funding ahead of target due to higher than budget new registrar application and accreditation fees

Actual:	$ 135m
Budget:	$ 132m
FY16:	$ 126m

	REGISTRY TRANSACTION FEE	REGISTRAR TRANSACTION FEE	REGISTRY FIXED FEE	REGISTRAR OTHER FEES	OTHER
Act	$ 54	$ 32	$30	$ 14	$4
Bud	$ 54	$ 35	$ 30	$ 10	$ 4
FY16	$ 53	$ 34	$22	$15	$ 3

In millions, USD- unaudited - Arithmetic inconsistencies are due to rounding to the nearest million.

July 2016 – June 2017 | 45
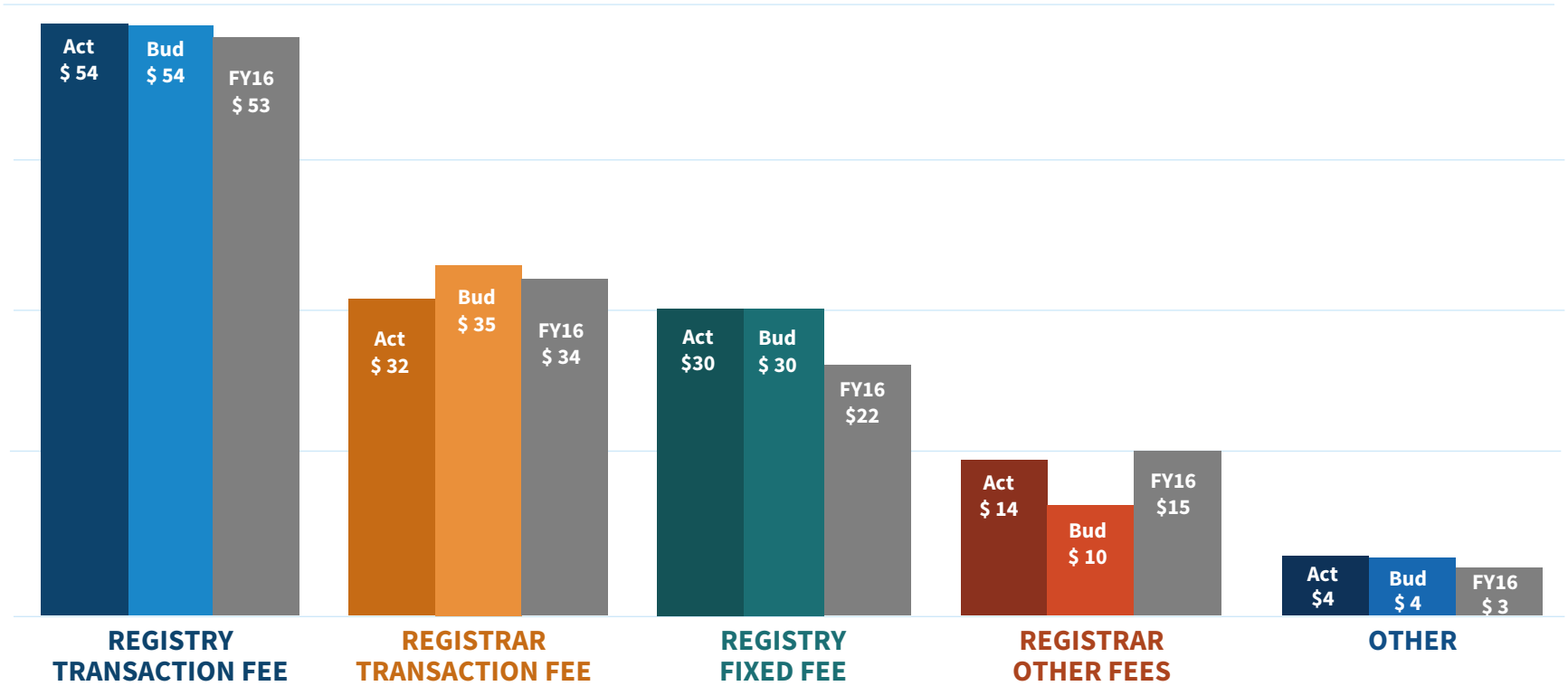
FY17 Year-to-date Baseline Operating & Capital Expenses

Includes IT infrastructure and security improvements

Year-to-date Actual Baseline Operating & Capital Expenses : $128M

Includes rent and other facilities costs and telecommunications

Admin. & Other*
$19M
15%

Capital
$8M
6%

Personnel
$59M
46%

Reflects an average headcount of 355, which excludes 9 average headcount allocated to the IANA Stewardship Transition Project

Professional Services
$24M
18%

Includes contractor services, legal fees and language services

Travel & Meetings
$18M
14%

Includes travel and venue costs for outreach and meetings.

