Summary Report of Public Comment Proceeding

ICANN Draft FY19 Operating Plan and Budget, and Five-Year Operating Plan Update	
Publication Date:	24 April 2018
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Public Comment Proceeding	
Open Date:	19 January 2018
Close Date:	08 March 2018
Staff Report Due Date:	12 April 2018 (Original) 24 April 2018 (Extended)

Important Information Links

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Section I: General Overview and Next Steps

ICANN organization's (ICANN org) strategic plan for Fiscal Years 2016-2020 was developed through a community-led process and adopted by ICANN's Board in October 2014. The strategic plan underpins ICANN's Five-Year Operating Plan, which was developed with community input and includes strategic goals with corresponding key performance indicators, dependencies, five-year phasing, and list of portfolios; and a five-year financial model. The initial FY16-20 Five-Year Operating Plan was adopted in April 2016. It is updated each year to reflect what has been achieved and to refine planning for future years. The Five-Year Operating Plan is accompanied by a Fiscal-Year Operating Plan & Budget for the coming fiscal year.

ICANN published the FY19 draft update to its Five-Year Operating Plan, along with the draft FY19 Operating Plan & Budget set of documents on 19 January 2018. The documents were supported by a budget. Webinars with the community were held on 25 and 26 January 2018 at the start of a 49-day public comment period.

During the public comment period, ICANN provided responses to clarifying questions from the community. The questions and responses were posted to the public comment forum on 13 February 2018.

Comments were received from 20 community groups and 19 individuals. The comments were segmented by 18 themes and totaled 184 specific comments. There were 19 comments submitted after the deadline for submitting public comments. We have listed these comments in a section at the end of report. For these comments, where the themes were similar to other comments received we referred to those responses.

Following the public comment period, ICANN org held two sessions at ICANN61 with the community to improve understanding of the comments. These sessions helped ICANN org develop better responses and identify changes to make to the draft plans.

The updated Five-Year Operating Plan and FY19 Operating Plan and Budget will be presented to the ICANN Board for adoption at a Board meeting in May 2018.

All amounts referenced below are in U.S. dollars unless otherwise stated. All references to consideration of changes to the FY19 Operating Plan and Budget are suggested changes and subject to approval by the Board.

ICANN uses the comments and other feedback provided on the draft planning documents each year to identify areas of strength and areas where improvements are needed. The comments are used to identify specific changes to the planning process the following year. This is a part of ICANN's commitment to continuous improvement.

Section II: Contributors

At the time this report was prepared, a total of 20 community submissions had been posted to the forum. The contributors, both individuals and organizations/groups, are listed below in alphabetical order. To the extent that quotations are used in the foregoing narrative (Section III), such citations will reference the contributor's initials.

Organizations and Groups:

Name	Submitted by	Initials
At-Large Advisory Committee	Alan Greenberg	ALAC
Blacknight, an Irish based hosting provider	Michele Neylon	Blacknight
Country Code Names Supporting Organization – Strategic and Operational Planning Committee	Giovanni Seppia	ccNSO-SOPC
CEO of Registry Africa	Shantall Ramatsui on behalf of Mr. Lucky Madiela	Registry Africa
CEO, Allegravita LLC	Simon Couisin	CEO, Allegravita LLC
Fellowship alumni	Jelena Ožegović	Fellowship Alumni
Generic Names Supporting Organization – Council	Berry Cobb on behalf of GNSO Council	GNSO
Registries Stakeholder Group	Paul Diaz	RySG
Internet Infrastructure Coalition	Christian Dawson on behalf of the i2Coalition	I2Coalition
Intellectual Property Constituency (IPC)	Brian Scarpelli	IPC
MarkMonitor	Stratton Hammock	Mark Monitor
Namibian Network Information Center	Dr. Eberhard W Lisse	Namibian Network Information Center
Non-Commercial Stakeholders Group	Rafik Dammak	NCSG
Radix	Priyanka Damwani of behalf of Sandeep Ramchandani	Radix
Registrar Stakeholder Group	Zoe Bonython	RrSG
DotAsia Organization	Jennifer Chung	DotAsia Organization
Security and Stability Advisory Committee	Steve Sheng, on behalf of SSAC Chair Rod Rasmussen	SSAC

Swahili ICANN Wiki Ambassadors	Rebecca Ryakitmbo	Swahili ICANN Wiki Ambassadors
Ministry of Information Technologies and Communications - Columbia	Jiafa Mararita Mezher Arango	Mintic
ICANN Business Constituency (BC)- Submitted Late	Steve DelBianco	BC
ICANN Internet Service Providers and Connectivity Providers-Submitted Late	Chantelle Doerksen on behalf of ISPCP	ISPCP

Individuals:

Name	Affiliation (if provided)	Initials
Amrita Choudhuryon	(none)	AC
Ayden Ferdeline	(none)	AF
Catherine Niwagaba	(none)	CN
Christa Taylor	(none)	CT
Isaac Maposa	(none)	IM
Jason Cutler	(none)	JC
John Poole	(none)	JP
Kurt Pritz	(none)	KP
Mason Cole	(none)	MC
Maureen Hilyard	(none)	MH
Olga Cavalli	(none)	OC
Simon Oginni	(none)	SO
Pablo Rodriguez	(none)	PR
Pascal Bekono	(none)	PB
Sarah Kiden	(none)	SK
Wisdom Donko	(none)	WD
Esther Patricia Akello	(none)	EPA
Roland LaPlante	(none)	RL
Jiafa Margarita Mezher Arango	(none)	JA

Section III: Summary of Comments

General Disclaimer: This section intends to summarize broadly and comprehensively the comments submitted to this public comment proceeding but does not address every specific position stated by each contributor. The preparer recommends that readers interested in specific aspects of any of the summarized comments, or the full context of others, refer directly to the specific contributions at the link referenced above (View Comments Submitted).

To gain a better understanding of the comments submitted, and to help community members reading this report, comments were segmented thematically rather than by group or individual. The comment themes are listed below in alphabetical order. The analysis section provides a high-level assessment of the observations, questions, and requests. Responses to individual comments are provided in the tables at the end of this report.

The specific comments and ICANN's responses will also be published as an Excel spreadsheet, to enable structured analysis by the community.

- Budget Development Process and Document Contents / Structure
- Community Outreach / Engagement / Programs
- Community Travel Support / Funding
- Complaints Office
- Contractual Compliance
- Community Regional Outreach Program (CROP)
- Funding
- Funds Under Management
- GDD Operations and gTLDs
- General
- Headcount / Staffing
- ICANN Wiki
- IT Projects
- Language Services
- Other-Financial Management
- Policy Development
- Reserve Fund
- Strategic / Operating Priorities

Section IV: Analysis of Comments

General Disclaimer: This section intends to provide an analysis and evaluation of the comments submitted along with explanations regarding the basis for any recommendations provided within the analysis.

Budget Development Process and Document Contents/Structure

A total of 16 comments were submitted on this topic by 6 working groups and two individuals. Several comments pertained to recommendations that would improve ease of readability and clarity for the community.

Community Outreach / Engagement / Programs

There were 22 comments submitted on this topic. These comments varied in scope, some expressing a need for more outreach in specific areas or regions, and others indicating a need for more explanation of resources allocated to outreach.

Community Travel Support / Funding

There were 36 comments by 10 different working groups and 16 individuals were submitted with a general theme of funding for community travel.

Complaints Office

One working group comment submitted a comment asking for clarity regarding the role of the complaints office operations.

Contractual Compliance

Three comments by three groups were submitted on contractual compliance. These comments focused on resources and budget for GDRP.

Community Regional Outreach Program (CROP)

Six comments by three different groups and two individuals were submitted with a general theme of funding for community travel.

Funding

There were 10 comments submitted by groups on various aspects of the topic of ICANN's funding assumptions.

Funds Under Management

One group comment was submitted regarding the investment policy.

Global Domains Division (GDD) Operations and gTLDs

There were 14 comments submitted by five working groups and 2 individuals. Some comments sought more explanation of GDD funding and others sought clarity on the next application round.

General

Seven comments by four different working groups and one individual were submitted with a general theme of clarification of information included in the draft documents.

ICANN org Headcount

A total of 19 comments were submitted by 10 working groups and two individuals regarding headcount and/or staffing. These comments were primarily indicating a need for further explanation and rationale for increases in headcount and personnel expenses.

ICANN Wiki

There were 13 comments from seven working groups and seven individuals were submitted to express support for a continued funding by ICANN of the ICANNWiki.

IT Projects

One comment by an individual was submitted regarding cloud based innovation.

Language Services

One comment by a working group was submitted on this topic in support of service levels.

Other- Financial Management

There were 13 comments submitted by 7 working groups and one individual seeking clarification.

Policy Development

Eight comments by 4 different working groups and one individual were submitted with a general theme of funding for policy programs.

Reserve Fund

Seven comments were submitted by five working groups and one individual expressing concern about the reserve fund and plans to replenish.

Strategic / Operating Priorities

Five comments were submitted by working groups indicating a need for more information on GDPR.

Ref #	Contributor	Question / Comment	ICANN Response
7	MH	I thank ICANN that I have been able to contribute my point of view about the Budget by way of a conversation, but truly hope that some changes can evolve if not to the actual budget figure, but to the way in which support can be given to those who truly believe and hope that by contributing to ICANN's work, that they are making a difference to the world in which they live. For us in developing countries, even just trying to catch up to those in developed countries in the face of financial barriers, this vision is still a mirage.	Capacity development remains an important area for Global Stakeholder Engagement at ICANN and a key pillar of the regional engagement strategies. Capacity development allows for participants from underserved regions and participants with limited resources to gain knowledge that will enable them to become active participants in ICANN's technical and policy work.
17	AF	Over the past decade, ICANN the corporation has grown significantly in size and value and has become an end in and of itself, rather than the means (legal entity) to an end (global management of the DNS). ICANN's 1999 annual budget totalled only $3.4 million in expenses, however the organization's budget has climbed steadily since its inception, with the proposed 2019 operating budget sitting at $138 million. The projected budget for the fiscal year 2019 sees personnel costs increase to $76.9 million, a 10% increase over 2018, and now comprising some 56% of the budget. A further $23.4 million, or 17% of the budget, is allocated to outside consultants, attorneys, and other "professional services." There is a perception that staff and consultants make many of the real policy decisions, long before issues are packaged and presented to 'the community' for consideration. I could provide countless examples of where I have seen this happen, but this Budget is a good case in point. Note how the draft Budget published 19 January 2018 presumes a 50% decrease in the size of the fellowship	ICANN organization appreciates the comment on the continued improvement and transparency of the budget process. For further comments relative to a number of topics mentioned in the comment, please see below. For Personnel growth, please see comment #22. For Professional Services expenses, please see comment #41 For Fellowship, please see comment #4 For Community Involvement, please see comment #136 For Community Regional Outreach Program (CROP), please see comment #19 Further, referring to the point included in this comment on "the perception that ICANN and consultants make many of the real policy decisions long before issues are packaged and presented to the community consideration". It is very helpful that this perspective is

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		program, however ICANN org did not begin consulting with the community until 31 January 2018 as to the future direction of the fellowship program. The outcome appears to me to have been pre-determined. This is not an isolated incident and I do not believe this to be merely my perception; I believe this to be a community-wide perception that can only be countered if the community sees and feels that it is being listened to. Another example: on a January 2018 call discussing the speed with which ICANN staff had assessed community comments related to the GDPR, the President of the Intellectual Property Constituency asked the ICANN CEO: "To what extent were the community models considered and how, if so, were they integrated into these 3 compliance models [ICANN] put out? ... I would just like to point out that there was basically a two day window between when these [community] models were submitted and when these [ICANN org] models were spun out, so that must have been very challenging for you all to incorporate that all so quickly." The pace at which ICANN the corporation is growing causes concern, because enormous amounts of money and other resources can be steered or restricted by staff. It is at least my perception that ICANN staff or consultants more often than not hold the pen when it comes to drafting policy recommendations, working group proposals and reports, and the implementation details behind community decisions. It is staff who can make the call to seek (or not) external legal advice in working groups; it is staff who know and set the internal timelines that the organization has budgeted for a working group to complete its work. And, with the removal of the community Regional Outreach Programme (CROP) from the FY19 Budget, it seems it will primarily be ICANN staff, and not community members, empowered with the	provided as it highlights the challenges inherent to the process by which decisions are made in the multistakeholder model that ICANN operates under. Policy development is entirely made by community-based efforts. Non-policy decisions around ICANN activities or support follow a different mechanism that relies on the interaction between a party that identifies a need, whether a community member, a member of the public, or an ICANN resource, and how ICANN addresses the need in question. This interaction often consists of ICANN organizing a process of definition of the need and offering to the community a path to addressing it through various means of interaction (during ICANN meetings, during webinars, through public comment processes, etc…). The fellowship consultation that is taken as an illustration is this comment is a good example of the above. The reality of on-going operations is that various activities can happen in parallel and are not necessarily synchronized. Using the example of the fellowship program and the community consultation on it, this consultation was initiated as a result of a need identified by those interested in this program. Separately, ICANN carries out its budget development process in a timing that does not, and is not intended to, take into account the timings of various projects happening at any point of time. As a result, some positions are required to be defined for budgetary reasons in a timing that does not allow such positions to be informed by processes that will conclude later. ICANN offers its operating plan and budget for public comment exactly for the purpose of allowing community involvement and influence in those draft positions that are not policy development related and are therefore

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		resources to attend regional events and to be the voice of ICANN. This is not a criticism of the very good work that ICANN staff and consultants do – I recognize how hard they work – but it is a flaw, in my mind, in ICANN's governance structure and the policy development and implementation process.	not made through a bottom-up development process. As a result of the input received, ICANN may amend the draft positions initially offered. In addition, it should be understood that the operating plan and budget is not a policy statement. The operating plan and budget simply offers an intended plan of actions, with its financial impact (the budget), established at a point of time, based on partial information and using assumptions. This plan of action changes as operations and activities happen and are carry out, and circumstances change every day.
38	NCSG	The NCSG takes seriously its responsibilities as a part of the Empowered Community. We understand that the Empowered Community has obtained veto power over ICANN's budget following the IANA transition. As a result, our Stakeholder Group has been very proactive in monitoring and participating in the FY19 budgetary process in order to meet our obligations to the non-commercial community, to our members, and to the broader ICANN community. It is very important to us that ICANN the organization functions in the way the community has directed it to. Accordingly, we have carefully reviewed the proposed budget in order to understand what resources we have been allocated relative to other parts of the community, both to ensure parity and to ensure that we are fully accountable for the resources that we utilize. We have been unable to approximate the levels of financial support provided directly and indirectly to the various Supporting Organizations, Advisory Groups, and associated Stakeholder Groups and Constituencies. We have been advised by the Finance department that the organization does not offer reporting with this level of granularity. We need to have this information in order to hold ourselves, and others, mutually accountable. In particular, we would	The ICANN org will evaluate the feasibility of providing more specificity about the levels of financial support provided directly to the various Supporting Organizations, Advisory Committees, and associated Stakeholder Groups and Constituencies. This will be considered in the ICANN FY20 budget development process without compromising the ability to produce useful information and engage adequately with the community. ICANN org will also evaluate the impact on resource requirements associated with this increased analysis.

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		like to know whether the GNSO is receiving an appropriate level of support which is equivalent or balanced in relation to what ICANN is extending to the ALAC, ASO, CCNSO, GAC, RSSAC, and the SSAC.	
47	NCSG	The NCSG expresses its appreciation, on behalf of its member constituencies, for ICANN's past support in developing evergreen materials for our newcomers as a part of the pilot community onboarding programme. This programme met a natural conclusion, fulfilling the objectives for why it was initiated, and we leave it with excellent deliverables that we believe will serve our new members well for years to come.	Thank you for your feedback. We are pleased that the evergreen program was instituted with such great success.
58	ccNSO-SOPC	The SOPC welcomes the ICANN CEO's acknowledgement in the preamble to Document 1 that 'ICANN org could have done better in its long-term financial planning' – an issue that this Committee has been highlighting for over five years, and that 'it is for the multistakeholder community to decide not just what work gets done and when, but also to help keep expenses within ICANN's means and focused on our mission'. We further hope that his remark - 'ICANN org exists to support the community's work and ICANN's mission' – is well-shared around ICANN as an organization. To follow up the remarks made by the ICANN CEO - 'ICANN org could have done better in its long-term financial planning'- it would be desirable for ICANN org to compare and assess the budget estimates and actuals of the past five years, in order to present a long term budget plan to the community so that the community can better	We appreciate the feedback. ICANN org will consider this analysis in the FY20 Operating Plan and Budget development.

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		'decide not just what work gets done and when, but also to help keep expenses within ICANN's means and focused on our mission'.	
83	i2Coalition	Mission and Metrics: ICANN should make clearer a connection between budgeted expenses and their relation to fulfilling its stated Mission. This connection should include not simply a dollar amount, but specific and measurable metrics to assess effectiveness, and future reporting on these metrics.	In August 2017, ICANN org published an updated Accountability Indicators dashboard. This is an evolution from our previous Key Performance Indicators (KPI) Dashboard. Based on feedback from the ICANN community, organization, and Board over the last couple of years, we have transformed the KPI Dashboard to better demonstrate the organization's accountability and transparency to the community. We recognize that ICANN is a unique organization, so market trends and industry benchmarks do not always apply. Other measures better demonstrate our progress, including perception measures such as satisfaction surveys and non-performance measures such as Board composition. ICANN org continues to review and refine Accountability Indicators after the publication of the draft Operating Plan and will continue after adoption by the Board. In the Accountability Indicators, you can download the underlying data and drill down to see the metrics. These metrics continue to evolve and ICANN org will continue to evaluate and identify additional metrics.
90	RySG	2.1. Towards a more cost-conscious ICANN org The RySG is pleased to see that the proposed expenses do not exceed the projected revenue for FY19, and firmly appreciates the organizations focus on cost control and savings through optimizing internal processes and procedures. We would like to see this mark the beginning of a change in culture, characterized by a more cost-	Thank you for your feedback and we completely agree. ICANN org is focused on cost control and savings through optimizing internal processes and procedures, while maintaining the services provided to the community.

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		conscious ICANN that works well within the fiscal constraints imposed by limited funds.	
107	GNSO	First, the GNSO Council wishes to thank the Finance Department, and in particular Xavier Calvez and Becky Nash, for their receptiveness to community input and for responding so promptly and comprehensively to the clarifying questions that were submitted by the members of the Standing Committee. We appreciate the granularity in the materials that were made available this year, and we express our appreciation for the fact that this material was published some five weeks earlier than it was for the FY18 budget cycle. As a suggestion, we request that a high-level summary of the key points, divided into a table of "what's in" and "what's out" of the proposed Budget, be provided moving forward.	Thank you for your feedback. ICANN org continually strives to provide more information in the published documents to enhance transparency and accountability to the public interest and community. The organization will consider incorporating this change in the FY20 Operating Plan and Budget process.
108	GNSO	Second, the GNSO Council wishes to propose an improvement to ICANN org's budget development process. The GNSO Council met in January to identify and prioritize its policy development and other activities in the coming year. We believe that the results of this exercise would prove an extremely effective tool to ICANN org in its development of the annual budget, in that it would provide the organization with clear, current status of anticipated timelines and thus help the organization more accurately account for policy implementation in the annual budget. The GNSO Council considers an earlier, more robust communication and information gathering approach by ICANN org to be an	Thank you for your feedback. ICANN organization continually strives to provide more information in the published documents to enhance transparency and accountability to the public interest and community. The suggested additional analysis appears to be a useful improvement to the clarity of the information presented in the budget and the organization will consider incorporating this change in the FY20 Operating Plan and Budget process.

