Board Report – Vancouver Workshop

May 2018

Period Covering: *5 January 2018 – 12 April 2018*

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

The Executive Team continues to move forward with the wide array of projects they are currently handling, such as the Information Transparency Initiative, the implementation of our first document management system, and the Open Data Initiative, amongst many others. We've also been working diligently on reviewing feedback on the proposed budget and engaging with the community to identify ways to make the organization more efficient and effective.

A significant amount of my time has been dedicated to working with my team and the community to prepare for the European Commissions' General Data Protection Regulation. Multiple Executive Team meetings were held throughout this period, and I traveled both before and after ICANN61 in San Juan to engage directly with stakeholders, including NamesCon in Las Vegas and the Mobile World Congress in Barcelona.

OVERVIEW OF ACTIVITY

As CEO, one of my core responsibilities is ensuring the organization is operating in the most efficient manner possible. The ongoing discussion regarding the proposed budget has given me the opportunity to work with both my Executive Team and the community to understand how the organization can improve, optimize, and reprioritize its many functions and activities. The Draft FY19 budget was one of the major topics of discussion during ICANN61, and the community's input will allow us to develop a more comprehensive plan.

As the deadline for enforcement of GDPR rapidly approaches, I've made it the organization's top priority. Please follow updates on https://www.icann.org/dataprotectionprivacy.

My travel during this period was concentrated in North America and Europe. From 15-17 January, I attended a meeting with authorities in Brussels, Belgium, regarding GDPR. Then, on 29 January, I visited NamesCon in Las Vegas, Nevada. From 1-3 February, I worked with the Executive Team to help prepare for and support the Board's workshop in Los Angeles, California. At the end of the month, from 26-29 February, I participated in the 2018 Mobile World Congress. While there, I participated in a high-level roundtable regarding "The Global 5G Promise," held several bilateral meetings, and signed a Memorandum of Understanding between ICANN and GSMA. Following ICANN61, I attended IETF101 in London to engage with the technical community.

TOP ISSUES & MITIGATION

I am working with the Executive Team to ensure that the departure of Duncan Burns, SVP of Global Communications, and Diane Schroeder, SVP of Global Human Resources, does not impact any of the organization's activities or responsibilities.

OUTSTANDING ISSUES FROM MARCH 2018 BOARD WORKSHOP

Dates: 10-11 March 2018
Meeting: Board Workshop, San Juan (Puerto Rico)

OUTSTANDING ISSUES
- Data Protection/Privacy Issues GDPR/Implications on WHOIS:
    - Board Info call to be schedule early April, following DPA meeting (week of 26 March), to discuss the outcome of this meeting and talk about the timeline and strategy for the interim model for WHOIS/GDPR (Board Ops has already scheduled the call on April 5th)
    - ICANN Org (Policy) to draft a Board note to the GNSO Council Chair to invite the Council to engage in a dialogue with the Board on various options and directions for the RDS PDP, in light of the proposed interim GDPR compliance model. ICANN Org to facilitate the dialogue, as appropriate.
- Technology Threats to Root Server System
    - The Board tasks BTC and OCTO to come back to the Board in Vancouver with proposals on what can been done to increase resilience of the root-service system (Hyperlocal and L-clusters). Proposal needs to include idea on the costs and where the funds would come from. BTC to manage discussion with RSSAC as appropriate.
- WS2 Implementation
    - The Board tasks ICANN Org to prepare an implementation assessment report with resource implications with regards to the recommendations. Once ready, the implementation plan will be put to Public Comments.
- Constituency meetings
    - Board/ccNSO: ICANN Org to work with the SOs on a mechanism (newsletter/webpage?) to allow them to be regularly informed of Board decisions impacting them and to provide comments/input on recommendations as it is currently possible for the ACs.
    - Board/TEG: BTC to work with OCTO and investigate how to merge part of the BTC with the TEG during ICANN Meetings and hold a 1h OPEN TEG/BTC session. OCTO/BTC to look into how to collect agenda items but also improve the format (less presentations, more dialogue) to make this session useful and adapted to the audience, highlighting impact on ICANN.
    - Board/SSAC: OCTO and SSAC to have subsequent discussion to determine how they could share and help prioritizing SSAC's workload.
- Public Forum
- It was confirmed publically that the Board would instruct the CEO to come up with proposals with re. to the Reviews (cadence etc.)

RESOLUTIONS
15 March 2018 | Regular Meeting of the ICANN Board

Consent Agenda:
- **Approval of Board Meeting Minutes**
    - Resolved (2018.03.15.01), the Board approves the minutes of the 4 February 2018 Regular Meeting of the ICANN Board.
- **Outsource Service Provider Zensar Contract Approval**
    - Resolved (2018.03.15.02), the Board authorizes the President and CEO, or his designee(s), to enter into enter into, and make disbursement in furtherance of, a new Zensar contract

for a term of 24 months with total cost not to exceed [REDACTED FOR NEGOTIATION PURPOSES]. These costs are based on the current Zensar RFP response and are under negotiation.

  o Resolved (2018.03.15.03), specific items within this resolution shall remain confidential for negotiation purposes pursuant to Article 3, Section 3.5(b) and (d) of the ICANN Bylaws until the President and CEO determines that the confidential information may be released.

- **New GNSO Voting Thresholds to address post-transition roles and responsibilities of the GNSO as a Decisional Participant in the Empowered Community - Proposed Changes to ICANN Bylaws**
  o Resolved (2018.03.15.04), the Board directs the President and CEO, or his designee(s), to post for public comment for a period of at least 40 days the Standard Bylaw Amendment reflecting proposed additions to section 11.3.i of the ICANN Bylaws to establish additional GNSO voting thresholds. The proposed new voting thresholds are different from the current threshold of a simple majority vote of each House to address all the new or additional rights and responsibilities in relation to participation of the GNSO as a Decisional Participant in the Empowered Community.

- **Initiating the Second Review of the Country Code Names Supporting Organization (ccNSO)**
  o Resolved (2018.03.15.05), the Board hereby initiates the second ccNSO Review and directs ICANN organization to post a Request for Proposal to procure an independent examiner to begin the review as soon as practically feasible.
  o Resolved (2018.03.15.06), the Board encourages the ccNSO to prepare for an independent examiner to begin work on the second ccNSO Review in August 2018 by organizing a Review Working Party to serve as a liaison during the preparatory phase and throughout the review, and to conduct a self-assessment prior to August 2018.

- **Transfer of the .TD (Chad) top-level domain to l'Agence de Développement des Technologies de l'Information et de la Communication (ADETIC)**
  o Resolved (2018.03.15.07), 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 transfer the .TD country-code top-level domain (ccTLD) to l'Agence de Développement des Technologies de l'Information et de la Communication (ADETIC). The documentation demonstrates that the proper procedures were followed in evaluating the request.

- **Thank You to Local Host of ICANN 61 Meeting**
- **Thank you to Sponsors of ICANN 61 Meeting**
- **Thank you to Interpreters, ICANN org, Event and Hotel Teams of ICANN 61 Meeting**

Main Agenda:
- **Next Steps in Community Priority Evaluation Process Review**
  o Resolved (2018.03.15.08), the Board acknowledges and accepts the findings set forth in the three CPE Process Review Reports.
  o Resolved (2018.03.15.09), the Board concludes that, as a result of the findings in the CPE Process Review Reports, no overhaul or change to the CPE process for this current round of the New gTLD Program is necessary.
  o Resolved (2018.03.15.10), the Board declares that the CPE Process Review has been completed.

- o Resolved (2018.03.15.11), the Board directs the Board Accountability Mechanisms Committee to move forward with consideration of the remaining Reconsideration Requests relating to the CPE process that were placed on hold pending completion of the CPE Process Review in accordance with the [Transition Process of Reconsideration Responsibilities from the BGC to the BAMC](#) document.
- **Further Consideration of the Gulf Cooperation Council Independent Review Process Final Declarations**
  - o Resolved (2018.03.15.12), the Board accepts that the Panel declared the following: (i) the GCC is the prevailing party in the *Gulf Cooperation Council v. ICANN* IRP; and (ii) ICANN "shall reimburse the GCC the sum of $107,924.16 upon demonstration by [the] GCC that these incurred costs have been paid."
  - o Resolved (2018.03.15.13), the Board directs the President and CEO, or his designee(s), to take all steps necessary to reimburse the GCC in the amount of US$107,924.16 in furtherance of the IRP Panel's Costs Declaration upon demonstration by the GCC that these incurred costs have been paid.
  - o Resolved (2018.03.15.14), the Board directs the BAMC: (i) to follow the steps required as if the GAC provided non-consensus advice to the Board pursuant to Module 3.1 (subparagraph II) of the Applicant Guidebook regarding .PERSIANGULF; (ii) to review and consider the relevant materials related to the .PERSIANGULF matter; and (iii) to provide a recommendation to the Board as to whether or not the application for .PERSIANGULF should proceed.
- **Consideration of the Asia Green IT System Independent Review Process Final Declaration**
  - o Resolved (2018.03.15.15), the Board accepts that the Panel declared the following: (i) AGIT is the prevailing party in the Asia Green IT System Bilgisayar San. ve Tic. Ltd. Sti. v. ICANN IRP; and (ii) ICANN shall reimburse AGIT the sum of US$93,918.83.
  - o Resolved (2018.03.15.16), the Board directs the President and CEO, or his designee(s), to take all steps necessary to reimburse AGIT in the amount of US$93,918.83 in furtherance of the Panel's Final Declaration.
  - o Resolved (2018.03.15.17), the Board directs the BAMC to re-review the GAC non-consensus advice (as defined in Section 3.1 subparagraph II of the Applicant Guidebook) as well as the subsequent communications from or with objecting and supporting parties, in light of the Final Declaration, and provide a recommendation to the Board as to whether or not the applications for .HALAL and .ISLAM should proceed.
- **Appointment of the Independent Auditor for the Fiscal Year Ending 30 June 2018**
  - o Resolved (2018.03.15.18), the Board authorizes the President and CEO, or his designee(s), to take all steps necessary to engage BDO LLP and BDO member firms as the auditors for the financial statements for the fiscal year ending 30 June 2018.

Full documentation of each resolution is available at this link:
https://www.icann.org/resources/board-material/resolutions-2018-03-15-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 31 March 2018, ICANN org has 388 people, which is 33 people less than the FY18 year-end budget projection of 421. Over the last three months, 3 joined and another 15 left.
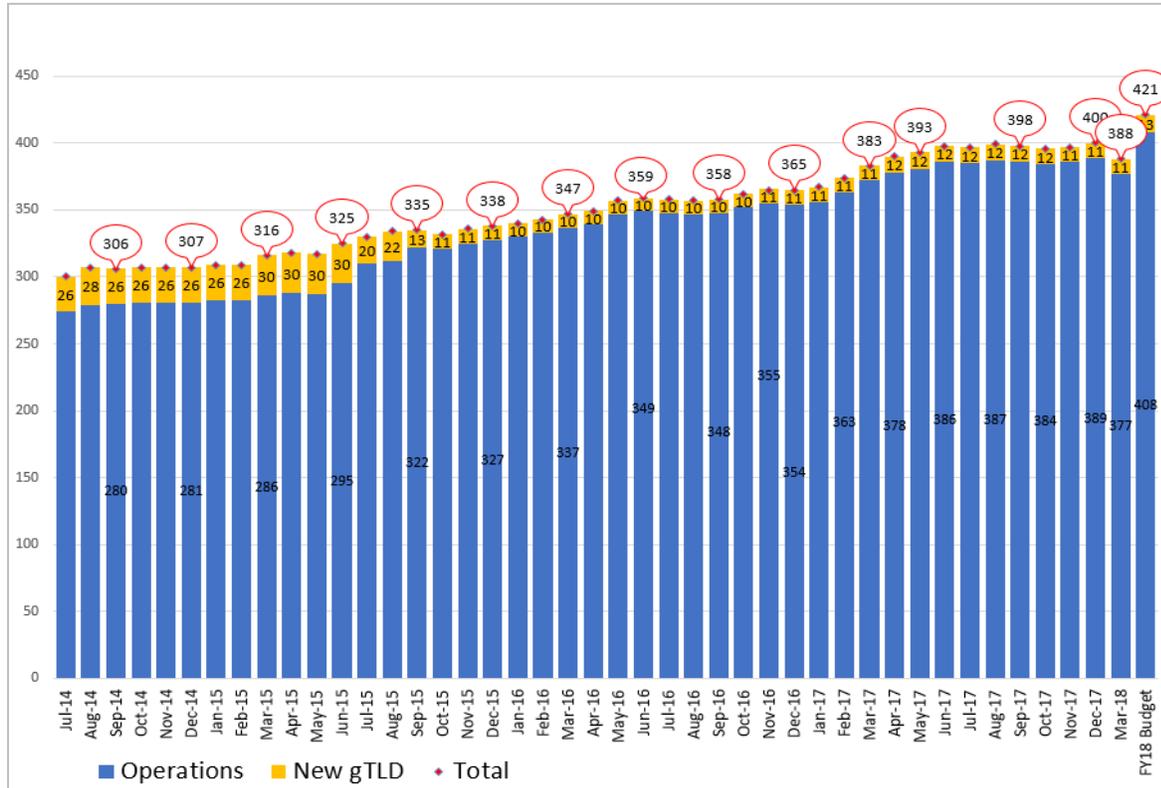
Annual growth rates (from June to June):

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

ICANN Org by Locations: As of 31 March 2018, North America Offices & Remote consists of 228 (78%) in Los Angeles office, 31 in Washington DC office, 32 work remotely in US, 1 work remotely in Canada, totaling 292 (75% of the total organization).
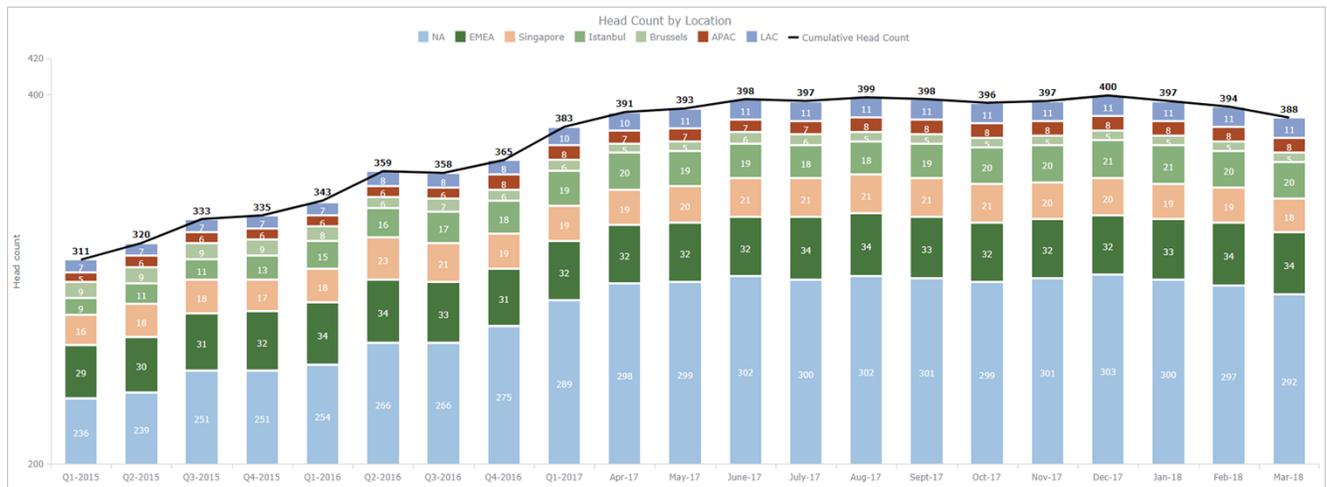
Voluntary turnover over the last three months increased by 0.17%, from 6.65% as of December 2017 to 6.82% as of March 2018 (both on trailing-twelve-month basis). In comparison, the worldwide benchmark is 13.3%. Most of ICANN's voluntary turnover in the last 3 months has been in the US (8).
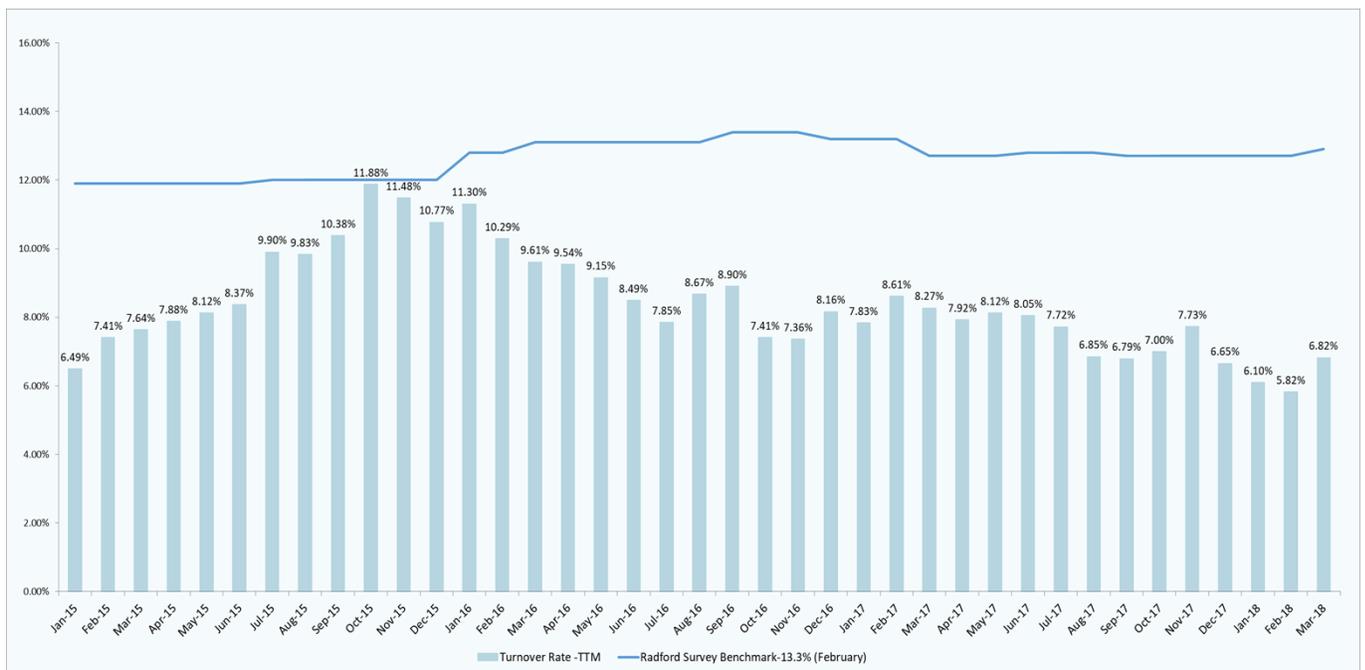
Comparing FY18 year-end budget to actual headcount as of 31 March 2018, most of the functional groups have not yet reached their year-end target. The variance is primarily due to enhanced reviews of new or replacements positions, in order to ensure fiscal efficiencies and responsibility. Departments continue to prioritize workload to support our mission.
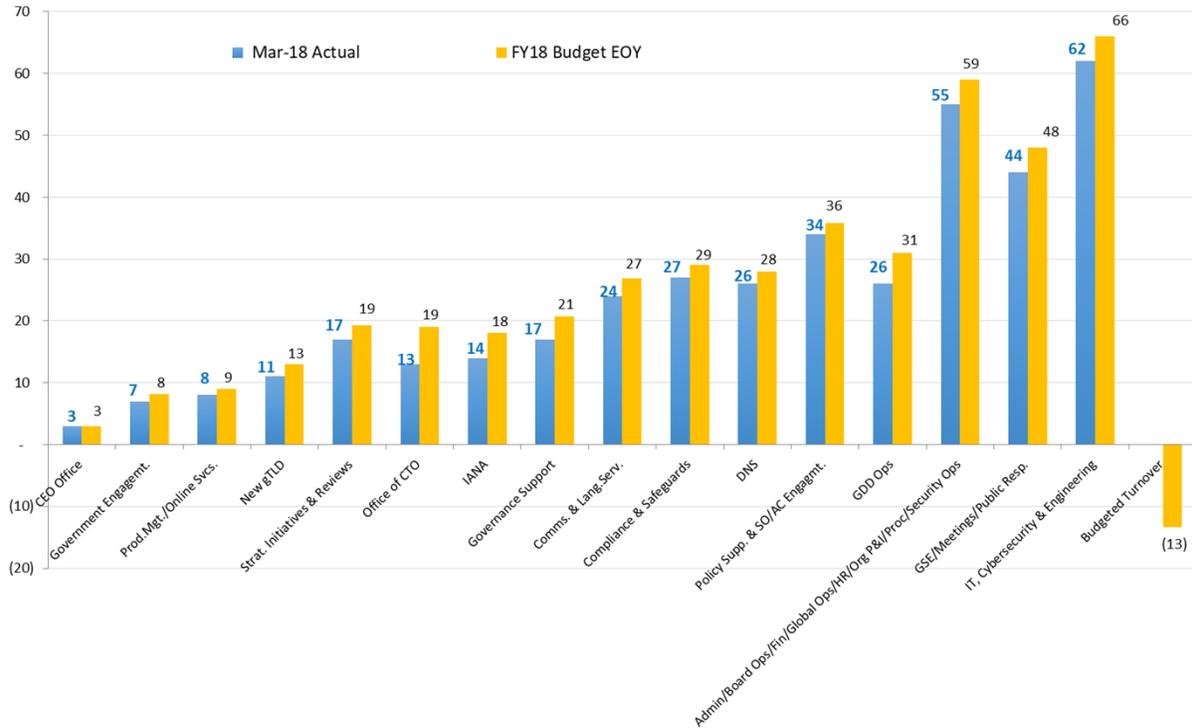
The **gender diversity** of ICANN org is well-balanced with females having a slight majority. The Executive Team gender balance remains at 33% / 68% (female/male). We have gender balance from a numerical perspective, but could do better when it comes to leadership positions.

