



ICANN Strategic Plan 2004-05 to 2006-07

April 2005

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Media inquiries, please contact Kieran Baker, ICANN via email: press@icann.org

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ICANN released the first draft of the strategic plan for consultation in November 2004 after many months of work. There was a consultation period that led to the production of a subsequent version of the plan that was released for the Mar del Plata meeting. Further consultation was conducted during that meeting. The attached plan contains a number of revisions based on that feedback. As well as making the revisions contained here, conversations have been had with members of the community to clarify points made during the Mar del Plata consultation.

In the interests of moving forward with the operational planning and budgeting needs of ICANN, we ask the Board to consider this plan subject to the following considerations:

1. Changes need to be made to the format of the strategic plan so that it contains more measurable objectives and more clearly indicates the key priorities for the organization. These changes in approach will be adopted for the July 2006 to June 2010 plan. The planning cycle for that plan will begin in Luxembourg in less than three months time. However, staff do not propose to make any further changes to the July 2004 to June 2007 plan. We believe that it is more important to focus on operational planning and budgeting which needs to be completed in the timeframe required by the bylaws.
2. In addition there are a number of areas that are included in this plan that have been identified by the community through the consultation process as needing more discussion and further work. Rather than attempt to deal with these issues in the timeframe of the current plan, they are listed here so that they can be given the detailed treatment that they need as part of the next planning cycle. Those issues are:
 - Defining what ICANN means by "competition"
 - Determining whether ICANN should have segregated funds
 - Clarifying the nature of ICANN's regional presences
 - Shaping the "post USG MOU" ICANN
3. In beginning preparations for the July 2006 – June 2010 plan, we are excited about working with members of the ICANN community to establish strategic priorities. In particular, we look forward to input from the supporting organizations and advisory committees on what they see as the major policy areas that they anticipate that they will need to address over the time frame of the plan.

ICANN Staff

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In preparing a multi-year Strategic Plan, ICANN is applying good business practices which allow it to build on its successes and incorporate improvements over time. While the plan will guide ICANN for the coming three years 2004–2007, it will be updated annually by the Executive and Board to respond to the dynamic policy resolutions and interests of ICANN's diverse constituencies.

Limits of Strategic Plan

ICANN fulfils two separate but related functions within the global Internet community:

- **Policy development** – ICANN provides a global forum and framework for the discussion of topics related to its technical mission and the consequent development of related global Internet policy.
- **Administration** – At the same time, ICANN and its staff implement specific technical policies, and provide support for the policy development process to work smoothly and effectively.

ICANN underwent a reform process during 2002-3 that restructured and strengthened the ICANN policy process. This Strategic Plan does not revisit the reform process but focuses on defining strategic priorities to sustain a stable, global and multi-stakeholder organisation, and to support the organisation's policy development process. This Plan also does not seek to make any statement or limitation on how the Internet community may seek to engage the ICANN policy forum, or prescribe any future direction for policy development.

Guiding Principles and Values

For this Strategic Plan, particular attention has been paid as to how to best execute the administrative and operational objectives within the framework of its [Mission](#) and in the spirit of its [Core Values](#). These documents are part of the governing principles for ICANN embodied in its Bylaws.

As Article 1 of ICANN's Bylaws points out, the Core Values are expressed in general terms, and 'situations will inevitably arise in which perfect fidelity to all eleven core values simultaneously is not possible.' The proposals for executing the Strategic Priorities below are attentive to this tension. They chart an appropriate balance among competing values and reflect the priorities that the community has collectively defined for ICANN.

Development of this Plan

Staff commenced the planning for the Strategic Plan in August 2003. A draft version of this Plan was finalised as of 31 December 2003 to fulfill an ICANN obligation under the Memorandum of Understanding (MoU) that ICANN has with the US Department of Commerce. Fulfilling the terms of the MoU allows ICANN to conclude that relationship.

Since that time, a draft of the plan was released for public consultation. A significant amount of feedback was received and the views expressed were incorporated into a subsequent draft of the plan. This draft was discussed at the ICANN meeting in Mar del Plata. Further comments received during the public forums at the meeting have been included into this final version of the plan.



ICANN and the Internet

The Internet requires a stable and secure system of unique identifiers if it is to serve its global community efficiently and reliably. ICANN has been established to serve the Internet community in maintaining the stability and security of the Internet's unique identifier systems, while fostering competition where appropriate to give Internet users greater choice at optimal cost. While the core functions were in the early years of the Internet (and its predecessors) performed under auspices of the US Government, ICANN marks the transition of these services from the responsibility of one national government to the global Internet community. In ICANN's self-governance model, the policies that create a stable, competitive domain name system are able to be developed in a manageable, bottom-up, consensus-based process that has global, multi-stakeholder representation. In short, ICANN's bottom-up coordination of global stakeholder interests is the way in which it accomplishes stability and competition.

ICANN's Mission

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

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

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

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

These services were originally performed under U.S. Government contract by the Internet Assigned Numbers Authority (IANA) and other entities. ICANN was created in 1998 through a Memorandum of Understanding (MoU) with the United States Department of Commerce to transfer the management of the systems of unique Internet identifiers from the U.S. government to core Internet stakeholders internationally. ICANN is an international, non-profit, multi-stakeholder organisation. It has become the globally authoritative body on the technical and organisational means to ensure the stability and interoperability of the DNS, and the continued equitable distribution of IP addresses.

ICANN's Core Values

ICANN's Bylaws detail ICANN's core values as part of its Mission.

In performing its mission, the following core values should guide the decisions and actions of ICANN:

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

These core values are deliberately expressed in very general terms, so that they may provide useful and relevant guidance in the broadest possible range of circumstances. Because they are not narrowly prescriptive, the specific way in which they apply, individually and collectively, to each new situation will necessarily depend on many factors that cannot be fully anticipated or enumerated; and because they are statements of principle rather than practice, situations will inevitably arise in which perfect fidelity to all eleven core values simultaneously is not possible. Any ICANN body making a recommendation or decision shall exercise its judgment to determine which core values are most relevant and how they apply to the specific circumstances of the case at hand, and to determine, if necessary, an appropriate and defensible balance among competing values.

Strategic Principles

While ICANN remains committed to the narrow scope of its mission, it is a mission that is ever more demanding in the world of a growing and globalising Internet. To meet this expanding yet prescribed role, ICANN relies on its founding principles. These same principles were embedded in the Memorandum of Understanding and reflected in ICANN's Mission and Core Values. They have remained the basis for all discussions since on ICANN's functions and purpose, and have guided this current Strategic Plan and budgeting process.

These Principles are that the Internet's unique identifier systems must be maintained as *stable and secure*, with competition within them giving Internet users greater *choice*. The policies that create a stable, competitive unique identifier system are in turn developed through a *bottom-up, consensus-based process* that has *global representation*. In short, ICANN's bottom-up coordination of global stakeholder interests is the mode through which it accomplishes stability and competition.

These core principles require ICANN to pursue a greater outreach to and service for all users of the Internet. This is particularly true for developing nation Internet communities, who have been less able to participate in the existing structure. As these communities join in the ICANN process, ICANN will facilitate their participation with these principles firmly in mind.

Stability and Security

ICANN's role is to facilitate practices, processes, and implementations that enable the unique identifiers systems to operate reliably and predictably. Necessarily, security is a significant consideration.