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		important and necessary maturation in its budgeting and fiscal prudence	
109	GNSO	Third, the GNSO Council, as manager of the GNSO policy development process and a decisional participant in the Empowered Community, believes it has a responsibility to examine ICANN's overall spending patterns, examining in particular the organization's effectiveness and efficiency. Going forward, the Council intends to explicitly document effectiveness and efficiency within our activities. We ask that ICANN org do the same, measuring the effectiveness and efficiency of its operations in a way that the community finds meaningful and useful.	We appreciate that the GNSO Council intends to explicitly document effectiveness and efficiency of their activities. In August 2017, ICANN org published an updated Accountability Indicators dashboard. This is an evolution from our previous Key Performance Indicators (KPI) Dashboard. Based on feedback from the ICANN community, organization, and Board over the last couple of years, we have transformed the KPI Dashboard to better demonstrate the organization's accountability and transparency to the community. We recognize that ICANN is a unique organization, so market trends and industry benchmarks do not always apply. Other measures better demonstrate our progress, including perception measures such as satisfaction surveys and non-performance measures such as Board composition. ICANN org continues to review and refine Accountability Indicators after the publication of the draft Operating Plan and will continue after adoption by the Board. In the Accountability Indicators, you can download the underlying data and drill down to see the metrics. These metrics continue to evolve and ICANN org will continue to evaluate and identify additional metrics. Please find link to the Accountability Indicators here: https://www.icann.org/accountability-indicators

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126	ALAC	The At-Large Advisory Committee (ALAC) would like to thank the ICANN CFO and his team for the improvement made in the draft FY19 operating plan and budget in terms of clarity. The presentation of the draft budget in several separate standalone documents is helpful for direct access to the needed information without being obliged to read the whole draft budget document. The ALAC also appreciates the new information, such as the per-person costs for travel to ICANN meetings that was not previously readily available. That being said, when such changes are made from year to year, it is imperative that context be provided. As an example, although we appreciate the travel information mentioned above, it should have been accompanied by comparable information from past years so the community can understand how it has changed over the last several years. This is all the more important given that decisions were made in the proposed budget based on such relative changes. Links between the multiple documents would also help those unfamiliar with the new formats. Additional graphics may be useful to show the relative changes over a multi-year period.	We appreciate the feedback. ICANN org will consider adding comparable information from past years on community-funded travelers in the FY20 Operating Plan and Budget development process. We also note that links between the documents structure would be helpful and we will take that suggestion under advisement.

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127	ALAC	The ALAC notes that at least one document (Doc #2) was changed after it was posted with no notice on the Public Comment page of the replacement and no indication in the document that a change had been made (same document name and no indication in the document title or date that it had been revised). The ALAC also notes that the presentation of SO/AC travel seats was not accurate in that the total number of seats "per meeting" includes incoming leaders which only applies to the AGM and also includes the Technical Experts Group which is not an SO or AC. Both of these served to inflate the perception of actual travel allocated to SO/ACs. The ALAC appreciates that ICANN is entering a period where we can no longer expect growing budgets, and strongly supports ICANN's intent to both operate within its projected revenue and work towards having a reasonable reserve.	Thank you for your comments. There were revisions made to the FY19 Operating Plan and Budget documents after initial publication due to several minor corrections that were needed. We note the comment about the presentation of SO/AC travel seats was not accurate. We will evaluate changing the method by which we report on the number of travel funding seats.
155	ccNSO-SOPC	Document 4 – FY19 Operating Plan, Modules. We fail to see the long-term planning for any of the so-called "Modules" in Document 4 which would be recommendable to introduce. The Document 4 contains a high-level description of the Modules and their "recurring activities". However, the Modules are not presented in a consistent way with some of them having "risk and opportunities" section.	Thank you for your feedback. ICANN org continually strives to provide more information in the published documents to enhance transparency and accountability to the public interest and community. As each Module is different, certain variations in format naturally occurred. ICANN org will make this more consistent for clarity in the future.
156	ccNSO-SOPC	Document 4 – FY19 Operating Plan,Expected Changes from FY18 to FY19: we commend ICANN on its effort to present the information related to projects in a clearer and more detailed manner, particularly the way the expected changes from one FY to the next are presented. This helps any reader to better understand the new scope and expectations in the proposed Budget.	Thank you for this feedback.

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157	ccNSO-SOPC	Document 4 – FY19 Operating Plan, Metrics: as the objectives and goals for each module are detailed and explained, it would be very valuable to see the metrics right away (including the Accountability Indicators). We noticed that the metrics have been included in a different document. In order to create a holistic view and facilitate a complete understanding of the proposed project, the metrics are key to transparency and proper project management. The goals do not mean much without knowing the expected tangible results. Therefore, these elements should be included in one document only.	Thank you for your feedback. ICANN org continually strives to provide more information in the published documents to enhance transparency and accountability. As each Module is different, certain variations in format naturally occurred. ICANN org will make this more consistent for clarity in the future. In addition, this objective of increased Accountability Indicators for the organization has been part of the Operating Plan and Budget for multiple years and continues to evolve. As this objective matures, ICANN org will evaluate the Accountability Indicators and will continue to try and present them in a more transparent way within the Operating Plan and Budget.
163	ccNSO-SOPC	Document 4 – FY19 Operating Plan, On page 30 priorities for Module 3 are under "major assumptions". The same is for Module 4 and 5. We would appreciate some clarification to understand why priorities fall under assumptions.	Thank you for your feedback. ICANN org continually strives to provide more information in the published documents to enhance transparency and accountability. The modules were constructed using a pre-formatted template, and in this case it might have been a duplication error. ICANN org will implement further controls and align formatting and style for future Operating and Budget Plans.

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4	MH	THE FELLOWSHIP PROGRAMME • The biggest cut has been to the Fellowship programme. It has been noted that the programme has increased quite considerably since its early days but the suddenness of the cut has been a real jolt to the communities who have benefited from the programme over the years. It is understood that just before Abu Dhabi, the Fellowship Unit carried out a survey as a self-review of the programme and the its benefits not only for ICANN but also for the regions. The ALAC did not receive a report on how the results of the survey was received by the Board, until the budget came out with the fellowship numbers slashed. • It has been heartening to view the statistics about Pacific involvement in the Fellowship programme. Thanks to Dev Anand Teelucksingh's stakeholder tool I have been able to get some valuable statistics. Since the Puerto Rico meeting in 2007, 53 Individuals from 14 (/22) countries in the Pacific region have participated in 86 Fellowship slots which have been used by Individuals with backgrounds in Government (24), Civil Society (22), Technical (19), Academic (15) and Business (6). • Among the 53 Individuals, one has since become the Minister of IT in Tonga, and several hold executive positions in ICANN, local government and ccTLD management, and others have set up ALSes or IT groups in their countries to provide more informed support for the work of ICANN within their small communities. • One PICISOC Board member who will be acting as a Coach within the Fellowship programme in ICANN61, Puerto Rico, put a message online to the PICISOC list	In the FY18 Budget, the Fellowship slots are capped at 180 participants annually. The FY19 draft budget proposes a 50% reduction in the number of total seats. The proposed reductions are intended to ensure that the program is at manageable levels from a resource perspective, without impacting the quality of the Fellowship experience. This is an important program to ICANN, and everyone is committed to maintaining its high quality while planning for its long-term sustainability. With regard to additional information on the value, defined as the ratio of benefits versus costs, the aggregate 10-year data collected on Fellows has been outlined in a recent blog (see https://www.icann.org/news/blog/icann-fellowship-program-taking-stock-of-the-past-and-looking-towards-the-future). This blog talks about the goals of the program. There is also a 10-year Fellowship alumni survey that includes additional (self-declared) data points on Fellows' levels of engagement in ICANN (see https://www.icann.org/en/system/files/files/icann-fellowship-program-10-year-survey-dprd-28jun17-en.pdf). Of note, 69% (218) of respondents said that they are engaged with their respective ICANN regional team; 62% (198) are currently involved in a community; 39% (125) are active contributors, leaders, or ambassadors. The Fellowship Program is competitive, with application numbers for each ICANN public meeting ranging

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		today in response to a request from me for PICISOC members to add their voices to the public comment on the Budget: Not only as you mentioned have we had the privilege to participate in ICANN programs and events but this exposure has also led to increased participation in the Internet community - within ICANN's remit of names and numbers as well as beyond. I speak for the impact I have witnessed first hand in PNG. Such programs have exposed the beneficiaries to the wider Internet community. And many of whom have gone on to make contributions in their own way to the Internet in PNG. Particularly in the past 2-3 years where PNG has had a more consistent presence at ICANN, largely due to ICANN funding. I am sure the same impact has been witnessed throughout the Pacific. It would be a shame if we were not to have such opportunities more available to our people. Please also feel free to communicate your thoughts to the board should you wish to. As Maureen mentioned, we are an ALS and our input in this is most encouraged." • Therefore, things are happening in our region of developing countries, but ICANN would not realize this because developing regions are not granted any recognition for what our Fellows are doing when they return to their countries. • There is a need for greater monitoring of Fellows when they return to their homes. What contribution do their make in their communities, and how can this be validated? We have known of Fellows who have had repeat Fellowships although they did not undertake what is the Fellows' obligation after their respective Fellowship participation. In order for ICANN to feel that the	anywhere between 400-500+. The program's selection committee is made up of ICANN community members (see https://www.icann.org/resources/pages/committee-2012-02-25-en). ICANN org has started a public consultation that will inform the future direction of the Fellowship Program (see https://www.icann.org/resources/pages/fellowship-community-process-review-2018-03-20-en). Everything, including program goals, objectives, well-defined metrics, size and scope is subject to this consultation, and we strongly encourage everyone's participation through the relevant SO/AC/SG/C. This is the right opportunity for the community to define its expected ROI. ICANN org is considering making changes to Fellowship funding in the FY19 budget.

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		programme is justified, and that ICANN is getting ROI, then there must be a series of reports expected as follow up to a Fellowship to demonstrate the value of the programme to the Fellows home community as well as to ICANN, and before a Fellow will be considered for a repeat Fellowship. • I am a product of the Fellowship programme and I can truly attest to the successful introduction that I was given to the programme in 2010, and subsequently in 2012 and thereafter, once I was able to commit more time to ICANN matters. Through the Fellowship programme, I also grew a network of people within the ALAC which I had decided was my preferred constituency, who have helped me grow and to learn more about the ICANN ecosystem. The Fellowship spurred me to become an active member and I am now aLAC Vice Chair. I have always felt supported not only by the ALAC and by the APRALO Leadership Team and our ALSes, but also by people across the other ICANN communities who have welcomed me and helped me learn more about what they do and how we can help each other. • Halving the Fellowship programme will slow down the potential for future volunteers from developing countries, like myself, to become involved in ICANN and its policy development processes. I hope I have demonstrated that there is great potential out there if ICANN will not only harness their participation in the Fellowship programme but also encourage their continued participation in ICANN. This is an area that needs further development – how to keep Fellows actively participating AFTER the Fellowship programme.	
5	MH	TRAINING AND CAPACITY BUILDING • But there are lots of constraints to participation for potential leaders from developing countries and regions:	Capacity development remains an important area for Global Stakeholder Engagement at ICANN and a key pillar of the regional engagement strategies. Capacity

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		affordability of the internet in the Pacific is really expensive; access to the internet as well as to equipment so that they can attend meetings can also be an issue if they don't have the internet to their homes; and timing of meetings is not very hospitable to those of us in the Oceania region. • Although many working groups are being a little more accepting of rotating meeting times, I have found that the GNSO are pretty rigid with their times (midnight and 4am for Southern Hemisphere participants (in Aust and Cooks Is) in the Auction Proceeds and WT5 meetings). • But local training and capacity building is essential if ICANN truly wants to produce their stated strategic outcome (1.2): Broad and effective participation from around the world in ICANN's programs and initiatives demonstrated by an increase in engagement of countries and stakeholder groups worldwide. ICANN would be better served to add a project for a facilitator to provide outreach and capacity building within each of the islands to the various community sectors about ICANN and its work. It would be a cheaper option than providing travel and accommodation costs to move groups of people between island nations which is really expensive. • A survey is currently underway of APRALO ALS participants which includes a number of Pacific respondents. After a week, 35 participants have responded, many of them from developing economies. The results show that: Ø 51.5% are in the 25-40 year age group – a target group we should be encouraging to become more engaged. I note that we had no respondents from the <25 year age group. Ø 16/35 respondents (46%) had been ICANN Fellows – a second area of potential participants that ICANN should	development allows for participants from underserved regions and participants with less resources to gain knowledge that will enable them to become active participants in ICANN's technical and policy work.

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		target immediately after their Fellowships Ø 68% of our respondents work in the internet or domain name industry – so that they already have an understanding of what is required of policy, but need to be encouraged to have more input into the policy development process. (The Fellowship programme needs to incorporate more policy study, or even as a case study following their Fellowship as part of an ongoing evaluation process, until they actually become engaged – or drop out.) Ø 12% indicated that they do not have broadband at home (this is a small number at the moment, but the low response rate could be attributable to some of our members' not being able to access the internet to respond to our survey nor to attend our At-Large meetings – unless they use equipment and access at work – if they are allowed to do so). Ø 22.6% experienced problems with Adobe Connect, or other equipment-related issues during their last online ICANN meeting. For our developing countries, the problems could be related to poor connectivity. Even in the Cook Islands where I am, and where the service is reasonable, sometimes, connectivity is a real issue. The ICANN phone bridge is an essential service, because Pacific countries do not have a freeline option that they can use. I have to pay a toll call to reach a freeline in Australia or NZ. • With regards to community involvement and local outreach: Ø 70% of our ALSes support internet or domain name services Ø 83% of our ALSEs (and 67% of Individual members) provide information and discuss ICANN policy and activities with their members in-country	

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		Ø 73% of ALSes (and 77% of Individual members) are regularly involved in outreach about ICANN in their country Ø 76% of ALSes (and 44% of Individual members) attend the monthly APRALO call. This indicates that ALS and Individual member volunteers are already involved in promoting the vision and mission of ICANN in their countries and regions. They deserve more support to do this work on behalf of ICANN. Cuts in the capacity building and outreach budget (even if they do not normally ask for and financial or in-kind support) will not cause volunteers to believe that their efforts are valued by the organization they represent and that they are not encouraged within the "global, trusted and inclusive multi-stakeholder internet governance ecosystem" (Strategic objective 4.3). At the same time our volunteers are supporting the vision and mission of ICANN and are working for its good, they don't need to hear that you are pulling the plug on Fellowships; on travel opportunities that are granted to hard working volunteers who would not normally be able to attend an ICANN meeting; or on capacity building in underserved regions who desperately need to hear more about ICANN and technical areas like registries/registrars, domain privacy issues, new gtlds and how this important information can contribute to economies of our developing regions.	

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25	AF	This is a very different position than I would have taken two years ago, when I was a great advocate for ICANN investing in various capacity building activities. However, and it saddens me to say this, I have come to question their effectiveness and no longer believe they offer an appropriate return on investment. I think that if we are honest, and take a balanced look at the challenges and opportunities that lie ahead as we think about how we can bring new voices into the ICANN community, we have to say that ICANN's programmes at the moment aren't working. For these programmes to be sustainable, they must work. I consider myself to be new to the ICANN community, because objectively I am. After participating in the NextGen@ICANN programme in Dublin at ICANN 54 in October 2015, I joined the NCSG and subsequently began participating in ICANN policy activities. As far as I am aware, I am the only alumnus of the NextGen@ICANN programme who serves in a community leadership role. Over the past two and a half years I have had significant interaction with all subsequent NextGen participants and many of the ICANN fellows. Based on these interactions – having spoken at five ICANN meeting fellowship newcomer days, and having served thrice on the selection committee of the NextGen@ICANN programme – it is my view that without serious structural changes to how fellows, NextGenners, and other participants in capacity building programmes are selected and onboarded into the community, these programmes will never accomplish their important goals. When I speak to new participants it quickly becomes apparent that they do not have a rudimentary understanding of what the Domain Name System is, nor is it of interest to them. Most fellows are interested in broader Internet	Thank you for your feedback. Please see response to comment #4 and #5 re Fellowship and NextGen program.

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		governance topics, like expanding access to the Internet, addressing cybersecurity challenges, or preventing Internet shutdowns. These are important issues but they are not within ICANN's mission and are not what ICANN does. ICANN's capacity building programmes were established to provide access to ICANN meetings to Individuals from underserved and underrepresented communities, but I do not believe this happens in practice. In practice, fellows tend to be friends of past fellows and come from relatively privileged backgrounds in their home countries. There is also not a high turnover of participants. There have been creative ways advanced by ICANN staff to expand the programme and to get around what was supposed to be a hard limit of only being a fellow thrice – becoming a mentor, coach, senior coach, booth lead, ambassador, "honorary fellow."	
26	AF	I believe the inability to recruit suitable candidates for these programmes is a staff failure. When I served on the selection committee for the NextGen programme, I would be forwarded applications that did not meet the advertised selection criteria (for instance, the applicant was older than 31, or did not live in the meeting region). For one meeting round, I suggested the call for candidates be re-advertised, as I believed none of the candidates I had been sent were qualified for the NextGen programme. From what I understand, ICANN staff have a metric that requires they fill the seats, but not necessarily to fill the seats with qualified candidates. ICANN needs to improve its external recruitment efforts to bring awareness of these opportunities to potential fellows and NextGenners, as current efforts are ineffective. From conversations I have had with ICANN	The NextGen and Fellowship programs are currently being reviewed as part of a community consultation. This consultation overlaps with the budget process. ICANN recognizes it is time to review these programs and consider how these fit within ICANN's goals to bring in and support active participation in ICANN's technical and policy work.

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		staff I understand it is extremely difficult to find candidates for these programmes. It should not be difficult to find applicants for a fellowship which includes funded travel to an international conference, but it is, and I believe this is contributing to the disturbing trend whereby one participates in the NextGen programme, then serves subsequently as an ambassador, and then becomes a fellow three times, a fellow coach another three times, then a senior fellow coach three times, and sometimes then a booth lead. The NextGen and fellowship programmes are meant to be separate and distinct. I find it problematic that there is an increasing overlap of participants between the two tracks, but it seems this is the only way that ICANN is able to fill the funded seats. This is happening across all of the capacity development programmes. One of the current participants in the community onboarding programme, for example, has been funded by ICANN to attend more meetings than I have, despite having never taken the pen on a comment, not being a member of a working group, and routinely skipping the ICANN meeting itself as a funded traveler to participate in sightseeing activities. When I brought this to the attention of the Fellowship Coordinator at ICANN 56 in Helsinki, I was told that ICANN staff were "not in the business of assessing whether or not someone is an active community member." Maybe they should be in a fairly objective sense. If, after being a NextGen participant, NextGen ambassador, fellow multiple times, and a community onboarding participant for six meetings, and one still cannot display any involvement in community activities and does not come to the meeting venue every day, perhaps it is time for ICANN to cut its losses and to try educating someone else.	

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28	AF	The reason why I support the onboarding programme not returning in FY19 is because the original programme was always meant to end but, with the passage of time, its original objectives became lost and the programme's name has caused community confusion over what it was intending to achieve. The initial goal of the programme was to enable each part of the ICANN community to develop a set of evergreen onboarding materials that would allow newcomers to that community to quickly be brought up to speed on how to contribute to that community's policy work. However, some parts of the community were not familiar with this goal, and instead appointed total newcomers to it, expecting that they would be onboarded by ICANN staff on how to participate in policy work. The programme's original administrator mismanaged it and had no expectations of participants. She continued to allocate travel resources, meeting after meeting, even to participants who were not engaged and had expressed on the public record that they did not care for the Domain Name System. The programme received a new administrator in mid-2017 who quickly changed this, setting clearer expectations for participants and holding them to account for performance failures. Now that these evergreen materials have been developed, the programme's original objective has been met, and the programme should rightly be terminated. However, I feel fortunate in that I am able to speak to how one of the unintended consequences of the programme – the failure of the original administrator to police participation – helped assimilate me into the ICANN community. To be very clear, I took my role in this programme seriously, and always adhered to the spirit of the programme, developing evergreen materials for the NCUC from the very beginning. But in large part I consider the	ICANN org thanks this contributor for the feedback and appreciates the information about the strengths of the community Onboarding Program, despite any limitations that this contributor may have been experienced.