ICANN ORG

Mar-18: Male 46.6% Female 53.4%

Jul-16: 46.8% 53.2%

ICANN EXECUTIVE TEAM

Mar-18: Male 66.7% Female 33.3%

Jul-16: 76.9% 23.1%
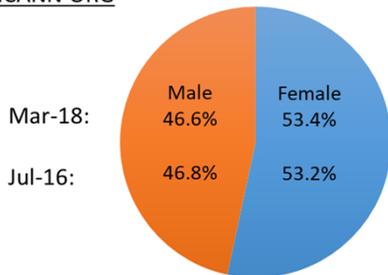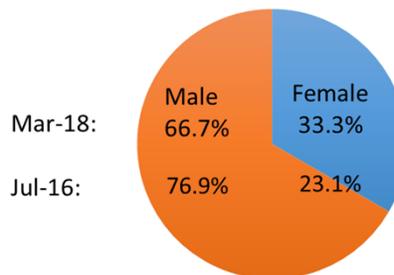
Global distribution for **management roles of Sr. Directors & Above** shows distribution has remained stable for the last couple of years, with the largest population between 5 to 10 years of service. This reflects ICANN org depth of experience and relatively low turnover within senior leadership.

Years of Service by Region - Sr. Director & Above
(as of FY18 Q3)

	<3 years	3-5 years	5-10 years	>10 years
EMEA		1	6	1
APAC		2		1
AMER	7	19	17	11
Total	**7**	**22**	**23**	**13**
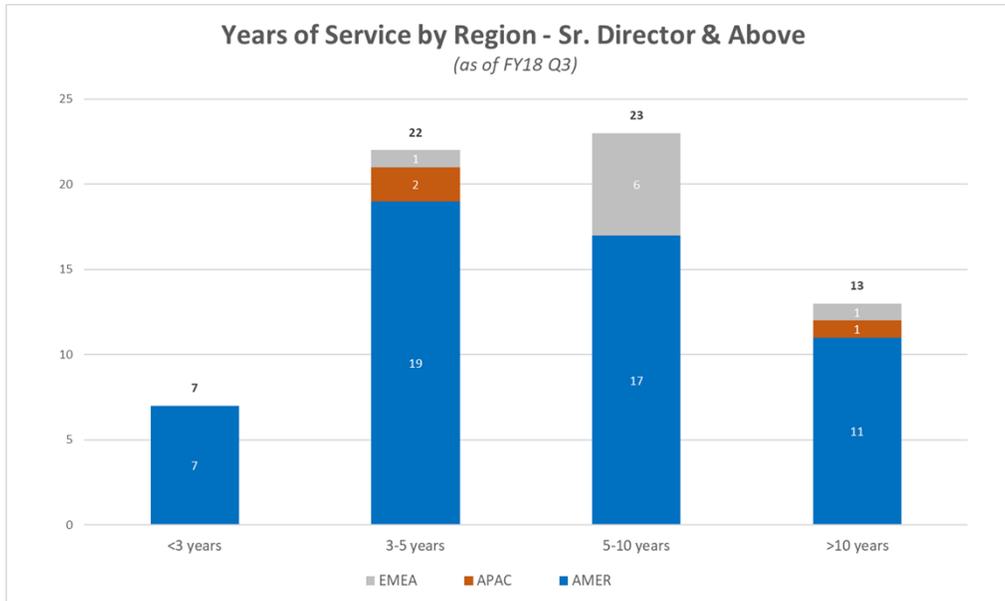
Age distribution of the organization has also been stable over the last 3 years, averaging around 42 years of age and represents the typical mid-point of most professional careers. The organization's average **years of service** as of March 2018 is 4.3 years, reflecting consistent growth and stability in ICANN org positions.

Years of Service
Average: 31 July 2016 = 3.5 years, 31 Mar 2018= 4.3 years

	up to 1	>1 to 3	>3 to 5	>5 to 10	>10
31 July 2016	17%	43%	20%	16%	3%
31 Mar 2018	11%	29%	38%	23%	8%
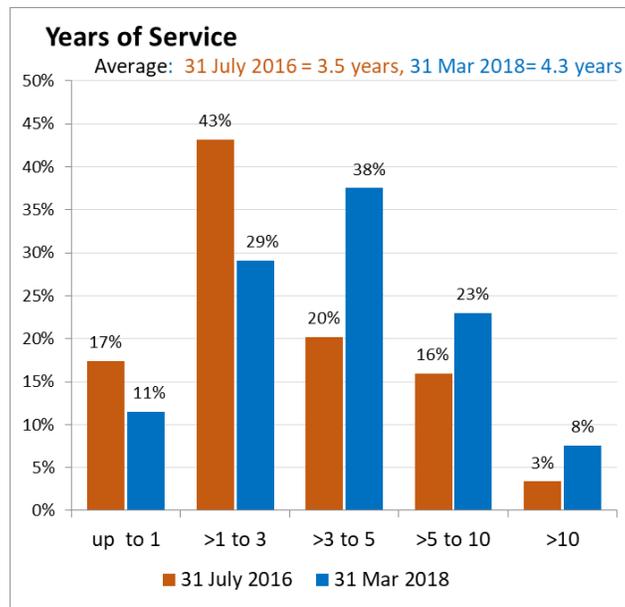
ICANN Org Report to the Board

Organization Finances
Xavier Calvez, SVP & Chief Financial Officer

FY18 FINANCIAL OVERVIEW

Please refer to the financial section of the FY18 Q3 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

- Continued to support community discussions to understand potential compliance issues under ICANN agreements because of the EU General Data Protection Regulation, and to refine the potential interim compliance model.
- Supported the Board and organization in consideration of the Work Stream 2 final report, including conversations with the CCWG leadership on areas of remaining concern.
- Complaints Office published semi-annual report, which included recommendations for consideration by the CEO.

OVERVIEW OF ACTIVITY

Contract Management: Supported the GDD Team through (i) drafting Registry Agreements and Amendments, (ii) advising on contract interpretation issues related to Registry Agreements and Registrar Accreditation Agreements, and (iii) providing contract drafting support for the Privacy Proxy Accreditation Agreement and new Registrar Data Escrow Agreement Template. Provided contracting services for ICANN org departments on a variety of agreements, including contracts which support the Information Transparency Initiative and the Open Data Initiative and contracts supporting the upcoming ICANN public meetings.

Complaints Office: Received 13 complaints during the reporting period, for a total of 35 complaints submitted to date. There have been an additional 442 submissions referred to other processes, such as Contractual Compliance, during the reporting period. The [Semi-Annual Complaints Report](#), published in March 2018, included activities and metrics, observations and recommendations to the CEO. Next steps are for the CEO to consider recommended implementation proposals for adoption. The Complaints Officer also provided an update to the Istanbul Regional Office.

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 improvements in the implementation of the Registry Services Evaluation Process, and implementing the consensus policy concerning Accreditation of Privacy/Proxy Service Providers. Provided legal support on policy development work to develop the next generation of Registration Directory Services/WHOIS.

Legal Support for Strategic Initiatives and Implementation of IANA Stewardship Transition: Supported the completion of the Customer Standing Committee's development of Remedial Action Procedures. Supported the conversations regarding the status of Specific Reviews, including the restarting of the second Security, Stability, and Resiliency Review (SSR2) and the potential for modifying the schedule of the third Accountability and Transparency Review (ATRT3) or the second Registration Directory Service Review (RDS2) to account for better community resourcing.

Legal Support for GSE and GE Teams: Assisted in the development of reporting to the community on key legislative and regulatory trends that might impact ICANN's service to its mission.

Litigation and Internal Services: With respect to the GCC v. ICANN Independent Review Process (IRP) Final Declaration, the Board has directed the BAMC to follow the steps required as if the Governmental Advisory Committee (GAC) provided non-consensus advice to the Board pursuant to Guidebook Module 3.1 (subparagraph II) regarding .PERSIANGULF, and to provide a recommendation as to whether or not the .PERSIANGULF application should proceed. Regarding the AGIT v. ICANN IRP Final Declaration, the Board has directed the BAMC to review the GAC non-consensus advice and the communications from/with objecting and supporting parties, and to provide a recommendation as to whether or not the applications for .HALAL and .ISLAM should proceed. ICANN did not prevail on its jurisdictional challenge in the India lawsuit (Eli Research v. ICANN); ICANN has appealed the Court's decision. ICANN was notified that the United States Department of Justice had closed its investigation relating to Verisign's proposed acquisition of Nu Dot Co LLC's contractual rights to the .WEB gTLD. Bench trial in the DotConnectAfrica lawsuit on the issue of judicial estoppel took place at the end of February; parties submitted post-trial briefs and closing arguments are scheduled for 17 June 2018.

TOP ISSUES & MITIGATION

We provide support and briefing documents in ongoing litigation, in support of Independent Review Process 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

Global Domains Division: Domain Name Services & Industry Engagement, WHOIS Initiatives, IANA Functions, Product Management, Operations, Global Customer Support, Transition Implementation
Akram Atallah, President, Global Domains Division

KEY HIGHLIGHTS & MILESTONES

New gTLD Program - Protections for Intergovernmental Organizations and International Nongovernmental Organizations Policy

- All generic top-level domain (gTLD) contracted parties must implement the new consensus policy concerning [the protection of certain specific names of intergovernmental organizations (IGO) and international nongovernmental organizations (INGO) identifiers in all gTLDs](). Contracted parties have until 1 August 2018 to complete implementation of the new requirements for certain specific names of IGOs, the International Olympic Committee (IOC), and the Red Cross/Red Crescent movement (RCRC). The Policy requires registry operators to withhold the specified names from registration for IGOs, the IOC, and the RCRC, at the second-level and provides exceptions procedure for registration by the protected organization. For INGOs, the Policy requires a notice to be sent to the INGO if the protected name is registered within the first 90-days that the name is available for registration, for future gTLD delegations. For INGOs, the implementation period will be 12 months from the release of the INGO Claims Systems Specification, which is currently under development by ICANN organization.

Naming Services Portal (NSp) – Registrar version 1.0 Launch

- On 26 March 2018, we launched the first iteration of registrar functionality on the Naming Services platform. The goal of this version is to drive user behavior to the portal, with the goal to ultimately deliver a system that streamlines the way contracted parties conduct business with the ICANN org. A total of 468 new users were activated and now have access to the portal. Key features include:
    - Non-transactional, view-only system with portal access
    - Enables primary contacts/group admins to view open compliance tickets
    - Secure access via multi factor authentication
    - Single login for users who serve hybrid purpose (e.g. primary contact for both registrar and registry)
    - Access to a centralized document library

The successful launch was possible through the collaborative efforts of many ICANN teams including Compliance, Engineering, GDD, = Registrar Services and Product Management to name a few.

PTI/IANA Functions

- We issued a blog – ["Progressing the IANA Functions into 2018"]() – highlighting continued focus on stable and dependable service delivery post-transition and implementing a vision for modernizing and improving service delivery. This included highlights from the annual [IANA Services Customer Satisfaction Survey](), which was published on 18 January. This study is conducted by an independent third-party vendor and measures the perception of satisfaction of IANA functions customers regarding the services they receive. Customers identified accuracy as the most

important measure of performance for the fifth consecutive year. Notably, 94 percent of respondents reported being satisfied with the accuracy of their transactions.

- Audits of the Public Technical Identifiers (PTI) Registry Assignment and Maintenance Systems (RAMS) and the Root Zone Domain Name System Security Extensions (DNSSEC), which are services provided as part of the IANA functions, were completed. International accounting firm PricewaterhouseCoopers (PwC) conducted the audits for the period of 1 October 2016 through 30 November 2017.

Stakeholder Engagement

- GDD and GSE have been working together enhance stakeholder engagement by working more effectively and efficiently Joint activities for this period included holding a pilot training session – "Get Engaged in ICANN – Seminar for Registrars" – in Germany. Team members also traveled to South Asia to initiate and support community-driven efforts for developing the Internet's Root Zone Label Generation Rules (RZ-LGR). Read the blog to learn more.

Internationalized Domain Names (IDNs)

- We issued a "call for participants" to form a technical group to study how to apply the Root Zone Label Generation Rules (RZ-LGR) for IDN TLDs. The study group will be composed of technical subject matter experts from the Supporting Organizations (SOs), the Advisory Committees (ACs) and the Internet Architecture Board (IAB). The ICANN Board will consider recommendations developed by this study group to determine next steps.

General Data Protection Regulation (GDPR)

- The GDD team continues to work closely with various internal ICANN org departments and actively participate in discussions with the community related to GDPR. Please see the Multistakeholder Strategy and Strategic Initiatives (MSSI) section for more detail information on data protection/privacy activities, including GDPR.
- In parallel, the GDD team is assessing how the proposed model will affect existing policies and services in terms of daily work with colleagues and contracted parties, and the related operational changes that will be required.

OVERVIEW OF ACTIVITY

New gTLD Program

- Four New gTLD Program contention sets resolved since the beginning of 2018. As of 12 April, 226 contention sets have now been resolved and 8 remain on hold.

Global Customer Support

- The Global Support Center resolved 4,640 general inquiries including:
  - A total of 3,838 inquiries from domain name registrants and the general public
    - Eighty percent of these inquiries were from registrants seeking assistance to resolve issues with their registrar
  - Inquiries from contracted parties and New gTLD applicants totaled 802.
    - Thirty-five percent of these were seasonal inquiries regarding annual certifications
  - Received 63 closed case surveys. Due to a technical issue, fewer than normal survey responses were received for the period. However, 80 percent of respondents indicated

they were very satisfied with the support they receive from ICANN. This included registrants and other internet users who were ultimately directed to another source to resolve their issue.

Summary of Public Comment Activities
- Maximal Starting Repertoire version 3 (MSR-3) for Root Zone Label Generation Rules (opened 17 January, closed 26 February)
- *Proposal for Korean Script Root Zone Label Generation Rules* (opened 25 January, closed 17 March)
- Draft Procedure for Community gTLD Change Requests (opened 14 February, closes 16 April.)

Privacy/Proxy Service Provider Accreditation Program
- We continue to work on implementing the GNSO's recommendations for a proxy/privacy service provider accreditation program, working with the volunteer Implementation Review Team (IRT) to produce policy documents, application process guides, and a de-accreditation process. We are facilitating discussions to reach resolution on the few remaining issues prior to posting the documents for public comment in April.

O.com RSEP
- In November 2017, Verisign submitted a request to release the single-character domain name O.com. Pursuant to the agreement, the ICANN org conducted a review of the proposed service. The review did not identify significant security or stability issues; however, it did determine that the proposal might raise significant competition issues and referred the matter to the U.S. Department of Justice. On 14 December 2017 the Antitrust Division communicated to ICANN that it did not intend to open an investigation on the matter. GDD is now working on a contract amendment with the registry operator, which is anticipated to be posted for public comment soon.

Procedure for Changes to Community-Based TLDs (Specification 12)
- The public comment period recently closed regarding a draft procedure for ICANN to utilize when considering requested changes to Specification 12 (community registration policies) of the Registry Agreement. The GDD collaborated with the Community gTLD Change Request Process Working Group and members of the gTLD Registries Stakeholder Group (RySG) on the draft procedure. The comment period has concluded and GDD is now reviewing the comments.

gTLD Marketplace Health Index
- We chose [ZookNIC Domain Name Intelligence](#) to conduct the next gTLD Marketplace Health Index Assessment. The scope of work includes assessing a proposed framework for domain name system (DNS) marketplace indicators, creating a detailed taxonomy of the final set of recommended indicators, and identifying sources for any requisite data external to the ICANN org. This effort is planned to be ongoing until August 2018.

Contracted Parties Satisfaction Survey
- GDD partnered once again with the [MITA Group](#) to conduct the second annual ICANN [Contracted Parties Satisfaction Survey](#). Results from the survey, which closes on 13 April 2018, will be used to create an [action plan](#) for continuous improvement in our services and deliverables. The survey closes on 13 April, and we expect to announce results in May.

ICANN61

- GDD conducted 15 sessions during ICANN61 ranging from technical working sessions to information roundtables that are part of managing our stakeholder relationships. A recap of formal sessions held in San Juan is available here.

2018 GDD Industry Summit

- Preparations are well underway for the 2018 GDD Industry Summit, which will be held in Richmond, B.C., Canada, 14-17 May. Sessions are scheduled from Tuesday, 15 May through noon Thursday, 17 May. The full agenda, which was developed in conjunction with members of the registries' and registrars' stakeholder groups, is available here.

