ICANN: The Case for Reform

Stuart Lynn
President & CEO
ICANN

APRICOT 2002
Bangkok
Overview

- Where We Are
  - An Unfulfilled Experiment
- At a Crossroads
  - Heading Towards a Cliff
- Roadmap to Reform
  - Focus on Core Mission
  - A Public/Private Partnership
WHERE WE ARE
ICANN’s Mission

- Create private sector, global coordination body
  - Privatize + internationalize
  - Agile and effective
    - Better alternative to government treaty organization
  - Coordinate names, numbers, addresses?
    - Plus?

- Conceived as a bold experiment
  - Incredibly ambitious
  - No agreements, no funding model, no funds

- Three years later:
  - Can mission be achieved?
Main Thesis

- **ICANN as structured cannot succeed**
  - Much accomplished, but key goals not attainable
    - Pre-requisites for full transfer of DNS root
      - From USG

- **ICANN needs significant structural reform**
  - Amazing if it did not!

- **A reformed ICANN can succeed**
  - Tight focus on core mission
    - Which is?

- **A new kind of public/private partnership required**
  - Purely private will fail
  - Purely governmental highly undesirable
  - Workable balance is needed
Why ICANN Cannot Succeed

- Lack of *full participation* by key stakeholders
  - Only *real* measure of legitimacy
- Overburdened by process
  - At expense of *effectiveness*
  - Government-like layers of process
    - Without government legitimacy, resources
  - Too many distractions
- Inadequate, unreliable, US-centric funding
  - With no clear path to solution
- Not seen as credible by key stakeholders
  - Instead: A *(loud)* debating society
Key Stakeholders

- Name Registries/Registrars
  - gTLDs
  - ccTLDs
- Address Registries
- Root name server operator
- Infrastructure providers
- “Major” Users
- Governments
- Etc.
Too Much Process

- Process over Progress
  - Form over substance
  - History of ICANN as a political exercise
    - Get everyone’s agreement
    - Shackle ICANN
    - Oversensitivity to role of government
    - More and more controls
  - Balance out of whack

- Process has become an end in itself
  - At expense of effectiveness
  - Too many distractions
    - At Large Elections

- Diminishes support for ICANN
Inadequate Funding

- ICANN started with no guaranteed funding
- Only registries/registrars participate
  - But not all
- Underfunded for three reasons
  - Significant budget shortfall each year
  - Accommodated by
    - Not hiring to authorized levels
    - Foregoing reserves
  - Inadequate even if fully funded
    - No backup of key individuals
    - Cannot take on needed work
AT A CROSSROADS
Status Quo Not Sustainable

- ICANN cannot succeed without
  - Participation by key stakeholders
  - Focus on effectiveness over progress
    - End irrelevant distractions
  - Adequate, reliable, international funding
  - Government backing for private-sector management

- Status quo not sustainable
  - Funding inadequate to perform core functions well
  - Unable to globalize
    - Cannot meet conditions for full transfer of DNS root from USG
    - Loss of interest

- Muddling through not good enough
  - A weak ICANN is a vulnerable ICANN

- Drift towards government alternative
Reform Required

- Not tinkering
  - Illusion of solutions
- Requires *radical* change
- Requires *new* mindset
- *Effectiveness* as key goal
  - Accomplishment
  - Credibility
  - Confidence
  - Participation
- A public/private partnership
  - Is there any other workable alternative?
ROADMAP TO REFORM
Three Pronged Approach

1. Structure
2. Funding
3. Openness and Transparency
1. Structure

**BOARD OF TRUSTEES (15)**
- Government Appointed (5 Regional?)
- Public (5 via NonCom)
- Ex-Officio (4 + CEO) [+ non-voting GAC, IAB Designees]

**PROMINENT ADVISORY COMMITTEES (2)**
- genericNames (11)
- geographicNames (9)
- numbersAndAddresses (7)

**FORUMS**
- Self-Organizing Forums

**ADVISORY COMMITTEES**
- Government Advisory Committee
- Technical Advisory Committee (SAC, RSSOC, etc.)

*Public Policy Advisory Councils (3)*
2. Funding Principles

- Adequate, Reliable, International
- Related to Costs
  - Core
    - e.g., policymaking; root name server activities
  - Services
  - Reserves
- Bundled or Unbundled
  - Agreements vs Fee for Service
- Tiered
  - According to size, GNP etc
- Fair Share Principle for Organizations
  - Full participation = Fair share funding
- Broaden Sources
  - Signed agreements
  - Fees for service
  - Governments
3. Openness & Transparency

- Ombudsman
- Mgr. Of Public Participation
- Nominating Committee
  - Bound by constraints
    - Experience, knowledge, leadership, judgment, geographic and functional diversity, etc.
  - Stakeholder Liaisons
- Open and Transparent
- Public Conferences
  - Bi-Annual
- Objective: *meaningful* participation
  - Self-organizing forums
CONCLUSIONS
How Does This Solve The Problems?

- Participation
  - Carrot and Stick
- Too much process
  - Greater Opportunities to Act
- Funding
  - Broader Participation
We Need You

- Starting point not an ending point
- Need ideas, comments, criticisms
  - lynn@icann.org
  - comment-reform@icann.org
  - http://forum.icann.org/reform/
  - Q&A session
- Directed at all problems
- We must move with dispatch
ICANN Redux

- A Strong Organization
  - Effective and Agile
- Supported by Key Stakeholders
  - A Public/Private Partnership
- Led by Best Team Possible
  - Board & Steering Committees
- Open and Transparent
  - Real Participation not Process
- Properly Funded
THANK YOU!