Competition and Choice

Competition in the domain name markets brings proven benefits to consumers in choice and costs. ICANN engages this principle by enabling the introduction of new gTLDs, fostering competition among registrars, managing the contracts and relationships involved, and overseeing compliance with the policies and contracts.

Independent, Bottom-up Coordination

ICANN has embraced the successes of self-governance in Internet policy development and embedded them in the structure of its organisation and ICANN's policy development processes. ICANN brings together the spectrum of Internet stakeholders and users, including businesses, governments, non-commercial, technical, and individual users, and provides mechanisms for their bottom-up coordination of policy development related to ICANN's specific role in the management of the Domain Name System and unique Internet identifiers. These stakeholders initiate and guide the policy development process, ICANN sustains their efforts by providing staff support, resources, and/or coordination of activities to maintain the participation of informed individuals and groups.

Global Representation

ICANN operates for the benefit of the Internet community as a whole. As a corollary, ICANN relies on participation from the full breadth of the Internet community, to ensure that its policy development incorporates all relevant perspectives. In particular, ICANN seeks to ensure truly international participation – from both developing and developed nations – in decisions that determine the security and stability of the global Internet.

Again, this principle is a foundation of ICANN's policy development process, and is discussed further in the next section.

A Strategic Plan for ICANN's Future

ICANN has determined its immediate objectives in consultation with all of its constituencies, a process that appropriately reflects ICANN's consensus-driven policy development process. These objectives are consistent with its obligations to complete the MoU – continue the secure and stable operation of the Internet's unique identifier systems and of its root name servers, consider and adopt policies that keep up with technical innovation, introduce new TLDs, foster education and information sharing (particularly in developing nations), and increase the multi-lingual nature of its operations.

This Strategic Plan outlines the course for completing the MoU and becoming fully independent of the US Government, while simultaneously answering the demands of the ICANN community for increased resources in operations and policy development support.

The focus of this plan is on the operational aspects of ICANN. The nature of the policy work undertaken is determined by the supporting organizations and advisory committees, and these bodies will have their own sets of policy priorities for the period covered by this plan.

ICANN recognises that to meet these demands it must continue to adhere to the four Principles that have guided ICANN's existence – stability and security, competition and choice, bottom-up coordination, and global stakeholder representation. Accordingly, the Strategic Plan has been structured and prepared around these four Principles. The initiatives that ICANN and its stakeholders believe are necessary to fulfil its objectives are laid out in the next section of this Plan. These initiatives will require dedicated resources within an expanded operational structure, both of which are discussed in the final section of this Plan. In preparing a multi-year Strategic Plan, ICANN is applying good business practices which allow ICANN to build on its successes and incorporate improvements over time. While the plan will guide ICANN planning for the next three years, it will be updated annually by the Executive and Board to respond to the dynamic policy resolutions and interests of ICANN's diverse constituencies.

If implemented over the next three years, this Plan will enable ICANN and its structures to serve a global Internet community in fulfilling ICANN's Mission, and to complete the initiating MOU process, by establishing an effective, international, inclusive, stand-alone ICANN.



Strategic Priorities

This part of the Strategic Plan sets out how ICANN will be delivering on its four strategic priorities over the plan period of July 2004 to June 2007. It reviews the functions and initiatives that ICANN is currently pursuing towards each of these priorities. It also proposes new initiatives to further each of the priorities, setting out the rationale for those investments and the resources required.

The four strategic priorities are those set down at ICANN's foundation and embedded in its By-Laws, and have been the basis for all discussions since on ICANN's functions and purpose:

1. Stability and security of the unique identifier systems
2. Competition and choice in the unique identifier systems
3. Independent, bottom-up policy consensus, and
4. Global representation in that policy process.

For ICANN to fulfil its mission, each of these priorities must be reviewed and pursued. The policies that create stable, competitive unique identifier system must be developed through a bottom-up, consensus-based process that has global representation.

Through ICANN's strategy development process, we have found that those initiatives and processes that best foster and ensure an independent, bottom-up policy consensus, also foster global representation in that process and consensus. Conversely, the initiatives that foster global representation do support the achievement of a bottom-up policy consensus. We therefore present the initiatives for these two priorities in one discussion. The first two priorities (stability and security, and competition and choice) overlap to a lesser extent and so their initiatives are presented independently.

Throughout the Strategic Plan document we have used the symbol **MoU** to indicate where specific strategic goals have been developed to fulfil requirements of the MoU.



Strategic Priority One: Stability and Security

Provide and improve the resources needed to fulfil ICANN's mission of maintaining stability and security of the unique Internet identifier management systems.

Preserving the stability and security of the Internet systems of unique identifiers, including the DNS, is a key mission of ICANN.

ICANN's role is to work with others to maintain the cooperative practices and processes that enable the core services of the Internet – the DNS and other unique identifiers – to operate reliably and predictably, to preserve the equitable distribution of IP numbering resources, and to manage the protocol port number and parameter designations. These include the IANA functions – administration and management of the Root zone file – and ICANN's role in authorising new gTLDs.

ICANN has two objectives in maintaining a stable, secure DNS and appropriate management of the other sets of unique identifiers:

- 1a Provide robust core services (the IANA functions) to support the coordination of the global Internet's systems of unique identifiers, and their stable and secure operation, and
- 1b Continue a strong and appropriate role in supporting the security of the Internet .

1a Provide robust core services to support the coordination of the global Internet systems of unique identifiers, and their stable and secure operation

The heart of ICANN's technical mission is the IANA functions that were contracted to ICANN upon ICANN's inception. These services include root zone management services, including updating ccTLD delegation information; IP address allocations to the Regional Internet Registries and reserved networks; and protocol parameter and port number assignments as defined by the IETF.

In consultations, ICANN's community confirmed the centrality of the IANA functions and expects them to be performed professionally and efficiently. Many of the improvements suggested to ICANN have been incorporated in this Plan, and will benefit the entire Internet community. These improvements will also help ICANN meet the requirements of the MoU.

In light of these consultations, ICANN has developed several proposals to strengthen these core IANA services and its support services for the communities that use them. The proposals affect most the areas of:

- i) Request tracking and response systems **MoU**
- ii) Operating capacity (including redundancy)
- iii) ICANN's reporting to the community **MoU**
- iv) Root zone management services. **MoU**

1a.i) **Utilise efficient request tracking and response systems to enhance ICANN's effectiveness**

The developers and users of the Internet's unique identifier systems and their broader communities perform crucial innovation, development, deployment and allocation functions that allow local networks to interconnect and operate effectively on a global scale. This interoperability in turn enables the growing use and development of the Internet.

To innovate and develop, these stakeholders depend on reliable access to a single and authoritative source of services and information on the unique identifiers. ICANN is that source. ICANN must provide timely, reliable, and accurate responses to their operational requests, and be ever responsive to their evolving needs. Request tracking and response systems improve ICANN's ability to perform this essential function effectively.

ICANN has commenced a work program that will better systematise many of its processes and activities. This will enable faster, more efficient and more accurate performance of its IANA functions. The immediate priorities are to:

- Streamline existing procedures and resource allocation through the IANA
- In parallel, commence the implementation of a professional request tracking and response management system to improve turnaround times across the operation

Significant investment in technical resources and expertise will be needed to meet these priorities. Additional personnel, consulting and review services will be needed to develop, support, and improve the management system. ICANN staff will continually refine that system, capitalising on feedback from stakeholders, to maintain ICANN's effectiveness as the single and authoritative source. The first step in implementing this goal will be to work with members of the community to develop a set of priorities and a detailed plan for the completion of these improvements.