Universal Acceptance Steering Group

- The UASG continues to spread awareness of Universal Acceptance (UA) by engaging stakeholders across digital platforms, through local events and personalized outreach. In January, the UASG helped convene Hong Kong's first-ever meeting of business and technology leaders on the topic of UA. While there, the team held a UA group event and also met with several journalists and the President of the HK Computer Society, resulting in several pieces of local coverage. We conducted briefings with analysts at Constellation Research and IDC to introduce them to the UASG's work and help evangelize the UA message among the IT expert community. During ICANN61, UASG members met with local GSE and GAC teams to discuss UA and EAI issues. We conducted outreach to Fortune 400-500 CIOs and industry associations around the world, including the San Francisco Chamber of Commerce, and have been published in five publications/platforms as a result. We also launched UASG's social media presence using Twitter[twitter.com], and are adding regular Facebook[facebook.com] and LinkedIn[linkedin.com] material as well, aimed at driving our audience to the UASG website and UA materials.

TOP ISSUES & MITIGATION

GDD is managing several work areas to address the forthcoming GDPR enforcement deadline, including supporting discussions on development of the interim model, and as noted above, working with contracted parties to support a smooth transition to the model when adopted. GDD is also in the midst of preparing a number of ICANN org's products and services to comply with the model once adopted.

ICANN Org Report to the Board

Contractual Compliance & Safeguards
Jamie Hedlund, Senior Vice President, Contractual Compliance & Safeguards & Managing Director – Washington, D.C. Office

KEY HIGHLIGHTS & MILESTONES
Contractual Compliance and Consumer Safeguards Initiatives and Improvements

A. Enhanced Transparency in Compliance Reporting
Compliance completed work to provide a greater detail of reporting on complaints related to the Governmental Advisory Committee (GAC) Category 1 Safeguards and to the Public Interest Commitments. This report builds on the contractual compliance related recommendations from the Competition, Consumer Choice, and Consumer Trust Review Team draft report and the Governmental Advisory Committee's Copenhagen Communique. It also marks the completion of compliance related recommendations. Enhancing Transparency in Contractual Compliance Reporting Blog part 2 was published early March.

B. Compliance Efforts to Mitigate DNS Infrastructure Abuse
In light of the ICANN community concerns regarding DNS infrastructure abuse and ICANN org activities in Domain Abuse & Activity Reporting (DAAR) system, Compliance updated the audit plans with expanded questions and testing to address DNS abuse and also includes concerns about DNS infrastructure abuse when determining which contracted parties to audit. Compliance continues to work with OCTO on the use of DAAR in the context of DNS infrastructure abuse issues. DAAR uses publicly available feeds from organizations that track various types of abuse on the Internet.

C. Compliance Matters Related to Registry Operators
In late January 2018, ICANN's Contractual Compliance team kicked off its monitoring efforts related to registry operators' submission of Annual Certifications of Compliance. Registry operators that meet certain conditions of their registry agreement during at least part of the relevant calendar year are required to submit an annual certification to ICANN org by 20 January. Details regarding those requirements are captured in a FAQ here. ICANN Contractual Compliance follows-up the registry operators that have not timely submitted their certification or submitted an incomplete certification.

D. Accountability Mechanisms
In March 2018, ICANN org received a request pursuant to the Documentary Information Disclosure Policy related to Contractual Compliance handling of a Public Interest Commitment Report (PICDRP) in 2016. In addition, ICANN org received a Reconsideration Request related to a Registrar Termination.

E. Contractual Compliance Enforcement
Compliance issued four Registrar terminations:
- 9 April 2018: ICANN Sends Notice of Termination to Registrar (Beijing Midwest Taian Technology Services Ltd.
- 21 March 2018: ICANN Sends Notice of Termination to Registrar (Astutium Limited)
- 1 March 2018: ICANN Sends Notice of Termination to Registrar (Fan Domains Ltd)
- 2 January 2018: ICANN Sends Notice of Termination to Registrar (Rethem Hosting LLC.)

F. Consumer Safeguards

The Consumer Safeguards Department and Director continued efforts to further the development of safeguards efforts within the community and in external settings:

1. In February, the Consumer Safeguards Director represented ICANN org at the Internet & Jurisdiction Policy Network in Ottawa, Ontario. Along with ICANN Board members Chris Disspain and Maarten Botterman, the Consumer Safeguards Director participated in the session dedicated to discussing Domains and Content Abuse. Other members of the ICANN community, including representatives of the Business Constituency, SSAC, and contracted parties also participated in the meeting.

2. At ICANN 61, the Consumer Safegards department with with IPC and ISPs to further discussions of an assessment of ICANN's existing safeguards.

3. The Consumer Safeguards Director will be a panel participant at the first Baltic Domain Days conference in Riga, Latvia. The panel raises the question as to whether registries and registrars should be responsible for content. While the conference will focus on Baltic ccTLD issues, ICANN is a sponsor of the event and ICANN will share the limitations on its remit as it relates to this topic and gTLDs.

Finally, the Consumer Safeguards Department is conducting an analysis of abuse complaints closed by the Contractual Compliance department in the hopes of being able to provide data to the community at ICANN 62 that will facilitate fact-based discussions.

OVERVIEW OF ACTIVITY

Audit Program Update

Below is an update on the activities ongoing activity in Contractual Compliance that have taken place during the period of January to earl April 2018. The Contractual Compliance Audit page is available at https://www.icann.org/resources/pages/audits-2012-02-25-en

The Contractual Compliance Audit Program is ongoing. Typically, ICANN org conducts two rounds of audits a year for registrars and two for registries. An update for each type of audit is provided below.

The registrar audit round, launched in September 2017, is now in the remediation phase. The preliminary audit report by registrar was issued in January 2018 as planned. Fifty-eight Registrars, from twenty-one different countries, are addressing findings noted in their initial audit reports by either providing additional documentation, explanations or implementing corrective measures.

Another round of New gTLD Registry Agreement audit round started on 13 March 2018. It includes 20 gTDLs. The audit criteria consist of registries who have not been audited, registries serviced by backend service provider which have not been audited previously, or registries for which there appear to be ICANN community concerns.

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 Operations Team has been effectively implementing each functional roadmap. Collectively, the team continued to collaborate across the organization on their priorities with a keen focus on optimizing resource/cost management, bubble-piercing, and reducing complexity. The achievement highlights of such collaboration include the Board Workshop & ICANN61 deliverables, international regional office issue mitigation, a Regional Security Management Model, OA&I org-wide work, and org regulatory compliance. In addition, Operations is proud of the teamwork and skill value-add towards achieving several of CEO's FY18SR2 goals.

The ARR Team provides monthly updates on the status of advice to the Board from the ALAC, RSSAC, and SSAC. The latest status report, from 31 March 2018, can be found on the Board Advice page (https://features.icann.org/board-advice) here: https://www.icann.org/board-advice-status-current.xlsx.

OVERVIEW OF ACTIVITY

The **Board Operations Team** delivered on the organization of the Los Angeles (LA) Board workshop and ICANN61 in San Juan and on the plans from the LA workshop in spite of the short timeframe leading up to the Community Forum. In particular, Board Ops planned for the Board interactions with the community during ICANN61 and coordinated the Board's thorough preparation for these face-to-face meetings in close collaboration with the Policy team.
Other highlights of this period include:

- Drove the planning process of the LA Board workshop, ICANN61 Board workshop & Constituencies Meetings, and organized the PTI Board meetings in LA.
- Assisted the work of the Board's Committees, Working Groups and Caucus Groups, including facilitating the scheduling and proceedings of 40+ telephonic/ electronic meetings for critical work on key topics such as GDPR, GAC Advice and Auction Proceeds.
- Organized an Audit Committee Training for the BAC members and assisted individual Board members with their training needs.
- Developed several value-add projects, including a digital Board Committee Manual structure, Board workshop cost analysis, and Board Travel Policy refinement; contributed to ICANN org key projects and initiatives: ITI, Human Rights Impact Assessment, impact of GDPR on Operations, and European Regional Strategy discussion.
- Identified, interviewed and recruited a new Board Ops Specialist who is scheduled to join the team in May, based in the Brussels Office.

The **Global Operations Team** continues to focus on regional and cross-functional initiatives such as:

- Facility lease renewal: Obtained Board approval to renew Singapore office lease for another 3 years beginning 1 Oct 2018 and engaged agent in renewal negotiation.
- International Regional Offices: Collaborating with the COO and SVP of Global HR to develop a Regional Office Operation Guidebook with aim to achieve operational efficiency and consistency across the regions; and began to explore cross-regional operation resource support.

- Partnered on security training held in the Singapore office and conducted a table-top exercise of the Regional Emergency Response Plan. Partnering with Security Ops on the Regional security management model with APAC regional resources.
- Supported MSSI Team on the 2nd annual Strategic Outlook review session with the APAC staff.
- Led Excel@ICANN core-team discussions with the APAC team in the FY18 org-wide assessment from the regional perspective sharing APAC good practices, along with Ops team sharing with the APAC team the key Ops improvement initiatives.

The **Security Operations Team** continues with its aggressive implementation of the Security Ops roadmap and has had another fruitful period across numerous fronts, including:
- Event Security: Provided on the ground safety and security support to ICANN61, the Board Workshop in LA, Afrinic in Dakar, Senegal, the Mobile World Congress in Barcelona, IETF in London, and the Middle East and Turkey DNS Forum in Ankara; launched new internal Technical Surveillance Counter Measures capability at ICANN61; and developed an ICANN61 After-Action Report highlighting key metrics, areas of success, and areas requiring further optimization.
- Knowledge Management: Security Team members completed an intensive Close Protection Course to become certified Close Protection Officers and an Advanced Kidnap for Ransom training course, both to further bolster the team's internal capability to support events.
- Security Intelligence and Travel Security: Provided the Meetings Team with intelligence reports on proposed future meeting locations; continued with the publication of regional Intelligence Summaries on weCANN; supported travelers with Key Information Sheets; deployed tools to more efficiently and effectively capture and understand critical incidents; started implementing the travel security program; and supported ICANN travelers attending the APRICOT in Kathmandu, Nepal, with a pre-travel briefing and on-the-ground medical support.
- Physical Security and Response Management: Concluded physical security review of the Istanbul and LA offices; conducted Emergency Response Training for the Singapore & Istanbul offices and began development of the Emergency Response Plan for the LA office; introduced PIN systems in LA & WDC offices for off-hours access as well as panic buttons for reception areas – this is a global initiative, and photo ID badges are being developed for all offices.
- Cost Saving Initiatives: Launched the Regional Security Manager model, which prioritizes the geographical distribution of team members and responsibilities to reduce travel cost and increase security capability. Given the new internal capacity development, reduced use of contractors at ICANN61 provided savings on contractor services and travel costs.

The **Organizational Assessment and Improvement (OA&I) Team** collaborated with org-wide teams on:
- Accountability Indicators v1: In addition to data and display improvements, v1 includes new charts to increase accountability and transparency to the community for several strategic goals. Continuous data collection automation has been improving data integrity and reducing resource requirements, and v2 planning has begun as well.
- Excel@ICANN assessment: The core-team has conducted external research and connected the org's good practice improvements to the EFQM Excellence model. Assessment discussions with the org were kicked off first with the APAC regional office team, and then with members of every org functional team. The goal is to finalize the draft report by Jun/Jul with a summary of strengths, continuous improvements focus points, and priorities.

- Reports@ICANN: Derived several key opportunities to improve resource and cost management; shared findings and plan forward with the Executives and entire Org; achieved $154K resource and cost savings so far from reducing report frequencies and translations of a couple of reports; working with all report owners to attain savings while enhancing accountability and transparency.
- FY19 Projects & Portfolios and FY20 Planning: Following last period's achievements in streamlining the numbers and process of projects and portfolios for FY19 planning, the team continued to refine project structure guidelines and process to ensure best practices. Also teamed up with Finance and MSSI to kick off the FY20 planning with two brainstorm sessions aimed at elevating effectiveness and efficiencies.

BOARD PRIORITY BLOCK 2 – ICANN ORG OVERSIGHT:
Provide oversight to ensure ICANN is fulfilling its legal obligations
The reporting below is for this report period 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).

	Legal	Finance	HR	TOTAL
ICANN Org Regulatory Obligations	7	18	13	38

ICANN Org Compliance Status	
On Target	30
Completed on Time	8
Completed Late	0
Not Completed	0
TOTAL	**38**

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 successfully supported travelers for ICANN61, provided ongoing HR support for ICANN Org, assisted with GDPR activities and enhanced security access procedures for the LA office. We are also working on transition plans between myself and the incoming Senior VP for Global HR, Gina Villavicencio.

OVERVIEW OF ACTIVITY

Global Human Resources:

The **Global Operations** as well as **Talent Management** teams worked on several cross functional initiatives to enable the organization to meet its short and long-term goals. Additionally, we continue strengthening internal HR processes as well as supporting various teams within the organization:

- **GDPR** – Provided input and reviewed impacts into the people data compliance element of GDPR in partnership with various teams including Legal.
- **Human Rights** – Provided input into the internal Human Rights assessment to help illustrate the impact of human rights on our daily business activities. This input will also enable us to examine and improve our global business operations.
- **Internet and DNS Engagement Center in Seoul** – Provided support to ensure smooth and secure transition resulting from the expiration of the of Korea Internet & Security Agency (KISA)/ICANN agreement in January. Additionally, aided in the establishment of a partnership center known as the Internet and DNS Engagement Center in Seoul (the "Center').
- **Compliance training** – Introduced enhanced courses on "Workplace Harassment Prevention" and "Global Anti Bribery and Corruption" required for all members of ICANN Org as well as all ICANN board members.
- **Automation & Analytics** – Continued to leverage the capabilities of the ERP system for automating data feeds into other systems as well as leveraging analytics to provide meaningful data on trends and enhanced decision making.
- **People Engagement Survey –** Engaged an external vendor for the next three years to assess staff engagement and formulate action plans to address areas of opportunities. The first phase of this plan included conducting an RFP and contracting with the right vendor who will be able to meet ICANN's global requirements.
- **Talent Acquisition –**Implemented a process to enable critical evaluation of all open positions, including both new positions and backfill positions, to determine whether to hire or handle the needs within the internal teams.
- **ICANN as a Learning Experience** – Extended the ICANN Internship Framework that was previously piloted in Singapore, Los Angeles and Istanbul with a pilot internship in the Brussels office for the GSE Department.
- **Departmental planning meetings –** Helped plan and facilitate various planning meetings for: Middle East and Africa, Europe as well as the Latin American and Caribbean region and Operations, MSSI, OCTO, Public Responsibility Support, IT and HR teams.

- **Organizational Change Management:** Rolled out to global staff a series of foundational change management educational workshops, as a part of strengthening the organization's change management capabilities.
- **Remote Participation at Meetings**: Partnered with the Meetings team to offer training for remote participation managers (RPMs) to ensure the best experience for remote participants. As a part of this initiative Global HR provided on the ground support at ICANN61 and has incorporated learnings into future course offering for RPMs.

Administrative Services:
- **New LA office security access procedures** - Upgraded ICANN LA 3rd & 4th floor main office entry doors to include pin code access with access card swipe for an added office security entrance verification.
- **ICANN Los Angeles office 4th floor construction activity** – Finalized plans and construction engineering drawings to modify several areas of the Los Angeles ICANN office 4th floor including the café area. Modifications are anticipated to start mid to late May 2018.

Travel Services:
During this period, the travel services team supported a variety of meetings including ICANN61.
- **ICANN61**: Assisted 420 individual funded travelers with their travel needs and assisted 188 travelers with their visas.
- **Other ICANN Meetings:** Assisted 147 travelers attending 13 meetings with their travel needs.
- **Local Event Planning:** Successfully managed logistics and other support for 33 meetings/events. These events included but are not limited to Board workshops, Executive Meetings, Department offsite meetings as well as Constituency Meetings.

ICANN Org Report to the Board

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

KEY HIGHLIGHTS & MILESTONES

We have completed our FY19 budget process and reduced the E&IT Admin portion to bring us in line with the allocated envelope. We have also recognized the required 3% savings for FY18.

During ICANN 61 in Puerto Rico, we were made aware of a security flaw in our implementation of AdobeConnect. Out of an abundance of caution a decision was taken to take AdobeConnect offline. While we are waiting for Adobe to provide a patch we have started using Webex and Zoom as possible alternatives.

A critical Drupal security patch was applied to several sites to mitigate a potential flaw.

OVERVIEW OF ACTIVITY
Following the 'Eng & IT Parthenon' Framework

The Pillars

Community Collaboration Pillar: The Information Transparency Initiative (ITI):
Information Transparency Initiative (ITI) is the primary focus. Focus is on foundational efforts to lay the groundwork for the new document / content management systems (Alfresco and dotCMS respectively). The first 10-week delivery-cycle was completed. This focused on foundational work to get document and content management platforms up and running. Integrations have now been established.

Contracted Parties Pillar: The Naming Services Portal (NSp Portal) for Registries:
We deployed a proof of concept that will improve the contact management lifecycle in the Naming Services portal (NSp) for Registries. The NSp for Registrars was rolled out on schedule in March with no problems experienced.

Technical services Pillar: Service Level Agreement Monitoring (SLAM):
In mid-January we experienced an issue with the Zabbix 2.0 server. It was determined that it would take several days to recover from the fault. A decision was taken to move up the rollout of Zabbix 3.0 which had been running in Beta since mid-December. This was accomplished with minimal disruption.

We released Phase 1 enhancements to the Registry Reporting Interface (RRI) for Data Escrow Agents and a new version of the Service Level Agreement Monitoring System API (MoSAPI) to enable Registries to monitor compliance with Specification 10 of the Registry Agreement.

PTI Pillar: RZM 3.0:

The project to develop Root Zone Management System V3.0 began in February. The vision of RZM 3.0 is to provide a reliable service platform for Org staff and Community Members (ccTLD Managers, gTLD Registry Operators, Root Zone Contacts, and IANA (PTI) staff) to manage changes of critical 'master directory' data used globally by the Domain Name Service.

Staff Operations Pillar: Accountability Indicators:
Accountability Indicators Version 1 – Continuing to meet with different data owners to finalize charts for May release. E&IT new charts are completed; waiting for Legal to sign-off. Seven data owners are scheduled to be trained next month on the data entry automation process.

The Planks

Security, Network Engineering and Root-Server Operations:
The policy on disclosures of ICANN security vulnerabilities has been completed and work will soon commence on the process that will support it.

A number of technical advancements have been made in Root Server operations to improve routing behaviors for our root server instances. The public facing wording changes for "L-Root" (now "ICANN Managed Root Server or IMRS for short") on the dns.icann.org website has been completed along with publishing a DNS Engineering response to RSSAC024.

Architecture and Release Services:
In preparation for GDPR, we have an internal reference system called TARDIS (The Architecture Review Data Information Service) up and running with data element information for all custom ICANN services. Future work will expand this to include information stored in off-the-shelf services and other description information (encryption, masking, etc.). An analysis of GDPR sensitivity for all but 4 services has been completed.

In an astounding example of our Continuous Integration/Continuous Delivery (CI/CD) efforts, we had a total of 1,528 automated software builds in March.

Sustaining Engineering
We continue to make progress on UA-Readiness and are on target to finish UA-R Phase 1 (handling long ASCII domains) by May 2018.