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		programme to have been effective in keeping me engaged in ICANN activities because it gave me, as a relative newcomer to the community, the travel support to know that I would be able to come to ICANN meetings for at least a year. This meant that I could plan ahead and find projects to be meaningfully contributing towards during that time. It meant that I signed up for working groups, as I knew I'd be able to see them through well into the future. After I participated in the NextGen programme I wasn't sure what concrete actions I could take to actually be a part of the ICANN community. One of the strengths of the onboarding programme is that it gave me the possibility to know I'd be around for the next year, so I should make myself useful. It saw me take ownership of tasks within the NCUC and it prepared me for further leadership roles by offering me the opportunity to interact with longstanding community members with whom I hope to maintain lifelong friendships.	
29	AF	This was an unintended consequence and not the original objective of the programme. However, as someone whose primary interest is influencing policy, this programme did afford me ample opportunities to pursue my own projects and paired me with a wonderful set of colleagues from across the ICANN community who have shared with me invaluable feedback, mentoring, and intellectual stimulation. I have enjoyed seeing the multistakeholder model of Internet governance in action and being able to actively and constructively contribute to the various agenda-setting and decision-making processes. I think there could be value in ICANN creating a new capacity development programme akin to this, one which gives participants ongoing support to participate for three or six ICANN meetings, so that they develop community roots. This will only work, however, if the	This is useful feedback on the Fellowship and NextGen programs and illustrative of how community members gain skills and can become active contributors to the technical and policy work at ICANN. ICANN is reviewing these programs in parallel with the budget process.

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		participants are chosen by their Individual constituencies or stakeholder groups and required to develop an action plan as to how they will make a meaningful impact within the community (and, critically, are held accountable and removed from the programme if they do not make sufficient headway). I believe that such a programme, which I suggest should be funded in a cost-neutral manner through a further reduction in either the fellowship or NextGen programmes, would be very effective if kept small. I would support there being ongoing funding for one mentor and one mentee from each community, with the community responsible for generating strict metrics to justify this allocation of resources and choosing their participants, and ICANN org responsible for making sure these expectations are adhered to (and participants removed if failing to perform). As someone with a junior profile and who is new to Domain Name System policy, I have found my volunteerism within ICANN to be incredibly rewarding. ICANN has helped me to build skills which I have been able to apply both inside and outside of ICANN. I have been able to learn the language of policy. I have learned the process of policy making. And with the support of ICANN I have been able to moderate workshops and to speak on panels at a variety of fora. I think a programme like the one I have just described could help other Individuals author their own enriching journeys within ICANN.	

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35	KP	II. Fellowship Program. The Fellowship Program, as conceived by Jacob Malthouse and brought to fruition by Janice Douma Lange has been a significant success. How many ICANN programs do we know that delivered on its objectives in this way? An objection application process was implemented an operated without controversy. ICANN fellows have become Board members, staff members and SO/AC members. What other program has produced that? Admittedly, tweaks are necessary. I would: limit public forum participation to those who learn about and comment on specific policy issues; create certain deliverables such as each fellow reaching 30 or more members in their community regarding ICANN; and installation of new, vibrant and engaged leadership. I am not against trimming the number of participants to make participation more valuable. Nonetheless, I see the Fellowship Program as an ICANN success and the argument over its funding as a turf battle in the name of parochial interests and coveted travel dollars.	Thank you for your feedback. Please see response to comment #4 and #5 re Fellowship and NextGen program.
46	NCSG	We support the rightsizing of the fellowship and NextGen programmes. We encourage ICANN to undertake a 'fast track' assessment of these programmes in terms of bringing active and productive contributors into ICANN's policy development process working groups	Thank you for your feedback. Please see response to comment #4 and #5 re Fellowship and NextGen program.
51	NCSG	We have engaged in extensive discussions with other parts of the ICANN community, and there is widespread confusion and concern as to the resources being allocated to global engagement activities. We ask that	For Global Stakeholder Engagement (GSE), in the remainder of FY18, the team is establishing baselines for Accountability Indicators related to the objectives 1) Actively solicit input into ICANN's processes and 2)

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		that ICANN review these activities to ensure that they are all closely aligned with ICANN's mission, and cut any and all that are not. We mention this because the continued allocation of resources here raises questions about the value proposition of this expenditure. It is very unclear to us, and to other parts of the ICANN community, as to how the GSE team uses their funds. We wonder what internal controls are in place to manage their spending, how their projects are approved, how their targets are set, and how the community is consulted with regards to those activities? We wonder how they split their spending on projects between, for instance, sponsoring events, staff travel, stakeholder hospitality, and so forth? We would like to see justifications for this continued spend, both in terms of funding and headcount, with a particular focus on what tangible outcomes have been derived from ICANN's attendance at or sponsorship of these events. It is possible that ICANN's engagement at these fora is valuable, we would just like to understand how so, and whether this engagement could be accomplished with fewer staff attending than is the case at present. We acknowledge, however, that the larger Internet ecosystem has risks to ICANN's mission and activities, and so some external engagement is of course justifiable	Foster confidence in ICANN's mission. The team is also establishing baselines for 1) Understanding and planning for stakeholder needs in each region, 2) Enhance capacity development efforts through engagement with new and existing stakeholders, and 3) Ensure diversity in engagement with stakeholders. For the first Accountability Indicator, GSE will establish a baseline for participation in and satisfaction with regional webinars, readouts and capacity development activities. This will include the number of registered participants for all events hosted by ICANN regional teams, satisfaction survey results sent to all participants after each event, with quarterly reporting on the number and types of events held, number of registered and invited participants, number of actual attendees, the percentage response rate on surveys, the satisfaction score with each event, the overall knowledge transfer score with each event. For the second Accountability Indicator, GSE will establish a baseline for stakeholder support mechanisms, such as the number of Memoranda of Understanding signed with community stakeholders, number of capacity development activities requested/fulfilled, the number of speaking events/shared events with partners aimed at improving understanding of ICANN's mission and role. The third Accountability Indicator will provide information on progress of the regional engagement strategies and plans, such as the percentage of "on target" projects or programs in each region at 80% or higher, target numbers of projects/programs implemented during the year is met or exceeded, initial survey response rate is

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			30% or higher (the satisfaction rate will set the baseline for future years). The capacity development Accountability Indicator will include the satisfaction rate for capacity development workshops, the knowledge transfer score, potentially including the number of participants at face-to-face trainings who have already completed an ICANN Learn course, following the number of participants who after completing ICANN Learn and capacity development trainings or events then become involved in a working group or ICANN policy work, and following the number of capacity development requests received vs fulfilled, and number of attendees at these events.

Please note, these Accountability Indicators will need to be put through review for GDPR compliance.

Questions regarding GSE funding of supported travelers:

On the reference to GSE funded travelers, it is unclear whether the GNSO Council members are asking about funding through CROP, or if the issue is around funding for supported travelers to participate in capacity development events, such as the GAC Capacity Development workshops or regional capacity development training. These should be considered separately. With regard to CROP, the use of these funds are approved by the Regional Vice Presidents (RVP) in each region through the CROP process. While ICANN Finance has added the CROP funds to each regional budget for tracking purposes, in practice this is an application of funds from the Additional Budget Request process, not from the GSE budget. With regard to funding for supported travelers to attend capacity development |

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			opportunities in the regions, such as the GAC Capacity Development Workshops or regional DNS events, this funding is part of regional engagement strategies, such as the LAC Strategy and Africa Strategy. These two are examples of bottom-up, community-driven strategies, each of these has capacity development as part of their core. Support for the GAC is also related to the Underserved Regions Working Group in the GAC and for supporting GAC members to be active participants in ICANN. There are capacity development training events supported by ICANN org, such as the GAC Capacity Workshops that have been done in Nairobi and the upcoming one in Nepal, as well as technical skill building/DNS training in the regions for stakeholders. Another category of capacity development includes leadership training focused on ICANN's policy work, the community onboarding pilot, and ICANN Learn. The GSE budget is not $30 million, it is about $8 million for FY19, and further information is contained in the budget on how this is put together. Most of these costs are personnel, with a smaller amount of administrative costs and travel toward engaging with community stakeholders and bringing new and active participants in ICANN's technical and policy work.
54	NCSG	We request that ICANN evaluate the merits of the ICANN Academy programme and consider whether or not the costs associated with this initiative are reasonable and appropriate for a non-profit organization, along with whether the participant mix is sufficiently multistakeholder, cross community, and diverse.	Thank you for the comment. ICANN Academy is included within ICANN's capacity development activities. The program should be reviewed for effectiveness, just as ICANN org is looking at the Fellowship and Next Gen programs.

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64	AC	Perhaps before reducing the Fellowship support by 50% it would be good if ICANN would conduct a careful and detailed review on : 1. The effectiveness of the Fellowship program to bring diverse voices in ICANN vis-a vis the other approaches adopted by ICANN to increase diversity especially from developing countries and women in particular. 2. A detailed analysis and mapping of the ICANN fellowship Alumni's based on their contributions to the ICANN ecosystem till date and also on how they are promoting the objectives of ICANN within their own countries and communities. 3. A study on what has been done by ICANN to revive interest of people who have stopped contributing. I agree that, like any other program there is definitely scope of improvement even in the Fellowship Program. This could be in terms of improving the selection process, laying down clear expectations from a Fellow, or for second fellowship - how the fellow is contributing after his first fellowship or other parameters which ICANN deems fit, rather than reduction in the numbers of fellows in the program. Also, only after careful deliberation and proper rationale backed by supporting data, should ICANN, if required propose a reduction in the Fellowship numbers. To conclude, if ICANN truly wants to enhance and grow the multistakeholder model, it is important to encourage new voices and stakeholders from developing world, who are still not represented, into the ICANN ecosystem and that is what the Fellowship program has been facilitating in the last 10 years. In that light, I would request ICANN to relook on the decision of reducing the ICANN Fellowship numbers by 50% and come up with an action plan which is backed with proper data and better rationale.	Thank you for these suggestions, which will be considered as part of the Fellowship review, in addition to the budget.

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69	Namibian Network Information Center	2 Next Gen NA-NiC does not see any value, whatsoever, in the Next Gen program and therefor proposes to remove it outright. Should the Next Gen program be continued, we would prefer it to be folded into the Fellowship program (see 3.2 and 3.3) .	Regarding the NextGen Program, the current number of slots is capped at 60 participants annually. The FY19 budget recommends a 25% reduction in the number of slots. As soon as the Fellowship Program consultation comes to an end, ICANN org will launch a similar process to review the NextGen Program. We are currently working to aggregate the data for the NextGen Program and will publish it when available.
70	Namibian Network Information Center	3 Fellowship While the intentions for the Fellowship have been good, in our view it has deteriorated and delivers little value other than to the participants by funding their travel. Very little value has been demonstrated for ICANN itself and even less for all but one SOAC. In our opinion there can only be three possible outcomes. 3.1 Cancel the Fellowship program outright As NA-NiC currently does not see any value in the Fellowship program this would be our preferred outcome. 3.2 Allocate seats to SOACs If the Fellowship program is to be continued a number of seats could be allocated to each participating Supporting Organization/Advisory Committee ("SOAC") and ask these to establish their own Guidelines for selection of their candidates which would then be appointed accordingly. The SOACs would then be also responsible for Implementation, Monitoring and Evaluation, providing reports to the public after each meeting. This would have the advantage that the number of slots per SOAC would have to negotiated infrequently and it would be in line with the subsidiarity principle. For NA-NiC this would be the least desirable outcome.	Many participants in the ICANN community see a value in Fellowship program, but there are wide opinions on the administration and goals of the program. These are being evaluated as part of the Fellowship review. Suggestions for allocation by SO/AC groups are potential solutions that need to be considered along with other suggestions that may be received as part of the review process.

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		3.3 Revise the program If the Fellowship program is to be continued, a significant overhaul should take place and a more formal process should be developed by a multi stakeholder group to improve at least on • Guidelines to define – what goals the Fellowship Program actually should achieve; and – strict (selection) criteria and procedures how to achieve those goals • Implementation • Monitoring • Evaluation 3.3.1 Guidelines While having an opinion about what goals such a Fellowship Program should achieve we are not expressing it, given the outcome preferred by us in 3.1. That said, whatever goals to be developed should • be communicated widely; • be measurable; • their achievements should be monitored continuously; • and evaluated on a regular basis. The current selection criteria [3] are quite broad and subjective. While not wishing to dissect them in detail here, they need to be tightened up significantly. Some non exhaustive examples: Budget Comments FY 2019 Page 2 of 11 • Selection criteria should be – objective, measurable and published; – they could describe how many seats per SOAC can be filled at the most per meeting. • Candidates should provide value to ICANN's multi-stakeholder process, for example – by proposing as part of their application an abstract of a	

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		presentation in their field of expertise to be held during a suitable session (ie from the technical field during TechDay or DNSSEC Day), from the legal field during any of the legal sessions, ccTLD related matters at the ccNSO Meeting, gNSO related matters at the gNSO Meeting, Governance at ALAC or a corresponding cross constituency meeting, civil servants at GAC and so forth. – by providing evidence for increasing participation, by way of providing copies of regular written reports having been submitted to the SOAC by whom they have been nominated, * for second applications having been observers in Working Groups; or * for third applications having been members of Working Groups for at least one year, each. • No more than three Fellowships should be award under any circumstances. • No candidate must be selected who does not fulfill every single criteria (whatever they may be in the end) even if that were to lead to non-filling of available seats. • Candidates should be preferably from developing countries, in particular from the region the corresponding ICANN meeting is being held in. • Specific Guidelines could be developed to include younger Candidates. • A previous non-selection cannot be a factor in the selection process. We have serious concerns about the Selection Committee • Currently Membership is at the invitation of ICANN staff2, which is unacceptable, even if they may utilize recommendations from the ICANN communities to canvas for potential candidates [4] . • We do not feel that any Alumni, in particular repeat Alumni, can serve on the Selection	

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		Committee. 3.3.2 Implementation Some non exhaustive examples: • All SOAC participating in the Fellowship program should appoint members to a Selection Committee • Only complete applications fully compliant with the Guidelines would be forwarded to the Selection Committee. • Unfilled seats would fall away and not be carried over to subsequent meetings. • The list of presentations (see 3.3.1) would be published separately. • A list of sessions where attendance by the Fellows is mandatory be would be published 3.3.3 Monitoring Some non exhaustive examples: • While not wishing to be restrictive some form of monitoring must be developed for compliance by Fellows, such as attendance of sessions. • Session Chairs could be informed about expected attendance in order for them to be inclusive. 3.3.4 Evaluation Some non exhaustive examples: • All Fellows must submit a report shortly after end of the meeting, detailing their activities and observations, which is posted on the ICANN web site. • All Session Chairs involved would provide feedback on the participation of Fellows, in general and with regards to presentations. • No Alumni would ever receive travel funding from ICANN again, for whatever reason (even if a Board Member) unless they complied with attendance requirements and turned in the after-meeting report for each funded meeting on time.	

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		• A final report by the program manager would be provided to the public for each meeting.	
79	Blacknight	We also find it troubling that ICANN continues to spend on projects and programmes that do not have clearly defined KPIs or other means of assessing their success. ICANN needs to ensure that its core competencies are properly funded, so ensuring that the policy development processes receive adequate funding should take precedence over programmes such as the fellowship or NextGen, which do not seem to have clear KPIs. We are therefore pleased to see that there has been a reduction in funding for those programmes.	Global Stakeholder Engagement is consistently and regularly working on Accountability Indicators and metrics at both the department level, and the regional level to best measure not only activities carried out, but also the impact of those activities. There are new methodologies for measurement being put into place on an ongoing basis to ensure that we are able to capture the relevant data in order to form a measurable, robust, and repeatable metric of success. We are looking into ways to report, audience sizes, number of events, type of events, and the stakeholder outreach that occurred at the events in order to get a broader understanding of our outreach efforts. As the online dashboards mature in both substance and technology, we will be able to show this data in an interactive way. These Accountability Indicators will continue to be researched and new data points and metrics will be rolled out as they become available. Likewise, we are looking into methods to measure how outreach correlates into policy work.

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114	GNSO	The GNSO Council's Standing Committee has had detailed discussions about the resources allocated to global engagement activities, and found that there are many unanswered questions, some of which relate to the value proposition of these expenditures. At ICANN 59, GSE presented to the Council about their activities along with Finance in response to the Council's comment on the FY18 budget. As promised then, the GNSO Council awaits availability of measures of success as it relates to global engagement activities to ensure that they are all closely aligned with ICANN's mission, and assess how activities meet these criteria. We believe that there should be a particular focus on tangible outcomes; both directly and indirectly. We recognize that ICANN is part of a larger Internet governance ecosystem, but remain concerned that the impact of many of ICANN's engagement activities are not yet subject to the discipline of reliable metrics and performance measurement. It is therefore difficult to ascertain ICANN's participation or sponsorship of events as this relates to ICANN's core mission around policy development.	Thank you for your feedback. Please see response to comment #51.
116	GNSO	The GNSO Council understands the need for ICANN to consider areas where cost-savings can be achieved, and we applaud ICANN for the changing philosophy in providing for more responsible budget management. However, we were surprised that the recent announcement of cost-savings was made absent any consultation with the community and contained no detailed rationale. Similarly, core activities such as the community Regional Outreach Program were discontinued without prior community input and/or notification. Without commenting specifically on any particular program, we do note that drastic cuts were	This public comment proceeding is intended to elicit the diverse views of the community on what types of projects ICANN org should prioritize in the FY19 Operating Plan and Budget. Public comment submissions on the draft documents are a critical part of the annual budget planning cycle, including in the preparation of a final proposed FY19 Operating Plan and Budget. Community comments on proposals to fund specific projects, whether wholly, partially or not at all, can be particularly helpful during the budget planning cycle.

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		made in the proposed budget, without consultation, to programs that were previously considered "core". Going forward, the GNSO Council respectfully requests an opportunity to provide input in advance of any future proposed discontinuation of programs related the management and operation of policy development processes.	
118	GNSO	The GNSO Council supports ICANN in its efforts to evaluate the future of its capacity development programs, including the Fellowship, NextGen@ICANN, Global Indigenous Ambassador, ICANN Academy, and Community Onboarding programs. While we do not discount the value of these programs as a general matter, we do consider it important to undertake continuous evaluation through measurable metrics of success, especially in an environment of high workload, volunteer burnout and budget constraints. We encourage ICANN to undertake a critical assessment on the measurable benefits of all programs in terms of bringing active participants into the ICANN community, particularly as it relates to participation in PDP WGs and leadership positions of SGs/Cs.	Capacity development remains an important area for Global Stakeholder Engagement at ICANN and a key pillar of the regional engagement strategies. Capacity development allows for participants from underserved regions and participants with limited resources to gain knowledge that will enable them to become active participants in ICANN's technical and policy work. Thank you for your feedback. Please see response to comment #51 regarding the Accountability Metrics.
134	ALAC	In summary, the ALAC supports a balanced budget, but if cuts are necessary, they need to be balanced and fair and not target only the most vulnerable. Moreover there needs to be a clear rationale provided if there are to be increases such as presented for personnel in this FY19 plan. The ALAC wishes to call attention to one of its prime methodologies for engaging the globally distributed At-Large Community. Based on processes that have been developed and evolved over the previous decade, in 2016 the ICANN Board approved the ALAC Proposal for Multi-Year Planning of At-Large Face to-Face Meetings and it was integrated into the ICANN Operational Plan. This	Thank you for your feedback. Please see response to comment #22.