1a.ii **Ensure reliable operating capacity (including redundancy) to support all operational transactions and processes**

Several relatively small capital projects are planned for the next three years to dramatically improve ICANN's IT Systems and DNS support. These projects target system redundancy and carrying capacity to provide more reliable services to ICANN's clients and stakeholders. In many cases, redundancy systems will be sited at different locations to protect against natural or man-made disaster.

The performance period for these projects has commenced, and the last of them will be completed in 2006/7. The projects are in response to ICANN's review of demands on the technical infrastructure, conducted in consultation with its stakeholders.

- To determine the effects that proposed service changes may have upon the DNS, ICANN will cooperate with the technical community to identify a suitable DNS test-bed, or establish one, if necessary. The test-bed will enable the global technical community to corroborate data and conclusions of technical studies performed by other entities.
- To better protect the ICANN/IANA network and ensure continuity of operation, ICANN will move the network from its current secure facility to another secure location with improved redundancy facilities and infrastructure. ICANN will also use the new installation as an opportunity to improve its backup network system. The new primary location will also place ICANN's core systems closer to peering points so that ICANN can interconnect with other networks (such as ISPs) more efficiently.
- To improve monitoring and understanding of operational activity on the ICANN network, ICANN will deploy improved network management tools for its internal systems, and the information provided will also allow ICANN to further improve systems reliability. In addition, ICANN will install more adept denial-of-service mitigation tools and traffic analysis equipment. These dedicated systems will reside within the ICANN network to help mitigate attacks.
- To minimise support costs in regional presence locations, ICANN will contract with technical service providers for information technology support.

1a.iii) Enhance ICANN's reporting to the community on operational activities

As ICANN's systems reporting continues to improve, it will be able generate data on the quality and level of service of various operational activities, and data related to functions performed by ICANN and its structures.

Access to this data is essential for ICANN's stakeholders to assess the security and stability of the Internet. They rightfully expect sophisticated, multilingual on-demand reporting mechanisms to be available on the web, as well as regular reports initiated by ICANN. These are in addition to the quick and effective responses to individual stakeholder requests contemplated in section 1a.i above.

These reports will also offer greater insight into ICANN's work and responsibilities, and a better understanding of where ICANN's resources are directed. To these ends, by the end of the period covered by this plan ICANN will have implemented systems to :

- Provide secure access to statistics related to fulfilment of individual stakeholder requests through a professional request tracking and response system
- Provide access to UDRP, statistical, and other data through a web portal
- Present statistical data and other information at ICANN general meetings **MoU**
- As appropriate, attend and report to interested communities and forums **MoU**
- Publish a report that includes statistical and narrative information on community experiences with the InterNIC Whois Data Problem Reports system **MoU**
- Publish a report that includes statistical and narrative information on the implementation and efficacy of the ICANN Whois Data Reminder Policy **MoU**

1a.iv) Professional Root Zone Management services

ICANN maintains the root zone and related Whois information on behalf of the Top Level Domain (TLD) managers and the larger Internet community. New TLDs are added to the root zone, and data for existing TLDs modified. For a modification, for example, ICANN must first verify the

requestor's authority and the technical accuracy of the request. On fulfilling the request, it must publish the revised authoritative data in the root zone file, Whois, and other appropriate locations.

ICANN provides the trusted, unique, and authoritative source of root zone information that is needed to maintain the integrity of the hierarchical Domain Name System. It is a source that is capable of adapting to the implementation requirements of emerging technologies such as IPv6, IDNs, and the DNSSEC protocol. ICANN works closely with the technical community to ensure that the community's innovations are integrated into the DNS while maintaining stability and security. A recent example is the inclusion of the first IPv6 name server records in the root-zone for the .jp and .kr ccTLDs.

To continue to meet that need, by the end of the period covered by the plan ICANN will:

- With input from relevant stakeholders, develop and implement tools and systems to automate performance of the root zone editing function where appropriate **MoU**
- Implement an increasingly secure, robust, and redundant infrastructure for distribution of the root zone to the root server operators **MoU**
- Implement a system to publish appropriate registration information in the Whois database **MoU**

1b Continue a strong and appropriate role in supporting the security of the Internet

As the Internet has evolved from an experimental academic network to become a backbone for the modern global economic system, the need for a secure and stable operating environment has become increasingly clear. The growth and popularity of the Internet has led to an increase in the quantity, sophistication, and potency of the security threats aimed at Internet users, systems and core infrastructure. Natural disasters, as well as the business or technical failure of key Internet infrastructure operators, could also cause major disruptions to essential Internet communications. The global Internet is very robust, resisting the spread of local network outages through good engineering and planning. Yet its interconnectedness means that seemingly local problems may have serious global repercussions. For that reason, Internet security requires globally accessible solutions. With its international, accessible and public-private structure, ICANN is uniquely placed to coordinate the efforts of the Internet community in this arena.

All members of the Internet community – research, business, individual consumers, and others – benefit from security efforts that improve the global network as a whole. That community expects ICANN, with its international, inclusive and public-private structure, to play an essential part in keeping the Internet's unique identifier systems secure. The means by which ICANN should fulfil this part of its MoU mandate remains an open and active discussion within the ICANN community.

1b.i) Coordinate ICANN's ongoing security and stability initiatives

ICANN has a mandate through the MoU to work with the Internet's technical community to develop and implement improvements to the secure and stable operation of the domain name and numbering systems.

New protocols such as IPv6 (dramatically increasing the available pool of Internet Protocol address numbers) and DNS Security (DNSSEC, promising to bring greater security to the domain name system) are vital innovations in Internet resource technology.

ICANN shares a responsibility with the wider technical community to assess whether, despite their promise, these innovations pose an unreasonable threat to Internet stability or security.

To this effect, ICANN has created the Security and Stability Advisory Committee (SSAC), for which ICANN coordinates meetings and provides secretarial and other support services. The SSAC will continue to:

- Provide timely reports and analysis on security and stability issues to both the ICANN and wider Internet communities **MoU**
- Hold open public meetings to allow for a broad airing of facts and opinions **MoU**
- Engage in ongoing threat assessment and risk analysis **MoU**
- Participate in discussions with other interested community members on the development of a security framework for Internet naming and address allocation services **MoU**

Each of these continuing initiatives will require dedicated resources and attention from ICANN's staff and executive.

1b.ii) **Establish Security Initiatives Program**

There is productive debate within ICANN's community regarding the role ICANN should play in fulfilling its security obligations. As outlined above, ICANN has a specific mandate to maintain the stability of the Internet's systems of unique identifiers, specifically as their stability supports the core services underlying the global Internet's operations. Determining ICANN's appropriate role in promoting and facilitating security of the global Internet, specifically in regard to maintaining a stable and reliable DNS must be a global Internet community effort. As described above, the Stability and Security Advisory Committee provides ICANN with advice and analysis for specific technical situations. ICANN believes that there are additional, pro-active security responsibilities entailed in its mission. This Strategic Plan proposes establishing ICANN as an active supporter of network security initiatives that directly enhance the stability of the DNS.

Numerous security initiatives already exist within the global Internet community, bringing together leading experts in business, industry, and governments. ICANN has no intent to supplant these initiatives, or to presume to match their experience and expertise. ICANN will partner with these existing initiatives, and where appropriate, provide funding to further this work. Through its fundamental connection to the ccTLD and root-server manager communities, ICANN is particularly well-situated to enable those from developing nation Internet communities to fully participate in these security initiatives. Participation by these relative newcomers to the global Internet is essential to ensuring that security solutions address all Internet users, especially those from locations where bandwidth is limited and relatively expensive.