TOP ISSUES & MITIGATION
We see the requirements to become GDPR compliant as our biggest challenge over the next few months. This is expected to consume most of our resources and could delay other projects.

ICANN Org Report to the Board

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

KEY HIGHLIGHTS & MILESTONES

- Draft plan to resume the root KSK roll project released
- RFP for Open Data platform opened
- Identifier Technology Health Initiative (ITHI) project continues
- ICANN co-hosted IETF 101 in London, UK
- DNS Abuse Analytics and Reporting project matures
- Support for capacity building for GAC and others
- OCTO Technical Training for ICANN Staff
- Internal Technical Think Tank launched

OVERVIEW OF ACTIVITY

Draft plan to resume the root KSK roll project released

On 1 February 2018, a draft plan to resume the root KSK rollover was released. The plan calls for ICANN to roll the root KSK on 18 October 2018. Simultaneously, a formal ICANN public comment was opened, which runs through 2 April 2018. The plan was presented several times at ICANN61, including in a dedicated session.

RFP for Open Data platform opened

Two contractors with significant Open Data experience have been engaged and have quickly come up to speed. A Request For Proposals (RFP) to choose an Open Data Software as a Service (SaaS) platform was opened on 13 March 2018 and the team is on target to choose a platform by early July 2018. The team continues to hold meetings with internal data owners and stakeholders and is finishing work on an initial version of an ICANN data catalog, known as the ICANN Data Asset Inventory.

Identifier Technology Health Initiative (ITHI) project continues

Data collection for six of the seven metrics for measuring the health of naming identifiers has begun, with details presented at ICANN61. OCTO has continued to engage recursive resolver and TLD operators to obtain Personally Identifiable Information (PII)-free data as input to these metrics.

ICANN co-hosted IETF 101 in London, UK

In ongoing efforts aimed at supporting the Internet Engineering Task Force (IETF) and its work, ICANN co-hosted the 101st meeting of the IETF in London in mid-March. Numerous ICANN staff actively participate in IETF working groups including DNS Operations (DNSOP), DNS over HTTPS (DOH), Registration Extentions (REGEXT), and others. David Conrad spoke at the Thursday Lunch Speakers Series on how ICANN developed the plan for the root KSK roll project based on input from various ICANN communities.

DNS Abuse Analytics and Reporting (DAAR) project matures

The DNS Abuse Analytics and Reporting (DAAR) project is continuing to move forward. We have contracted two independent reviewers to look at the DAAR methodology with an eye to identifying

any issues and/or to identify areas of improvement. One of the reviews was recently received the second is pending. Upon receipt of the second review, both reviews will be published and public comment will be solicited. In addition, monthly report statistics are now being gathered and will be made available, using these statistics to inform stakeholders as recently as ICANN61.

Support for capacity building of GAC and others
OCTO staff provided Subject Matter Expertise and materials for capacity building and training sessions for the Government Advisory Committee and others in cooperation with GE and GSE in both Kathmandu and Puerto Rico. Our focus was on providing greater understanding of how identifiers work, how they are effected by abuse/security issues, and the concepts of disaster recovery planning. These topics are all areas that we also regularly touch upon for other parts of the community.

OCTO Technical Training for ICANN Staff
In order to further empower the Global Stakeholder Engagement (GSE) team in their outreach and engagement effort on technical topics, we have started a "Train the Trainers" program in 2018. The initial training to GSE and other ICANN staff took place in early February. This effort has now been expanded to include training for staff in the Los Angeles office in April and staff in Europe before the end of FY18. These trainings, which will be recorded for use in ICANN's online learning platform, will comprise a series of "Internet Identifier Basics" sessions and allow for more advanced materials to be covered in FY19.

Internal Technical Think Tank launched
The ICANN Think Tank, run as a group of technology experts within OCTO that provide advice or ideas on emerging or specific technologies and related issues as they pertain to or affect ICANN org or the community's policy development work, has been launched. The ICANN Think Tank creates, collects, processes, or curates information focusing on technical issues related to the Internet's unique identifier systems that ICANN helps coordinate. Two papers have been produced since January in this context:
- Root Server System DDoS Threat Mitigation (February 2018)
- Technical Analysis of The European ePrivacy Regulation (March 2018)

TOP ISSUES & MITIGATION
Issue: Root KSK Roll
While the root KSK roll project has resumed based on community input, a significant percentage of recursive resolvers with the capability to report configured trust anchors continue to report not being ready for the root KSK roll.

Mitigation: We continue research into the reasons why the resolvers are not ready. Initial results suggest that data quality is an issue, that the data might continue false positives, and that many of the resolvers reporting reside in dynamic address ranges and do not resolve user queries. Since the data being reported reflects resolver misconfiguration and does not provide information relating to how end users may be impacted, one potential mitigation is to simply ignore the data as not being indicative of anything useful in the context of the root KSK roll.

Issue: DAAR
We continue to see issues with systematically associating domain names with registrars through publicly available data (i.e., WHOIS) with the frequency needed to accurately reflect current status.

Mitigation: We have managed to increase the percentage of names we can refresh on a daily basis. We are investigating different mechanisms to increase the freshness of the data such as targeting queries to names of interest and exploring other data sources.

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 January through April 2018. During this period, Global Stakeholder Engagement participated in events such as Mobile India 2018 in Bangalore, Maldives capacity development and IDN outreach, Sri Lanka for the Sinhala IDN Label Generation Panel workshop, a domain hosting meetup in collaboration with ICANN Global Domains Division, supported ICANN Board Chair Cherine Chalaby with a business roundtable event at the US Chamber of Commerce, supported ICANN Board members at a roundtable at the Center for Democracy and Technology, facilitated a meeting with the Singapore Data Protection Commission, attended the Computer Society of India Annual Convention, delivered a DNSSEC workshop at APRICOT in Kathmandu, Nepal and participated in the GAC Capacity Development Workshop in Kathmandu.

Other events included APTLD 73/APNIC 45, Cyber Secure Pakistan, DNS-OARC 29 in San Juan, a DNSSEC training in Tuvalu and Hong Kong, State of the Net 2018 in Washington DC, the CNNIC Annual Partner Conference in January 2018, facilitated the Universal Acceptance Advisory Group meeting in China in January 2018, attended the 59th CENTR meeting, conducted a registrar training event in Munich at Domain Pulse in collaboration with the ICANN Global Domains Division and community partners, the 2nd Armenian School of Internet Governance, the first North American School of Internet Governance in San Juan prior to ICANN 61, participated in the Smart Africa Steering Committee meeting in Ethiopia, participated in Internet for All in Jordan, Interpol in Singapore, the IIC Telecommunications and Media Forum in Singapore, the auDA Policy Forum, European Internet Foundation.

The Meetings team has been supporting CEO discussions with SO/AC leaders on possible changes to the location selection process for ICANN Public Meetings. In San Juan, they initiated a discussion with the SO/AC leaders on ways to reduce the expense of ICANN Meetings, which focused on a change to the current regional rotation mandate, and selecting the least expensive venues available. They will deliver a proposal to the SO/AC leaders in the coming weeks.

At ICANN 61 in San Juan, Global Stakeholder Engagement and Public Responsibility Support provided briefings to At Large, participated in community sessions on the FY19 Operating Plan and Budget, regional sessions such as the LAC Space, Africa Regional Engagement Strategy, APAC Space, and technical community sessions. The Meetings team successfully managed ICANN 61 and published statistics following the event on community attendance and participation.

OVERVIEW OF ACTIVITY

Global Stakeholder Engagement is collaborating with Policy Development Support and ICANN Constituency Travel Support to publish the revised ICANN Community Travel Support Guidelines for public comment. The comment period will begin on 30 May, and end on 16 July 2018. Ideally the new Community Travel Support Guidelines can become effective early in the first few months of FY19.

The Global Stakeholder Engagement team represented ICANN in a range of events, talks and trainings from January-April 2018. This engagement is aimed at increasing the active participation of new and diverse community representatives across the various business, civil society, non-commercial and government stakeholder communities in ICANN's work. Several events were aimed at providing readouts on ICANN activities and providing skill building to enable deeper participation by regional stakeholders, such as the 3rd Middle East GAC member webinar, the GAC Capacity Development Workshop in Kathmandu, the 12th GAC webinar for the LAC region, ICANN readouts in Brasil, Japan, China, and Canada, a DNS and ccTLD management workshop in Fiji and Universal Acceptance awareness events in China and Egypt, national stakeholder engagement in Kenya, YouthCom in Namibia, Department of Telecommunications DNS training in India, WACREN 2018, facilitating awareness of ICANN's role in GDPR discussions, engaging the technical community, and encouraging participation from civil society and academic institutions in ICANN's work.

On 14 December 2017, the Meetings team published a call for public comment on proposed "incremental" changes to ICANN Public Meetings. The comment period closed on 1 February 2018, with the staff report produced on 15 February. Adding a day to the mid-year Policy Forum (from 4 days to 5 days) and reducing the end-of-year Annual General Meeting by a day (from 7 days to 6 days) were recommended. These recommendations were reviewed with SO/AC leaders in San Juan in March, and will be decided upon in the coming weeks.

Public Responsibility Support launched a community-wide consultation process to review the Fellowship Program. The purpose is to ensure that the program continues to evolve to meet current and anticipated community needs efficiently and cost consciously. Supporting Organizations (SOs), Advisory Committees (ACs) and relevant stakeholder groups and constituencies, will initially respond to a brief survey, which will inform Fellowship Program revisions. PRS will capture this input and update the draft program processes accordingly, sharing the resulting revisions with all community groups for feedback. The draft Fellowship program will then be posted for public comment in June – August 2018, allowing for the standard 40-day (minimum) process.

TOP ISSUES & MITIGATION

In response to community requests for technical training and knowledge sharing within ICANN's remit, Global Stakeholder Engagement has sought to increase the number of engagement staff capable to delivering talks and training on DNS, DNSSEC and DNS abuse/misuse topics. This collaboration is being done with the ICANN Office of the CTO so GSE can support active participation by new and diverse community representatives in ICANN's technical and policy work. A training was delivered at ICANN's LA office, with a follow-up training planned before the end of FY18 in Europe at either ICANN Brussels or Istanbul.

Public Responsibility Support (PRS), in consultation with other ICANN org departments, has selected Löning - Human Rights & Responsible Business, a Berlin, Germany-based consultancy firm, to carry out an internal Human Rights Impact Assessment. The scope of this exercise is limited to examining the human rights impacts of ICANN org conducting daily business operations. The focus will be processes and procedures related to (1) human resources, (2) procurement, (3) event planning/meetings, and (4) the implications of running worldwide offices. Löning will deliver its final

report by August 2018. The report will include actionable recommendations to mitigate risks and improve the human rights impacts of the ICANN org in the four areas mentioned above.

PRS successfully organized the [5th edition](#) of the ICANN Academy Leadership Program (LP) in San Juan, Puerto Rico. The three-day program brought together 26 individuals from 14 ICANN communities, including the ICANN Board of Directors. The next LP will take place at ICANN64 in Kobe, Japan.

Meetings & Conferences:

- This semester, the meetings team supported: the IGF in Geneva in December: the GNSO Council Strategic Planning Session in Los Angeles in January; the NCPH Intercessional in Los Angeles in February; and ICANN61 in San Juan in March.
- They also conducted site inspections in Barcelona for ICANN63, and in Ankara for the Middle East DNS Forum, which will be held in April.
- They are now focused primarily on fine-tuning all logistical arrangements for the Ankara DNS Forum in April, the GDD Summit and Board Retreat in Vancouver in May, and ICANN62 in Panama in June. In addition, they are working closely with the SO/AC scheduling committee on development of the Panama meeting schedule, which is due to be posted on 4 June 2018.

Planning is already underway for ICANN63 in Barcelona, which will include a High-Level Government Meeting.

ICANN Org Report to the Board

Communications, Language Services, U.S. Government Engagement
Gwen Carlson, Interim Director, Global Communications

KEY HIGHLIGHTS & MILESTONES

During this period, both the Communications and Language Services teams were tasked with ensuring both their internal and external commitments and responsibilities would continue to be executed seamlessly following the departure of Duncan Burns, ICANN's SVP of Global Communications.

At the same time, we once again supported a wide array of internal projects and external outreach events, such as the community's work on the European Union's General Data Protection Regulation (GDPR), the impending KSK Rollover, ICANN61, the 2018 Mobile World Congress, and more. We continue to move forward with improvements to the ICANN.org website within resource constraints.

OVERVIEW OF ACTIVITY

ICANN61: From a communications and language services perspective, ICANN61 in San Juan was an absolute success. Prior to the meeting's start, we worked on the ground with the NIC.PR outreach team to engage with local media outlets, which both increased local attendance and generated significant media coverage around the importance of the meeting. Sentiment regarding ICANN's presence in Puerto Rico was very positive. During the meeting, we were able to quickly and effectively communicate to participants about the issues impacting Adobe Connect, which allowed participants to migrate to alternative remote participation platforms.

KSK Rollover: In February, the communications team worked with the Office of the CTO to publish a blog announcing the draft plan for continuing with the KSK Roll. The blog announced the opening of a formal public comment period to receive community input on a draft plan. The blog was translated into all UN languages and shared in all the languages through ICANN's social media platforms. The communications team also updated both the Root Zone KSK Rollover webpage in nine languages and the material needed for our outreach efforts (slide deck in all UN languages and Quick Guide). A variety of articles were written in media outlets around the world about the new proposed date for the rollover and the public comment period.

Information Transparency Initiative (ITI): Please see the Information Transparency Initiative (ITI) Board Update May 2018 (Vancouver Meeting).

ICANN.org: We have worked with Policy Development, Engineering & IT, and Product to implement minor User Experience (UX) improvements to the Public Comment feature and made changes to decrease the reliance on development resources to push updates to Public Comment. We are also working with Engineering & IT and Product on the planning and implementation of updates to the site to ensure ICANN.org is GDPR compliant. As we shared in previous updates, during the Information Transparency Initiative (ITI), we are making minimal changes to the current ICANN.org to ensure changes do not negatively impact ITI and/or are not redundant to ITI's work.

Regional Events/Outreach We Supported: Our regional teams provided support for a number of events in their respective regions. These events provide the organization with an opportunity to bolster awareness of ICANN's role, encourage people to become an active stakeholder in the ICANN community, and participate in the policy development process. Some of these events included APRICOT (Kathmandu, Nepal), Mobile World Congress 2018 (Barcelona, Spain), IETF101 (London, UK), and the WSIS Forum (Geneva, Switzerland).

Language Services: We are in the process of updating ICANN's Language Services policy, including our approach, offerings, and levels of support. We have begun by introducing updated standards across the org, meeting with various internal teams to understand their needs, and will continue to do so as we develop a policy that will go out for public comment.

TOP ISSUES & MITIGATION

The departure of Duncan Burns and a global coordinator in Asia-Pacific has created some new challenges, especially in terms of available resources, but we have been able to navigate around them and continue with our core functions and responsibilities. As before, requests for both content and translation services continue to exceed available resources. We continue to identify ways to streamline our efforts and identify non-critical activities that can be deprioritized until additional resources are made available.

ICANN Org Report to the Board

Policy Development Support
David Olive, SVP, Policy Development Support & Managing Director – Istanbul Office

KEY HIGHLIGHTS & MILESTONES

Address Supporting Organization (ASO)

- The ASO Address Council (ASO AC) conducted its annual meeting at ICANN61.
  - The ASO AC received updates about the Cross-Community Working Group on Enhancing ICANN Accountability Work Stream 2, the Nominating Committee, the Multistakeholder Ethos Award, and APNIC 45 (the recent meeting of the Asia Pacific Network Information Centre).
- The global Internet number community continues its regional consultations on the recommendations in the final report of the ASO organizational review published in late July 2017.
  - The Number Resource Organization Executive Council (NRO EC) and the ASO AC published a joint response earlier this year.

Generic Names Supporting Organization (GNSO)

- The GNSO Council adopted revised GNSO Operating Procedures and proposed a set of modifications to the ICANN Bylaws for ICANN Board consideration intended to address all the new and/or additional rights and responsibilities in relation to participation of the GNSO as a Decisional Participant in the Empowered Community and the new accountability mechanisms.
- The GNSO Council nominated Rao Naveed bin Rais as the GNSO replacement for James Gannon on the Second Security, Stability, and Resiliency of the DNS (SSR2) Review Team.
- The GNSO Council adopted the charter for the ICANN Procedure For Handling WHOIS Conflicts with Privacy Law Implementation Advisory Group (WHOIS Procedure IAG). The call for volunteers is to be launched on or after 1 June 2018.
- On the recommendation of the GNSO Standing Committee on Budget and Operations, the GNSO Council submitted its input to the proposed FY19 Budget (see https://mm.icann.org/pipermail/comments-fy19-budget-19jan18/2018q1/000037.html).
- The GNSO Council submitted its comments on the proposed Operating Standards for ICANN Specific Reviews (see https://mm.icann.org/pipermail/comments-reviews-standards-17oct17/2018q1/000006.html) as well as the proposed incremental changes to the ICANN meeting strategy (see https://mm.icann.org/pipermail/comments-icann-meetings-strategy-14dec17/2018q1/000003.html).
- Per its earlier decision, the GNSO effectively withdrew as a Chartering Organization of the Internet Governance Cross-Community Working Group at the end of ICANN61 but has been considering the proposed charter for an Internet Governance Engagement Group.
- The GNSO Council is working with ICANN staff on a post-implementation review framework that would guide any reviews of implemented GNSO policy recommendations. This draft framework is expected to be tested in the context of the upcoming Inter-Registrar Transfer Policy review.
- The GNSO Council agreed upon a detailed description of the role of GNSO Council liaisons to PDP Working Groups (see https://gnso.icann.org/en/council/gnso-liaison-wg-22feb18-en.pdf).

The GNSO currently has 9 policy development processes in progress, which will continue to be a focus for next quarter. Naturally, these are at various stages of the Policy Development Process (PDP) life cycle. Issues being addressed in the Working Group phase include:

- New gTLD Subsequent Procedures - The Working Group has established Work Track 5, dedicated to the topic of geographic names at the top-level. WT5 has an inclusive leadership structure, with a co-lead from each of the ALAC, ccNSO, GAC, and GNSO. The Work Track has agreed upon its Terms of Reference and is now reviewing the geographic terms and their treatment in the Applicant Guidebook. Work Tracks 1-4 have completed their preliminary review of all topics and are working towards publishing an Initial Report in April 2018.
- Review of All Rights Protection Mechanisms (RPMs) in all Generic Top-Level Domains (gTLDs) - The Working Group is currently in Phase One of this two-phased PDP, which evaluates the RPMs developed for the 2012 New gTLD Program. Three sub teams are currently working on identifying data needs for various aspects of the Uniform Rapid Suspension (URS) mechanism, as further work on the Sunrise and Trademark Claims RPMs can be done only after a professional survey of multiple respondent groups (e.g. registries, registrars, brand owners, potential and actual registrants) is completed, which is expected to be in Q3 2018. The Working Group hopes to complete its initial review of the URS by or around ICANN62.
- Next-Generation Registration Directory Services to replace WHOIS - The Working Group has been focusing on purpose statements. Proposed succinct statements were presented to the Working Group by a number of drafting teams that were formed. The Working Group's focus has been on purposes that would justify collection of data as well as purposes that would justify other types of processing of data already collected.
- IGO-INGO Access to Curative Rights Mechanisms - Discussions on some potential final recommendations were completed in late 2017, but the Working Group continues to try to reach consensus on a last remaining recommendation concerning IGO jurisdictional immunity. Completion of the group's Final Report will depend on how quickly it can complete deliberations on this final outstanding issue. The GNSO Chair and Council liaison to this PDP have been requested to assist with procedural issues concerning the final consensus process.
- Reconvened PDP on Protections for IGO-INGO Identifiers in All gTLDs (note: scope limited only to certain names of the Red Cross) - The reconvened Working Group has arrived at a preliminary agreement on the international legal basis for protecting Red Cross National Society and International Movement names. It has discussed criteria for determining the composition of the list of limited variants of official Red Cross names. Red Cross representatives are expected to provide the group with recommendations by end-April. The group's final recommendations will be published for public comment, as required by the GNSO PDP Manual. This is anticipated to take place in before ICANN62.