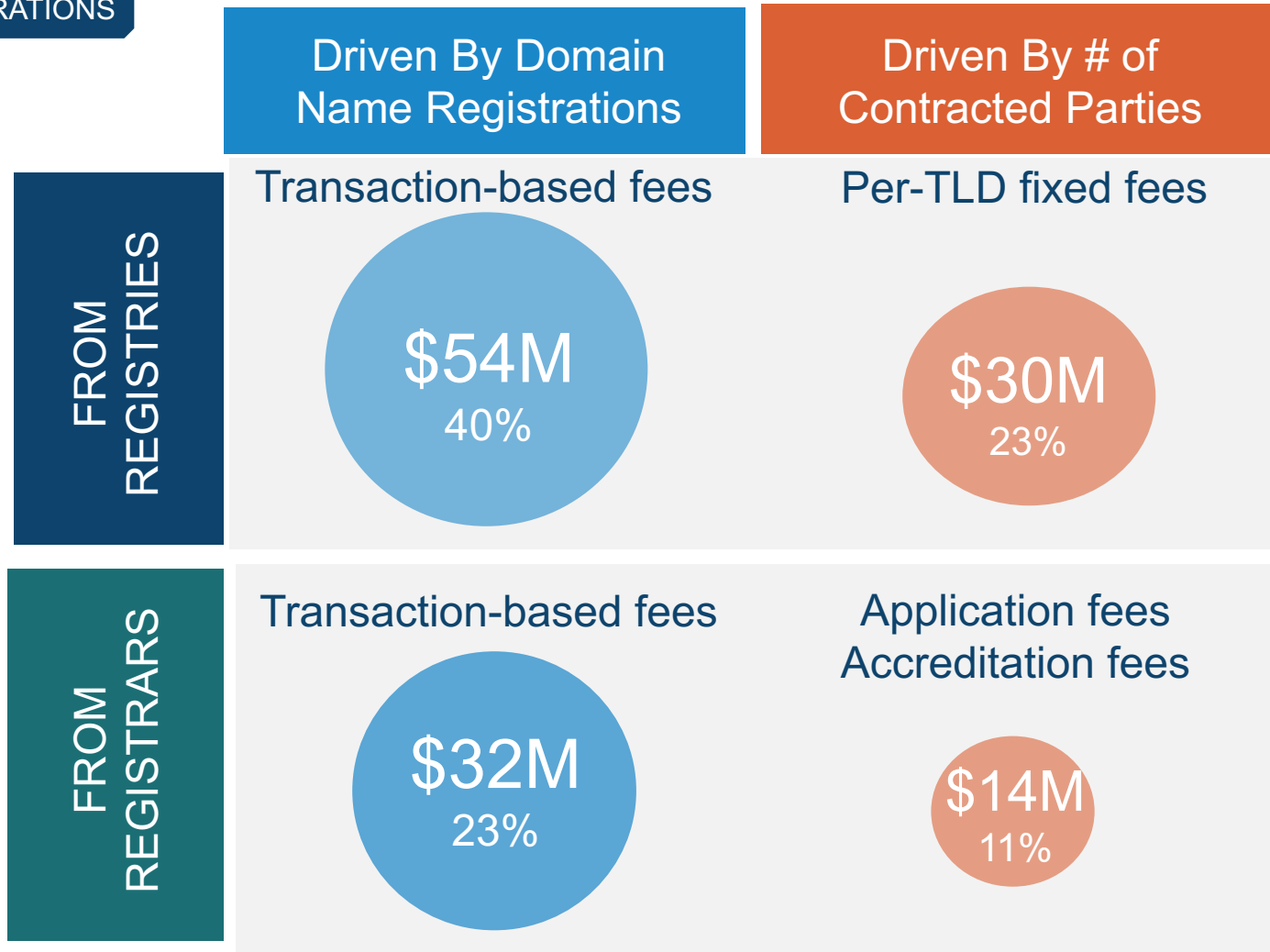*Excludes bad debt and depreciation

In millions, USD- unaudited - Arithmetic inconsistencies are due to rounding to the nearest million.