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		program calls for periodic regional gatherings (General Assemblies) and a global meeting every five years (At-Large Summit -ATLAS). The last such meeting was held in 2014 and the next is currently being discussed for FY20 during ICANN66 in Montreal. Although any budget for such a meeting will only be formally approved in June 2019, it is clear that both ICANN meeting staff and the At-Large ATLAS III Organizing Committee will have to begin planning long before that. This forward planning was the reason that the multi-year proposal was made and accepted by the Board. The ALAC is well aware of the current budget situation, and notes that despite significant growth in At-Large over the past years, the ATLAS meeting being discussed will need to be based on a more focused approach in terms of topics covered and participants. ATLAS III will focus on enhancing facilitation and support of policy involvement by those in regions who otherwise have little direct contact with ICANN with the aim of increasing their input into At-Large and ICANN policy activities. The meeting will fully support the initiatives to increase regional and Individual participation being discussed in connection with the At-Large Organizational Review.	
136	RrSG	Expenses Registrars continue to question the priority and funding levels of certain programs. Chief among these is the regional engagement program. It is still unclear what the overall objectives of this initiative is, or how its success against its goals is measured. As such, we cannot support the FY19 budget's maintenance of FY17 and FY18 expense levels. This program should be targeted for significant reductions in FY19.	Thank you for your feedback. Please see response to comment #51.

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161	ccNSO-SOPC	Document 4 – FY19 Operating Plan, Still with reference to the planned cuts in travel funding, and more specifically to the reduced "seats" of the Fellowship and NextGen programme, the ccNSO-SOPC would like to understand if these cuts are relating to an in-depth evaluation of these two programmes – as we suggested since several years.	The NextGen and Fellowship programs are currently being reviewed as part of a community consultation. This consultation overlaps with the budget process. ICANN org recognizes it is time to review these programs and consider how these fit within ICANN's goals to bring in and support active participation in ICANN's technical and policy work.

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3	MH	TRAVEL BUDGETS • The cuts to the travel budgets of the volunteer advisory communities, the ALAC and the GAC, will impact on the needs of these communities in order to fulfil their role within ICANN, especially if this decision is to be long-standing. • The additional slots for the ALAC were used to reward active and hardworking volunteers who would benefit from being present at a face to face meeting as well as being able to contribute to the discussions of the ALAC involving matters of concern to end-users. • The reward system was a selection of three people for each ICANN meeting to acknowledge the efforts of Individual members in their contribution to the work of At-Large in-between ICANN meetings. The opportunity to attend and participate in a particular meeting with the ALAC offered training and capacity building during the face-to-face meeting: to hear the At-Large viewpoint on various issues firsthand, as a means of providing further support for their work; offering mentoring opportunities for leadership skills building; and facilitating introductions to others who could support their work on behalf of At-Large, outside of the face-to-face meetings. As well, the objective was to encourage the Individual's own further engagement as a future leader within At-Large and was directed towards its policy development tasks. • The ALAC goal has been to support ICANN's objective 1.2: To bring ICANN to the world by creating a balanced and proactive approach to regional engagement with stakeholders. It was also a means by which ALAC was able to identify Individual members who could learn more about the role of the ALAC and be trained for future membership of the ALAC from their respective region. The ALAC was not acknowledged for this personal support of Individual members during the ITEMs review, but the cuts will	As noted in the FY19 Operating Plan and Budget Document #4 (page 20) and Document #2 (page 22), the number of funded seats for SO/ACs constituent travel support and costs remain stable at the same level as FY18. Regional capacity building events have been reduced to keep costs for these activities at approximately the same level as previous years (FY17 and 18). This applies equally across all regions and includes events supported or attended by ICANN org, as well as requests from the community. ICANN org prioritizes events and activities that directly support ICANN's technical mission and policy work.

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		result in even this small development opportunity for Individual members no longer being actionable. • My personal objective as an ALAC member has been to encourage and promote the opportunities of involvement and engagement within ICANN for the benefit of the region of the Pacific and other developing regions that do not normally get represented on the ALAC because they don't understand what ICANN does and how they could contribute to the work of At-Large. • As an aside, I have a colleague from the Cook Islands Government who leads the GAC Underserved Regions Working Group. Pua Hunter has been working hard to try to encourage government officials from the Pacific region to become more involved. We often discuss how we might best be able to do that, first of all from our own country whose government officials do not fully appreciate the work we do in ICANN, and despite our best efforts have still not yet participated in an ICANN meeting. • I have been involved in At-Large and the ALAC for five years, and with respect to the Pacific and the Asia-Pacific regions have found it difficult to engage more At-Large members. My outreach activities through APRICOT and the APrIGF have given me access to a number of Individuals who would make great leaders on the ALAC. But there are so many constraints in the way of full participation by potential participants from the APRALO region which consists of many developing countries. • Critical to this work of development and recruitment has been the Fellowship programme. From the Pacific perspective, the number of opportunities that have been provided for the Pacific to participate in the programme is evident by the strong cohorts of Individuals who are now leaders across the Pacific in internet-related activities. New ALSes are being established to sustain the work of At-Large within their small island communities. I am attaching a recent newsletter that has been distributed to the members of one of the ALSes whose executive is mainly	

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		composed of former Fellows who have banded together to work on At-Large issues on their home island. They are an example of what the Fellowship and support from the ALAC and At-Large community can do within the regions. It is important that we retain targeted slots that will help us to grow our future ALAC members, especially among those who are already doing the required work in their own local communities in developing regions.	
11	SSAC	On behalf of the Security and Stability Advisory Committee (SSAC), we would like to request to ICANN to increase the supported travelers for SSAC per ICANN meeting from 15 to 17 in fiscal year 2019. In this memo we outline our reasoning. From 2016 - 2017 calendar year, the median percentage of SSAC members who applied for funding was 48%. We expect this percentage to continue to hold for FY19. Over the years the SSAC membership has grown and we expect that in FY19, the number of SSAC members will grow to 38 - 40, from 34 today. Given the increase in membership, and ensuring a stable level of participation rate for SSAC members at ICANN meetings, we would like to request the SSAC funded travelers be increased from 15 to 17 for FY19. SSAC Funded Travel Analysis 2016-2017 (15 travel slots, including 2 for the Chair and Vice Chair) 2016 Applied / Members / % Applied/Members ICANN55 16 30 53% ICANN56 14 30 47% ICANN57 13 31 42% 2017 Applied / Members / % Applied/Members ICANN58 16 31 52% ICANN59 17 35 49% ICANN60 16 36 44%	As noted in the FY19 Operating Plan and Budget Document #4 (page 20) and Document #2 (page 22), the number of funded seats for SO/ACs constituent travel support and costs remain stable at the same level as FY18. Due to the stabilized funding. The additional budget requests envelope has been reduced by more than 50% in FY19 and will likely result in certain support requests not receiving funding. The additional budget request process exists to fund new activities, before becoming a "core funded" activity.

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13	EPA	Hello, I noticed the proposed Budget reduction by half on the ICANN fellowship program while bonuses for ICANN employees is going up by Millions. This reduction will significantly affect majority fellows participation in ICANN activities, most of whom are from developing countries where access to the basics are still a struggle. Fellows are volunteering in different forums, and communities within ICANN, they incur costs to access internet services which are not usually affordable. This reduction will further stifle participation and engagement by fellow. I strongly urge and request the budget team and ICANN Board to strongly consider having the fellowship budget sufficient enough to support the 60 fellows it used to support. A reduction by 2 new/Planned hires will surely save the fellowship budget. See the link to joint statement signed by the fellows about the same https://www.change.org/p/icann-stop-the-icann-budget-cuts-and-save-the-fellowship-program	Thank you for your feedback. Please see response to comment #4.

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15	CN	I commend the hard work and commitment of ICANN staff and the community who continue to take on more responsibilities to fulfil ICANN commitments, working with a low budget funding. I also believe that fellows are volunteers (some) or potential volunteers (most) in the ICANN community. My observation is, on one hand there is heavy workload on ICANN staff and Community members and on the other is a pool of potential volunteers not fully engaging. Volunteering with ICANN means participating in policy development processes, delivering work group proposals, work plans and reports among others. Most will agree with me that when one joins a discussion where members have over 5 years' experience on subject matter and with an understanding of ICANN processes, a newcomer must possess close to similar experience on the subject to make useful contribution , else the option is to listen, read and learn before they can engage. The latter has worked for some fellows according to testimonies given at the fellowship new comer sessions. My appeal to the ICANN Board and Community is, please reconsider the proposed reduction of fellowship seats; otherwise how will awareness of ICANN's mission, its multistakeholder model and its work get to the rest of the world especially the underrepresented communities? https://www.change.org/p/icann-stop-the-icann-budget-cuts-and-save-the-fellowship-program	As noted in the FY19 Operating Plan and Budget Document #4 (page 20) and Document #2 (page 22), the number of funded seats for SO/ACs constituent travel support and costs remain stable at the same level as FY18. Due to the stabilized funding, the additional budget requests envelope has been reduced by more than 50% in FY19 and will likely result in certain support requests not receiving funding. The additional budget request process exists to fund new activities, before becoming a "core funded" activity. The FY19 ABR will be included in the Budget sent to the ICANN Board for adoption in mid-May.

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16	SK	I would like respond to section 2.5.2: Reductions to Engagement and Community Support, specifically the item on Fellows/NextGen. I would like to add my voice and request that the numbers of Fellows and NextGen to be maintained at 60 and 20 respectively. Reference is made to a 4 part blog series to celebrate 10 years of the ICANN Fellowship Program, authored by Janice Douma Lange, where she highlighted over 35 fellows who since their first fellowship experience have joined the ICANN Board, Staff, have Leadership Positions or are active in the community. Some NextGen participants have also joined the community and continue to be active.
		
		  - Part 1: https://www.icann.org/news/blog/the-fellowship-spirit-part-one-of-a-four-part-blog-series
		  - Part 2: https://www.icann.org/news/blog/the-fellowship-spirit
		  - Part 3: https://www.icann.org/news/blog/the-fellowship-spirit-en
		  - Part 4: https://www.icann.org/news/blog/the-fellowship-spirit-0edb9f60-6898-4121-a0e3-5865c9a4106d
		
		Reference is also made to the ICANN Fellowship survey conducted in 2017 (https://www.icann.org/en/system/files/files/icann-fellowship-program-10-year-survey-dprd-28jun17-en.pdf). which indicated that 198 out of the total fellowship recipients were engaged in Communities like At-Large, GNSO (CSG & NCSG), RSSAC,etc, while others are active in their local/regional I* activities. From the survey, 61% of those who are not involved sighted lack of funding as a reason for their lack of participation while 31% said they were not clear on how to engage. These can be mentored to become valuable members of the community. Reducing these numbers would further reduce the number of newcomers to each meeting. In addition, Sally Costerton's blog (https://www.icann.org/news/blog/icann-fellowship-program-taking-stock-of-the-past-and-looking-towards-the-future), highlights some
			Regarding the NextGen Program, the current number of slots is capped at 60 participants annually. The FY19 budget recommends a 25% reduction in the number of slots.
			
			As soon as the Fellowship Program consultation comes to an end, ICANN org will launch a similar process to review the NextGen Program.
			
			We are currently working to aggregate the data for the NextGen Program and will publish it when available.

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		of the benefits of the fellowship program thus far. I signed a petition (https://www.change.org/p/icann-stop-the-icann-budget-cuts-and-save-the-fellowship-program) to save the ICANN fellowship program and shared the link with other colleagues. The discussion that followed was interesting and it gave each one of us a moment of self-reflection. Like other programs, the fellowship program is not without fault. Instead, I request that a review be done to assess how the program has evolved from when it started in 2007 and how it is performing currently. A decision can be made after such a review has been conducted.	
18	AF	Provide the community with an appropriate level of support commensurate with our responsibilities under the ICANN Bylaws. What I see in this budget are attempts to stifle non-commercial participation in ICANN activities, while continuing to increase the power of ICANN staff, consultants, and commercial stakeholders to engage in these same processes and to influence or make the proposed budget being adopted as-is. What I have always valued in ICANN's unique, multistakeholder model has been the understanding that no one stakeholder should, or can, manage the global DNS. It is the blending of these sometimes conflicting interests that results in the 'best' policy decisions being made. However, within the proposed budget there has been a radical halving of community support through the Additional Budgetary Request (ABR) process. This is an avenue through which both commercial and non-commercial stakeholders and both the contracted and non-contracted parties can seek support, be that for internal capacity building, assistance with horizon scanning or research, or modest support to engage in outreach activities that build the community's membership, allowing new voices to be reached, and further legitimizing ICANN's usage of the multistakeholder model. From time to time, the community has even received pressure from ICANN staff to submit ABRs in order	This public comment proceeding is intended to elicit the diverse views of the community on what types of projects ICANN org should prioritize in the FY19 Operating Plan and Budget. Public comment submissions on the draft documents are a critical part of the annual planning cycle, including in the preparation of a final proposed FY19 Operating Plan and Budget. The current amount proposed for FY19 Additional Budget Requests (ABRs) reflect the difficult budget year and should not be interpreted as having been designed to favor or disfavor particular stakeholders. ICANN org welcomes community input on which specific aspects of the proposed FY19 budget should be prioritized, funded or otherwise during this public comment process, including the ABRs.

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		for what I consider to be core activities to be undertaken. This budgetary envelope was developed initially through a bottom-up process, and has developed into a major way to engage communities. Given this, I cannot support any cuts to the allocated budget for ABRs. This is not to say that all requests submitted must be approved; all requests should be reviewed for their benefit to ICANN's core mission and activities, and those which do not meet this criteria should not be funded. However, I am requests for modest support not receiving the necessary funding to fulfil our outreach, onboarding, and in-reach objectives. As I and others rely on the input, advice, and participation of the broader ICANN community in order to remain informed on the various issues, I foresee negative implications impacting the community's policy work arising from the proposed cuts to the ABR envelope.	
21	AF	Finally, the stabilization in funding for constituency-supported travel concerns me for another reason; it suggests to me that feedback shared with ICANN as a part of the November 2017 consultation on the allocation of community resources has not been actioned upon. In the NCSG's response, for instance, the NCSG said "We believe there should be a common travel policy for all ICANN funded travelers who are active participants in ICANN policy work, whether they be ICANN board members, ICANN senior management, or community members" and recommended "reasonable adjustments [be made] to the community travel guidelines to ensure that participants are able to travel to meetings at reasonable cost and in reasonable comfort." Given the projected cost budgeted for each supported traveler for FY19 remains fairly stable, it seems that ICANN has not sought to make modest and reasonable improvements to the travel guidelines to ensure supported travelers arrive at each ICANN public meeting able to work productively from day one	Thank you for your comment regarding travel guidelines. ICANN org has published funded traveler travel guidelines and continuously evaluates its travel policies. For travel guidelines and policy please see: https://www.icann.org/resources/pages/travel-support-2012-02-25-en#guidelines https://community.icann.org/display/trvlconstit/Travel+Guidelines

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22	AF	The impact of these three decisions – to reduce the budget for ABRs, to eliminate CROP, and to make no modest improvements to constituency travel – will disproportionately hurt the community, and in particular, non-commercial stakeholders. There is another argument that could be advanced (but which I have opted not to include) that posits the disappearance of other projects from the proposed Budget, like the community Onboarding Programme, could also be seen as hindering non-commercial participation in ICANN processes. The reality is that the vast majority of ICANN community volunteers are a part of the domain name industry, or are persons whose job functions are directly or indirectly linked to ICANNrelated matters. With or without the aid of the ICANN organization, volunteers seeking to expand trademark rights or to eliminate consumer protections will continue to come to meetings and to participate in working groups. After all, their livelihoods depend on ICANN. But the situation is different for non-commercial stakeholders. For most of us, our livelihoods are not dependent on ICANN. We are volunteers in the purest sense in that our employers do not fund or sanction our participation at ICANN, and we have no financial ties that see us want to do anything but facilitate ICANN's stated objective of promoting the global public interest. In return, we legitimize the concept of the Empowered Community, with our public interest-orientated contributions providing balance against commercial interests. While we are structurally marginalized at ICANN, with less voting members on the Nominating Committee than the Commercial Stakeholders Group has for instance, fulfilling our chartered mandate becomes ever more difficult because it is difficult to retain qualified volunteers. Volunteers with the right background and qualifications accept not being compensated for the time they spend in working groups, reviewing documents, or building their constituencies, but find the disrespect that they are paid by the organization particularly painful. When there are such large cuts being proposed to community support and, at the same time, the	Although extensive investments have been made to remote participation capabilities over the last several years, ICANN org recognizes the tremendous value provided to the organization and the community by its volunteer leaders and contributing participants at face-to-face public meetings.

Assessment of Additional Budget Requests (ABRs) submitted each year are conducted within a separate framework, for which specific principles have been developed and apply. These ABR principles focus on the availability of resources (both financial and personnel) to support the individual and collective requests submitted. Consistent with the ABR Principles, each recommendation for approval will be prepared for evaluation by the ICANN Board Finance Committee and the full Board, and all requests submitted as well as approved will be published. Assessments of pilot programs initially funded as an ABR are also conducted, which may result in successful pilot programs becoming part of the core budget in future years. |

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		resources being allocated to personnel are increasing by some 10%, it is difficult not to think that the work that community members do is not valued by ICANN org. It is puzzling why ICANN has paid so much attention to the small sliver of the budget allocated towards the community, taking a hatchet to hack away at our crumbs, when it has not paid a similar level of attention to the rest of the organization's spend. I do not believe that the community should be subjected to the most significant cuts when our modest expenditure represents such a small percentage of the overall budget.	
23	AF	Outreach, engagement, and capacity building efforts are critical to the community maintaining a sustainable source of volunteers from diverse regions and backgrounds, and the absence of ABRs, CROP, and sensible revisions to the community travel guidelines will see us either lose our most qualified volunteers to other projects, or be unable to bring said volunteers to meetings to offer public interest-orientated contributions that provide balance against state and market interests. I believe this impact that non-commercial volunteers are likely to uniquely suffer, as commercial stakeholders and government actors will continue to have access to the resources to travel to external conferences and public ICANN meetings, for instance, is inconsistent with recommendation 10.5 of the Accountability and Transparency Review report. This report was accepted by the Board in June 2014 and called for ICANN to "facilitate the equitable participation in applicable ICANN activities, of those ICANN stakeholders who lack the financial support of industry players." The right thing for ICANN to do, in my opinion, would be to level the playing field and to modestly support those who are trying to advance policy objectives that would make ICANN a more effective, accountable, and inclusive institution.	Thank you for your feedback. Please see response to comment #22.

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24	AF	Reevaluate the spend on capacity development programmes for their effectiveness in leading to engagement in ICANN's policy development processes and mission I have given significant thought to the proposed reductions in size to the ICANN fellowship and NextGen programmes, and think ICANN is right in outcome (but not in process) to trim spend here. It is my opinion that the ICANN fellowship programme is not fit for purpose and has not been for some time, and so I strongly support the proposed rightsizing of the programme in the FY19 budget. I think the optimal size of the fellowship programme would be 15 participants per meeting, including coaches, booth leads, and Indigenous ambassadors. Similarly, while I support the continuation of the NextGen@ICANN programme, with the passage of time it has grown to become too large. I believe the optimal size is six participants, including one ambassador. Finally, I believe the ICANN Academy and ICANN Learn initiatives must be re-evaluated in the context of the current budgetary situation.	Thank you for the comment. As noted in the earlier responses on the Fellowship and Next Gen programs, these are being considered as part of the Fellowship Consultation. Capacity development remains an important part of ICANN's engagement activity, as it enables broad, informed participation reflecting the functional, geographic and cultural diversity of the Internet.
31	PB	I totally agree and support Sarah Kiden's message. I just want to add that, it's very important to keep the number of fellows and Nextgen.