There are many projects already underway which would be suitably funded through ICANN's security initiatives program, including work on DNSSEC deployment, and the integration of IDNs into the domain name system. ICANN envisions providing resources for the development or support of existing security initiatives aimed at increasing the security and stability of the global Internet's systems of unique identifiers, including the DNS.

An example of these activities would be for ICANN to commit, through leadership and funding, deployment of DNSSEC. Facilitate, support, and sponsor the creation of a non-profit DNS deployment organization that is intended to be relatively short-lived and also receives funding from other sources. Facilitate the creation of metrics by which to measure the new organization and deployment of DNSSEC.

To enable this project, and other suitable initiatives, ICANN will:

- Consult with the ICANN community, through the SSAC and other channels, regarding ICANN's appropriate participation in existing security initiatives, and the feasibility and utility of developing new initiatives to address security issues specific to the domain name system and ICANN's management of the IANA function. **MoU**
- Establish guidelines for the use of the funds designated to this budget category.
- Request that the ICANN Board identify or establish a Board sub-committee to maintain oversight of funding issues related to the security initiatives program.

1b.iii) Establish stable relationships with all necessary and relevant participants in the management of the systems of Internet identifiers (registries, registrars, gTLD and ccTLDs registrars, RIRs, and Root server operators). **MoU**

Formal agreements, executed among key participants of the Internet community, will maintain and promote the Internet's stability and interoperability. Accordingly, ICANN, the gTLDs and the gTLD registrars executed formal agreements some years ago. They lend legitimacy to processes and operations co-managed by ICANN and the client organisation, and also define processes and responsibilities to better manage the expectations of all parties. In every case, formal agreements provide a consensus model for that portion of Internet governance.

Over the next 3 years, ICANN will continue to formalise its agreements with all participants. ICANN executed an agreement with RIRs and their Number Resource Organisation in 2004 and continues to seek appropriate agreements with ccTLD managers. Progress with these participants is discussed below. ICANN is also fully staffing the Global Partnerships organisation and engaging the additional services of a contracts administrator.

Agreements with RIRs

The Regional Internet Registries (RIRs) each have a share in a global responsibility, delegated to them by IANA, to manage Internet address space. The stability and fairness of this allocation system and the management of the unallocated address pool would be further secured by formal agreements between ICANN and the RIRs, and through the policy processes of the ASO. A new MoU between ICANN and the RIRs (through their umbrella organisation the Number Resource Organisation) was completed in October 2004. Formal bottom-up policies and/or agreements are being prepared to define the strategies for distributing IPv6 blocks and other number resource, IANA-related functions.

Formalised relationships with ccTLD managers

Both ICANN and ccTLD managers have an interest in ensuring the stable, secure, and proper functioning of the domain name system, and each have a distinctive role to play in that goal. At the global level, ccTLDs managers participate through the ccNSO in ICANN's policy development process to contribute to global policy regarding ccTLD management.

A formalised relationship is desired between ICANN and ccTLD managers, acting as the trustee for the ccTLD on behalf of the local Internet community, to help to maintain stability for the single root, and to confirm accountability for the ccTLD operations. An agreement would identify where authoritative decision rights lie concerning ccTLDs, and the history of that authority, to help maintain accountability for operations. Under an agreement, ICANN would work to make appropriate resources available to ccTLD managers, from a variety of sources, to promote the use of best global practices appropriate to the management of their ccTLDs.

Standardised relationships with Root server operators

ICANN is working towards developing standardised relationships with the Root server operators through direct discussions with the root server operators and by regular participation in Root server operator meetings. While each Root server operator manages their server(s) in a unique manner, ICANN's goal is to formalise and standardise their participation in key root zone issues, including development of minimal root server provisioning and reporting standards.



Strategic Priority Two: Competition and Choice

Develop and manage initiatives that foster competition and consumer choice, while supporting compliance with existing policies and contracts.

Figure 7 Establishing and fostering competition and choice

To continue fostering the benefits of competition within the global DNS, without risking its stability and security, ICANN will pursue two key objectives through the term of this Strategic Plan:

- Fostering innovation, competition, agreement compliance, and growth in the registration of Internet resources to benefit providers and users of registration services.
- Defining and implementing a predictable strategy for selecting new gTLDs, and providing support for their successful launch so that the stability of the Internet is maintained

These objectives also meet specific requirements of the MoU.

Meeting the many diverse needs of registration providers and consumers is already a significant element of ICANN's budget, but there are many activities that are under-funded and under-staffed in light of the demand for services. To appropriately fulfil ICANN's service goals will require substantial investments in systems, infrastructure, regional presence and personnel. The following specific goals and objectives will need to be resourced.

2a Fostering innovation, competition, agreement compliance and growth in the registration of Internet resources to benefit providers and users of registration services

2a.i) Responsive support to gTLD domain name and IP number resource registration providers and consumers

To maintain innovation, as well as their core services, registration providers rely on unique access to the global Internet domain name system and associated technical coordination. ICANN and its structures fulfil that need by providing the following services to registration providers:

- Ongoing development and implementation of the framework of technical rules, standards and agreed procedures (which the Internet community refers to as "policies") that together facilitate the effective management of the domain space and IP address allocations **MoU**
- Facilitating the introduction of new technologies (e.g. IPv6, IDNs, etc.) **MoU**
- Preparing for and assisting the introduction of new gTLDs **MoU**
- Responding to inquiries and complaints from individual users and other registration providers **MoU**
- Providing data escrow coordination, and services where appropriate **MoU**
- Issuing accreditations **MoU**
- Coordinating dispute resolution policies and services **MoU**

2a.ii) Develop and implement an appropriate plan for responding to the needs of gTLD domain name and IP number resource registrants

gTLD Domain name and IP number resource registrants benefit from their association with ICANN on many levels:

- the increased competition in the domain name space through the formation of multiple registrars and TLDs, and the resulting lower registration prices and greater choice in services and TLDs
- the protections of the UDRP,
- protection afforded through a corporate compliance program,
- the protections of gTLD Domain Name Transfer policy and the gTLD Redemption Grace Period Service, and
- fair and appropriate management of the IP number resources through their allocation from IANA to the RIRs

However, to date, registrants do not have an independent, authoritative reference point for information on DNS or IP number resource registration, usually having to rely on their registration provider. While supporting that primary relationship and working with the appropriate stakeholders, ICANN will develop and implement a plan to respond more effectively to registrant needs that relate to ICANN's mission.

ICANN will work to further improve its effectiveness in responding to user needs by:

- Encouraging resolution of disputes between and among gTLD registrants and registrars **MoU**
- Promoting consumer interests through information and service tools **MoU**
- Educating gTLD consumers on how to obtain resources for dispute resolution, consumer protection and law enforcement
- Improving Whois accuracy through ICANN's Whois Data Problem Reports system **MoU**
- Providing mechanisms for facilitating the channelling and resolution of customer service issues related to gTLD domain name registrations. Whenever appropriate, the primary focus of customer service will be point end users towards relevant outside resources

- Improving gTLD registrant consumer protection through liaison with appropriate national consumer protection agencies.