Country Code Names Supporting Organization (ccNSO)
- The ccNSO Council has re-elected both Katrina Sataki (.lv) as its chair and Byron Holland (.ca) as one of the two vice-chairs. The other, newly elected vice-chair, is Debbie Monahan (.nz). The chair and vice-chairs will serve until the end of ICANN64.
- At the end of ICANN61 the following Councillors took their seat for a 3-year period: Katrina Sataki (.lv, EU), Margarita Valdes (.cl, LAC), Young Eum Lee (.kr, AP), Abdalla Omari (.ke, AF) and Byron Holland (.ca, NA) at the end of ICANN 61.

- Since January 2018 the ccNSO membership stands at 165. The latest member is Djibouti Telecom, the ccTLD operator of .dj (Djibouti).
- The ccNSO Policy Development working group on retirement has continues its work on retirement of ccTLDs.
- The ccNSO internal meeting strategy review nears completion. No major changes are to be expected to the standard ccNSO programme (one-day WG meetings, Tech Day, one and a half day members sessions and ccNSO Council meetings).
- The ccNSO Council has appointed members to the working party for ccNSO Organisational review, which was launched recently.

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.
- The CSC, in close cooperation with PTI, has finalised the draft Remedial Action Procedure (required, which now awaits formal adoption.
- The CSC Charter review team's Initial Report includes their findings. Core finding is that CSC has performed its task well and hence no need for major change of the charter. However, the Review team will suggest some minor, mostly administrative changes to the CSC charter.

At-Large/At-Large Advisory Committee (ALAC)
- At ICANN61, the At-Large Community held 24 sessions, including 18 hours of F2F time and meetings with other stakeholders.
- **Policy Advice Development** - From 5 January 2018 through 12 April 2018, the ALAC submitted 10 policy statements. They are:
    - In Progress (expected to be voted on by 12 April) - Plan to Restart the Root Key Signing Key (KSK) Rollover Process
    - In Progress (expected to be voted on by 12 April - ICANN Fellowship Program Community Consultation
    - In Progress (expected to be voted on by 12 April) - Data Protection/Privacy Issues: ICANN-proposed Interim Model
    - 8 Mar 2018 - ICANN Draft FY19 Operating Plan and Budget and Five-Year Operating Plan Update
    - 8 Feb 2018 Proposed Incremental Changes to the ICANN Meetings Strategy
    - 19 Jan 2018 - Recommendations to Improve ICANN Staff Accountability
    - 15 Jan 2018 - Competition, Consumer Trust, and Consumer Choice Review Team – New Sections to Draft Report of Recommendations
    - 14 Jan 2018 - Recommendations on ICANN Jurisdiction
    - 14 Jan 2018 - Recommendations to Improve ICANN's Office of Ombudsman (IOO)
    - 11 Jan 2018 - Enhancing Accountability - Recommendations for Diversity
- **At-Large Review** - The At-Large leadership continue to prepare the response to the OEC Mapping Exercise of the At-Large Review. During ICANN61, the leadership met with two Board members with a background with At-Large who are also on the OEC. They discussed the At-Large response to the Mapping Exercise which is the Implementation Plan. The At-Large will submit this document to the OEC in April.

- **WT5** - In February 2018, Javier Rúa-Jovet replaced the Co-Leader of the Generic Names Supporting Organization (GNSO) New gTLD Subsequent Procedures PDP Working Group Work Track 5 (WT5).
- **Liaisons** - The ALAC confirmed the appointment of a Liaison during ICANN61: Barrack Otieno as the new ALAC Liaison to the ccNSO, and welcomed previously appointed Andrei Kolesnikov as the new ALAC Liaison to the SSAC.

Regional At-Large Organization Activities
- LACRALO - A second mediation for LACRALO Members was held during ICANN 61. This session focused on the new set of governance rules for LACRALO. There was very good interaction and progress in all areas of the new governance documents, including the contentious issues of leadership positions and the process for voting. The next steps include further work in the Governance WG and implementation of a timetable for the completion and approval of the new bylaws and rules of procedure.
- NARALO - The North American Internet School of Governance (NASIG) held a successful and well-attended meeting in advance of ICANN61, with the participation of NARALO and At-Large community members. NASIG hosted students from the Polytechnic University of Puerto Rico. Guest speakers were from NARALO, ICANN community members and ICANN staff. At-Large also held a joint outreach event with the GNSO Noncommercial Users Constituency (NCUC) during ICANN61. NARALO ALSes and individual members celebrated the 11th anniversary of the North American Regional At-Large Organization (NARALO), founded in Puerto Rico. Current NARALO leadership reflected on the organization's past and planning its future priorities in ICANN video interviews, both in Spanish and English (video 1, video 2).

At Large Structures and Individuals
- At-Large Structures – There are currently 227 At-Large Structures in 100 countries and territories and a total of 67 individuals members.

Governmental Advisory Committee (GAC)
- The new GAC leadership team formally took on its responsibilities at the conclusion of the ICANN61 public meeting. Members of the team will formally serve until the end of ICANN64. Vice Chair Milagros Castanon announced in San Juan that she is leaving the GAC and a new election process has been started to choose a replacement to fulfill her vice chair term.
- The GAC published an official communique, including formal GAC advice, at the conclusion of the ICANN61 San Juan Puerto Rico meeting - see https://gac.icann.org/contentMigrated/icann61-gac-communique
- Follow-up on GAC San Juan Advice – The GAC and the Board arranged to hold a joint April call to clarify Board member questions regarding the most recent GAC Advice issued at ICANN61.
- 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 and new gTLD subsequent procedures, among others. GAC members continue to be substantially involved in various aspects of the the new General Data Protection Regulation (GDPR) implementation discussions within the ICANN community.
- GAC members also remain particularly interested in the Independent Review Panel declaration regarding new gTLD applications submitted by the Amazon company. At the conclusion of the

ICANN61 meeting, the GAC provided the Board with a formal response to a previous offer to share additional information on the topic. That communication is formally logged on the ICANN Correspondence page and can be found here - https://www.icann.org/en/system/files/correspondence/ismail-to-chalaby-15mar18-en.pdf.

- As the GAC workload continues to expand, the GAC leadership continues to explore new ways to improve support and provide guidance and coordination for GAC member participation in cross community working groups and PDP activities.
- AT ICANN61 in San Juan, the GAC briefed Board members on efforts to incorporate on-boarding improvements to all aspects of the committee's work - to encourage and support active participation by GAC members.
- During this period, in partnership with the ICANN Government Engagement and Global Stakeholder Engagement Teams, the GAC continued its pilot outreach and engagement efforts, conducting successful Capacity Building Workshops in Kathmandu, Nepal and San Juan, Puerto Rico (immediately prior to the ICANN61 Public Meeting).
- During this period, ICANN org senior leadership and the GAC leadership team fully operationalized an effort to improve channels of communication between ICANN org and the GAC leadership. The primary focal point of these efforts was information exchange and dialogue between the ICANN CEO and GAC members on the ICANN org GDPR implementation efforts. These efforts included regular calls and also a face-to-face meeting between ICANN senior leadership and the GAC Chair.
- Membership – With the additions of Myanmar, Bangladesh and Bosnia and Herzegovina this period, the GAC membership roster now stands at 176 Members and 36 Observers (IGOs).

Root Server System Advisory Committee (RSSAC)
- 28 March 2018, RSSAC published RSSAC031: Feedback on the Independent Review of RSSAC Assessment Report.
- 02 February 2018, RSSAC published RSSAC031, Response to the GNSO Policy Development Process (PDP) on the New Generic Top Level Domains (gTLDs) Subsequent Procedures. In this response, the RSSAC strongly recommends that the number of TLDs delegated in the root zone should not increase by more than about 5% per month, with the understanding that there may be minor variations from time-to-time.
- The RSSAC Caucus continues to work on two items, 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)
- 28 February 2018, the SSAC published a proposal for public comment on the draft project plan for name collision analysis project. The public comment closes on 18 April 2018.
- At ICANN61, the SSAC organized a cross community session on name collisions. the SSAC raised community awareness on name collision issues, presented Name Collision Analysis Project plan, and received community's feedback.

Root Zone Evolution Review Committee (RZERC)
- No updates at this time.

Empowered Community and Empowered Community Administration
- The ALAC and GNSO have completed work on updating or adding to their internal procedures in order to carry out their rights and obligations as Decisional Participants in the Empowered Community. The ASO, ccNSO and GAC continue to work on new or additional processes that may be needed.
- The SO/ACs are beginning to discuss what the community needs to do in order to perform its role in selecting the Omnibus Standing Panel that will be required for Independent Review Panels (IRPs) under the Bylaws.

TOP ISSUES & MITIGATION

Empowered Community and Empowered Community Administration
- Staff continues to facilitate the remaining Decisional Participants' completion of necessary updates or changes to internal procedures for exercising the Empowered Community powers.
- Following an initial January 2018 webinar, discussions at ICANN61 demonstrated that a substantial amount of work remains to be done by and amongst the community in order to establish the Standing Panel for future IRPs, including in the nomination and selection process.

Address Supporting Organization (ASO)
- The [election process](#) for ICANN Board seat 9 continues. The selected candidate will serve a three-year term beginning at the conclusion of ICANN63 in October 2018.

Generic Names Supporting Organization (GNSO)
- New gTLD Subsequent Procedures - As mentioned, the WG is working towards publishing its Initial Report in April 2018. However, the Initial Report is somewhat unconventional, primarily focused on providing and seeking feedback on options and specific questions, rather than putting forth recommendations for every charter element. Some WG members have raised the possibility that an additional public comment period may be needed, which would likely impact the Final Report target date of late 2018. While WT5, on geographic names, has agreed to its Terms of Reference and has begun substantive discussions, it remains a topic of broad and passionate interest. WT5 is currently reviewing the geographic terms in the Applicant Guidebook, but will soon turn its attention to terms not included in the Applicant Guidebook. In reviewing the country and territory names (e.g., 3-character, short form, long form on the ISO 3166-1 list), there seems to be momentum to continue reserving them in the New gTLD Program, however there is interest in considering allowing the relevant country to register those terms, with wide agreement that that discussion would need to take place outside of the PDP in some yet to be determined mechanism.
- Review of All Rights Protection Mechanisms (RPMs) in All Generic Top-Level Domains (gTLDs) - The projected timeline for the completion of Phase One was initially estimated to be end of 1Q 2018. However, the need to collect and analyze data that has not comprehensively been gathered previously by ICANN will substantially impact this timeline. In addition, the longstanding divisions between various competing interests on RPM issues mean that discussions are often contentious and extended. The Board may wish to take note of possible further adjustments to the completion date of Phase One of this PDP, with Phase Two (review of the 1999 Uniform Dispute Resolution Policy) only slated to commence after Phase One is complete.
- Next-Generation Registration Directory Services to replace WHOIS - As noted previously, it has been becoming increasingly more difficult for the WG to focus on a next-generation RDS with

potential changes to existing WHOIS and WHOIS requirements being contemplated in the form of the interim model. This has become evident through a number of resignations from the WG to focus on the GDPR compliance discussions as well as expressions of frustration with regards to the lack of progress of the WG by other members. As such, the RDS PDP WG leadership team decided shortly after ICANN61 to take a break to allow the leadership team to regroup and consider possible paths forward, especially in light of a potential temporary policy being enacted. The Board recently reached out to the GNSO Council leadership as well as the RDS PDP leadership to exchange ideas regarding the potential impact on the RDS PDP of the finalization of an interim model for compliance with the European Union's General Data Protection Regulation. This discussion is expected to help inform next steps for the RDS PDP WG.

- IGO-INGO Access to Curative Rights Protection Mechanisms in All gTLDs - Although the Working Group has completed deliberations on all but one of its proposed final recommendations, it is highly probable that at least one of the final PDP recommendations will conflict with GAC advice and IGO submissions. In addition, a specific faction within the Working Group has objected to the proposed consensus-building process for the last remaining recommendation. This is likely to introduce delay into the completion phase, and potentially lead to perceptions (including by the GAC and IGOs) of "capture" of the PDP by a single interest. The Board may wish to monitor these developments closely to allow for timely facilitation between the GAC and the GNSO, if needed.

- Reconvened PDP on Protections for IGO-INGO Identifiers in All gTLDs (note: scope limited only to certain names of the Red Cross) - Although the Working Group is making good progress on agreeing on a clear list of Red Cross names to be reserved, any such recommendation from the Working Group must first be published for public comment, before submission to the GNSO Council for its decision whether to modify the original PDP recommendation accordingly. It is therefore likely that any final recommendation will be sent to the Board after ICANN61. The Board may also wish to note that, while these discussions are ongoing, the following items remain outstanding:

  o Board action on the remaining PDP recommendations concerning IGO acronyms – ICANN Legal is currently conducting a review of the international legal basis for protecting these acronyms, at the Board's request. In addition, staff has submitted a paper to several Board members examining the feasibility of implementing an Ongoing Watch Mechanism for IGO acronyms. Ideally, the Board will be able to vote on the original GNSO PDP recommendations, and add a directive for such a Service for IGO acronyms, at the same time as its vote on a revised GNSO recommendation on the Red Cross National Society and International Movement names (if any).

  o 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). The Board may wish to note that a Consensus Policy concerning those IGO, Red Cross and Olympic Names (not acronyms) previously approved by the Board in April 2014 is set to go into effect in early 2018. Action on the outstanding matters will, however, likely carry over into the next new gTLD expansion round.

- The GNSO currently has 9 policy development processes in progress, which will continue to be a focus for next quarter.

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 tentatively in work track 5 of the GNSO PDP on subsequent procedures. The format for continued work has not been decided.
- The 3rd ccNSO PDP is now well underway. The PDP working group on retirement of ccTLDs is making progress slowly.

At-Large/At-Large Advisory Committee (ALAC)
- Following a useful discussion with Board members with a background with At-Large during ICANN61, the ALAC is expected to submit their response to the Mapping Exercise by mid- April. The aim is to have the Board review the Review no later than ICANN 62.
- LACRALO mediation activities continue on a positive note and should result in new bylaws in the next several months.

Governmental Advisory Committee (GAC)
- 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 and new gTLD subsequent procedures, among others. GAC members continue to be substantially involved in various aspects of the new General Data Protection Regulation (GDPR) implementation discussions within the ICANN community.
- GAC members also remain particularly interested in the Independent Review Panel declaration regarding new gTLD applications submitted by the Amazon company. At the conclusion of the ICANN61 meeting, the GAC provided the Board with a formal response to a previous offer to share additional information on the topic. That communication is formally logged on the ICANN Correspondence page and can be found here - https://www.icann.org/en/system/files/correspondence/ismail-to-chalaby-15mar18-en.pdf.
- During this period, ICANN org senior leadership and the GAC leadership team fully operationalized an effort to improve channels of communication between ICANN org and the GAC leadership. The primary focal point of these efforts was information exchange and dialogue between the ICANN CEO and GAC members on the ICANN org GDPR implementation efforts. These efforts included regular calls and also a face-to-face meeting between ICANN senior leadership and the GAC Chair.

Root Server System Advisory Committee (RSSAC)
- The RSSAC Caucus continues to work on two items, 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)

- Three SSAC work parties are in various stages of development: Centralized Zone Data Service/Whois Rate limiting, Name Collision Analysis, 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

The range of events from the end of January 5, 2018 through April 12, 2018 included the ITU Council meetings; the World Mobile Congress - GSMA; the 5th regional GAC capacity building workshop held in Kathmandu in conjunction with the APRICOT meeting; the IGF MAG meeting; ICANN61 in San Juan Puerto Rico which also included a regional GAC capacity building workshop; and the ITU – WSIS Forum in Geneva. In addition, there were several government IGO engagement meetings where ICANN participated as part of the overall Internet Governance Ecosystem and bilateral meetings held in conjunction with the conferences listed above as well as others. These included the GE team meetings with government and intergovernmental representatives in Strasbourg France; Oxford UK and Geneva Switzerland; as well as supporting the CEO and ICANN Board members in bilateral meetings during trips to Barcelona, Spain; Geneva, Switzerland; with representatives from the UK, UAE, Egypt, Spain, Sweden as well as the ITU SG. In addition, there were meetings with GAC members during ICANN61.

In addition, the GE team was very involved in the preparations for and hosting of the GAC capacity building workshop as a pre-event at ICANN 61 in San Juan which focused on resiliency of the DNS and recovery after natural disaster. The GE team is also finalizing a technical briefing for the representatives to the permanent missions to the UN in New York to be held at the end of April. Preparations for the next GAC capacity building workshop to be held in Dakar Senegal in May at the African Internet Summit in full cooperation with the Francophone Africa are also well underway. Of note for the Dakar workshop is the use of a pre-requisite course for the registered participants through ICANN Learn, with the Public Responsibility department, that is a required part of the provision of travel support. This initiative is also in keeping with post-workshop surveys that requested materials of varying levels in advance of the capacity building workshops. Finally, the pre-workshop survey for determining the topics for the workshop at ICANN62 Panama has been distributed to the GAC membership.

Another focus during this reporting period was the continuing work on GDPR at ICANN 61 and communication with DPAs and the bilaterals and ongoing discussion with the GAC at the ICANN meeting regarding the use of 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 bi-monthly report to the Government Advisory Committee (GAC.)

OVERVIEW OF ACTIVITY

1. Liaising with the Government Advisory Committee (GAC)

The fifth capacity building workshop was held Feb 24-25, in the weekend between the APRICOT 45 and the APNIC 2018 conferences in Kathmandu, Nepal. The program began with an introductory dinner Friday evening, then held a full day session on Saturday and concluded with a half-day session on Sunday. The workshop involved participants from 13 governments and economies in the region and other stakeholders attending the APRICOT (Asia Pacific Regional Internet Conference on Operational

Technologies) 2018 and APNIC 45 meetings. Following the model of previous GAC capacity building workshops the agenda was built from the responses to a survey conducted of potential participants in the region. The workshop was planned and presented with full coordination between GAC Underserved Regions WG, the GAC Public Safety WG, support from the Nepal GAC representative, constituency leaders and community members and staff from GE, Policy Development, GAC Support, OCTO, and the Singapore based regional GSE field team. In keeping with the demand driven engagement model this workshop covered requested topics including a section on the ICANN Ecosystem including the multistakeholder model and the roles and responsibilities of the GAC; a section on technical issues and Cybersecurity (the DNS, DNS security and DNS abuse handling) and on participation in ICANN including the policy development process and discussions about regional collaboration. Following the established Model, a Post workshop evaluation was also conducted. As in previous workshops the participants particularly appreciated the content covering how the DNS works and the structure of the ICANN multistakeholder model. Cyber security and Security, Stability and Resilience related content was also very relevant for this group. Information on past policy discussions and the relevance of ICANN to law enforcement were of particular interest. One outcome of the workshop that has already been implemented for the next planned capacity building workshop is the request for ICANN Learn materials. As in previous workshops the interactive nature of these workshops was particularly appreciated. There continues to be a strong interest in regional meetings such as these. As has been the case in the previous workshops the post event survey showed that the capacity building workshops increase knowledge of and interest in the ICANN Learn courses as well improve interest in participation at ICANN meetings.