 L'experience a montré que les pays en developpement bénéficient veritablement des opportunités à travers ces bourses. Nous pouvons admirer l'engouement des boursiers dans leur pays respectifs et leur engagement dans les débats sur les enjeux de l'Internet. | Thank you for the comment. As noted in the earlier responses #4 and #5 on the Fellowship and Next Gen programs, these are currently being considered as part of the Fellowship Consultation. Capacity development remains an important part of ICANN's engagement activity, as it enables broad, informed participation reflecting the functional, geographic and cultural diversity of the Internet. |
| 37 | IM | I would like to comment on the reductions to Fellowship and NextGen seats in the proposed FY19 Budget | January 2018.

The Fellows and NextGen ambassadors are ICANN's touch points to the community and they do help demystify ICANN and reach out to the underrepresented communities. Unless we still want to keep ICANN to the few who already know about ICANN and having ICANN labeled as some American organization | As noted in the FY19 Operating Plan and Budget Document #4 (page 20) and Document #2 (page 22), the number of funded seats for SO/ACs constituent travel support and costs remain stable at the same level as FY18. Due to the stabilized funding. The additional budget requests envelope has been reduced by more than 50% in FY19 and will likely result in certain support |

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		controlling how the domain name system is run, we should maintain the fellowship and NextGen program at the current number of 60 and 20 respectively as a means of reaching out and carrying out different ICANN capacity building programs in home countries and regions by the Fellows and the ambassadors. ICANN's policy development work is carried out by Volunteers and there is always an issue of volunteer burnout within ICANN's work, a greater pool of fellows will help bring in volunteers as evident currently where we do have a reasonable number of fellows who are actively engaged in ICANN work and some have assumed leadership positions and joined ICANN staff. I am sure most fellows would agree to mantain the number of fellowships at 60 as evidenced on the petition signed by 279 fellows on the following petition (Stop the ICANN Budget Cuts and Save the Fellowship Program! <https://www.change.org/p/icann-stop-the-icann-budget-cuts-and-save-the-fellowship-program>), I being one of them. This overwhelming response is evidence of how crucial the fellowhip program is and its impact. In conclusion, I do suggest that the fellowship and NextGen programs must be maintained at the current number of seats, but review and improve the programs so as to have increased fellowship and NextGen engagement and effectiveness of the programs.	requests not receiving funding. The additional budget request process exists to fund new activities, before becoming a "core funded" activity.
43	NCSG	We do not support the stabilization in funding for constituency-supported travel. This suggests to the NCSG that the feedback we carefully prepared in consultation with our membership, and shared with ICANN as a part of the November 2017 consultation on the allocation of community resources, has not been actioned upon. In our response we said, "We believe there should be a common travel policy for all ICANN funded travelers who are active participants in ICANN policy work, whether they be ICANN board members, ICANN senior management, or community	Thank you for your comment. We are preparing for a public consultation on our travel policy and guidelines. This feedback will be considered in the evaluation process.

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		members" and recommended "reasonable adjustments [be made] to the community travel guidelines to ensure that participants are able to travel to meetings at reasonable cost and in reasonable comfort." Given the projected cost budgeted for each supported traveler for FY19 remains stable, it seems that ICANN has not sought to make modest and reasonable improvements to the travel guidelines to ensure supported travelers arrive at each ICANN public meeting able to work productively from day one. This is disappointing and will hinder non-commercial participation in ICANN processes, as our travelers will arrive at meetings jet-lagged and not at the top of their game, unlike stakeholders defending state or market interests. We also believe this to be inconsistent with recommendation 10.5 of the Accountability and Transparency Review 2 report, accepted by the Board in 2014, which called for ICANN to "facilitate the equitable participation in applicable ICANN activities, of those ICANN stakeholders who lack the financial support of industry players." As a proportion of the budget, community travel is a negligible expense, and the stable spend here will have a negative impact on our engagement and participation in ICANN's public meetings and policy development processes.	
50	NCSG	We strongly oppose ICANN's proposal to reduce the additional budgetary request envelope by two-thirds in FY19. This budgetary envelope was developed through a bottom-up process, and has developed into a major way to engage communities. The proposed reductions will inevitably result in important community requests for support not receiving funding and have a negative impact on the engagement of other members of the GNSO's constituencies, along with the ALAC. As we rely on the inputs, advice, and participation of the broader ICANN community, we foresee negative implications impacting our policy work.	Thank you for your feedback. Please see response to comment #22.

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53	NCSG	It is very hard to understand from the budget how much ICANN spends on staff travel, but we suspect it is a sizeable figure which could be comfortably trimmed. As civil society, we believe it is extremely important for the ICANN MS model that we have good representation at ICANN meetings, and that our members are responsible with the funds they utilize for travel. Many of our members are putting many hours of work each week purely as volunteers, and they have no organization to top up travel expenses. We try to hold our members to high standards of transparency and accountability, and would appreciate the ability to compare our spending on travel to that of ICANN the organization. Better data on these costs would also help us understand the impact of our own usage of staff time	Thank you for your feedback. Please see response to comment #55.
57	WD	High-quality ICANN Fellowship Program is a prerequisite for societal change and progress. Societies without strong capacity faces difficulties in producing and utilizing reliable evidence for development planning and action, generating new ideas to drive economic growth and social wellbeing, deciding on trade-offs in the choice of interventions, and gauging the impact and performance of policies, programs and investments. Robust ICANN Fellowship program will advances the production and utilization of sound evidence for internet development across board, most especially in the developing world that is yet to see total development. In one of the most recent and trenchant affirmations of the importance of building capacities within the internet governance space to help build sustainable human resource capacities to supporting the implementation of the Sustainable Development Goals (SDGs) across nations. The ICANN fellowship program largely has strengthen ICANN and the IG communities in this regard. The UN and it stakeholders, DIPLO Foundation, IGF etc, keeps referencing to the ICANN fellowship program as one key program that is helping bridge the digital gaps most especially in the low income countries. The module of the ICANN Fellowship program has been emulated in several ICT	The Fellowship program has brought diverse participants into ICANN. It is currently being reviewed. Thank you for your feedback. Please see response to comments #4 and #5 on Fellowship/NextGen.

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		and other IG related programs. There is still huge deficit both in human capacities and awareness creation within the low income countries and Efforts must be doubled in capacity development and extending the program to the reached. The sustainable developments goals (SDG's) particularly recognizes the need for internet governance capacity building as key to: 1. the generation of new and locally relevant knowledge 2. the full and safe operationalization and transfer of existing technologies 3. the promotion and acceleration of human, institutional and infrastructural development 4. and the alignment of social and healthy systems to deliver efficient, accessible, and affordable services. With this in mind, I don't think the ICANN Fellowship program has ever let ICANN down on its mandate to building capacities and reaching out to the unreached specially from within the developing countries that seems to be lagging behind or marking-time on development. Huge amount of work has been done and more work needs to be done to realizing the dreams we all want to see. The evidence is there for all to see. When you look at Ghana, Kenya, Nigeria, South Africa, Malawi, Uganda, Zambia, Gambia, DR Congo, Egypt, Rwanda, Togo, Senegal, Cameron, Armenia, Pakistan, India etc. and even Madagascar that seems to be blank on the map is now seeing the light through the ICANN fellowship empowerment. ICANN is almost present in every Conner of the world through the fellowship program. Fellows are really working using their little resources to reach out to others in their local communities just to make sure ICANN message gets to everyone. I am very happy that ICANN over the years through the fellowship	

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		program have produce great leaders, many of which are taken position within ICANN and IG communities. eg. At-Large, NCUC, NCSG, GNSO, GAC, ccNSO, NomCom, SSAC, RSSAC, IGF MAG, Diplo and even the ICANN board working and promoting ICANN values across nations. There have been a call from the public to restore the ICANN Fellowship budget CUT, 279 petitioners across the ICANN Communities signed the petition asking for ICANN to restore the fellowship budget CUT in full. The simple question ????? i will ask ICANN Board is, what else can ICANN do apart from improving the fellowship program instead of CUTTING its Budget. In view of all this, I do not think CUTTING the fellowship budget by half (50%) is the way to go. ICANN should be seen as growing and strengthening it support base (The fellowship program) and not the other way round (slowing down the Fellowship program by pulling down its success over the years) with the intention of frustrating the program. There is public call to restoring the fellowship budget in full and my humble plead to ICANN CEO, the Board and all that is concern with the budget CUT to please reconsider their decision to restore the fellowship budget in full and if possible increase it.	
62	AC	The Fellowship has over the last 10 years been highly effective in creating Ambassadors of ICANN all across the globe- and specifically amongst people residing in the developing nations who are new to the world of names and numbers, These are also the areas where the next billion internet users reside. The fellowship program provided an opportunity to people like me residing in a developing country with limited resources to participate and learn about ICANN's work, which helped me also to understand and build awareness in India on how and why the community in India should participate in the various stakeholder	Thank you for this input. The Fellowship program is aimed at bringing in participants from across the diverse sectors of ICANN community to enable them to contribute to ICANN's technical and policy work. As noted in the earlier responses on the Fellowship and Next Gen programs, these are being considered as part of the Fellowship Consultation. Capacity development remains an important part of ICANN's engagement activity, as it enables broad, informed participation

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		groups of ICANN. All this would not have been possible without the fellowship program.	reflecting the functional, geographic and cultural diversity of the Internet.
63	AC	Most of the fellows have been contributing to the ICANN ecosystem in some way or the other. There are several fellows who are contributing significantly and are in leadership position, apart from being in ICANN Board or joining as ICANN staff. While some have made more substantial contribution than others and their contributions have been visible to the global community, there are many who have been working in their respective countries spreading awareness of ICANN, and whose contributions have not been visible to the global ICANN community and therefore gone unaccounted. The proposed reduction in the fellowship program is quite drastic and quite difficult to understand. Moreover no substantial evidence has been provided to support this reduction.	Thank you for your feedback. Please see response to comment #62.
67	OC	ICANN should keep and enhance the fellowship program, the on boarding program, the next gen program and very important also should keep and enhance the travel support for members of the SO and ACs. This travel support for both new comers and experienced and very active members of the ICANN community are of high importance for developing and least developed economies and essential to the policy work that ICANN does. It is the only way to ensure that a real international community is active and participating. The travel support to SO and ACs and also the different program for newcomers could be maintained and even enhanced by using creative ways of making them more sustainable. Some ideas: offer different types of fellowships, like partial funding (ticket or hotel), offer only full fellowship for those participants that do really	Thank you for your feedback. Please see response to comment #37.

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		need it to participate, let those who want to travel business and can afford it make an upgrade on their own, among other ideas that may come up.	
68	Namibian Network Information Center	The Draft FY19 Operating Plan [2] proposes in Module 2 – Direct Community Activity Support to reduce the number of Fellows to 30 (down from 60) and the number of Next Gen participants to15 (down from 20) per meeting. This has led to considerable discussion on the Facebook Group ICANN Bad Attitude [1]1. Namibian Network Information Center ("NA-NIC") is the country code Top Level ("ccTLD") Manager for .NA and wishes to make the following comments.	Thank you for your feedback. Please see response to comment #37.
73	SSAC	On behalf of the Security and Stability Advisory Committee (SSAC), I would like to request that ICANN fund one outreach event for the SSAC in FY19. This memo outlines our proposal. The SSAC has traditionally produced and provided a workshop on security and stability issues at the Internet Governance Forum (IGF) based on an SSAC work product such as an SSAC report or advisory. In FY19, the SSAC is taking a different approach: 1) SSAC will select a high interest topic based on an SSAC work product; 2) SSAC will identify an outreach venue (that may or may not be the IGF) for which the topic will be of high interest to a community with a mission relevant to ICANN's security and stability mission; 3) SSAC will propose a presentation of the selected topic to the venue.	Thank you for your feedback. Please see response to comment #22.

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		SSAC is requesting that ICANN cover the travel and related expenses for one person from the SSAC to present the topic at the selected venue, which will be identified early in fiscal year 2019. Assistance is requested from ICANN Finance to produce the budget estimate for such travel and related expenses per ICANN travel guidelines.	
75	JA	Dear all, Understanding the commitment of ICANN to the multistakeholder internet governance model, I am writing in order to request support for the maintenance of the sponsorship to ICANNWiki in the FY19 budget and beyond, and to analyze the support given to the travel budget for SO/ACs. Based on our experience with ICANNWiki and supported by their Annual Report for 2016-2017, we believe they play an important role in making ICANN become more accessible, engaging and inclusive towards all its community. ICANNWiki has identified a total of 320,977 unique site visitors from more than 195 different countries. Also, ICANNWiki has reached a total amount of 6,800 neutral and well-referenced articles, including more than 3,000 profiles about community members itself. Last but not least, the wiki production is now available in 5 additional languages, beyond English, which gather an overall of 442 articles written by 248 contributors, this proves that diversity and inclusiveness. On the other hand, as members of the internet community and ICANN Fellowship Program beneficiaries, we have evidenced how ICANNWiki is an essential source of information, interaction and dialogue within the	Thank you for your feedback. Please see response to comment #22.

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		global internet governance community. Throughout our attendance to this specific program, ICANNWiki has proven that the existing tools provided by their team, are key in receiving a proper internet governance training and update dialogues in several discussions. Finally, the travel support to SO and ACs and also the different program for newcomers could be maintained and even enhanced by using creative ways of making them more sustainable. Some ideas: offer different types of fellowships, like partial funding (ticket or hotel), offer only full fellowship for those participants that do really need it to participate, let those who want to travel business and can afford it make an upgrade on their own, among other ideas that may come up. Considering the above, we respectfully ask the Board to bear in mind this request.	
86	i2Coalition	Participation and travel: Active participation requirements need to be put in place for travel funding across the board. We are eager to see a comprehensive model on this, that encourages working group participation and doesn't merely consider attendance at ICANN meetings a sufficient metric for success.	Thank you for your feedback. Please see response to comment #22.
87	i2Coalition	Business class rules: We would appreciate seeing some additional common sense guidelines placed around travel upgrade policies, that ensure consistency but also avoid unnecessary business class expenses for short duration travel. In the past year, we have seen Individuals who receive blanket business class travel get business tickets on even short flights such as Geneva to Copenhagen. This is an unreasonable expense in all cases.	Thank you for your feedback. Please see response to comment #81.

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99	RySG	3.3. Support for GNSO Council Planning Session The GNSO Council recently held a successful three-day face-to-face Development and Planning Session to focus, away from the heavy schedule of and ICANN meeting, on councilor development and policy management planning. The RySG believes that this productive and useful session can help to support the effectiveness of ICANN's core policymaking function, and that these types of discussions are also important in light of the Council's new responsibilities following the IANA transition and as part of the Empowered Community. Therefore, we support the community budget request submitted by the GNSO Council to organize a similar workshop in FY19, and ask that future budgets anticipate that these meetings are organized on an annual basis.	Although it is part of the overall budget planning process, assessment of Additional Budget Requests (ABRs) submitted each year are conducted within a separate framework, for which specific principles have been developed and apply. These ABR Principles focus on the availability of resources (both financial and staff) to support the individual and collective requests submitted. Consistent with the ABR Principles, each recommendation for approval will be prepared for evaluation by the ICANN Board Finance Committee and the full Board, and all requests submitted as well as approved will be published. Assessments of pilot programs initially funded as an ABR are also conducted, which may result in successful pilot programs becoming part of the core budget in future years.
100	RySG	3.4. Document development We refer to our Community budget request for ongoing support of the RySG Document Development and Drafting Pilot Program . This support is necessary for ongoing effective functioning of the SG	Thank you for your feedback. Please see response to comment #22.
101	RySG	3.5. Constituent Travel support We refer to our Community budget request relating to the RySG travel support funding relating to ICANN's GDD Summit in FY19. The RySG takes note of the proposed reduction of the number of travel seats for the Fellows and NextGen programs to their 2015 levels. This reduction should go hand in hand with a further optimization of these initiatives and we encourage ICANN to proactively measure the success of these programs through the	Thank you for your feedback. Please see response to comment #22.

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		use of metrics such as continued active participation by the recipients of these funds in community policy work.	
110	GNSO	Fourth, the GNSO Council takes seriously its responsibilities as a part of the Empowered Community. As a result, we have carefully reviewed the budget to understand what resources have been allocated relative to other parts of the community, both to ensure appropriate funding and to ensure we are fully accountable for the resources that we utilize. We have been unable to approximate the levels of financial support provided directly and indirectly to the various Supporting Organizations, Advisory Groups, and associated stakeholder groups and constituencies. We need to have this information in order to hold ourselves, and others, mutually accountable. In particular, we would like to know whether the GNSO is receiving an appropriate level of support commensurate with the responsibilities conferred on the GNSO via the ICANN Bylaws.	ICANN org will evaluate the feasibility of providing greater clarity on levels of financial support provided directly to the parts of the community in future budget development cycles. This will be considered without compromising the ability to produce useful information and engage adequately with the community. ICANN org will also evaluate the impact on resource requirements associated with this increased analysis. The Policy Development Support function is well-managed and is able to match available resources with necessary activities. As FY19 will be a difficult budget year, no specific amount has been allocated for additional policy work beyond what has been identified and planned for already. Should it become necessary, however, the Policy Development Support team and the Finance team will work together to try to find additional resources that can support the community's work. ICANN org welcomes the GNSO Council's input on what should be priority projects as well as any specific additional capability or expertise that may be needed to support the GNSO's work in FY19 and beyond.

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130	ALAC	The other example of such a cut is the SO/AC Additional Budget Requests (ABRs). Last year's budget was $646,800. This budget proposal says that the ABR is being cut by "more that 50%". Finance staff have told us that the FY19 placeholder envelope is $300,000, however, document #4, page 21 says that the placeholder envelope is $215,735, a cut of more than 2/3. Whichever number is correct, this will have a very significant impact on the ability of SO and ACs to operate effectively. Programs such as the Academy Leadership Training, the Global Indigenous Ambassador and real-time Teleconference Captioning originated as ABR projects before being taken into the core ICANN budget. We also note that in addition to the above cuts, GSE will have reduced funding for sponsorships and contributions. Budget reductions such as these goes directly against ICANN strategic objectives: 4.1 Encourage engagement with the existing Internet Governance Ecosystem at National, Regional and International levels. 4.3 Participate in the evolution of a global, trusted and inclusive multi-stakeholder Internet Governance Ecosystem that addresses Internet issues The ALAC regrets the cut in the Fellowship. Some of our best leaders within At-Large, including our current Board Member were introduced to ICANN through the Fellowship Program.	We apologize for any confusion. The ABR estimated placeholder for funded travelers only is $215,735 and the total FY19 placeholder envelope for ABRs is $300,000.
141	RrSG	Travel Support Our last area of focus is the budget allocated for sponsored travel and the Fellowship program. While we support the purpose of programs like Fellows and NextGen, we have been concerned about their growth in recent years, especially when they appear to come at the expense of core activities, such as the aforementioned gTLD policy development work. We are also concerned that not enough effort has been put into measuring the outcomes and effectiveness of these programs, required to justify the travel expense. Finally, we encourage additional cuts to the number of people receiving sponsored travel, and raising the	We note your comments about measuring the outcomes and effectiveness of the funded traveler and fellowship programs. There have been efforts to measure the effectiveness of these outreach programs and this part of the Accountability Indicators.