2a.iii) Review and augment, as appropriate, the corporate compliance program, including the system for auditing registry and registrar contracts for compliance by all parties to such agreements

While competition brings with it innovation and cost benefits, it also requires effective compliance programs to protect the integrity and stability of the systems of unique Internet identifiers. These programs ensure that services are provided to users by the registrar/registry communities in accordance the terms of the various contracts binding registrars, registries, registrants and ICANN. Because many of the contractual terms span the entire community, compliance programs also monitor consistency across the communities in order to provide users and other community members with a predictable experience.

While the existing, constructive relationships between ICANN and the registrar and gTLD name registry communities have provided an effective informal basis for compliance, ICANN plans to institute a formal compliance program for greater clarity, consistency and effectiveness as further parties join its communities. The initial elements of program will consist of:

- Establishing technical and non-technical audit functions to review, on a regular basis, gTLD registry/registrar operations to ensure compliance with contracts and appropriate standards **MoU**
- Enhancing the statistical tracking and analysis of registrant and user complaints/comments regarding specific gTLD registries/registrars **MoU**
- Coupling that statistical tracking and analysis with the audit function to make economical use of resources **MoU**
- Working constructively with gTLD registries/registrars to implement and complete corrective action plans **MoU**
- Implementing a planned escalation of actions, including legal and specific performance remedies, to correct ongoing harm and to provide greater flexibility and legitimacy for the compliance function. **MoU**

2b Defining and implementing a predictable strategy for selecting new gTLDs and providing support for their successful launch so that the stability of the Internet is maintained

2b.i) Develop and implement a detailed plan for a long-term process to introduce new gTLDs into the domain name system using predictable, transparent and objective procedures **MoU**

The development of an appropriate process and policy for the creation of new generic top-level domains (gTLDs) is central to fostering choice and competition in the provision of domain registration services. New gTLDs have been a topic of discussion within ICANN and the broader Internet community since the creation of ICANN in 1998. A Year 2000 round of proof-of-concept gTLDs led to the introduction of seven new gTLDs. Using the experiences learned from that process, ICANN has embarked on the implementation of a strategy which will lead to a predictable, transparent, and straightforward allocation process for new gTLDs.

Adding new gTLDs to the root system falls within ICANN's core mission of coordinating the global Internet's systems of unique identifiers. It is also in keeping with ICANN's core values, including the use of market mechanisms and the promotion of competition in the registration of domain names. The questions to be addressed in the implementation of a new gTLD strategy are complex and draw on technical, economic, operational, legal, public policy and other elements.

ICANN's goal as a non-profit public benefit organisation is to maximise public benefit derived from the Internet's system of unique identifiers. A properly executed strategy for opening the root-level domain-name registry will in turn provide increased public benefit to the global Internet community through increased competition and user choice.

ICANN is committed to developing and implementing a comprehensive strategy for selecting new gTLDs using predictable, straightforward, transparent, and objective procedures that preserve the stability and security of the Internet. This process has already begun with a round of sponsored TLD applications which commenced in 2004. The results of this round are expected to be announced shortly.



Strategic Priorities Three & Four: Bottom-up Consensus and Stakeholder Representation

Priority Three: Support and encourage a policy development process that fully engages the principle of private-public governance and bottom-up coordination of multiple stakeholder interests.

Priority Four: Facilitate participation from the global community of Internet stakeholders to ensure that policy development incorporates all relevant perspectives and stakeholder values for the security and stability of the global Internet.

To fulfil ICANN's role in facilitating bottom-up coordination of fundamental policy regarding the systems of unique Internet identifiers, and ensure that it benefits from truly global participation, this Strategic Plan proposes that ICANN:

- 3a Continue to develop, maintain and improve the policy development processes which foster global broad-based participation. **MoU**
- 3b Continue to support a public meeting program that unites public, private, and civil society interests in facilitating a stable, interoperable and dynamic Internet. **MoU**
- 3c Establish an ICANN presence in each ICANN region to better support the needs of regional stakeholders, enhance staff diversity, and enable ICANN staff to attend and support more regional forums.
- 3d Create an initiative program for developing country Internet communities to enable further participation in the ICANN mission by developing country stakeholders **MoU**

- 3e Develop a comprehensive and multilingual communications strategy, including a collaborative outreach program and strong media relationships, to ensure that ICANN and its stakeholders are constructively aware of each others' activity, roles, resources and interests. **MoU**

3-4a Bottom-up policy development processes

Develop, maintain and improve the policy development processes which foster global broad-based participation

ICANN's organisational structure offers each of its multiple stakeholders a - voice in the policy development process. Its Supporting Organisations and Advisory Committees each manage that process on behalf of their constituencies and with ICANN's administrative, information and structural support.

Each of these bodies acts in its own self-determined way, while striving for global representation and participation. ICANN is learning the strengths and weaknesses of each approach, and ensures that possibilities for improvement are shared between the bodies. In the term of this Strategic Plan, ICANN will work with each body and on its own liaison and administrative capabilities to continue to build the effectiveness and inclusiveness of these policy development processes.

3-4a.i) Support the constituted geographically diverse Supporting Organisations and Advisory Committees

ICANN provides staff, liaison, technical and administrative support for each of the Supporting Organisations and Advisory Committees. As the number of policies under consideration and the number of global participants increase, so will the resources needed for ICANN to adequately support the different Supporting Organisation policy development processes. While this will be a general need, specific circumstances include:

- Staff support for the GNSO's policy development process, which will have a growing number of policies under consideration.
- Appropriate administrative support to the ccNSO, if requested, as well as staff support for its policy development process. Staff support functions will be determined in conjunction with the ccNSO Council.
- The ASO maintains its own secretariat. ICANN staff allocated to the ASO will be responsible for providing any requested assistance to the ASO's Global Policy Development Process, and will provide support to the ICANN staff and Board regarding ASO policy development.
- While the GAC maintains its own secretariat function, regular and detailed ICANN communication with the secretariat is needed for the GAC to pursue its role in the policy process. This responsibility falls under the Vice President, Policy Development Support. Staff support is anticipated to increase as respective Supporting Organisations and Advisory Committees increase their relationship and coordination with the GAC, and the GAC with them.
- Over the past year, the Security and Stability Advisory Committee has been called upon to address many issues as security becomes of increasing concern to the global community. Increased demands on the Committee, both within the ICANN structure and from the ICANN community, will be met by increasing ICANN staff support and resources.

3-4a.ii) Increase the representation of ICANN's network of At-Large Structure and Regional At Large Organisations (RALOs) through the At-Large Advisory Committee (ALAC)

The At-Large Advisory Committee (ALAC) is responsible for considering and providing advice to ICANN on how ICANN's activities may affect the interests of individual Internet users (the "At-Large" community) and for promoting the informed, structured participation of the At-Large community in ICANN. ICANN's technical management responsibilities for the Internet's domain name and address system relies on the ALAC and its supporting infrastructure to involve, and represent in ICANN, a broad set of individual user interests.

Underpinning the ALAC is expected to be a global network of self-organising, self-supporting user groups certified as "At-Large Structures" that involve individual Internet users at the local or issue level. These At-Large Structures (either existing organisations or newly formed for this purpose) are expected to organise into five Regional At-Large Organisations (RALOs – one in each ICANN region of Africa, Asia-Pacific, Europe, Latin America/Caribbean, and North America).

ICANN's role is to educate and inform the At-Large community and encourage and facilitate their involvement in ICANN. The establishment and effective functioning of the ALAC and its five supporting RALOs is expected to provide the structured, informed participation that is needed. Each RALO will be formalised through an MOU with ICANN. The RALOs will elect a majority of ALAC members, manage outreach and public involvement, and will be the main forum and coordination point in each region for public input to ICANN.