July 2016 – June 2017 | 46

FY17 Year-to-date Baseline Expenses vs Budget and FY16

Lower personnel costs and timing differences of projects vs. plan.

Actual: $ 128
Budget: $ 133
FY16: $ 107

PERSONNEL
- Act $ 59 avg hdct 355
- Bud $63 avg hdct 365
- FY16 $ 51 avg. hdct 318

TRAVEL & MEETINGS
- Act $ 18
- Bud $18
- FY16 $ 14

PROFESSIONAL SERVICES
- Act $ 24
- Bud $24
- FY16 $ 18

ADMINISTRATION & OTHER
- Act $ 19
- Bud $ 17
- FY16 $ 16

CAPITAL
- Act $ 8
- Bud $ 6
- FY16 $ 7
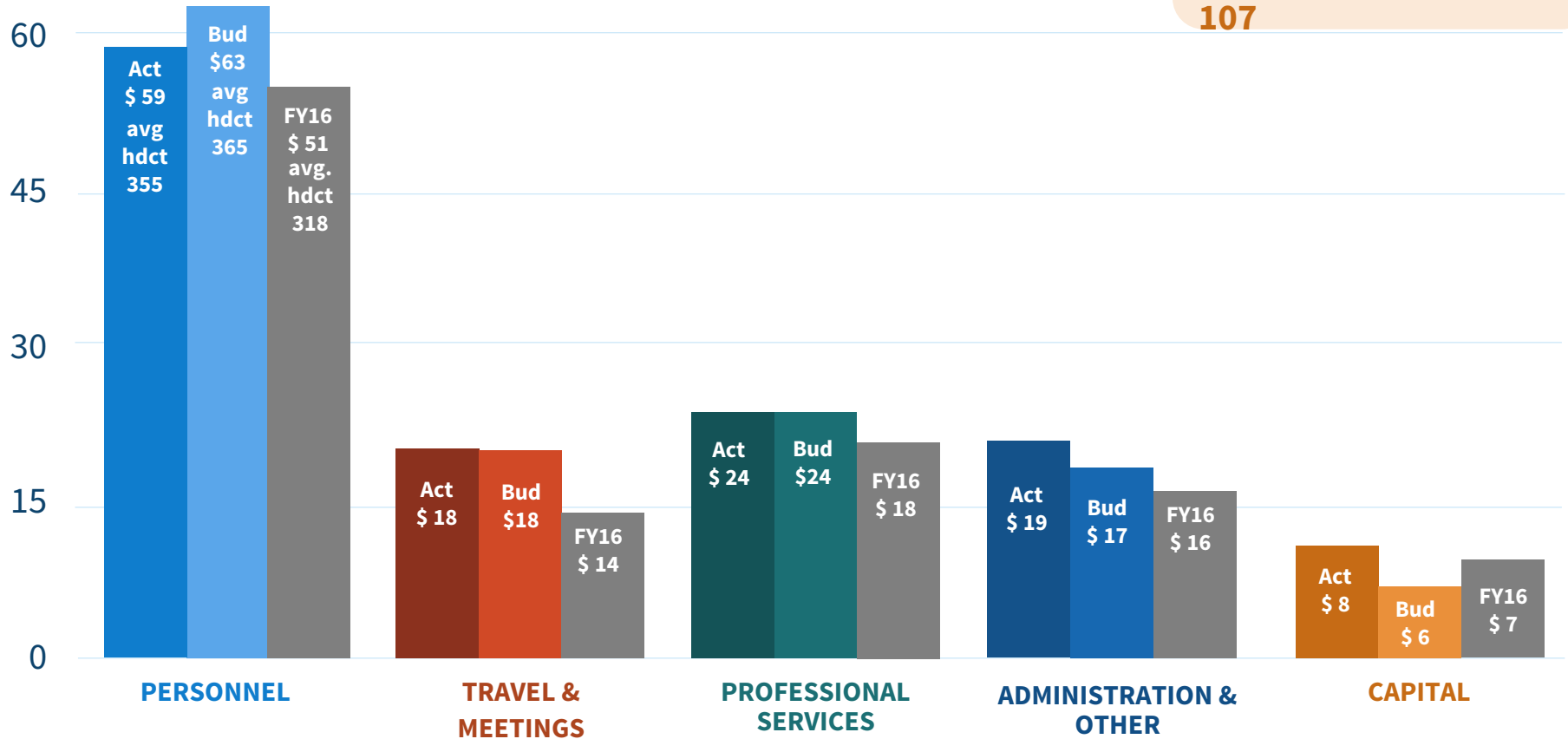
Expenses exclude bad debt and depreciation.
Avg hdct: Average Headcount over a 12-month period (Jul 2016 – Jun 2017)