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		threshold for non-policy work that is considered for sponsored travel. In particular, we remain concerned about the increased number of government representatives receiving travel funding to participate at ICANN, especially travelers representing governments who are publicly hostile to the Multistakeholder Model, or are the subject of (International, OFAC) economic sanctions.	
150	ccNSO-SOPC	Document 2 – FY19 Total ICANN Budget, Cuts and increases across specific items raise specific questions: o With the costs of Global Stakeholder Engagement up by 1%, and engagement with governments by 10%, the significant imbalance in favour of the latter requires further explanation, particularly in light of the 1% cut in engagement with SOs/ACs. As Engagement to a large extent implies communication (in fact it is entirely about communication), it is not clear why Strategic Communications costs are projected to grow by 7%. It seems logical to align these activities to benefit from the ensuing synergy, thereby ensuring significant economies of scale. o The above also applies to the Multistakeholder Strategy & Strategic Initiatives item that is poised to add 8% in 2019.	The increase of 10% for government engagement reflects the smaller size of this department compared to other functions within ICANN org, and the need to increase engagement capacity with governments and Intergovernmental Organizations (IGOs). As a small department, the addition of these two positions (one in Brussels and one in Geneva) will be the first increase in the department's size since its creation five years ago. In addition, it is important to note that in that time the size of the GAC has grown from 142 members and 31 observers to 176 members and 36 observers, and that in addition to the steady growth in total GAC membership, there is also a consistent turnover in the representatives to the GAC due to the nature of government assignments and changes in portfolios, etc. In just the last year the GAC experienced a high turnover of 90 of the current 176 representatives. The combination of these factors requires additional investment in capacity building to work to maintain active and meaningful participation from the GAC members that is grounded in a strong knowledge base about ICANN's role within the technical operation of the Internet. Engagement does involve communication but in the larger context of relationship management,

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			capacity building and outreach about: (i) ICANN's mission and mandate; (ii) ICANN's role in the Internet Ecosystem and the role of governments within ICANN; and (iii) the Multistakeholder model. This is particularly important in the post transition environment with the evolution of new potential regulatory frameworks and the introduction of new technologies.
160	ccNSO-SOPC	Document 4 – FY19 Operating Plan, Direct Community Activity Support, Budget Travel Cuts: we noticed the reduction in some ccNSO-funded seats where others remained unchanged. This travel cut is confusing, since there is a push for the ccNSO community to contribute more to ICANN funding on one hand, and on the other the funded seats are being reduced. Moreover, in light of long-term planning, it would be worth explaining to the community whether the cut in travel seats is permanent, or an adjustment solely for the FY19 Budget due to the location of the meetings.	Thank you for your comments regarding the reduction in travel funding. We understand the comment on the reduction in funded seats while other activities and projects are also not growing. These inputs are based on the fact the funding is stabilizing which is the expected trend for FY19. The stabilization of funding is not related to the specific location of the meeting.
162	ccNSO-SOPC	Document 4 – FY19 Operating Plan, Encourage Engagement with the Existing Internet Governance Ecosystem at National, Regional, and International Levels: the equivalent of 2.6 full-time personnel are assigned to this project, and it has been allocated a small budget and little time. Taking into account that ICANN is the key leader in promoting the multistakeholder model, it seems that not enough resources, time, and energy have been allocated to one of the main objectives of the organization. The same comment applies to Sections 2, 4.1, and 4.3.	The FY19 budget is comparable to FY18 for Object 4: Promote ICANN's Role and Multistakholder Approach as $8.5M is allocated to this object compared to $8.8M in FY18.

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105	RySG	3.7. ICANN Projects The RySG would like to better understand the envisaged outcome of the Recurring Activity Complaints Office Operations (project ID 177014)	The recurring activity budget item, Complaints Office Operations (project ID 177014), funds the ongoing operations of the Complaints Office. The Complaints Office receives and researches complaints, collects facts, reviews, analyzes, and resolve complaints about ICANN org as openly as possible with the goal of helping the org maximize its effectiveness, and to provide additional operational transparency and accountability. The outcomes thus far and that are expected to continue through FY19 are: - 22 complaints received, 19 responded to during the period of 15 March – 31 December 2017 while in CY18, 12 complaints were received and two responded to in CY18. To view the public log of submitted complaints, responses from the Complaints Officer and statistics regarding other submissions see: https://www.icann.org/complaints-report. - Increased visibility and transparency into operational challenges the org is experiencing. - Increased operational accountability for the work the org delivers. - Centralized oversight and management of complaints about the org that don't fit into an existing complaints process (e.g., Contractual Compliance, or Global Support) or that are escalated because an existing process or support mechanism appears to be broken. - Assurance that complainants get a response to their complaints. - Aggregated data from centralized complaints to identify and solve for systemic issues and/or operational trends that need improvement.

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			- Recommendations to the ICANN President and CEO regarding systemic issues and/or trends. In March 2018, the Complaints Officer published its first semi-annual report. The semi-annual report (see https://www.icann.org/en/system/files/files/complaints-office-semi-annual-report-07mar18-en.pdf) provides an overview of metrics and activities for the reporting period, examples of improvements the org has made as a result of submitted complaints, key observations, and recommendations to the President and CEO for consideration and possible action.

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48	NCSG	We are concerned that ICANN has allocated no resources for GDPR-related implementation work in FY19. The Compliance department does not appear to have been allocated funds for privacy compliance work, but since ICANN now recognizes its role as a controller, this is a required function. This suggests to us that ICANN plans to make the registrars pay for these activities, which may be an option when it comes to implementing a WHOIS solution that combines ICANN org's compliance with the law with ICANN org's contractual compliance with contracted parties, but we believe it will ultimately prove insufficient. In addition, we suspect that ICANN org still has internal issues that need to be resolved with respect to its own systems that will need to be brought into compliance with the GDPR.	Thank you for your feedback. Please see response to comment #80.
145	IPC	Concerns About Compliance and Consumer Safeguards IPC notes that the total compliance budget appears to be funded at US$5.3 million which is a decrease from a slight decrease over last year's proposed budget of US$5.4 million. However, the list of potential costly project is long, including (i) needing additional resources directed to support enhanced audits for Transparency in Infrastructure Abuse and Compliance, (ii) managing the impacts of GDPR compliance, (iii) monitoring and enforcement of DNS abuse (which will undoubtedly increase due to GDPR) and (iv) audits that are particularly related to DNS abuse. IPC asserts that this Compliance and Consumer Safeguards' budget may be under-estimated. Further, IPC continues to stress the importance of transparency in the ICANN compliance process including how contracts are interpreted so that we may have levels of predictability and reliability when matters are escalated. ICANN would be well served to consider developing easily accessible resources that	ICANN org notes the concerns from the IPC and also the community concerns related to GDPR readiness, DNS Infrastructure, increased transparency to compliance work and the budget concerns. The approach in FY19 is to leverage the existing resources to support the FY19 initiatives.

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		explain contract compliance outcomes. IPC has noted these issues in prior comments relating to ICANN budget practices.	
165	RySG	3.7. ICANN Projects why compliance outreach needs a double effort of 400k (project ID 31665) and 100k (project ID 176295).	In FY18, certain personnel costs were allocated to three Project IDs (31665, 31666 and 15057). In FY19, these personnel costs were consolidated into two Project IDs (31665 and 17548). These amounts are not new expenditures. Project id# 176295 - is the Contractual Compliance Re-occurring Outreach = 100K total for a % of time spent by seven resources to conduct outreach activities. To learn more about the outreach activities, please refer to the annual report or to the outreach page at https://www.icann.org/resources/pages/compliance-2012-02-25-en.

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19	AF	I am greatly troubled by the absence of references to the community Regional Outreach Programme (CROP) in the FY19 Budget. In its most recent staff assessment following a year-long review, ICANN staff concluded, "It remains Staff's view that CROP can be a useful tool for volunteer structures (e.g., Constituencies, RALOs) to develop and strengthen their stakeholder groups." In addition, on the ICANN website CROP is referred to as a core activity that ICANN org has recognized as being a success: "Following another successful implementation of the CROPP in FY17, the "pilot" program label has been removed and the activity has been moved to the Policy Development Support budget as part of the core activities to be coordinated by that staff in collaboration with the GSE team." Following an enquiry, the Finance department has confirmed that CROP has been discontinued in the FY19 Budget. From what I understand, a Senior Vice President made the executive decision that CROP be cancelled over the objections of other staff who saw the merit of CROP. Every division within ICANN was given targets for cuts, and this Individual decided to focus their cuts on community-related expenditure in order to protect their staff. I believe that CROP has been successful at attracting new, diverse, and active community members to the various member constituencies, both commercial and non-commercial. It has increased public participation in the multistakeholder model. It has widened ICANN's international engagement efforts, and it has enhanced trust in ICANN as an institution. I do not only support CROP's continuation, I support its enlargement. I believe this initiative should be open to the entire ICANN community, including both the contracted and noncontracted parties, because CROP creates a bridges between the ICANN community and the outside world. In cutting CROP you weaken community participation in ICANN's policy	The current purposes and key deliverables of Community Regional Outreach Program (CROP) are: • To build local and regional awareness, and to recruit new community members; • To engage more effectively with current members and/or "reactivate" previously-engaged members; and • To communicate ICANN's mission and objectives to new audiences. Based on public comments received, ICANN org is considering making changes to CROP funding in the FY19 budget. In order to fulfill the CROP objectives of local/regional awareness, effective engagement with new and current members, and communication of ICANN's mission and objectives to new audiences while respecting the need to balance CROP funding with other community priorities in FY19, ICANN org is proposing that any CROP funding for FY19 be subject to new guidelines and additional, specific criteria that will be applied to all trip requests, including a staff assessment of the effectiveness of all funded trips (possibly conducted by Policy staff in collaboration with GSE) shall be conducted at the end of FY19, to inform decisions about CROP funding in FY20. Prior to any CROP funding being utilized for FY19, Policy staff administering CROP shall review the current CROP guidelines to identify any additional criteria and guidelines needed in order to ensure that they are consistent with the

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		development processes, and by extension, hamper ICANN's own legitimacy. The community sometimes comes under fire for not reaching a consensus policy or responding to an issue in a timely manner. You cannot expect the community to be meaningfully engaged in policy development if our budget is cut and we are left significantly under-resourced.	criteria proposed in this paper proposal, and with a view toward improving the process for submitting, approving and tracking CROP trip proposals. For FY19, Policy staff administering CROP will collaborate with Public Responsibility Support (PRS) and GSE staff to determine if and how the objectives of CROP align with those of the Fellowship and Next-Gen as well as other newcomer programs, and vice versa.
20	AF	At ICANN 55 in Marrakech, representatives of the NCSG communicated to the Board that we needed to build our capacity to absorb an increased, growing, and specialized workload. Since then, we have been asked to participate in more and more working groups, review teams, and to comment on more and more policy issues. We have done this; submitting 31 public comments in 2017, a substantial increase from the 7 comments we submitted in 2016. I am not saying that CROP alone has been behind this increase in productivity, but it is one variable. The NCSG's leaders and community veterans have identified volunteer burnout within our community as having reached a critical juncture, and it has been an operational priority for us to encourage new, long-term participation in our ICANN activities. I have personally used CROP to recruit new members to our community who were already active in other Internet policy activities and who had a demonstrated professional interest in using policy to achieve social and political change. These are people who had the capacity to be quickly brought up to speed on ICANN's policy work. Other CROP recipients have told me that their attendance at forums with the support of CROP has allowed them to promote and assess the embodiment of ICANN principles in other Internet governance processes. The best case for the continuation of CROP lays in the year-long staff analysis of the programme published in	Please see response to comment #19.

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		2017. It works, and at an extraordinarily low cost to ICANN. Moving forward, I would like to introduce additional metrics and accountability for CROP expenditure (in other words, it is not enough to send people to conferences to do "outreach"; there has to be a deliverable or subsequent outcome of some kind). As it stands, the expectation of CROP recipients is that we are responsible for recruiting our own members at events, staffing our own booths, arranging our own panels and workshops, and preparing our associated talking points. We must also prepare a strategy for the event before our travel is booked, and report back within three weeks of the event concluding on the outcomes. These are fair and reasonable expectations, but I am happy to enter into a conversation around how we can do a better job at assessing the return from ICANN's spend. I would also like to work on revising the selection criteria to ensure that only community leaders and pioneers, and not newcomers, are receiving this resource. I believe this is more in line with the spirit of the programme and what it is setting out to achieve. A part of me wonders if this cut is meant to be purely symbolic. There has long been the claim advanced that ICANN is a traveling circus. If the intent behind cropping CROP was because it would reduce the community's visibility at external events, I ask that this decision be re-evaluated please. During the Non-Contracted Parties House Intersessional in February 2018, the CEO said that it was important that the Global Stakeholder Engagement team attend events face-to-face and conduct outreach, because "we all believe, at least I believe, how important it is to bring that notion of diversity into ICANN's world." This is a notion that the community similarly supports. If there is a need for ICANN staff to attend events and to frame ICANN as a welcoming and open space where new voices can speak and be heard, I believe it is equally important for ICANN	

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		community members to continue engaging in these same spaces evangelizing about how others can become involved in ICANN processes. On a process front, I consider it unacceptable to remove a core activity from the Budget without first notifying the community. Its withdrawal will have a significant impact on community engagement and volunteerism. This is further problematic because, being unaware that CROP was being cut, the community was unable to submit ABRs for these very activities, as we had expected them to continue to be funded through the core budget, as had been the case for all of recent memory.	
44	NCSG	We are troubled by the absence of references to the community Regional Outreach Programme (CROP) in the FY19 Budget. We have subsequently learned that CROP has been discontinued. This is surprising to us, because in a comprehensive 2017 report, ICANN staff concluded, "It remains Staff's view that CROP can be a useful tool for volunteer structures (e.g., Constituencies, RALOs) to develop and strengthen their stakeholder groups." The ICANN website describes CROP as a "success" and a 2017 project funded through CROP, run by one of the NCSG's member constituencies the Noncommercial Users Constituency, received a letter from the ICANN CEO praising its execution. It is the view of the NCSG that CROP has increased public participation in the multistakeholder model, it has widened ICANN's international engagement efforts, and it has enhanced trust in ICANN as an institution at the national and sub-regional levels. On this basis, we ask that CROP return in FY19 at the FY18 level.	Please see response to comment #19.
45	NCSG	On a process front, we consider it unacceptable for ICANN to remove a core activity from the FY19 Budget without first notifying the community. In the multiple webinars on the Budget that our representatives attended, not once was the withdrawal of CROP voluntarily highlighted by ICANN staff, despite the significant impact that its removal will have on our	Community consultations, including various webinars and meetings at ICANN61 as well as this public comment proceeding is intended to elicit the diverse views of the community on what types of projects the ICANN org should prioritize in the FY19 Operating Plan and Budget.

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		volunteerism and community engagement. This is problematic in terms of process and transparency because, being unaware that CROP was being cut, the community was unable to submit additional budgetary requests for these very activities, as we had expected them to continue to be funded through the core budget as had been the case in FY18	Community feedback, including through public comment submissions on the draft budget documents, are a critical part of the annual budget planning cycle, including in the preparation of a final proposed FY19 Operating Plan and Budget. ICANN org acknowledges that it did not highlight the status of the community Regional Outreach Program (CROP) more clearly in the initial stages of community consultation. It should be noted, however, that the objectives, principles and ongoing approval processes for CROP are not the same as for the once-annual Additional Budget Request process, and each should not be used to supplement travel funding where the other is no longer available. Based on public comments received, ICANN org is considering making changes to CROP funding in the FY19 budget.
129	ALAC	In this budget, there are two such clear examples. The CROP program (which just recently was transformed from a pilot program into a core budget-funded program) was eliminated. It was done with absolutely no mention in the documents. If the program was so expendable as to not even warrant a comment, why was it just recently incorporated into core budget? This program is relied upon by those parts of the community that are least able to self-finance outreach and engagement. There will be a significant impact of its disappearance. The budgets documents are silent on the logic, but finance staff have said it was due to the high cost of meetings this coming year (implying but not explicitly saying that this was a one-time cut which would be reinstated next year). The community has absolutely no say in meeting location choice and should not be penalized because of it, and particularly penalized in ways that impact our ability to deliver	ICANN org acknowledges that it did not highlight the status of the community Regional Outreach Program (CROP) more clearly in the initial stages of community consultation on the FY19 budget. The proposal not to fund the CROP for FY19 was based on ICANN organization's understanding that FY19 will be a challenging budget year. This was not intended to undermine the success of the program but rather to ensure that for FY19 sufficient funding is available for the community's essential policy development and advisory activities, as well as the necessary support for these functions. Should budget concerns ease in future years such that it becomes possible to fund additional projects, programs such as CROP that had moved from pilot to core activities may be

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		what is expected of us. At the time several years ago when the community indicated that it wanted to meet in a wide variety of locations, there was no discussion of that decision impacting other budgets.	added back in upon a review of their objectives and principles at that time. ICANN org has begun to evaluate, and discuss with the community, how further cost savings may be achieved through various means of selecting meeting locations. As public comments are intended to elicit the diverse views of the community on what types of projects ICANN org should prioritize in the FY19 Operating Plan and Budget, the community's input is a critical part of the annual budget planning cycle, including in the preparation of a final proposed FY19 Operating Plan and Budget. Based on public comments received, ICANN org is considering making changes to CROP funding in the FY19 budget.

Funding

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39	NCSG	We remain extremely concerned that ICANN's income has stopped growing. From our conversations with the registrar community, they believe it will continue to trend downwards. As we noted in our December 2017 comment on the target level for ICANN's Reserve Fund, "We feel very strongly that the time is now for the organization to reconsider unnecessary expenditure and to work to build a strong Reserve Fund that can support the organization should income begin to decline."1 We believe there are only five realistic avenues through which ICANN can mitigate a decrease in funding, and only one which we can endorse: ● Offset the reduction by cutting costs and focusing on core business areas relevant to ICANN's main mission (and to be clear, this is the only option that the NCSG supports); ● Using the budget contingency, presuming there is any left, as an offset to the funding reduction (however this is unpredictable); ● Take funds from the New gTLD Auction Proceeds fund (a fundamentally unsound practice, as these funds are supposed to be sequestered, and ICANN has said as much in legal filings); ● Raid the Reserve Fund (this is a solution to 'buy time' and would not address the issue of a structural decrease in funding); or ● Raise fees on registries and registrars (an option we do not support because costs will then be passed on to registrants). We strongly encourage ICANN to be more prudent in the projects and activities that it funds. We do not, however, want ICANN to be 'penny wise and pound foolish.' The organization must tighten spending on unnecessary expenditure, limiting its spend to those activities that are central to ICANN's mission, but we neither support nor are we asking for the implementation of harsh austerity	Thank you for your thoughtful comments and feedback. The projected growth rates for ICANN funding are detailed on Page 15 of 40 in Document 2. In it, ICANN org forecasts a lower rate of growth in total transaction volumes and funding versus prior years, arising from our expectations of a slowing domain name marketplace growth rate, and the consolidation in the accredited registrar base. However, this is rather different than a halt or an outright decline to marketplace growth. In line with your sentiment, the draft FY19 budget was developed with the intent to have greater prudence in the projects and activities that are funded. Your concerns around the proposed budget cuts to various community programs and request mechanisms are duly noted, and will be taken into account in finalizing the FY19 budget.