The survey also identified key challenges to participating effectively in GAC - these included the heavy workload faced by GAC representatives as ICANN was one of many areas of government members' responsibilities, and it was difficult to keep up with the numerous policy issues in ICANN as well as the cost for travel. Furthermore, as government officials tended to rotate their roles frequently, there was little institutional memory of ICANN-related issues. Another challenge mentioned was that some senior government and political leaders did not understand the Internet and ICANN's role well. For some governments who operate top-down, this can mean few resources allocated for participating in ICANN.

There was interest expressed for the governments in the region to work together collaboratively on issues and meet regionally.

In addition, promoting the GAC workshop was used as an outreach opportunity to engage the governments of the region that have not yet become members of the GAC. Laos, Bhutan and the Maldives participated in the workshop and requested further information that they could report to their senior officials on the importance of participation in the GAC. Myanmar could not attend the workshop but has since joined the GAC and was one of the three new members announced at ICANN 61 bringing the membership total to 176.

Government Engagement and Global Stakeholder Engagement regional staff continue to work with the GAC leadership; USRWG and PSWG and regional members to identify interest for future trainings and possible hosts. At this point, there are plans for two final workshops through the end of FY18. These include a thematic session to be held in conjunction with the Francophone meeting in Dakar Senegal in May and a one-day workshop the day before the ICANN 62 meeting in Panama in June.

Once completed these sessions would mean that GAC capacity building programs had been held eight times across 4 regions. In addition, the evaluation and assessment of the program has begun with focus group sessions in ICANN 60 Abu Dhabi and ICANN 61 in San Juan as well as a follow up survey to the entire GAC membership to follow the initial survey done in 2016 to develop the initial work plan. These materials and the pre- and post-event survey reports completed for each of the workshops will be the basis of a comprehensive assessment report. The target for the initial draft is for presentation to the GAC at ICANN 62 Panama. Ongoing facilitation for calls with the GAC leadership in our engagement activities will continue.

2. Engagement with Governments and IGOs

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.

During this quarter GE staff participated in several events and briefings with various IGOs including the ITU Council Committee on Internet Policy Issues in Geneva; the Commonwealth Telecommunications Organization (CTO) bi-annual briefing to their members; and monitored the dialogs in various bureau initiatives and committees. In addition, GE staff in collaboration with the regional GSE teams followed the beginning regional preparatory meetings and possible country resolutions in development for the ITU – PP-18 to be held in Dubai, UAE in October.

The GE team continued its work with colleagues on discussions in ICANN community and the larger IG ecosystem on data protection and the GDPR as part of the trend analysis work with MSSI and the broader outreach and engagement work with governments and IGOs. This work is part of ongoing strategic plans – the operational track on the issue done in collaboration with other departments at ICANN 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 was discussed. ICANN has engaged in direct correspondence with EU DPAs and Article 29 for guidance on compliance, enforcement priorities and the intended focus during the earliest implementation phases of the GDPR. Additionally, GDPR is increasingly raised in the various outreach and engagement sessions with the community asking not only about ICANN's response and responsibility but also about what the community's responsibilities might be under the regulation.

3. Participation in Internet Governance and Internet Policies Discussions

There were several trends of IG discussions in various venues from January to April.

In coordination with GSE regional teams GE continues to follow the regional preparatory meetings that will culminate in the ITU PP18 in October. This collaborative monitoring of the regional proposals allowed staff to track discussions and monitor issues that might result in resolutions or proposals impacting ICANN. Preliminary coordination work with the I* Community and other organizations in the IG ecosystem began formally at the ICANN61 San Juan meeting with a face to face meeting to understand their positions and plans for participation and work to coordinate responses to any resolution that might impact ICANN's mission and the larger IG ecosystem. This will form the framework for exchange of information and collaborative tracking of proposed text in the various

upcoming regional meetings and for work during the plenipotentiary itself to provide coverage of multiple drafting sessions.

ICANN Org with Board representation participated in the ITU WSIS Forum held in Geneva in March. The theme of the conference was Leveraging ICT to Build Information and Knowledge Societies for Achieving the Sustainable Development Goals (SDGs). The Forum this year attracted more than 2800 stakeholders from more than 150 countries. Participation included more than 85 ministers and 29 deputies as well as several ambassadors making it a useful venue for government interaction. The official opening segment included a High-Level strategic dialog on "Multistakeholder Partnership for WSIS Implementation" in which ICANN Org was represented on the panel. In addition, in collaboration with stakeholders, ICANN Org presented three sessions: one on "ICANN, the Government Advisory Committee (GAC) and Capacity Building" workshop initiative with GAC representation; a second session on "ICANN, Data Protection and the GDPR" and a third on "A Dialog on Different Cooperation Models for Approaches to Internet Public Policy".

In addition, the first Multistakeholder Advisory Group (MAG) meeting for the IGF 2018 was held during the WSIS Forum. ICANN Org is represented by a staff member on the MAG as part of the technical community participation in the IGF. While negotiations are still underway to determine the location of IGF 2018 the work of the MAG has begun with a call to the community for themes and preliminary discussions of the structure of the conference and the process for evaluation of proposed sessions.

TOP ISSUES & MITIGATION

During ICANN 61 San Juan government engagement activity continued the dialogue with various governments to address and define the concerns expressed by the use of 2 and 3-character codes at the second level. Working with the OCTO staff the extraction report was further refined to correct false positives that had appeared in some registries and to better define the list of legacy TLDs. This work continues to be carried out in coordination with many other departments, and has served to facilitate the deliberations between the different constituencies. Initial discussions also were held during ICANN 61 San Juan on the possible development of a webpage that would facilitate each country's access to information on the registration of 2 and 3-character codes at the second level.

GE is working with the GAC on the framing of interests and the development of the agenda for the HLGM to be held in Barcelona before the start of ICANN 63. During ICANN 61 San Juan the GAC held a public session on the discussion of the draft agenda and further revised topics of interest to the community. The GAC leadership and Spanish GAC rep have an ad hoc working group to facilitate the work of the GAC and GAC Support staff with Spanish government and ICANN. An internal ICANN Org coordination group has been created and begun meeting to support this work and the logistics and engagement aspects of planning the HLGM. Ongoing coordination with GAC leadership and the Spanish host via ICANN Org., is further needed.

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. This issue and the intersection of ICANN Org's obligations and those of the various constituencies continues to be a topic of intense interest and discussion in bilaterals; panels workshops and conference discussions. In addition, GE is monitoring the development of the privacy

initiatives which will be the next regulatory topic likely to be addressed. GE also continues ongoing monitoring of cybersecurity topics as they are raised in various fora.

GE team continues to provide internal support as needed with relevant departments and board WGs on controversial strings. islam, .halal and .persiangulf.

GE team, together with Senior Management, continues to facilitate the ongoing discussions between the different parties related to. amazon.

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 reviews (specific and organizational), data protection/privacy, strategic outlook and strategic planning, and finalization of the CCWG WS2 draft recommendations.

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. All of the CCWG WS2 subgroups have now progressed their efforts to the point that consolidated recommendations are through Public Comment and the consolidated report being finalized for delivery to the Chartering Organizations.
 The CCWG is on track to finish their work by the end of FY18 and submit final recommendations to the Chartering Organizations and Board for approval and adoption.

On specific reviews, the **Competition, Consumer Trust, and Consumer Choice Review Team** (CCT-RT) is refining its draft report, based on public comments received, during both Public Comment periods and strengthening its recommendations in line with the S.M.A.R.T. approach. The Board reviewed the draft recommendations and provided input on the draft recommendations. Despite their intention to submit their final report to the Board by ICANN61, the CCT-RT is more likely to finalize their draft report July 2018. The **Second Security, Stability & Resiliency of the DNS Review Team** (SSR2-RT) is in the process of un-pausing following concerns raised by the community and ICANN Board. The SO/AC chairs published a communication requesting the engagement of a facilitator to help the Review Team get organized, select leadership, and agree on a scope of work. The SO/AC chairs have finalized the appointment of additional RT members to supplement the existing team. ICANN org is in the process of engaging the facilitator and plans for a face-to-face meeting in August/September are being organized. The **Registration Directory Service Review Team** (RDS/WHOIS2-RT) submitted their Terms of Reference and work plan to the Board per Board resolution 2017.02.03.10 on 09 February 2018. While the RT is progressing on their work evaluating the implementation of WHOIS1 recommendations, and the subteams continue to meet, they are faced with challenges of member participation and workload, particularly in light of the community work underway toward EU's GDPR. **The third Accountability and Transparency Review** (ATRT3) was launched on schedule, with the call for volunteers published in January 2017, yielding 26 applications. All SO/ACs have received the list of candidates, and have been invited to identify individuals they wish to nominate. To date, the GNSO, At-Large, ccNSO, RSSAC and the GAC have made their nominations. Once the remaining SO/ACs have made their nominations, the SO/AC Chairs can make the final selection of the review team. During ICANN61, community discussed the challenges resulting from the multiple reviews occurring at the same time, under the Bylaws mandate. Based on feedback from the ICANN community, ICANN organization analyzed options for Board consideration and consultation with the community, some of which may impact the start of the ATRT3. Two public comments have been posted to provide transparency and collect input on a range of available options.

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 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, for the **At-Large Review**, the OEC is currently considering next steps, including its recommendation to the Board. In making its recommendation, the OEC will consider all relevant documents, including public input. The Board is currently scheduled to decide on the review recommendations and proposed implementation steps during its meeting in Panama. For the **NomCom Review**, Analysis Group issued its Draft Final Report which was posted for public comment on 27 March 2018. In addition, a public webinar was held on 10 April 2018; the Final Report is expected to be submitted by 31 May 2018. The **RSSAC Review** Draft Final Report was published for public comment on 1 May 2018. Following the closure of the public comment period on 10 June, the Final Report is expected to be published on 1 July 2018. Analysis Group has been selected as the independent examiner for the **SSAC Review** and the review survey was published on 19 April 2018. The assessment report is expected to be published for public consultation in July 2018. The RFP to solicit an independent examiner for the **ccNSO Review** was published on 26 April 2018. Once an independent examiner has been contracted, the review is expected to get underway in August 2018. Following the submission of the Final Report of the ASO Review, the NRO is currently preparing a public comment on its proposed implementation before it will present its plans to the ICANN Board, currently foreseen for May 2018. GNSO is in implementation phase of the **GNSO Review** and has made good progress implementing recommendations per the plan that was approved by the GNSO Council. The RWP has submitted the Implementation Progress Report, as approved by GNSO Council, to the OEC for their review. The implementation of all recommendations is expected to conclude in December 2018.

In relation to data protection/privacy, we continue to coordinate both internal and external efforts to address the European Union's General Data Protection Regulation (GDPR), as well as to track emerging legislation in other jurisdictions. Internally, we have managed coordination of ICANN organization departments' work to ensure compliance with the law. Externally, we closely coordinated with GDD and respective departments and the Board on continued dialogue and work toward the Temporary Specification for gTLD Registration Data, which the Board voted to adopted on 17 May 2018. The Temporary Specification, balances ICANN organization's contractual requirements for maintenance of registration directory services, and the retention of that data, with the GDPR's requirements.

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 on the work with the community can also be found at: https://www.icann.org/dataprotectionprivacy.

OVERVIEW OF ACTIVITY

The department is currently supporting four Specific Reviews (CCT, SSR2, RDS-WHOIS2, and ATRT3) and six Organizational Reviews (At-Large, NomCom, RSSAC, SSAC, ccNSO, and GNSO) under the Bylaws, as detailed above. These reviews are in various stages of review work and implementation of improvements. The review of the ASO is also underway; however, due to a different process for this review, MSSI has minor involvement.

In collaboration with the community and the Board, we have drafted Operating Standards, a system by which to conduct reviews efficiently and effectively, in alignment with ICANN Bylaws. The draft Operating Standards were published on 17 October 2018 for public comment and, due to community requests, the period was extended to 100 days, closing on 2 February 2018. Ten comments were received and the staff report on public comment proceedings was published on 21 February 2018. Comments were constructive throughout, with community support for a large majority of the draft's content. However, there was concern about some of the 'big ticket items', such as the proposed mechanism to set the scope of specific review teams, as well as the proposed nomination process for review teams. The next steps in the drafting process were communicated via a blog authored by the Chair of the Organizational Effectiveness Committee, Khaled Koubaa. Due to the need for a continued community consultation process, ICANN organizations aims to have the Operating Standards in effect by ICANN63.

With regard to the GDPR specifically, activity has taken place in two tracks, one focused on contracted parties and engagement, and the other on the ICANN organization internal issues:

On the Contracted Parties and Engagement Track: We began the new year by soliciting community input on three proposed interim models for compliance with the GDPR and ICANN's contracts and held a webinar on 2 February 2018 to garner more input. The input from community members, including community-proposed compliance models, informed the publication on 28 February 2018 of a high-level summary of the proposed interim model. Feedback on elements explored in that summary led to the publication on 8 March 2018 of the Interim Model for Compliance with ICANN Agreements and Policies in Relation to the European Union's General Data Protection Regulation as a working draft for community input.

The draft Proposed Interim Model was also shared with data protection authorities in the EU's 28 member states and the European Data Protection Supervisor. On 26 March 2018, ICANN requested the DPAs provide specific guidance or clarity on the law's application to the model, as well as a moratorium on enforcement of the law against ICANN and its contracted parties until a revised WHOIS policy that balances critical public interest perspectives may be developed and implemented. ICANN has made clear that absent this specific guidance, the integrity of the global WHOIS system and the organization's ability to enforce WHOIS requirements after the GDPR becomes effective will be threatened.

In parallel, a cross-community dialogue regarding the development of an accreditation procedure for those with a legitimate purpose to gain access to non-public WHOIS data has progressed. After discussions at ICANN61 and a formal request from the leaders of the Intellectual Property Constituency (IPC) and the Business Constituency (BC), ICANN has agreed to provide secretariat support for this continue discussion with the understanding that it is critical all stakeholders are

engaged as many are also undertaking their own discussions and thus cooperation and coordination among the community is important.

ICANN org executives held a productive discussion with the technology subgroup of the Article 29 Working Party on 29 March 2018. ICANN org and the Article 29 representatives discussed the timing and next steps for obtaining advice for ICANN and its contracted parties. ICANN org anticipates that ICANN and the WHOIS system will be on the upcoming Article 29 plenary's agenda for 10-11 April 2018, subsequent to which Article 29 may provide advice, as well a possible moratorium on enforcement that would allow sufficient time to implement the proposed model and build the appropriate accreditation system. At the time of writing this report, the ICANN Board was preparing to discuss the Temporary Specification for gTLD Registration Data, which it voted to adopted on 17 May 2018.

With regards to the Internal ICANN-organization related issues track, Legal has rolled out implementation recommendations to each of the departments based on the initial surveys submitted, subsequent deep-dive interviews, and consultation with our external counsel. The recommendations were divided into those specific to each department and those affecting the entire organization.

Recommendations that will be implemented organization-wide include: a new organization-wide personal data retention policy, a new personal data privacy policy, amendments to vendor agreements, data protection & privacy training, and other GDPR-specific requirements. We will be working closely with Legal and the Engineering & Information Technology teams coordinating with each department to ensure a successful rollout of these changes, that will take place sometime between now and the 25 May deadline.

Regarding the organization's Strategic Outlook work, we've begun the next cycle of strategic outlook related work, both with respective ICANN organization departments and offered the option to conduct strategic outlook sessions with respective SO and ACs. Community sessions were conducted at ICANN61 and will continue at ICANN62. This work will serve as important input into prioritization discussions and the next Strategic Planning process.

In addition, work progresses on a proposed framework and approach for the development of the FY21-25 Strategic Plan and related process, to ensure its streamlined also with the long term operational and financial planning processes. The approach for this next planning effort is designed to leverage the existing Strategic Plan framework, and streamline activities compared to previous Strategic Planning efforts, while still affording multistakeholder input and collaboration and meeting the requirements set forth in the new Bylaws.

TOP ISSUES & MITIGATION

The Bylaws introduced new requirements applicable to specific reviews. The community has not developed mechanisms and processes to support these new requirements. Additionally, community has expressed concerns about volunteer fatigue and the unsustainable nature of the current review schedule mandated by the Bylaws. In response to the community concerns, ICANN organization opened two Public Comment periods to provide transparency and get input on a range of available options, and to understand which options – or new suggestions - the community would support to alleviate the existing strain on volunteer and ICANN resources as it pertains to reviews, without diminishing ICANN's accountability.

Pursuant to the SSR2 Review having been paused during ICANN60, the SO/AC chairs have engaged in substantive discussions on how best to reactivate the review, address concerns over scope and skills, and other means of ensuring that community-led reviews function effectively. Under the new Bylaws, SO/AC chairs now have the added responsibilities relative to specific reviews. The OEC observed that, currently, no process exists to allow the Board or the SO/AC leadership to raise concerns or issues about how a given specific review is progressing. Community agrees that there is a gap in the Bylaws and Operating Standards and that it would be useful to have a process for monitoring and escalation, including roles and responsibilities. At ICANN61, the OEC began discussing components that could contribute toward a collaborative means of monitoring the progress of specific reviews, including high-level ideas regarding how a review team, SO/AC leadership, and the Board could work more effectively together when observing issues or concerns in a review, to avoid having to pause reviews in the future. Next steps are expected to include community consultations and input from the Board, contributing to the enhancements of the Specific Review process and Operating Standards.

In addition, GDPR also remains a top issue for the organization. A cross-functional team is focused on the next steps related to the implementation of the Temporary Specification. The team worked with the community in assessing and incorporate community feedback, as appropriate, on the models, as well as maintaining transparency about ongoing discussions with European data protection authorities. On a separate track, ICANN continues to work toward internal organizational readiness for the law.

Work on WS2 and the Strategic planning process continues as outlined in the discussions at the start of this departments' section.

Fact Sheets:
Note that the updated fact sheet for SSR2 review will be published after the review is un-paused.