In millions, USD- unaudited - Arithmetic inconsistencies are due to rounding to the nearest million.

July 2016 – June 2017

FY17 Year-to-date IANA Stewardship Transition Costs

Lower spend during FY17 due to WS2 activities now to be completed in FY18
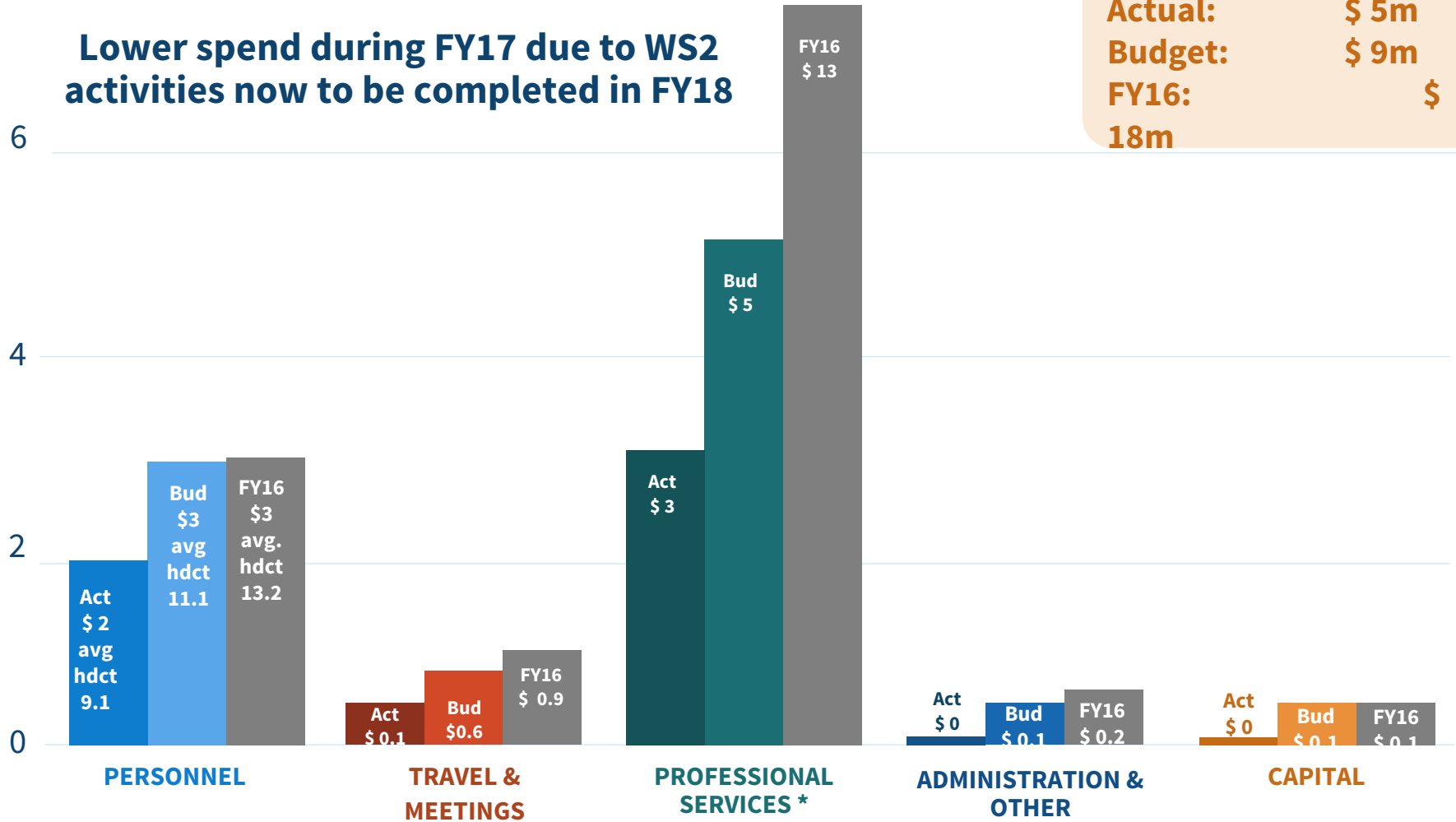
Actual:	$ 5m
Budget:	$ 9m
FY16:	$ 18m