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		measures at the expense of good judgement. ICANN is not yet in such trouble that deep cuts to all services must be considered. We are concerned that the proposed budget seeks to impose unfair and harsh cuts on the volunteer community — cuts to our discretionary spending that supports our capacity building, outreach and inreach activities, community-initiated external engagement efforts, and other additional budgetary requests — that comprise only a small percentage of the overall budget. At the same time, we see no attempts to address the larger structural issues to do with growing personnel costs and an extraordinary spend on professional services. ICANN the multi-million dollar corporation, and not just the volunteer community, must feel the impact of this reduction in revenue.	
40	NCSG	ICANN's high dependency on a stream of fees directly related to the size of the DNS market is problematic. Other entities which deal with such dynamic markets tend to prefer to vaccinate themselves from the illusion of an endless source of income by developing a cost-based budget first, and justifying every year its budget to the providers of said income, instead of defending a cut of their business, as is the case today. From a consumer-protection perspective the NCSG remains concerned that this will result in higher costs to domain name registrants. We encourage ICANN to explore other avenues for growing and diversifying its regular income in a manner which does not adversely impact end-users and domain name registrants. This might include an accreditation programme for the various actors who wish to access the Next-Generation Registration Data Service, and/or it could include building business in presently untapped markets such as expanding the number of registries and registrars serving those regions and their users. These are mere suggestions and are not intended to be a comprehensive list of proposals for growing revenue.	As a function of its mission, ICANN's funding sources are well-defined. Additional recurring sources of income to the organization would be only possible in the event that new policies are enacted, requiring ICANN org to provide incremental services in order to further that mission. The ICANN Board will consider such developments which may then, in consultation with the ICANN community, lead to other sources of funding for ICANN org. At ICANN61 in San Juan, Puerto Rico ICANN org affirmed and reiterated that at this point no measures are being considered that may result in a change in costs charged to domain name registrants.

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85	i2Coalition	Growth expectations: ICANN has based its budget off of an assumption that legacy TLD growth numbers (2.7% - 4.1% growth) will persist. Published industry-wide reports from Verisign and others show these numbers to be unrealistic. Domain growth is relatively flat. ICANN needs to work within a budget that reflects that.	Thank you for your comments and feedback. Many factors are considered in the projection of gTLD transaction volumes and resulting fees, including trends from historical data, recent marketplace developments, and input from industry participants (provided both directly and via public statements/documents). ICANN org evaluates and utilizes those various perspectives in developing estimates on future funding. ICANN org is committed to continue reviewing its projections and updating these based on the latest available data.
91	RySG	2.2. Forecasted ICANN revenue Reliable forecasts, characterized by their scrutiny and realism, are fundamental to put together a realistic budget and to avoid unpleasant surprises, such as the shortage ICANN is experiencing in the current fiscal year. The RySG advises ICANN to continue to conduct checks on its forecasts and to re-evaluate the methodology used to predict its income in order to prevent another funding shortfall such as that which the organization experienced in FY18.	Thank you for your comments and feedback. Many factors are considered in the projection of gTLD transaction volumes and resulting fees, including trends from historical data, recent marketplace developments, and input from industry participants (provided both directly and via public statements/documents). ICANN org evaluates and utilizes those various perspectives in developing estimates on future funding. It is important to note that under the current budget cycle, funding values for a fiscal year are developed 18+ months in advance. ICANN org is committed to continue reviewing its projections and updating these based on the latest available data. ICANN org also welcomes the opportunity to further expand our direct engagement with contracted parties in order to gain additional insight on their market projections.

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94	RySG	2.5. New gTLD Program Fund Being Used for Regular Operations We are concerned that resources from the New gTLD fund are being used to fund general operations. The estimated expenses for the full program have increased by $14M with little to no transparency as to the reason for the change. Without sufficient transparency, the concerning conclusion we can draw is that New gTLD funds are being used (inappropriately) in order to fund regular ICANN operations.	New gTLD Program funds continue to be used to deliver services and support ongoing activities related to the 2012 round of the New gTLD Program. In the coming months, ICANN org intends to share more details about where program funds have been spent to date. To enable effective review of the FY19 planned expenditures for the New gTLD Program, the program forecast will be updated to provide more detail on where program funds have and will be spent.
131	ALAC	The ALAC also has concerns that industry sources seem to believe that the "Low Estimate" and "Best Estimate" for expected registrar and registry revenue may be rather optimistic, implying the possibility of further cuts or impact on the reserve. Perhaps ICANN should consult with their larger registrars and registries to ensure that revenue estimates are not overly optimistic.	Thank you for your comment. In principle, the projected funding values are intended to be neither optimistic nor pessimistic, but rather, as realistic as possible, given the available data. Our highest-confidence estimates, or "best estimates", are used in the draft budget, with the inclusion of "low" and "high" estimates as guidance for potential variance. ICANN org is committed to continue reviewing its projections and updating these based on the latest available data.
135	RrSG	Funding As an example, consider top line funding. Our chief concern is that the FY 2019 budget fails to recognize that overall industry growth is flat. Instead, the budget projects funding of $138 million, which is $3 million above the FY18 forecast of $135 million. Much of this builds upon the 2017 figures, with projected growth in Registry and Registrar transactions fees (Doc 1, p. 10). These revenue projections presume growth in the domain market that is not aligned with industry expectations. This sentiment is corroborated by statements made by several publicly-traded registries and registrars, and industry studies2. RrSG members report that some level of activity last year was the result of one-time events (e.g., domain speculation in the Chinese market), and not likely to recur in 2019.	The projected growth rates for ICANN funding are detailed on Page 15 of 40 in Document 2. In it, ICANN org forecasts a lower rate of growth in total transaction volumes and funding versus prior years, arising from our expectations of a slower domain name marketplace momentum, the one-off events of the prior year(s), and the consolidation in the accredited registrar base. However, this is rather different than expectation of a halt or an outright decline in marketplace growth. Many factors are considered in the projection of transaction volumes and resulting fees, including trends from historical data, recent marketplace developments, and input from industry participants

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		1 https://www.icann.org/public-comments/fy19-budget-2018-01-19-en 2 For example, Verisign's Domain Name Industry Brief reports 2017 growth of less than 1%, after accounting for ccTLDs. https://www.verisign.com/en_US/domain-names/dnib/index.xhtml These marketplace data points indicate growth at or below your "worst case" assumptions. This incongruence between growth estimates provided by industry and the ICANN funding assumptions must be reconciled, with deference towards industry (not ICANN) assumptions. For example, consider funding derived from Registrar Accreditation Fees. We expect that changes in the market landscape will reduce the overall number of accredited Registrars, either from retirement of entities solely established for "drop-catch" services, or via general industry consolidation. In recognition of these changes, ICANN's projections for these fees should be reduced, or at least flat. Taken together, these concerns represent a disconnect between ICANN funding projections, and the revenue expectations of Registrars (and presumably, gTLD Registries) from which these funds are derived. In our view, ICANN's assessment of budgetary "risks" are too optimistic 4, and actual performance for FY19 will be significant lower. The RrSG acknowledges the new outreach efforts undertaken by ICANN Staff in recent years to develop the budget, but additional steps, including direct engagement with contracted parties on funding projections, would also be welcome.	(provided both directly and via public statements/documents). ICANN org evaluates and utilizes those various perspectives in developing estimates on future funding. It is important to note that under the current budget cycle, funding values for a fiscal year are developed 18+ months in advance. ICANN org is committed to continue reviewing its projections and updating these based on latest data. ICANN org also welcomes the opportunity to further expand our direct engagement with contracted parties in order to gain additional insights on gTLD market projections.

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144	IPC	Assumptions about Growth In its FY18 comments, the IPC urged ICANN to employ budget assumptions that account for a greater margin between projected revenue and expenses which would allow ICANN more flexibility in meeting its governance responsibilities by adequately funding its operating reserves. The FY18 Adopted Budget was US$143 million. However, ICANN's FY18 forecast of revenues is US$135 million, which was a budget miss of US$8 million. Funding for FY19 is at $138 million, which is below the FY18 Adopted Budget of US$143 million. but US$3 million above the FY18 forecast of $135 million. This increase is based upon a best estimate increase in transaction fees from registries and registrars of approximately US$3 million. However, no detailed assumptions for this increase are provided. Such important growth assumptions should be provided in greater detail.	The projected growth rates for ICANN funding are detailed on Page 15 of 40 in Document 2. In it, ICANN org forecasts a lower rate of growth in total transaction volumes and funding versus prior years, arising from our expectations of a maturing gTLD marketplace and the consolidation in the accredited registrar base. However, this is rather different than expecting a halt or an outright decline to marketplace growth. Many of the assumptions and projections within the ICANN model were discussed and debated during the financial update session at ICANN61, for which the recordings are available for reference. ICANN org's funding projections and market model do consider the expected changes in both supply-side (e.g., registry and registrar geographic market expansion, market launch of new gTLDs, improved industry-wide go-to-market plans, better tailored price promotions, etc.) and demand-side conditions (e.g., increased uptake of IDN strings, greater market awareness of new gTLDs, etc.).

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149	ccNSO-SOPC	Regarding the funding forecast, we would like to stress the following: · The FY18 funding forecast US$135 is lower than the FY18 adopted budget (US$143), and equal to FY17 actuals (US$135). There is no explanation and no figures showing which sources of funding in FY18 are lower than expected. · The funding for FY19 is projected to grow by US$3 (vs FY18 forecast) due to the registry transaction fee (US$2) and registrar transaction fee (US$2). All growth is associated with the new gTLD registry and registrar transaction fees. This should be explained and better justified, and/or a more conservative and prudent approach should be taken. Moreover and more importantly, the draft FY19 Budget should not assume an increase in funding (US$3 million more than 2018) and cash expenses that are equal to the funding. The experience of FY18 should serve as an example of the implications and issues that arise when budgets need to be readjusted once the money has already been assigned; even more important is the realization that the funding coming from domain sales is not increasing as the budget implies. The adopted budget for FY18 needed to be adjusted. It makes no sense to base the FY19 Budget on the same assumptions as the FY18 budget. It needs to reflect the reality of the current market and ICANN's finances. We believe that the new gTLDs have reached the peak of their growth. No assumptions should be made that these sales will somehow increase, and there should be an effort to decrease costs instead of increasing them as shown in the budget.	The projected growth rates for ICANN funding are detailed on Page 15 of 40 in Document 2. In it, ICANN org forecasts a lower rate of growth in total transaction volumes and funding versus prior years, arising from our expectations of a maturing gTLD marketplace and the consolidation in the accredited registrar base. However, this is rather different than expecting a halt or an outright decline to marketplace growth. Many of the assumptions and projections within the ICANN model were discussed and debated during the financial update session at ICANN61, for which the recordings are available for reference. ICANN org's funding projections and market model do consider the expected changes in both supply-side (e.g., registry and registrar geographic market expansion, market launch of new gTLDs, improved industry-wide go-to-market plans, better tailored price promotions, etc.) and demand-side conditions (e.g., increased uptake of IDN strings, greater market awareness of new gTLDs, etc.).

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148	ccNSO-SOPC	In terms of ICANN's investment policy, while this suggests a conservative approach, the return should be fairly significant nonetheless. Is there any clarification as to how interest is used, and whether or not it is accounted for in the Budget?	ICANN org manages our investments in compliance with the ICANN Board approved investment policies for both the Reserve Fund and the New gTLD Funds and Auction Proceeds. These investment policies are published on the ICANN website. The ICANN investment policies outline the objectives for each of these types of funds. The performance of the investments is then monitored for compliance with the policy. The Reserve Fund and the New gTLD Fund (including Auction Proceeds) are managed by highly rated investment management institutions. The investment performance and investment balances are reported both internally and externally as part of the Quarterly Stakeholder Call reports, the Quarterly Management Reports and the Annual Independent Audit Report, all published on our website. The detailed investment performance (rates of return) is not currently published. ICANN org agrees in principle that such information would help transparency, under the condition that it can be disclosed clearly and understood by the public. Rates of return vary based on investment objectives such as desired degree of risk, time horizon of the funds, level of liquidity, etc. As such, any information published on rates of return needs to be provided with adequate contextual information so that it can be understood by the public. Failure to do so would actually decrease transparency and increase confusion. As a result, ICANN org will consider publishing investment performance information in the future, under a framework that allows for education of the public on the contextual information necessary for understanding. Any earned interest is added to the Reserve Fund and

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			is not factored into the budget to fund operational activities.

GDD Operations and gTLDs

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76	Mark Monitor	We note with concern that ICANN's FY19 Operating Plan and Budget fails to include any funding resources for the next application round of new gTLDs. Existing GNSO policy on New Generic Top-Level Domains includes explicit recognition that the "request for proposals for the first round will include scheduling information for the subsequent rounds to occur within one year."

Additionally, in an ICANN Board resolution passed in 2012, the Board committed to future gTLD applications stating: "ICANN is committed to opening a second application window for the New gTLD Program as expeditiously as possible." Despite these affirmations of commitment, ICANN's proposed budget and operational plan contains no funding for any preparatory work and expressly states that "No resources are in the FY19 budget for this implementation [preparation] work." | Thank you for your feedback and for contributing to ICANN's FY19 Operating Plan and Budget process.

In discussing subsequent procedures for gTLDs, it is important to differentiate between eventual implementation of GNSO Subsequent Procedures PDP recommendations and any preparatory work that can be done in advance of opening of the next application process. Implementation of GNSO policy recommendations follows an established process per the GNSO PDP Manual (https://gnso.icann.org/en/council/annex-2-pdp-manual-16feb16-en.pdf) and the Consensus Policy Implementation Framework (https://www.icann.org/en/system/files/files/gdd-consensus-policy-implementation-framework-31may15-en.pdf), which require GNSO Council's adoption of the PDP recommendations as well as ICANN Board's approval before implementation can commence. It is premature to plan for implementation of the policy recommendations during FY19 because PDP discussions are still ongoing. When the recommendations are finalized, the Board will consider the recommendations and how to fund the implementation.

Although formal implementation of the PDP recommendations cannot commence until the ICANN Board's approval in accordance with established processes, some preparatory work for the opening of the next application process could be done earlier as the Board previously noted in its July 2017 response to the RySG (https://www.icann.org/en/system/files/correspondence/crocker-to-diaz-26jul17-en.pdf). ICANN org is working with the Board to determine possible preparatory work that could be done. An important aspect of this discussion is the potential of re-work if the Subsequent Procedures PDP Working Group provides |

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			policy recommendations or implementation guidance that is different from the preparatory work already done. This does not mean that no preparatory work should be done, rather it highlights the importance of planning and coordination with the Subsequent Procedures PDP Working Group. The determination of possible preparatory work will then lead to identification of funding to support the work, and would be submitted for Board approval as appropriate. ICANN org will keep the community appraised of the outcome of this process.
77	Mark Monitor	In 2009, more than two years prior to the launch of the first new gTLD round, ICANN budgeted more than seven million dollars to be used for additional staff, technical costs, application processing and other expenses associated with the new gTLD application round. While the GNSO is currently engaged in the policy process for determining what changes will be required for the introduction of additional new gTLDs, existing PDP workstreams anticipate that such policy work will be completed during FY 2019. If ICANN fails to start budgeting now for preparatory work, ICANN will not be able to deliver on its commitment to open, expeditiously, a second application window. ICANN cannot afford to wait until completion of all GNSO policy recommendations before beginning to budget for the preparatory work needed to open another application round. On behalf of future new gTLD registry operators, including many dozen .BRAND applicants, we urge ICANN to amend its draft FY 19 Budget to include resources for preparatory work on the next application round.	Thank you for the comment and for contributing to ICANN's FY19 Operating Plan and Budget process. Please see response to comment #76.

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95	RySG	3.1. Implementation of Subsequent Procedures for New gTLDs The RySG understands the FY19 draft budget does not account for development or resources towards the next round(s) of new gTLDs . It is anticipated that the Subsequent Procedures PDP will complete its work by December 2018 with an expectation that the consensus recommendations will be adopted by the Board prior to the conclusion of FY19. It is important to recall that the current GNSO Policy on the Introduction of New Generic Top-Level Domains includes, as its very first principle, the statement that "New generic top-level domains (gTLDs) must be introduced in an orderly, timely and predictable way. This principle was implemented in the 2012 round Applicant Guidebook (which stated, "ICANN's goal is to launch subsequent gTLD application rounds as quickly as possible") and reiterated by the ICANN Board in Resolution 2012.02.07.054: "ICANN is committed to opening a second application window for the New gTLD Program as expeditiously as possible." Knowing how long it takes to implement this type of complex program, the RySG asked ICANN to begin the implementation work nine months ago. Despite not wanting to set a definitive timeline for the implementation of the next round(s) of new gTLDs, in response to the RySG request, the then-ICANN Board Chair acknowledged that "Some amount of preparatory work could be done in parallel to the PDP Working Group's discussions." However, the proposed FY19 budget and operational plan not only does not	Thank you for the comment and for contributing to ICANN's FY19 Operating Plan and Budget process. Please see response to comment #76.

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		include specific allocations for such preparatory work, but it states affirmatively that "No resources are in the FY19 budget for this implementation work."	
96	RySG	3.1. Implementation of Subsequent Procedures for New gTLDs In its FY08 Plan and Budget, before the GNSO had formally adopted the new gTLD Policy, ICANN recognized that developing the New gTLD Program would require significant start-up investment. As such, in July 2009, two years prior to the launch of the new gTLD round, ICANN budgeted over $7.5 million towards the implementation of the gTLD round, specifically towards "the staff, professional services, and technical costs required to complete the development of the implementation of the New gTLD policy recommendations as well as those costs necessary to prepare for New gTLD application processing (e.g. advanced staffing of the application processing function)." Although the new gTLD process was, and likely will be in subsequent procedures, both self-funded and offset by application fees, ICANN understood that it would need to budget adequate resources to implement the new gTLD policy, including, but not limited to: a) recruitment of staff for the new gTLD program office b) professional service fees associated with the	Thank you for the comment and for contributing to ICANN's FY19 Operating Plan and Budget process. Please see response to comment #76.