The At-Large Advisory Committee has one full time staff support person, and needs significant assistance in supporting the ALAC's outreach and advocacy efforts. ICANN will commit resources and support efforts for the following activities:

- keeping the At-Large community in each region informed about relevant ICANN developments,
- promoting At-Large involvement in ICANN policy-making activities, and
- developing and maintaining for the regional At-Large communities on-going mechanisms for discussion, collaboration, and education.

3-4a.iii) Conduct reviews of all policy development processes for effectiveness and efficiency and provide feedback for improvement and evolution of such processes

The policy development processes (PDPs) created through the ICANN 2.0 reform process are currently being put to the test. PDPs are being used within the ICANN structure to develop significant policies across ICANN's diverse constituency base (e.g. Whois issues, new registry services or changes, and IPv4 IANA allocation policy). To keep the PDP framework effective and efficient, ICANN staff will work with Supporting Organizations to review and analyse processes within three months of the end of each PDP, reporting to the Board and to the supporting organisations involved. Where serious issues or concerns are raised, ICANN staff will work with the Board and the supporting organisations on recommended improvements for future PDPs.

The current ICANN Bylaws also provide for evaluations of the Supporting Organisation and Advisory Committee processes on a regular basis when the ICANN Board deems it appropriate. Commencing in 2004 with an evaluation of the GNSO Council by an outside evaluator and a GNSO Council self-review and concluding by 2007, ICANN will undertake the evaluations called for under the reform process, and use those evaluations to enact changes to the policy development processes identified as appropriate by the community and PDP evaluators.

3-4a.iv) Actively promote transparent, accountable, cross-constituency policy processes

The reformed ICANN structure has put in place liaisons between different supporting organisations and committees. These liaisons serve to actively promote transparent, accountable policy processes. Additionally, the new policy development processes have established a greater accountability framework for all policy decisions through their review and reconsideration processes. These policies will be reviewed at least annually to ensure that safeguards for transparency and accountability remain in place, or are adjusted to reflect any changes in conditions.

ICANN staff will work with members of the Supporting Organisations and Committees, the ICANN Board, and all other relevant parties to put in place and support appropriate processes to ensure adequate liaison and communication between groups.

3-4b Public meeting program

Continue to support a public meeting program that unites public and private interests in facilitating a stable, interoperable and dynamic Internet.

Informed participation by Internet stakeholders is essential to a stable, interoperable and dynamic global Internet. All relevant public, private, business, academic civil society and other interests must be involved in policy discussion, development and implementation. ICANN provides an effective forum for diverse stakeholders to come together for these purposes. ICANN will continue to invest in the institutions that allow bottom-up consensus to be reached on relevant policies that will expand the use, reach and security of the global Internet. These institutions include ICANN's array of stakeholder representative bodies described above, its public meeting program, and its multi-lingual communications initiatives.

To enhance the contribution of these meetings towards informed participation in the policy process, ICANN will:

- Continue to hold public meetings in geographically diverse locations;
- Continue to transcribe and webcast public meetings for the benefit of remote participants;
- Promote attendance of stakeholders within the region where the meeting is held;
- Encourage regional participation whenever feasible, working with governments, funding agencies, and others to enable the grant of visas, financial assistance and other resources; and
- Expand the public meeting program to include sub-regional meetings, especially for the benefit of developing nation Internet communities.

Sub-regional meetings will allow local Internet communities to participate directly in the policy discussions and processes, allow opportunities for educational activities and encourage the awareness of innovations implicit in new and existing technologies, with special consideration given to the needs and interests of developing regions. This emphasis on the local impact of global policy helps to safeguard security, stability and interoperability whenever technical or policy changes are introduced.

3-4c Regional presence

Establish an ICANN presence in ICANN's regions to better support countries and local stakeholders in problem solving on Internet related issues under ICANN's mandate, ensure participation by all stakeholders in all regions, and ensure ICANN is truly responsive to the needs of its constituents as it completes the MoU and becomes a truly global organization. Such an approach will not diminish the need for ICANN to operate as one entity dedicated to a global mission and functions.

With increasing participation from all regions of the world, there has been an ongoing demand from all time-zones of the globe on ICANN staff for issues relating to ICANN's responsibilities. These interests in ICANN are a positive reflection of ICANN's progress in emerging into a global organization and reflective of the Internet's global economy. It demonstrates a need no different from that experienced by any other international company or organization. ICANN's commitment to regional presence/outreach is similar in some ways to that made by other business operations with global responsibilities.

ICANN staff, Board members, and members of the community, have found that regional attention is essential to fulfilling ICANN's responsibilities in a global manner. This means not only addressing language or cultural differences, but also improving how ICANN relates to regional needs and interests that fall within ICANN's mission and areas of responsibility. ICANN's participatory multi-stakeholder model encompasses the representation and involvement of all regions of the world, and it is important that each region is involved in the core structures and technical policy making for the Internet's systems of unique identifiers.

Addressing these concerns means establishing an appropriate ICANN outreach/presence (small, efficient and effective) in respective regions, with a balance of hubs and outreach efforts. It is envisaged that North America, Europe, and Asia/Pacific regions would share staff responsibilities across all operational and policy areas, and provide access to critical services across all time zones. With approximately 50% of accredited registrars in North America, 30% in Europe, and 20% in Asia/Pacific, these hubs will be able to respond to urgent issues in a timely and appropriate manner. Outreach or regional liaison presence would complement the hubs, keeping in mind that all ICANN interactions must be able to assist countries and stakeholders in identifying appropriate support for their Internet related issues falling under ICANN's mandate. This includes issues arising in regional outreach/presence, but also matters relating to the IANA functions, ccTLDs, At-Large support, government and regional organization interest in ICANN, and increased communications and participation resources.

ICANN is in the process of identifying how best to address regional needs, in addition to the already established offices in Marina Del Rey and Brussels. ICANN intends to establish an appropriate presence strategy for each region over the next two years. These will vary in staffing and resources based on regional needs, feedback and input from stakeholders, and possible local offers.

ICANN's regional presence will:

- Enable responsiveness to local needs of Internet related issues that fall under ICANN's areas of responsibility; **MoU**
- Support and engage local community members, such as At-Large organisations, members of the technical community and Country Code Top Level Domains, governments and organizations, on specific issues of concern to the region; **MoU**

- Enhance staff work in coordinating and supporting the regional activities and needs of its Advisory Committees and Supporting Organisations that form an essential component of ICANN's bottom-up, consensus-based policy development process, as they relate to ICANN's mission and scope. *MoU*

3-4d Developing Country Internet Communities Initiative Program

Create an initiative program for developing country Internet communities to enable further participation in the ICANN mission by developing country stakeholders

Since the earliest days of the Internet's formation, efforts have been made by many to make the Internet an experience and opportunity for everyone. ICANN shares this commitment through its mission and core values, as well as through its obligations in the MoU. Since ICANN's inception, participation from the developing world has increased, as have the needs and interests as they relate to ICANN's mission.

Consequently, it is incumbent on ICANN to pursue initiatives to address the needs of the developing countries Internet communities. ICANN will take steps to help build a regional presence, fund outreach activities and otherwise ensure that developing countries will continue to increase their participation in the Internet community, through the ICANN community. Promoting awareness and understanding of ICANN's role and mission by governments, media, and community groups will strengthen their informed participation in ICANN's processes.