Regional Office Reports

APAC (Singapore)
Jia-Rong Low

Stakeholder Engagement Activities

Activity	No. of Engagements	Total No. of Participants	Remarks
APAC Space	2	78	1 web conference; 1 face-to-face at ICANN61 San Juan
ICANN Readouts	1	40	Post ICANN61 debrief session in China. India and Japan slated to conduct sessions in late April
Technical Capacity Development	6	133	Hong Kong, Fiji, India, Tuvalu, Nepal, Mongolia
Contracted Parties Engagements or Workshops	10	11 registries 47 registrars	Registry visits in India and China; Community meetings and workshops in China
Media Engagements	3	37 articles generated	ICANN-GSMA MoU press release distribution; John Crain's visit to China
GAC Under-served Regions Working Group Workshop	1	20	Conducted in Nepal. Participants included potential GAC members: Laos, Bhutan and Maldives

Executive and Board visits

Executive / Board	Activity	Location	Date
Theresa Swinehart	Conducted annual Strategic Outlook exercise	Singapore	15-18 Jan
Susanna Bennett	Operations Management Team workshop	Singapore	17-26 Jan
Akinori Maemura	Attended APRICOT 2018, during which he also spoke at aforementioned GAC workshop.	Kathmandu, Nepal	24-28 Feb

Other Notable Activities
- o Bangladesh and Myanmar official joined the GAC during this reporting period
- o Supported UASG Workshop in Guangzhou (11-12 January) which gathered China's leading email service and software providers
- o APAC Registry Services:
  - o Supported GDD Technical Services to liaise with a backend registry service provider to resolve a DNS service failure faced by 7 registry operators, more than 69,000 domain names were at risk.
  - o Designed and distributed questionnaire to gather training needs. 18 APAC registries responded within a week (21% of global responses).

- o Registrar Services processed:
  - o 3 new registrar accreditations; 2 registrar terminations; 2 registrar assignments
- o Human Resources organized/facilitated 7 training/cross-functional sharing for APAC staff, including APAC regional team building.

EUROPE (Brussels)
Jean-Jacques Sahel

Highlights of the European Region Strategy during the period:
- Following the **European Regional team's first 'All Hands' in person meeting on 15-16 January** which was held in the Brussels office, a number of the strategy's activities, including needs mapping. This included devising a **map of regional stakeholders' needs, demands, and issues.** The draft analysis of emerging needs and issues has already been prepared and next steps will include working both within the European team and with other parts of the organization such as the Executive Team on resolving some of the issues raised. This includes for example devising clearer accountabilities for various functions and tasks within the organization relating to the Brussels office or the European region, from HR to invoicing.
- In terms of outreach and engagement, we continued our extensive program of awareness raising and capacity development in countries across Europe:
  - o **GDPR has been the main focus**, with the GSE and GE teams providing strategic and political advice to the rest of the Organization, as well as setting up in particular the several direct interactions which have taken place between January and April with the representatives of the Article 29 Working Party.
  - o The GSE Europe team also piloted in collaboration with several other ICANN Org teams a **Registrar Training day** which provided participants (both newcomer and more experienced registrar 'practitioners') in-depth education on ICANN policy, operational and compliance matters, with interventions from both ICANN staff and experienced community members. This was very well received by the community and participants, and the GSE Europe team has now been approached both by ICANN Org colleagues elsewhere in the world as well as by community members to replicate this type of training, which is seen as key to fulfilling ICANN's mission to spur active participation in ICANN policymaking and technical coordination.
  - o The GSE Europe and GE teams were also busy on a number of other engagements in the region, such as the annual **Mobile World Congress in Barcelona in February** which provided the opportunity for the ICANN CEO and senior staff to hold bilaterals with key Government stakeholders as well as industry influencers, including to discuss future technical needs of networks and the role of ICANN in helping shape that future. ICANN's CEO also met the senior Spanish Minister in charge of digital issues to highlight and receive his assurance of support for the upcoming ICANN63 and High Level Government Meeting which will take place in Barcelona in October 2018.

- As part of the Brussels Office taking on region-specific administrative responsibilities from the LA headquarters, and thanks to the Board's approval of the proposal, we have now moved to concluding and signing the **renegotiation of the Brussels Office lease**, with over 12% of savings.

Background:
Extending from Europe to the Caucasus and Central Asia covering 84 countries and territories out of 246 in the ICANN ecosystem, the European Region is home to 1 billion people and one of ICANN's largest and most active communities, with Europeans boasting regular attendance of over 20% in ICANN meetings and working groups.

The European Regional Strategy was developed in the summer of 2017 and its vision, which stems from the corporate strategy, is to leverage the new regional structure to improve teamwork and operations for the long term; and to act as one trusted global organization; in order to provide the best possible service in support of ICANN's Mission and the wide-ranging needs of stakeholders in Europe.

Accordingly, the regional office will leverage our already established resources, as well as the Geneva Engagement Center to provide a consistent and cohesive, tailored service to stakeholders. This ranges from providing services closer and more efficiently to the 352 registries and 171 accredited registrars in Europe (a significant proportion of those within two hours' travel of our Brussels Office). In addition to the servicing of contracted parties, Brussels has established itself as major global political powerhouse, and Europe-specific policy / political, legal and administrative issues are increasingly relevant for the organization, as evidenced by GDPR to name just one aspect. They demand the consideration of the European perspective in the formulation, development and execution of ICANN's overall corporate strategy. We have also started leveraging further our presence in Geneva and Brussels to proactively engage with intergovernmental, UN & EU organizations.

GENEVA
Tarek Kamel

Engagement Highlights
The Geneva Government and IGO engagement team members conducted a range of government outreach meetings from January through April 12, 2018. These included supporting participation in the GSMA Mobile World Congress, the Jurisdiction and Internet conference and ITU WSIS Forum. In addition, the Geneva based GE team had meetings with government and intergovernmental representatives in Strasbourg France; Oxford UK and Geneva Switzerland; as well as supporting the CEO and ICANN Board members in bilateral meetings during trips to Barcelona, Spain; Geneva, Switzerland; and with representatives from the UK, UAE, Egypt, Spain, Sweden, India, China, and Belgium as well as the ITU SG.

In coordination with GSE regional teams Geneva based GE staff followed the regional preparatory meetings underway for the ITU-PP18 to be held in Dubai next October. From January to April there were regional preparatory meetings in Hanoi, Vietnam (APT), Arab region meeting in Sudan, CITEL in Argentina, ATU in Abuja Nigeria and CEPT prep at the Com-ITU meeting in Copenhagen. A preliminary coordination with representatives of the I* community was also at ICANN61 to begin coordination with sister organizations that are tracking resolutions in development for ITU PP18.

Geneva based GE team members were very engaged in the preparatory work for the ITU WSIS forum as well as presenting sessions at the conference. ICANN was represented in the High-Level Strategic

dialog on "Multistakeholder Partnership for WSIS Implementation" featured in the official opening segment of the conference. In addition, in collaboration with stakeholders, ICANN Org presented three sessions: "ICANN, the Government Advisory Committee (GAC) and Capacity Building" workshop initiative with GAC representation; "ICANN, Data Protection and the GDPR" and "A Dialog on Different Cooperation Models for Approaches to Internet Public Policy". The Geneva office was also actively engaged in the E-Commerce week held in Geneva by UNCATAD. This included sessions on overcoming barriers to participation in international e-commerce and the role of ecommerce in developing economies and the types of e-commerce models used in specific countries.

Another area of key activity is working with the Government Advisory Committee (GAC) on several issues including GAC capacity building workshops. Since January that work has included a regional workshop in Nepal for South Asia GAC members and other stakeholders during the APRICOT/APNIC meetings and a thematic workshop on DNS resilience and disaster recovery for the Caribbean and Latin America GAC members and other stakeholders held in San Juan before the start of ICANN61. The Geneva GE staff also work with other departments to provide support to handle issues related to controversial strings.

Other Events & Key Activities of Geneva based team:
- Jan 17-19: Third Meeting of the ITU Experts Group on ITRs
- Jan 24-25: ITU WSIS WG
- Jan 30: Geneva Internet Platform briefing on Internet Governance
- March 19-21: IGF MAG meeting
- March 19-22: ITU WSIS Forum
- April 4: CTO ICT Roundtable Bi-Annual briefing of the membership
- April 5-6: GCSP Cyber Challenge, Geneva
- April 12-13: ITU ITR Expert Group

LAC (Montevideo)
Rodrigo de la Parra

Highlight of Activities February 2018 – May 2018
We recently released our ICANN LAC Year in Review Report showing the main activities in the region performed during 2017. Lito and Leon kindly accepted to participate in the report by offering a *priorities* section as well as a *what lies ahead* section. The report is available in English, Spanish and Portuguese. The full report in English can be found here:
https://www.icann.org/en/system/files/files/lac-year-in-review-2017-en.pdf

In terms of the initially proposed strategy for the Montevideo Regional office, budget constraints have made us rethink our approach. We might now be moving into a model that will try to set aside some existent resources in various functional departments in Los Angeles (or elsewhere) to focus on delivering services to our stakeholders in the LAC region. We have some pilots working now, a functional one with GDD, and an operational one with Human Resources. This will be reinforced by means of the "Apprentice-Program" which has proved to be successful in the APAC region.

On February 2018, we held our very first *All Hands* meeting with a total of 16 attendees (7 in situ and 9 remote) involving 3 ICANN Departments (GSE, Policy and Comms) and facilitated by HR. Full

attendance from colleagues attached to the regional office. Objectives were met, namely the meeting was useful to clarify the International office strategy and elaborate what it means for Latin America and for our respective functional teams. Action items were identified to progress the strategy including how the office could add value to individuals attached to it. We got to know each other better and learn from each other. We have built the foundations to create a sense of a team.

One of the main conclusions is that given that most of the members of the team work from remote locations getting together (even if remotely) to share and discuss key topics is critical to continue to build a team in the region.

On March 2018, the LAC community participated in great numbers during the San Juan Meeting. LACTLD held a two-day commercial workshop prior to the meeting. We organized 3 sessions with a regional focus: the LAC Space, the Caribbean Working Lunch and for the first time the LAC PDP Session which focuses in assisting folks from the region to become more active in ICANN´s policy activities. The team is now working hard planning various outreach activities for the Panama meeting.

MIDDLE EAST, AFRICA (Istanbul)
Nick Tomasso

Engagement Highlights

Middle East & Africa Regional Office
The MD conducted an all-hands, face-to-face meeting on 1 March. Sally Costerton participated, covering stakeholder engagement activities, the Fellowship and NextGen programs, and ICANN Learn. Theresa Swinehart participated, running a follow-up Strategic Outlook session with the MEA team. Both engaged the team in an open Q&A session, fielding many questions including ones on GDPR and the FY19 Budget.

The MD hosted officials of the Ministry of Transport, Maritime Affairs and Communications of the Republic of Turkey in the Istanbul office on 4 April. Discussions included continued collaboration between the Government and ICANN, and the potential for ICANN support of a Ministry-hosted cybersecurity conference in November in Antalya:
- Gallip Zerey, Deputy Undersecretary
- Ensar Kilic, General Manager
- Ozur Gorener, Head of Department
- Tayfun Acarer, President, Internet Improvement Board of Turkey

The Internet Improvement Board of Turkey held a board meeting in the Istanbul office on 4 April at the invitation of the MD.

The Middle East RVP and other MEA regional staff participated in an outreach event at Bilgi University on 28 February, presenting on GDPR and WHOIS. Professor Leyla Keser of Istanbul Bilgi University presented on data protection.

Africa Region

GSE-Africa team resumed our various engagement activities this 2018 after a brief lull in January. Though slow in events and outreach, our team dedicated the month of January in finalizing the five-year Implementation Report of the Africa strategy. The ICANN Africa Strategy is now five years old and we felt it was imperative that we take a moment and reflect on what has been achieved so far in a detailed report that we shall officially release to the community at the coming AIS 2018 in Dakar Senegal. Already the draft report was presented at ICANN61 and we are currently receiving public comments from the community.

We participated in a number of high level meetings in February including African Development Bank summit on financing ICTs in Africa held in Cairo-Egypt on Feb 10-12. On the same dates, our team also participated in the Smart Africa Steering Committee meeting hosted by the Smart Africa Secretariat and the Africa Union. ICANN is part of the founding members of the Smart Africa. This platform accords us an opportunity to engage high level government delegations. On Feb 21-23, ICANN was invited by the Africa Union to the **AUC-ISOC Experts meeting on data protection and privacy.** The meeting was hosted by the Africa Union at the AuC Headquarters in Addis Ababa Ethiopia. Its provided an important platform to highlight current work on WHOIS and GDPR.

Part of our Strategy in Africa is focused on engaging and reaching out to new audience, the youth and academia. And so, we have also been keen in implementing the YouthCom project. So far, we have held YouthCom workshops in Namibia (Feb 26-27) and Lesotho (March 21-23). We have scheduled two more YouthCom workshops in Madagascar (April 23) and Congo Brazzaville (April 17-20). The impact of this project has been quite encouraging.

We are also keen on ensuring our Nairobi Engagement office compliments our engagement efforts in Africa. To this effect, we held a National Multistakeholder briefing in Nairobi Kenya on Feb 23. We hosted the meeting jointly with the .KE ccTLD operator, KeNIC.

Our Engagement with governments continues to be an area of focus. On March 12-15, we participated in the 2nd preparatory meeting of the ITU PP-18 in Abuja Nigeria. We also plan to follow and participate on key meetings hosted by various RECs such as EACO, CRASA (April 11-13 in Swaziland), WATRA (During AIS 2018).

We also held a webinar on Universal Acceptance on Feb 28th to rev our community on the subject.

Middle East Region
The GSE Middle East team kick-started 2018 by running two surveys; one with the ccTLD community and the other with regional members active or interested in the work of the GNSO. The overall impression was capacity building through webinars, and so we ran one such webinar for the ccTLD community (both members and non-members of the ccNSO).

The Middle East Strategy Working Group held one call in January. They worked on putting together the Middle East Space at ICANN61. The 2nd Middle East Space took place at ICANN61 and the topic of discussion was GDPR. The Strategy Working Group are currently working on a survey regarding the ICANN Fellowship Program and intend to share their findings with the PRS Team. A review and assessment for strategy implementation in the first nine months of FY18 is currently being developed and will be shared with the working group soon.

We participated in the working groups' meetings of the Internet for All initiative in Amman, Jordan on 7-8 February. This is a joint initiative between the World Economic Forum and the Jordanian Government.

Between 27-29 March, we attended the Cyber-Secure Pakistan event in Islamabad and did some outreach in Islamabad around the same dates as part of our "Demand-Led Engagement" efforts with the Pakistani community.

We were invited by the Interpol to attend their Cybersecurity workshop for the MENA region in Algeria on 4-5 April and to speak about ICANN's work around GDPR.

NA (Washington, D.C.)
Jamie Hedlund

Near the beginning of the year, Board Chair Cherine Chalaby visited the Washington, D.C. office from 23-26 January for meetings with the United States Chamber of Commerce, various civil society groups, and officials from the U.S. Government. On 29 January, members of both the Communications and Global Stakeholder Engagement teams attended the 2018 State of the Net conference in Washington, D.C., which is attended by a large amount of regional ICANN and Internet governance stakeholders.

In February, the RSSAC administrative team met to plan for ICANN meetings and workshops. The FY19 Additional Budget Request Assessment Team also met in February to evaluate proposals received in the additional budget request process.

On 22 March, Matt Larson and Chris Mondini were invited to the US Council for International Business' ICT Committee. The US Council for International Business is the United States Based affiliate of the International Chamber of Commerce, and their Information and Communication Technology Committte is active in ICANN's Business Constituency. They asked for an update on ICANN business engagement activities and the Root Zone Key Signing Key (KSK) Rollover.

On 9 April, Veni Markowski was invited to brief a group of business stakeholders who are also active in United Nations and ITU forums, in order to explore trends and negotiating positions that potentially affect ICANN's remit or the multistakeholder model of Internet governance. This is part of a series of informal sessions hosted by different business stakeholders to discuss these issues. The RSSAC administrative team met once again in April, to once again prepare for ICANN meetings and workshops.

Financial Update FY18 Q3

For July 2017 – March 2018

ICANN Organization Reporting Structure

ICANN Operations		New gTLD Program		Total ICANN
Funding	PTI/ IANA [1]	Funding		
Expenses [2]	PTI/ IANA [1]	IANA STEWARDSHIP TRANSITION EXPENSES	Expenses [2]	
Operating Fund		Reserve Fund	New gTLD Funds	Auction Proceeds
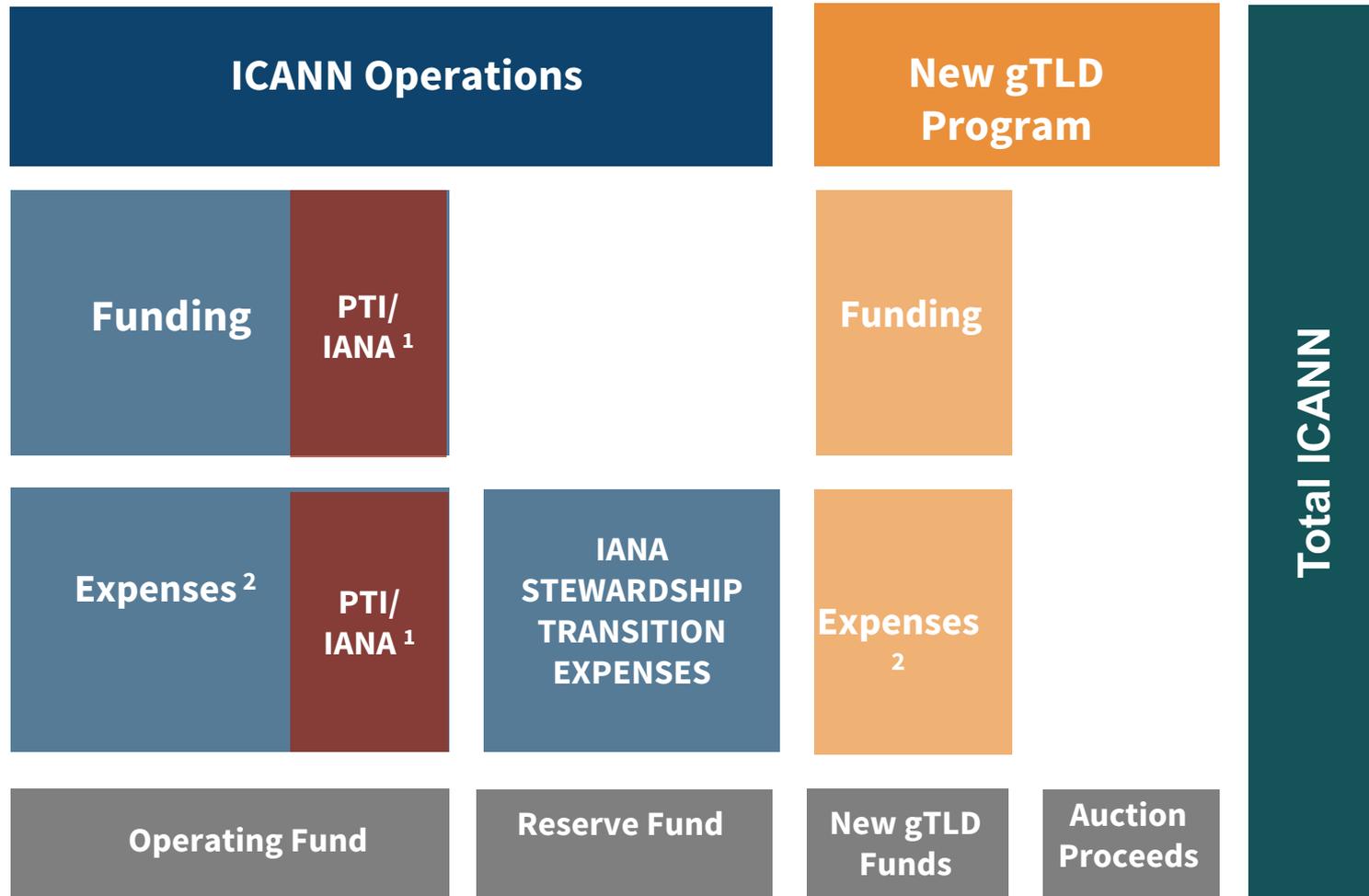
[1] IANA Services includes ICANN's and PTI's IANA Expenses
[2] Excludes depreciation and bad debt expenses

FY18 Year-to-date (Jul 17- Mar 18) Overview

Funding and Expenses below target.