6

4

2

0

PERSONNEL
Act $ 2 avg hdct 9.1
Bud $3 avg hdct 11.1
FY16 $3 avg. hdct 13.2

TRAVEL & MEETINGS
Act $ 0.1
Bud $0.6
FY16 $ 0.9

PROFESSIONAL SERVICES *
Act $ 3
Bud $ 5
FY16 $ 13

ADMINISTRATION & OTHER
Act $ 0
Bud $ 0.1
FY16 $ 0.2

CAPITAL
Act $ 0
Bud $ 0.1
FY16 $ 0.1

*Includes external legal advice of $1.8M in FY17 and $9.4M in FY16.

FY17 Year-to-date New gTLD Program Expenses vs Budget and FY16

New gTLD PROGRAM

Lower refunds of withdrawn applications. Processing costs higher than target due to legal and auction fees.

Actual:	$ 27m
Budget:	$ 26m
FY16:	$ 20m

REFUNDS OF WITHDRAWN APPLICATIONS
- Act $ 2
- Bud $ 7
- FY16 $ 2

APPLICATION PROCESSING
- Act $ 23
- Bud $ 16
- FY16 $ 17

REPAYMENT OF HISTORICAL DEV. COSTS
- Act $ 2
- Bud $ 3
- FY16 $ 1

In millions, USD- unaudited - Arithmetic inconsistencies are due to rounding to the nearest million.

July 2016 – June 2017
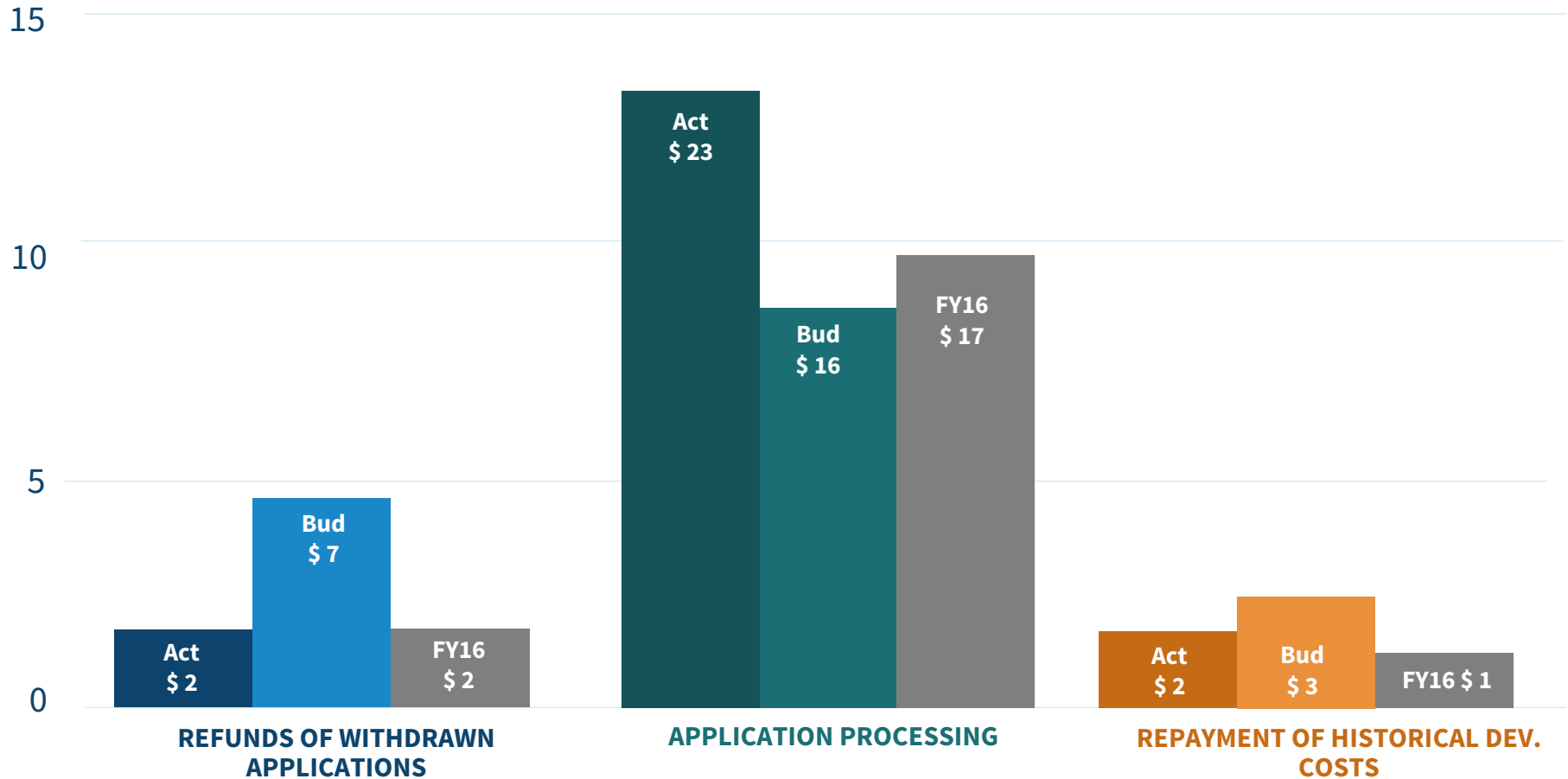
New gTLD Program – Multi-year Forecast