Additionally, ICANN recognises a need to assist in the promotion of regional forums for technical people from ccTLDs to exchange their experiences and to receive training on some special issues like DNS security. In providing support for these services, ICANN will cooperate with other public and private efforts to bring greater technical resources to the Internet communities of developing nations. ICANN does not seek to duplicate or replace the efforts of others in the Internet community. Rather, its goal is to enhance and expand the availability of technical support and services where they are most needed, and to provide the unique resources and expertise ICANN can offer. Identifying local groups already performing this work, and building support for their efforts will be a key element in the success of this program.

Many existing initiatives would be suitably funded through this program, including supporting those engaged in development of outreach tools and materials, underwriting the costs of translation of ICANN-related materials for local communities, and establishing reasonable funding opportunities for participation in ICANN meetings and training. To this end, ICANN will:

- Consult with the ICANN community, through the ALAC, GAC, and other channels, regarding ICANN's appropriate participation in existing developing country Internet community initiatives, and the feasibility and utility of developing new initiatives to address increasing participation in the ICANN community.
- Work with established international organisations to define guidelines for the appropriate uses and distribution methods of funding designated to the Developing Country Internet Communities Initiative Program.
- Request that the ICANN Board identify or establish a Board sub-committee to maintain oversight of funding issues related to the developing country Internet communities initiative program.

3-4e Comprehensive communications strategy

Develop a comprehensive and multilingual communications strategy, including a collaborative outreach program and stronger media relationships, to ensure that ICANN and its stakeholders are constructively aware of each others' activity, roles, resources and interests.

In addition to being an information resource to others, ICANN needs to have a process for information gathering and analysis, and, through improved processes, develop more effective prioritization of engagement with stakeholder groups. There is also a need for ICANN to play a greater role in education about the Internet and ICANN's role in promoting security and stability.

3-4e.i) Collaborative outreach program

To facilitate a clear understanding of ICANN's role in promoting stability, security, and interoperability, ICANN will establish collaborative outreach with intergovernmental and local Internet communities.

Development of these collaborative programs with private and intergovernmental parties will be coordinated through the appropriate entities within ICANN's structure, including the Governmental Advisory Committee (GAC) and the Supporting Organisations, and in particular the ALAC and Regional At-Large Organisations (RALOs): see section 1(b) above.

These programs will include structured systems for the gathering of international information relating to ICANN's role, and working with the RALOs to promote public participation in their respective regions.

3-4e.ii) Communications and media capabilities

To support its role in facilitating Internet policies relating to the systems of unique Internet identifiers, information about ICANN should be conveyed in an accurate and timely manner to the Internet community, and to the public at large. The broad reach of selected media may be more effectively used for this purpose. Through the media and other communications channels, ICANN will build recognition of the particular role ICANN plays in the Internet governance framework, and of ICANN's authoritative knowledge of the relevant policies and their implementation. In particular, communications will emphasise the international, multi-stakeholder, bottom-up and fully participatory model for technical coordination that ICANN embodies.

3-4e.iii) Develop and implement an appropriate and effective strategy for multilingual communications, including a multilingual feedback capacity

As a global organisation, ICANN needs to provide multilingual communications and materials, a process that has already begun with the publication of an introductory ICANN brochure that has been translated into nine languages, and is available as a PDF on the ICANN web site. ICANN must develop an appropriate and effective strategy to ensure accessibility for Internet communities to relevant expertise, assistance and information.

Additionally, mechanisms for receiving and responding to feedback from ICANN's stakeholders need to be augmented. Online mechanisms to facilitate feedback, respond to inquiries, or provide information related to ICANN's mission and scope, are important to ensure that ICANN as an organisation understands the issues and concerns of the various stakeholders and the broader Internet community.

ICANN's proposed regional presence will also extend the multicultural and multilingual scope of its operations, with direct benefits and opportunities for ICANN and the regional Internet communities alike.

As part of developing and implementing an appropriate and effective multilingual communications strategy, ICANN will, in consultation with the community:

- Identify appropriate languages and materials for translation
- Use new regional outreach/presence initiatives to communicate ICANN's perspective and local, regional and global plans; **MoU**
- Develop and execute a program aimed at supporting developing country Internet activities and elevating ICANN's profile and role in fostering greater participation in the ICANN process **MoU**
 - develop information workshops and seminars in developing regions,
 - “sponsor” events related to ICANN At-Large activities and gatherings;
 - create an internship program through the hub and outreach efforts;
- Use existing resources and opportunities to implement this strategy as efficiently and as effectively as possible. **MoU**
- While multilingual staff can assist with translations, they cannot dedicate all their time to the translation of materials and communications. Costs for translations are accounted for in the Strategic Plan, as well as costs for online mechanisms.

3-4e.iv Develop and launch an enhanced ICANN website and collateral materials to engage public participation

It is in ICANN's interest, both to encourage informed public participation and to fulfil commitments made through the MoU, to develop a more accessible and engaging website. The current ICANN website is not serving these needs as well as possible: its layout is often confusing or intimidating to newcomers, and it can be difficult to find information or comment areas on current topics.

ICANN will launch an additional website geared to address the public participation mandates it serves. With a design specifically aimed at making information and public comment forums for current issues accessible, this website will offer ICANN news and perspectives on issues relevant to the ICANN community. Using many of the rich technologies developed for weblogs, this website will be a source of information for newcomers and long-term participants in ICANN.

Additionally, ICANN has already developed an occasional newsletter, in electronic and physical forms, for distribution during events and meetings where ICANN plays a significant role. The newsletter will publicise current ICANN endeavours and activities, including those of the greater Internet community. By placing ICANN's work in the appropriate context of global Internet activities, ICANN hopes to keep the community informed, and promote greater participation.



Priority Five: Organisational Foundations

To fulfill the obligations and initiatives outlined in this Strategic Plan and detailed in the MoU, ICANN must have a strong operational structure and a reliable financial basis. Building an appropriate selection of effective business practices into ICANN's organisational framework will underpin ICANN's execution of the strategic priorities outlined in this Plan. These practices span governance issues, organisational structures, and operational controls.

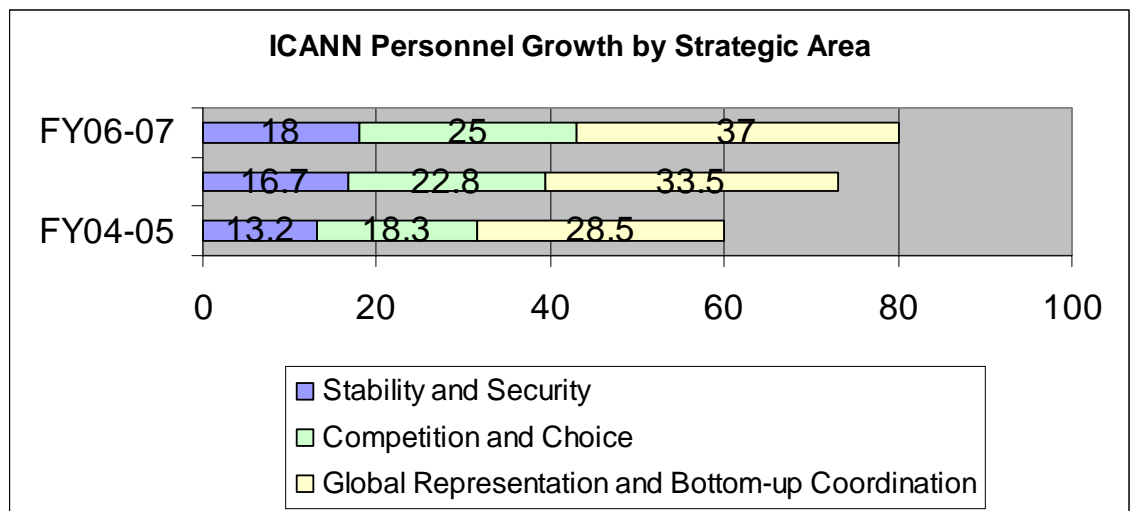
There are two significant areas where strategic planning will guide ICANN's staff and organisational growth:

- 5a Organisational Structure and Personnel
- 5b Corporate Governance and Contingency Planning

5a Organisational Structure and Personnel

To successfully serve its important tasks as a technical coordination body for the Internet, ICANN must continue to recruit and retain a diverse, high-quality and skilled staff. The organisational structure has been shaped to address ICANN's strategic goals, and will be adjusted to address emerging needs and responsibilities. The initiatives contained in this plan will involve the recruitment of additional staff for the following areas: IANA functions, compliance, growth in the number of gTLDs, policy support, cross-constituency liaison support, developing internet community work, communication, regional presence and global outreach. In total, execution of the strategic plan and budget require ICANN staff to grow from 30 employees at the end of FY 2003-04 to 59 employees at the end of fiscal year 2004-5, and to approximately 80 by 2007.

An overview of the change over time is contained in the following chart:



5a.i) **Recruit and retain the high-quality, multi-culturally diverse staff required to ensure this operation is globally efficient and effective** *MoU*

This plan recognises the strategic contribution which good human resources management makes to the success and direction of the business. This can be simply expressed as “right people, right place, right time, right skills.” By early 2005, ICANN will establish an outreach/presence strategy for all global regions to fulfil this Strategic Plan. This will require the recruitment of appropriate staff, and the ability to coordinate the content and partnerships to deliver the necessary targeted programs. ICANN is committed to ensuring that recruitment of new staff will be timely and efficient while seeking the best candidates for each position.

5b Corporate Governance and Contingency Planning

Strengthen and maintain ICANN’s Board representation, operations and review with a focus on contingency planning and maintaining public confidence. *MoU*

5b.i) **Manage contingency plans to ensure continuity of operations**

ICANN has a wide range of stakeholders who rely on ICANN operations in their own strategic operating models. ICANN’s contingency plans must encompass several elements to ensure continued operations of all areas of its responsibilities. Their objective is to maintain the operational stability of the global Internet.

A contingency plan has been developed that meets the requirements of the MoU. In the event of financial difficulties, or any other intervening business circumstances, an Executive Stability Committee will be formed, which will establish a multi-national, multi-stakeholder Emergency Names and Addressing Committee. Through these groups, ICANN’s necessary business and technical relationships will be managed through whatever transition is required.

In the event of a natural disaster, or other catastrophic event, the contingency plan ensures ongoing operations of all of ICANN’s technical functions. The details of this planning are necessarily confidential, but have been reviewed with appropriate technical and emergency management specialists.

In the period of this plan, ICANN will undertake implementation of all necessary structures to support the contingency plan, and regular evaluations of the existing plan to account for changes in personnel, facilities, and resources.

- 5b.ii Continue to develop, to test, and to implement accountability mechanisms to address claims by members of the Internet community that they have been adversely affected by decisions in conflict with ICANN's by-laws, contractual obligations, or otherwise treated unfairly in the context of ICANN processes. **MoU**

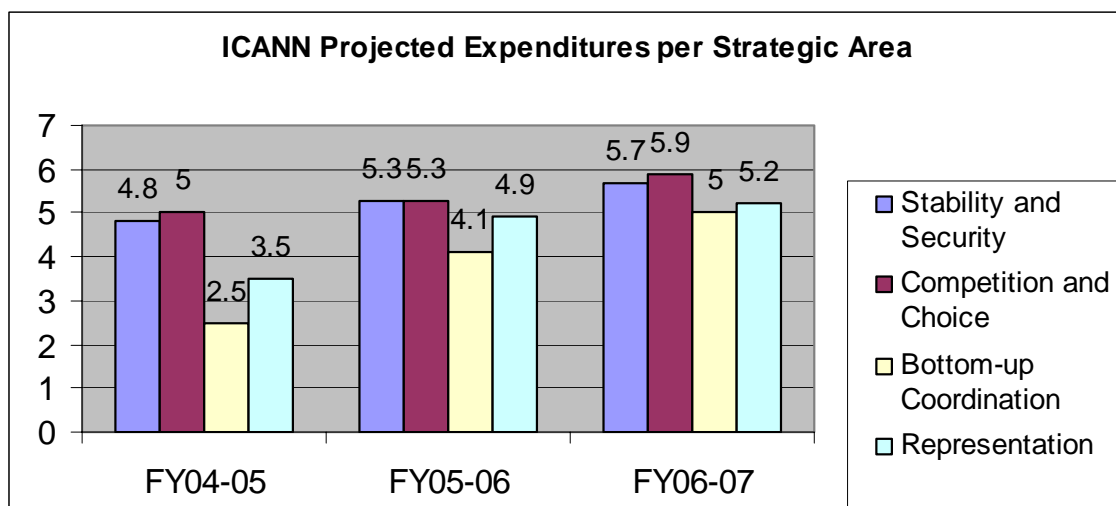
ICANN will continue to work to implement and refine the accountability mechanisms contained in the bylaws, including the Reconsideration Policy, the Ombudsman Program and the Independent Review Panel. Where appropriate, staff will work with members of the community to ensure that these processes remain relevant for the changing needs of the Internet and consistent with other developments in the ICANN arena.



Funding Strategy

Developing and implementing a financial strategy to secure a predictable, adequate and sustainable revenue base to fund ICANN's strategic priorities.

This Plan outlines ICANN's strategy and initiatives for answering the demands of the Internet community for increased resources in operations and policy development support. Pursuing these initiatives will require an appropriate increase in staff and expenditure, especially in the first year of the Plan. Table X.1 shows the budgeted expenditure over the next three years, assigned to meeting each of the four guiding Principles. This projected expenditure does not include funds for reserves or contingency, nor for the security and developing country Internet Community programs. These budget items will be determined through the normal budget processes and as ICANN's revenue model continues its evolution. The budgeted expenditure rose from \$8.3 million in the 2003-04 fiscal year, to \$15.8 million in fiscal year 2004-05 and may rise to approximately \$22 million by fiscal year 2006-07.



In financing these budgeted needs, ICANN proposes to move its funding base to a more stable and sustainable model. In particular, a future funding model should include multiple revenue streams, multi-year rolling budgets, funding that is ear-marked for priorities such as Internet security and the needs of developing countries, and some means to secure a modest operating surplus to establish a reserve for contingencies. To meet these criteria, the proposed revenue structure comprises a balanced mix of contributions from gTLDs, ccTLDs, RIRs, and potentially from alternative sources, intended to be recoverable from registrants in a transparent way.

While there are many issues to be resolved, a future ICANN revenue structure will include the following characteristics: **MoU**

- multiple revenue streams,
- multi-year, rolling budgets,
- ear-marked funding to support efforts such as network security and work in developing countries
- revenues in excess of expenses in order to establish a reserve to address contingencies.

Details of the implementation of this strategic direction will be contained in the operational plan and budget for each year.