	Actual	Budget	Var	% Var	FY17	Var	% Var
Funding	$98	$107	-$9	-8%	$105	($7)	-6%
Expenses	($93)	($105)	$12	-11%	($89)	($4)	4%
IANA Stewardship Transition Expenses	($1)	($2)	$1	-58%	($5)	$4	-80%
Net	$4	$0	$4	N/A	$11	($6)	-58%

Breakdown of Expenses	Actual	Budget	Var	% Var	FY17	Var	% Var
IANA Services	($5)	($7)	$2	-29%	($6)	$1	-18%
All Other	($88)	($97)	$10	-10%	($83)	($5)	6%

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

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

FY18 Year-to-date (Jul 17 – Mar 18) Funding

ICANN OPERATIONS

	Driven By Domain Name Registrations	Driven By # of Contracted Parties
FROM REGISTRIES	Registration-based fees $38M 39%	Per-TLD fixed fees $23M 24%
FROM REGISTRARS	Registration-based fees $24M 24%	Application fees Accreditation fees $11M 11%
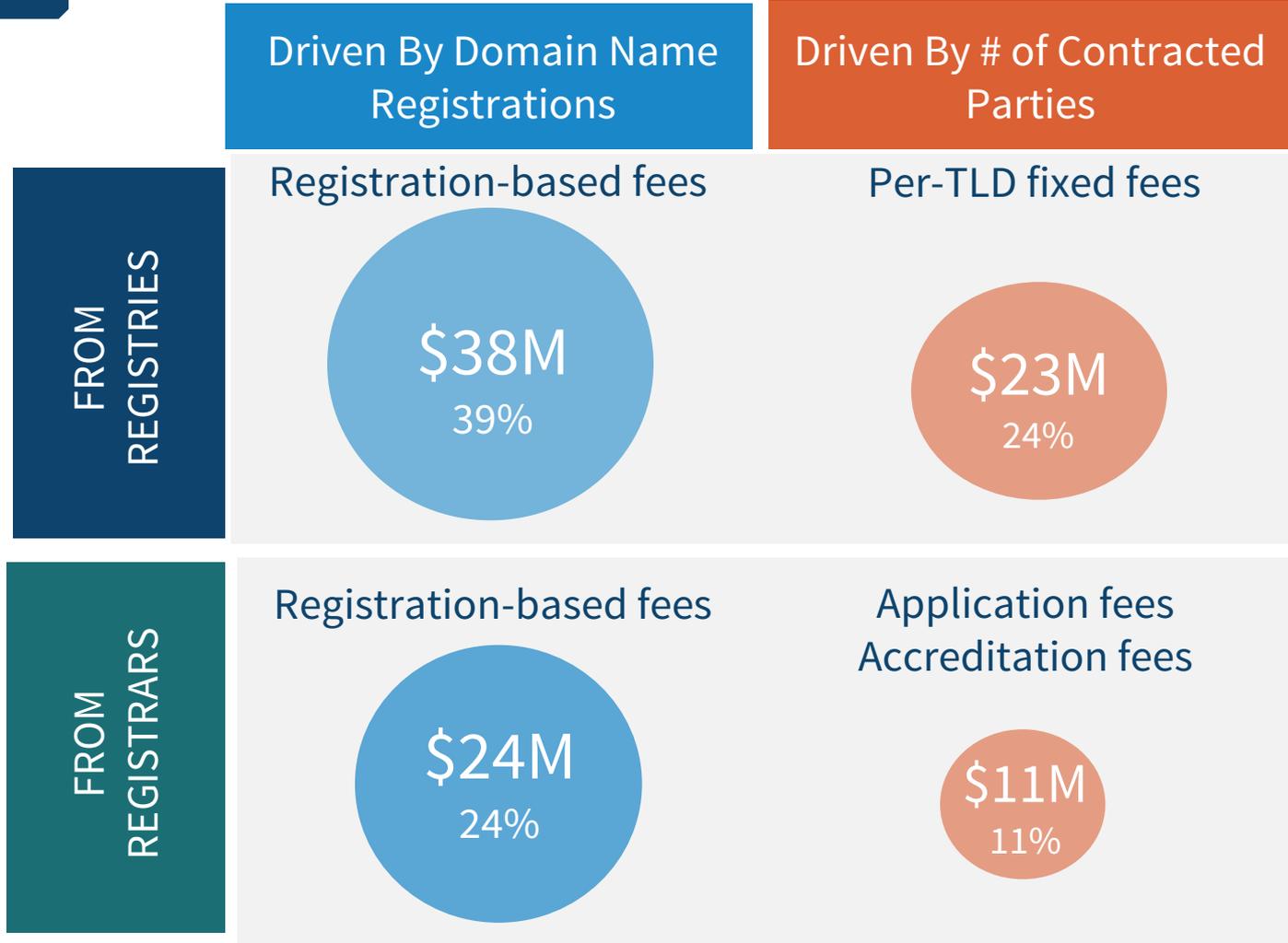
Other Income: $2M, 2%   Total Funding: $98M

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

FY18 Year-to-date (Jul 17 – Mar 18) Funding vs Budget & FY17

Funding below target due to lower registration volumes
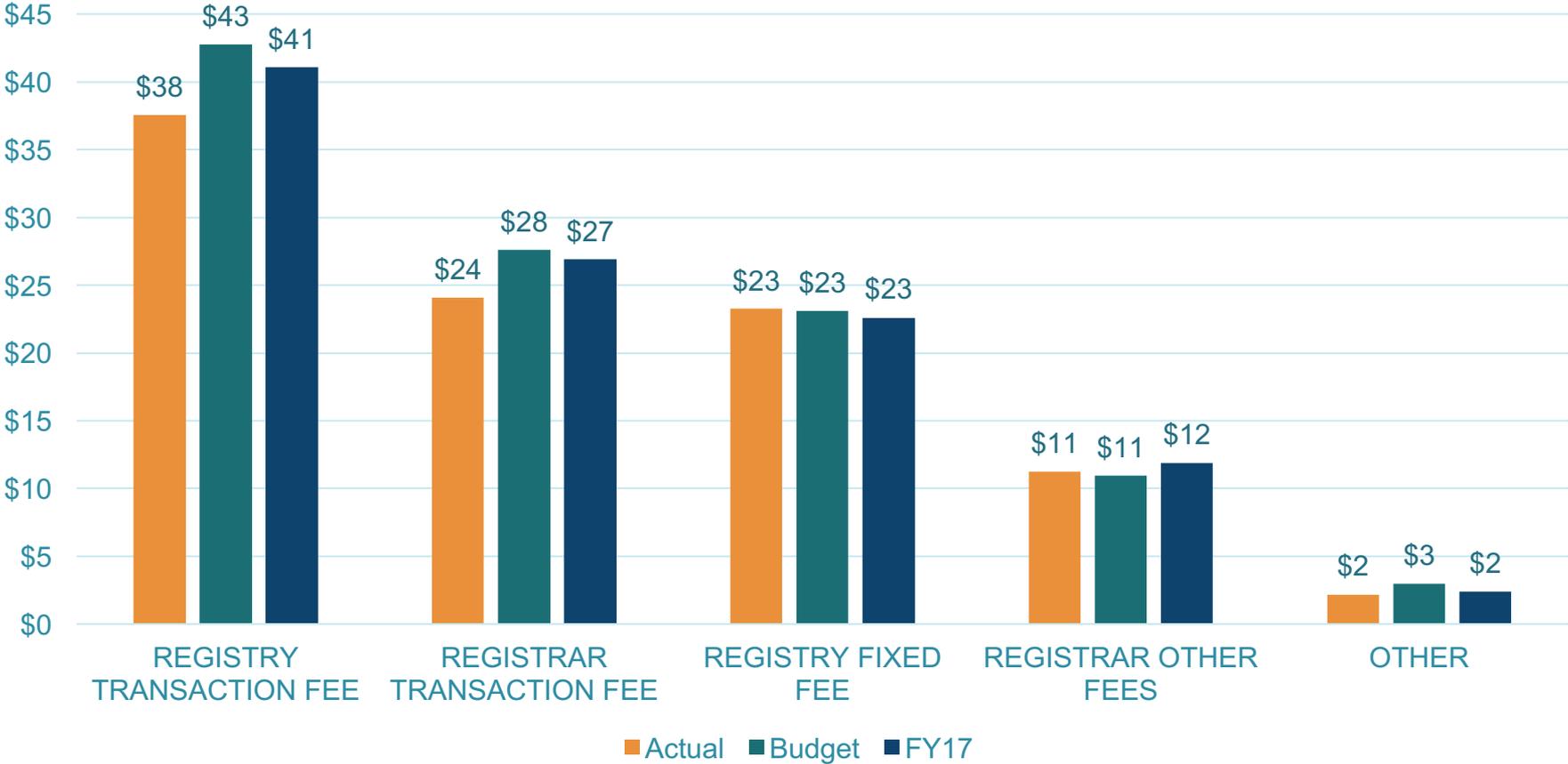
Actual:	$ 98M
Budget:	$ 107M
FY17:	$ 105M

Legend: Actual, Budget, FY17

REGISTRY TRANSACTION FEE: Actual $38, Budget $43, FY17 $41
REGISTRAR TRANSACTION FEE: Actual $24, Budget $28, FY17 $27
REGISTRY FIXED FEE: Actual $23, Budget $23, FY17 $23
REGISTRAR OTHER FEES: Actual $11, Budget $11, FY17 $12
OTHER: Actual $2, Budget $3, FY17 $2

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

FY18 Year-to-date (Jul 17 – Mar 18) Operating & Capital Expenses

ICANN OPERATIONS

Year-to-date Actual Expenses : $93M

Includes IT infrastructure and security improvements

Includes rent and other facilities costs and telecommunications

Includes contractor services, legal fees and language services

Includes travel and venue costs for outreach and meetings.

Reflects an average headcount of 387 which excludes 3.7 headcount allocated to the IANA Stewardship Transition Project

Capital
$2M
2%

Administration & Other*
$13M
13%

Personnel
$52M
56%

Professional Services
$15M
16%

Travel & Meetings
$12M
13%

*Excludes bad debt and depreciation

FY18 Year-to-date (Jul 17 – Mar 18) Operating & Capital Expenses

Actual:	**$ 93M**
Budget:	**$ 105M**
FY17:	**$ 89M**

Lower professional services costs and timing differences of projects vs. plan.

Activities covered by the contingency have been reported in the expense categories above based on the nature of the expense.
The Contingency budget year to date is $1.9M.

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

FY18 Year-to-date (Jul 17-Mar 18) New gTLD Program Expenses vs Budget & FY18

New gTLD PROGRAM

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

Actual:	$ 7M
Budget:	$ 11M
FY17:	$ 15M
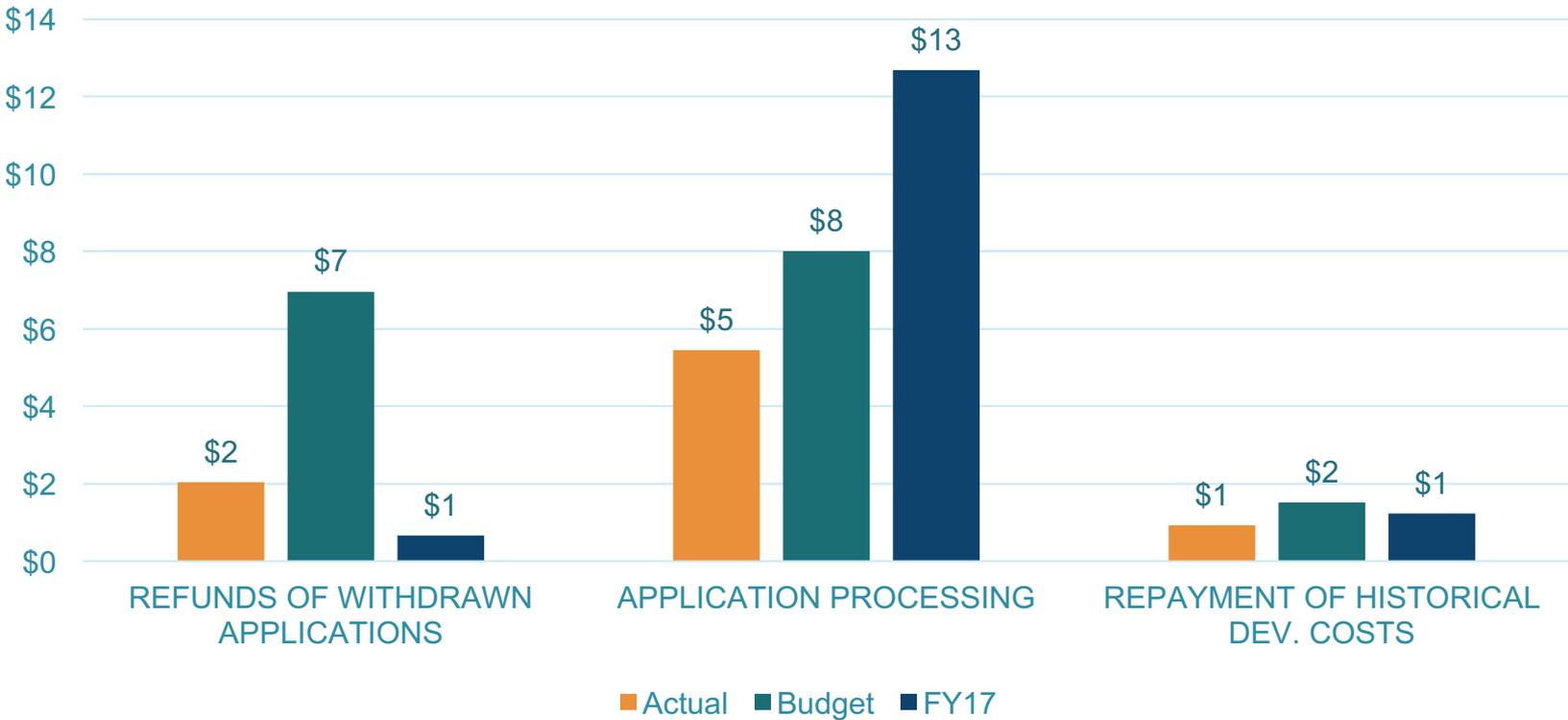
New gTLD Program – Multi-year Forecast

Application fees collected   **$ 362M**

$ 281M   **$ 81M**

$ 15

Refunds $ 53

Refunds $ 5

Costs $ 10

FY20 & BEYOND FORECAST

$ 13

Refunds $ 4

Costs $ 9

FY19 FORECAST

$ 13

Refunds $ 2

Costs $ 11

FY18 FORECAST

$ 240

Refunds $ 42

Costs $ 228

Costs $ 198

Refunds

Remaining funds for unexpected expenses (including risks)

Application processing costs

········ Cumulative costs

FULL PROGRAM FORECAST

FY12-17 ACTUAL

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

FY18 Year-to-date (Jul 17-Mar 18) Total ICANN Organization Actuals

	ICANN Operations (A)	IANA Stewardship Transition (B)	Total ICANN Operations (A+B)	New gTLD Program (C)	Total ICANN Org. (A+B+C)
Funding	$98	$0	$98	$9	$107
Expenses*	($93)	($1)	($94)	($5)	($99)
Net	$5	($1)	$4	$3	$8

Total ICANN Operations is the sum of ICANN Operations (A) and IANA Stewardship Transition (B). Total ICANN Organization is the sum of ICANN 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.

Funds Under Management as of 31 March 2018

Total Funds: **$ 461M**
ICANN Operations: $ 105M
New gTLD Program-related: $ 357M

ICANN Operations

$104

Operating Fund, $34

Reserve Fund $70

31 Dec 2017

$104

Operating Fund, $35

Reserve Fund $70

31 Mar 2018

New gTLD Program

$358

New gTLD Funds, $121

Auction Proceeds $236

31 Dec 2017

$357

New gTLD Funds, $120

Auction Proceeds $237

21 Mar 2018

In millions, USD- unaudited – Scale and Arithmetic inconsistencies are due to rounding to the nearest million.
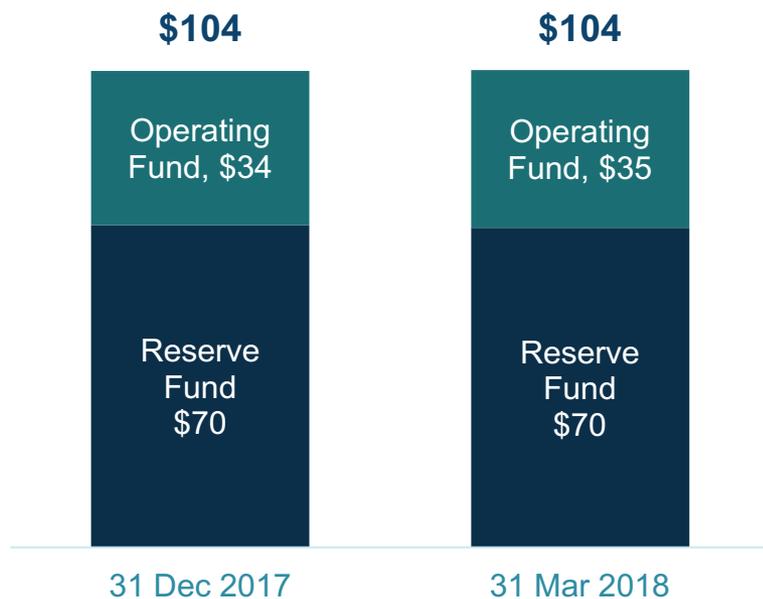
FY18 Year-to-date (Jul 17- Mar 18) Overview - Forecast

Expenses below Forecast

	Actual	Forecast	Var	% Var	FY17	Var	% Var
Funding	$98	$98	$0	0%	$105	($7)	-6%
Expenses	($93)	($96)	$3	-3%	($89)	($4)	4%
IANA Stewardship Transition Expenses	($1)	($2)	$1	-42%	($5)	$4	-80%
Net	**$4**	**$1**	**$3**	**N/A**	**$11**	**($6)**	**-58%**

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

FY18 Total ICANN Organization - Forecast

	ICANN 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	-$7	$128
Expenses*	($136)	($2)	($139)	($11)	($149)
Net	**($2)**	**($2)**	**($4)**	**($17)**	**($21)**
Funding from FY17 Savings (Approved by Board)	$2	$0	$2	$0	$2
Net	**$0**	**($2)**	**($2)**	**($17)**	**($19)**

Total ICANN Operations is the sum of ICANN Operations (A) and IANA Stewardship Transition (B). Total ICANN Organization is the sum of ICANN 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.