Application fees collected $ 362

$ 274 $ 88

$ 4

$ 22

Costs $ 4

Refunds $ 53

FY19 & BEYOND FORECAST

Refunds $ 9

Costs $ 13

$ 27

Refunds $ 2

Costs $ 25

FY18 FORECAST

$ 221

Costs $ 221

Refunds $ 42

FY17 ACTUAL

Costs $ 179

Refunds

Remaining funds for unexpected expenses (including risks)

Application processing costs

Cumulative costs

FULL PROGRAM FORECAST

FY12-16 ACTUAL

In millions, USD- unaudited - Arithmetic inconsistencies are due to rounding to the nearest million.

July 2016 – June 2017

FY17 Year-to-date Total ICANN Organization Actuals

	ICANN Baseline Operations (A)	IANA Stewardship Transition (B)	Total ICANN Operations (A+B)	New gTLD Program (C)	Total ICANN Org. (A+B+C)
Funding	$ 135	$ 0	$ 135	$ 157	$ 291
Expenses*	-$ 128	-$ 5	-$ 133	$ -23	-$ 156
Net	**$ 7**	**-$ 5**	**$ 1**	**$ 134**	**$ 135**

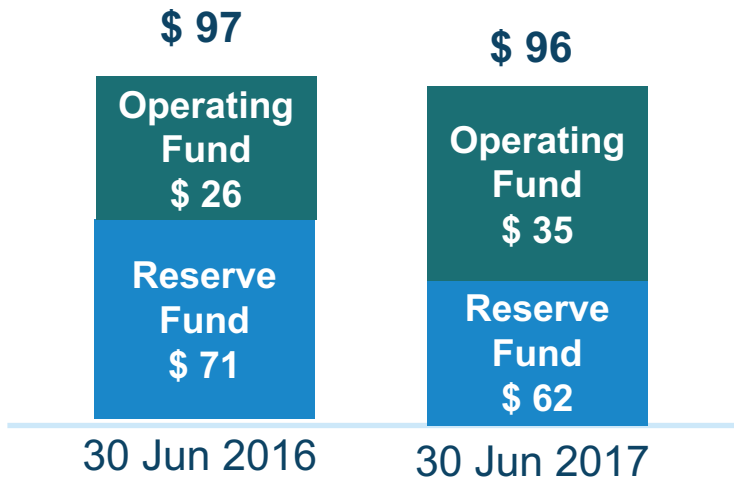Total for ICANN Operations is the sum of ICANN Baseline Operations (A) and IANA Stewardship Transition (B). Total ICANN Organization is the sum of ICANN Baseline Operations (A), IANA Stewardship Transition (B), and New gTLD Prgram (C).

*Expenses exclude bad debt, depreciation and refunds for withdrawn New gTLD applications which are included in the Funding line.
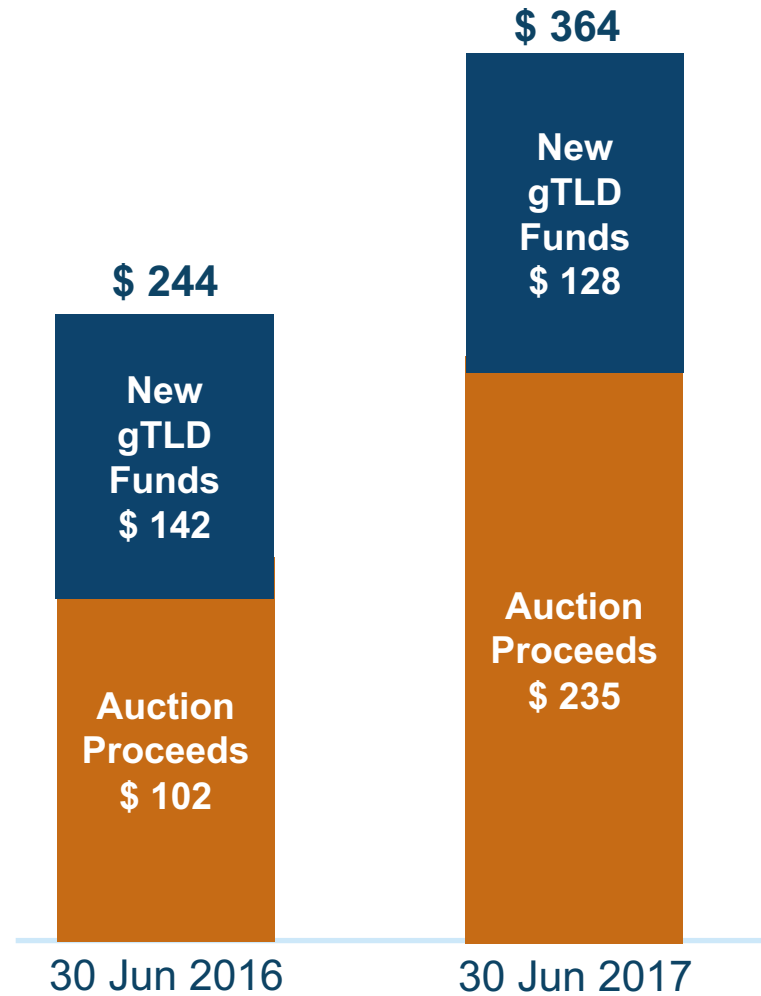
In millions, USD- unaudited - Arithmetic inconsistencies are due to rounding to the nearest million.

July 2016 – June 2017

Funds Under Management as of 30 Jun 2016 and 2017

FUNDS UNDER MGMT.

Total Funds: **$ 460**
ICANN Operations: $ 96
New gTLD Program-related: $ 364

ICANN Operations

$ 97
Operating Fund $ 26
Reserve Fund $ 71
30 Jun 2016

$ 96
Operating Fund $ 35
Reserve Fund $ 62
30 Jun 2017

New gTLD Program

$ 244
New gTLD Funds $ 142
Auction Proceeds $ 102
30 Jun 2016

$ 364
New gTLD Funds $ 128
Auction Proceeds $ 235
30 Jun 2017

In millions, USD- unaudited - Arithmetic inconsistencies are due to rounding to the nearest million.

July 2016 – June 2017

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FY18 Budget Overview

FY18 (Jul 17-Jun 18) approved ICANN Operations budget, aligned to Operating Plan, published on ICANN.org

	FY18 Budget
Funding	**$ 143**
ICANN Operations Baseline Expenses	**-$ 143**
IANA Services Expenses	**-$3**
Net	**-$3**

*Expenses exclude bad debt and depreciation.

In millions, USD- unaudited - Arithmetic inconsistencies are due to rounding to the nearest million.