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		production of the Applicant Guidebook c) the development of systems to handle objections, dispute resolutions, and technical/business/financial reviews, and d) the creation and implementation of a communications strategy across many different languages, to announce and promote the expansion to the global Internet community.	
97	RySG	3.1. Implementation of Subsequent Procedures for New gTLDs While the GNSO is still engaged in the policy development process for determining what changes will be required for the introduction of additional new gTLDs, it is anticipated that such policy work will be completed during FY19. Many of the same costs that were incurred for the 2012 round of new gTLDs will be required for the next round, which could start as soon as FY20 or FY21. It is our understanding that although some of the resources from the 2012 round can be repurposes for subsequent rounds, there are a number of resources that cannot, such as the application system and other technical systems that were designed for one time use and therefore must be built up from scratch. The RySG is also concerned that with ICANN org, having converted new gTLD staff to Operations, has no personnel working on preparations for a next round, which could lead to a further delay. ICANN should, to the greatest extent possible, assign staff with knowledge and experience from the previous round to work on preparing for future	Thank you for the comment and for contributing to ICANN's FY19 Operating Plan and Budget process. In discussing subsequent procedures for gTLDs, it is important to differentiate between eventual implementation of GNSO Subsequent Procedures PDP recommendations and any preparatory work that can be done in advance of opening of the next application process. Implementation of GNSO policy recommendations follows an established process per the GNSO PDP Manual (https://gnso.icann.org/en/council/annex-2-pdp-manual-16feb16-en.pdf) and the Consensus Policy Implementation Framework (https://www.icann.org/en/system/files/files/gdd-consensus-policy-implementation-framework-31may15-en.pdf), which require GNSO Council's adoption of the PDP recommendations as well as ICANN Board's approval before implementation can commence. It is premature to plan for implementation of the policy recommendations during FY19 because PDP discussions are still ongoing. When the recommendations are finalized, the Board will consider the recommendations and how to fund the implementation. Although formal implementation of the PDP recommendations cannot commence until the ICANN Board's approval in accordance with established processes, some preparatory

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		application procedures, since putting together a new team will cost time and money in the long run. If ICANN does not start budgeting for start-up preparation costs, as well as for employees and professional services in FY19, there is no possibility that ICANN will be in a position to commence subsequent procedures in FY20 or possibly even FY21 for that matter. ICANN cannot afford to wait until after the ICANN Board approves the GNSO recommendations to start preparatory work on implementation.	work for the opening of the next application process could be done earlier as the Board previously noted in its July 2017 response to the RySG (https://www.icann.org/en/system/files/correspondence/crocker-to-diaz-26jul17-en.pdf). ICANN org is working with the Board to determine possible preparatory work that could be done. An important aspect of this discussion is the potential of re-work if the Subsequent Procedures PDP Working Group provides policy recommendations or implementation guidance that is different from the preparatory work already done. This does not mean that no preparatory work should be done, rather it highlights the importance of planning and coordination with the Subsequent Procedures PDP Working Group. The determination of possible preparatory work will then lead to identification of funding to support the work, and would be submitted for Board approval as appropriate. ICANN org will keep the community appraised of the outcome of this process.
98	RySG	3.2. new gTLD program fund The RySG is concerned with several parts of the proposed budget for the New gTLD Program located in Document 2, Section 4. ICANN now estimates the remaining balance of excess application fees to be $81.8M, down from $95.8M estimated in February 2017. To rationalize this change, ICANN points to an additional $8M in "evaluation expenses" in FY19 and FY20. This considerable amount raises a number of questions: Why is there such an amount of $8M in unanticipated evaluation costs? Was ICANN expecting that there wouldn't be evaluations in FY19 and FY20? If so, how many evaluations were performed in FY18 and how many are anticipated in FY19 and FY20? We note here that currently only 9 contention sets remain to be resolved. A related concern is the amount of	New gTLD Program funds continue to be used to deliver services and support ongoing activities related to the 2012 round of the New gTLD Program. - Actual Risk Costs since February 2017 - $5.4M - Variance to Program Operational Costs since February 2017 - ($0.3M) - Additional Program Operational Expenditures in FY19 - $4.4M - Additional Program Operational Expenditures in FY20- $3.9M In the coming months, ICANN org intends to share more details about where program funds have been spent to date. To enable effective review of the FY19 planned expenditures for the New gTLD Program, the program forecast will be updated to provide more detail on where program funds have and will be spent.

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		money ICANN is paying per evaluation, and whether there are no better alternatives. ICANN also estimates and additional $4.4M in "overheads" for FY19 and FY20 without providing any detail for these allocations. Why is an additional $4.4M being allocated to the New gTLD budget? What are these allocations to the budget and are they appropriately classified under the New gTLD budget vs. the Operating budget? What are the current allocations to the New gTLD budget? The RySG requested more detail on these issues a few months ago in a letter to ICANN: "It would be helpful and is appropriate for ICANN to provide the RySG with a detailed accounting of expenses to date. Organizational operating expenses are line items more suited to ICANN's regular budget. If the ICANN organization anticipates further spending of application fees in this or other manners, we request, first, a reasonable forecast for their likely use, and second, deeper involvement in the associated budgeting process. The RySG does not necessarily presume the cogency of such expenditures." We are very concerned about the new estimated costs; in absence of a detailed explanation we tend to believe that not all of these costs are part of the 2012 program. Therefore, we request ICANN to provide much more transparency and detail before such estimates go into the approved budget.	

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103	RySG	3.7. ICANN Projects The RySG welcomes a more cost-conscious ICANN that works well within the fiscal constraints imposed by limited funds, and is therefore concerned that a number of budget expenditures and projects do not seem to comport with such a responsible and prudent approach. The RySG urges ICANN to duly reconsider each aspect of these expenditures, and, if deemed necessary, better justify why the expense is needed. Some examples are included below. The ICANN budget marks a recurring 800k USD per year for Trademark Clearinghouse Operations and Service Evolution (project ID 176954). The RySG expects that the TMCH activity is sufficiently funded from the fees received from trademark owners.	Thank you for bringing this to our attention. There was an error in project coding which resulted in an over-reporting of costs for ongoing operations of the Trademark Clearinghouse (TMCH). This has been corrected. Funding for operation of the TMCH has come from multiple sources: (1) Trademark owners pay the TMCH Validator directly to validate their trademark rights and to register their marks in the TMCH; (2) Registry Operators paid a $5K fee upon delegation to connect to the TMCH and to support the initial Sunrise operations of each TLD; (3) Registry Operators pay a transaction fee of $0.25 per transaction, in support of the ongoing Claims services; and (4) ICANN has funded the operation of the trademark database within the TMCH since its inception. The annual cost for this is now forecast at $500k for FY19.

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104	RySG	3.7. ICANN Projects The draft Budget foresees 200k for the development of Internet Health Indicators (project ID 32006), 800k for the Domain Abuse Activity Reporting (DAAR) (project ID 178906), and 100k to update the metrics of the gTLD Marketplace Health Index (project ID 154218). The RySG is not convinced of the added value of these projects, which imply recurring costs, have flawed designs and do not meet the needs of the community in the most appropriate way. This mismatch and therefore potentially wasted expenditure could have been avoided if effort had been done to involve the community in the project specification, design and development from an early stage.	The Office of the CTO, responsible for the Identifier Technologies Health Indicators (ITHI) and Domain Abuse Activity Reporting (DAAR) projects, has been engaging with the community in multiple occasions since both projects were introduced. ITHI, announced at ICANN 55 in Marrakech, aims at creating a set of indicators that will allow the community to gain a greater understanding of the health of the Internet's system of unique identifiers in response to ICANN Strategic Goal 2. OCTO personnel have actively engaged with the community and sought input at sessions during ICANN public meetings, at multiple ITHI-specific workshops, and at the ICANN DNS Symposium, as well as at IETF meetings and multiple Regional Internet Registry community meetings. We have incorporated specific input from the ICANN Board and various stakeholders including ALAC, SSAC, the GNSO ISPCP and Business Constituencies, and others and have evolved the indicators in response to that input. The projected expenditures for FY19 for the ITHI project are intended to cover the continued refinement of the various metrics as well as collecting more data and moving the publication of data via the ICANN Open Data Initiative. As ITHI is an ongoing project subject to continued evolution, and as we learn more about how the Internet's system of unique identifiers is being used, we would be grateful for the RySG's involvement and participation to address any perceived shortcomings and to improve the overall design of the Health Indicators. Similarly, with regards to DAAR, OCTO personnel have spoken with stakeholders impacted by DNS abuse or involved in anti-abuse efforts and individual registries and registrars at each ICANN Public meeting since the DAAR project was announced

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			as well as inter-sessionally at various industry meetings and workshops. Additionally, we have arranged for briefings for any stakeholder that has expressed interest in the project. In fact, one of the first presentations that introduced DAAR was done by the CTO to the RySG during a regularly scheduled RySG telcon in October 2016.

Expenditures associated with the DAAR project are for continued work on the DAAR platform to improve data collecting, processing, and reporting capabilities as well as the for-fee reputation data feed subscriptions. We have received numerous requests from individual registries for statistics related to DNS abuse from DAAR and some of those expenditures are related to working with our contractors to meet those requests as soon as possible.

The gTLD Marketplace Health Index, originating out of the Global Domains Division, is intended to present statistics and trends related to the domain name marketplace. It also stems from ICANN's Five-Year strategic plan in support of the evolution of the domain name marketplace to be robust, stable and trusted. The draft (Beta) Index was first published in July 2016, and since then ICANN org has worked with a community Advisory Panel to refine the Index in preparation for publishing version 1.0. Participation in the discussions, and contributions to the Index, are open to all community members.

ICANN org would welcome any and all input from the RySG and other ICANN stakeholders on ITHI, DAAR, the gTLD Marketplace Health Index. |
| 106 | RySG | 3.7. ICANN Projects
The RySG is concerned about the 1.1 M envelope for the Universal Acceptance Initiative (project ID 19104). It is worrying that a project of this size is | The Universal Acceptance Steering Group (UASG) is a community driven initiative supported by ICANN. UASG budget process and financials are conducted transparently. Everyone may join the Group to participate in those plans and |

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		developed and run without public consultation with the ICANN community.	discussions, track progress, and provide input and feedback. Additional details can be found at www.uasg.tech.
113	GNSO	The GNSO Council acknowledges that the FY19 draft budget does not account for development or resources towards the next round of new gTLDs (as mentioned in Document #2, Section 2.5.1, on page an expectation that consensus recommendations will be adopted by the Board prior to the conclusion of FY19. As noted under Portfolio 2.1.1, which contains a project for "Subsequent Procedures for New gTLDs" with a description of "Activities related to (1) tracking and reporting on the community's work to prepare for subsequent procedures for new gTLDs; and (2) planning for and implementation of policy recommendations on subsequent procedures" with a budget amount of $300K, we believe that this is insufficient to meet the probable resourcing needs (based on the budget allocations to policy implementation for the 2012 round of new gTLDs). Therefore, the GNSO Council recommends adequate budget is made available to allow for preparatory work to expedite the start of the next round(s).	ICANN org thanks the GNSO Council for the comment and for contributing to ICANN's FY19 Operating Plan and Budget process.

In discussing subsequent procedures for gTLDs, it is important to differentiate between eventual implementation of GNSO Subsequent Procedures PDP recommendations and any preparatory work that can be done in advance of opening of the next application process. Implementation of GNSO policy recommendations follows an established process per the GNSO PDP Manual (https://gnso.icann.org/en/council/annex-2-pdp-manual-16feb16-en.pdf) and the Consensus Policy Implementation Framework (https://www.icann.org/en/system/files/files/gdd-consensus-policy-implementation-framework-31may15-en.pdf), which require GNSO Council's adoption of the PDP recommendations as well as ICANN Board's approval before implementation can commence. It is premature to plan for implementation of the policy recommendations during FY19 because PDP discussions are still ongoing. When the recommendations are finalized, the Board will consider the recommendations and how to fund the implementation.

Although formal implementation of the PDP recommendations cannot commence until the ICANN Board's approval in accordance with established processes, some preparatory work for the opening of the next application process could be done earlier as the Board previously noted in its July 2017 response to the RySG (https://www.icann.org/en/system/files/correspondence/crocker- |

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			to-diaz-26jul17-en.pdf). ICANN org is working with the Board to determine possible preparatory work that could be done. An important aspect of this discussion is the potential of re-work if the Subsequent Procedures PDP Working Group provides policy recommendations or implementation guidance that is different from the preparatory work already done. This does not mean that no preparatory work should be done, rather it highlights the importance of planning and coordination with the Subsequent Procedures PDP Working Group. The determination of possible preparatory work will then lead to identification of funding to support the work, and would be submitted for Board approval as appropriate. ICANN org will keep the community appraised of the outcome of this process.
121	JP	1. Acknowledge that ICANN--the ICANN Board of Directors, the ICANN organization, and the "ICANN community" dominated by special interests (lawyers, lobbyists, and contracted parties i.e., registry operators and registrars)-- made enormous and serious mistakes with its new gTLDs program. Not everybody, particularly consumers (registrants), "bought the hype" and "drank the Kool-Aid" nor is every corporation amenable to ICANN's "extortion racket" of .BRAND gTLDs ("apply to make your brand name (trademark) your very own 'gTLD' (a corruption of the principles of RFC1591) or we may give (sell) it to someone else"). The narratives ICANN pushed in connection with the new gTLDs program have been proven false. Making matters worse, ICANN engaged in consumer fraud by essentially ignoring the known (since at least 2003) problems of new gTLDs "failing to work as expected on the internet"—ICANN's euphemistic term is "Universal Acceptance"—until after it collected the new gTLD application fees and began delegating the new	The New gTLD Program was implemented based on policies developed over time through ICANN's multistakeholder process. These policies were adopted by the ICANN Board after careful consideration and consultation with the ICANN Community. There were multiple opportunities for members of the ICANN Community as well as the general public to comment on and provide information throughout the time that these policies were under development and consideration.

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		gTLDs, without any warnings to consumers (registrants).	
123	JP	Related to recommendations 1 and 2 above, abolish the misnamed "Global Domains Division" (GDD), a legacy of 'grandiose thinking' by the former CEO, which he thought necessary so he could justify spending his time and efforts elsewhere—Davos at the World Economic Forum, his top-down Netmundial Initiative (inappropriately funded by ICANN) which failed, and other ceaseless travel and dabbling in geo-politics, etc. Rename GDD to something like "Naming Services," and have it managed by a qualified, competent, and appropriately paid Sr.VP, with qualified, competent and appropriately paid staffing.	ICANN org thanks the individual commenter for the recommendation. In addition to providing services to generic and country-code TLDs, GDD engages with the Internet community to implement Board-approved policy recommendations and advice from ICANN's Supporting Organizations and Advisory Committees. These activities are centralized under GDD to allow for resources to be best leveraged to deliver efficient and effective services. At this time, no changes to GDD scope or name are anticipated.
133	ALAC	Looking at this draft budget and the history in ICANN indicates that there are often budgetary issues where funding is spent counter to established policy and practice. Although this may not be the right forum to look at examples, ICANN needs to be careful that if we ask the community to make sacrifices, that we scrupulously treat all parts of the community with fairness. In terms of overall budget philosophy, it is common in constrained budgets to cut "easy" areas such as education and travel. In the long term, these usually turn out to be easy but bad decisions. We	Thank you for your comment. In principle, the projected funding values are intended to be neither optimistic nor pessimistic, but rather, as realistic as possible, given the available data. Our highest-confidence estimates, or "best estimates", are used in the draft budget, with the inclusion of "low" and "high" estimates as guidance for potential variance. ICANN org is committed to continue reviewing the projections and updating these based on the latest available data.

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		must accept that domain registration revenue is constrained at this point. In fact, if anti-abuse measures are effective, we may see a drastic drop in registrations associate with such abuse. Although the number of gTLDs has grown, there is great pressure on ICANN to reduce registry fixed costs. At-Large does not support such actions – ICANN should not bear the costs of unsuccessful business models. ICANN must investigate alternative revenue options, both steady state and one-time. Examples include use of reasonable percentage of auction proceeds for the reserve and using some percentage of New gTLD fees to fund operational expenses. This is completely justifiable based on two rationales: • New gTLDs have little merit if ICANN is not finically stable; • As the number of TLDs increase, so will contractual compliance costs. Yes the increased revenue based on 2nd level names has not kept pace.	
139	RrSG	More specifically, we note that FY19 draft budget does not account for development or resources towards the next round(s) of new gTLDs. It is anticipated that the Subsequent Procedures PDP will complete its work by December 2018 with an expectation that consensus recommendations will be adopted by the Board prior to the conclusion of FY19. If ICANN does not start budgeting for start-up preparation costs, as well as for employees and professional services in FY 2019, there is no possibility that ICANN will be in a position to be ready to commence subsequent procedures in FY 2020. ICANN cannot afford to wait until after the ICANN Board approves the GNSO	ICANN org thanks the Registrar Stakeholder Group for the comment and for contributing to ICANN's FY19 Operating Plan and Budget process. In discussing subsequent procedures for gTLDs, it is important to differentiate between eventual implementation of GNSO Subsequent Procedures PDP recommendations and any preparatory work that can be done in advance of opening of the next application process. Implementation of GNSO policy recommendations follows an established process per the GNSO PDP Manual (https://gnso.icann.org/en/council/annex-2-pdp-manual-16feb16-en.pdf) and the Consensus Policy Implementation Framework (https://www.icann.org/en/system/files/files/gdd-consensus-

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		recommendations to start preparatory work on implementation.	policy-implementation-framework-31may15-en.pdf), which require GNSO Council's adoption of the PDP recommendations as well as ICANN Board's approval before implementation can commence. It is premature to plan for implementation of the policy recommendations during FY19 because PDP discussions are still ongoing. When the recommendations are finalized, the Board will consider the recommendations and how to fund the implementation.
			Although formal implementation of the PDP recommendations cannot commence until the ICANN Board's approval in accordance with established processes, some preparatory work for the opening of the next application process could be done earlier as the Board previously noted in its July 2017 response to the RySG (https://www.icann.org/en/system/files/correspondence/crocker-to-diaz-26jul17-en.pdf). ICANN org is working with the Board to determine possible preparatory work that could be done. An important aspect of this discussion is the potential of re-work if the Subsequent Procedures PDP Working Group provides policy recommendations or implementation guidance that is different from the preparatory work already done. This does not mean that no preparatory work should be done, rather it highlights the importance of planning and coordination with the Subsequent Procedures PDP Working Group. The determination of possible preparatory work will then lead to identification of funding to support the work, and would be submitted for Board approval as appropriate. ICANN org will keep the community apprised of the outcome of this process.

General

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30	AF	Conclusion I believe that the ICANN community should not be the first group to be affected by drastic cuts to the budget; it is my strongly held view that budget cuts should happen at all levels, and the organization too should take steps to reduce the costs of its own operations. As you move forward, I ask that you: • Look inward at ICANN's own overall spending patterns. o Stop the growth in the size of the organization's staff, and explore how, as a proportion of the budget, personnel costs and the significant spend on professional services can be decreased. • Provide the community with an appropriate level of support commensurate with our responsibilities under the ICANN Bylaws. o Allow the community Regional Outreach Programme to continue in FY19. o Don't decrease the Additional Budgetary Request envelope from FY18 levels. o Champion sensible revisions to the community travel guidelines that permit constituency-supported travelers to arrive at meetings at reasonable cost and in reasonable comfort. • Revaluate the spend on capacity development programmes for their effectiveness in leading to engagement in ICANN's policy development processes and mission. o Consider reducing the size of the fellowship programme to 15 participants per meeting and reducing the size of the NextGen programme to six participants. o Re-evaluate the ICANN Academy and ICANN Learn initiatives in the context of the current budgetary situation.	ICANN organization thanks this contributor for the feedback and suggestions. ICANN org continues to assess how it can decrease expenditures, including on personnel costs, while still providing the same (or better) level of support for the community's activities. The assessment to date, as reflected in the proposed FY19 budget, includes consideration of the relative needs of certain specific programs (such as Community Regional Outreach Program (CROP), the ABR process, the ICANN Academy and ICANN Learn initiatives, among others) against one another as well as in the broader context of resourcing support for the community's policy development and advisory activities. This public comment process is intended to elicit the diverse views of the community on what types of projects ICANN organization should prioritize in the FY19 Operating Plan and Budget. Public comment submissions on the draft documents are a critical part of the annual budget planning cycle, including in the preparation of a final proposed FY19 Operating Plan and Budget that takes into account community input received. In addition, it should noted that the cost reductions in the FY19 Budget affect all areas of the ICANN Budget, the ICANN community not being "the first". For illustration, please refer to the FY19 Draft ICANN Budget document #2, section 2.5 (pages 19 to 24), and notably the page 24 which is extracted and copied below to illustrate that the cost reductions applied to ICANN internal activities add up to $8.5m in total, which represent 10 times the amount of reductions applied to community support activities. "Separately from, and in addition to, the above activities

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		o Consider making the resources available for a revamped pilot community onboarding programme in FY20 with new, community-defined objectives.	and projects not included in the Draft FY19 Operating Plan and Budget, ICANN org departments are required to identify costs savings vs the allocation they requested, either distributed by department or collectively. These costs savings are expected to be achieved through an optimized use of ICANN's resources, as well as reductions of activities where necessary. Some of these savings vs requests may represent a reduction of spend year-on-year, others are simply an increase not occurring. The draft budget includes $8.5 million in savings, or 6.5% compared to FY18, found within ICANN org through optimized internal processes and procedures. | \$4.5m	Costs savings allocated by department (other than compensation and travel
\$1.5m	Collective costs savings
\$1.3m	Reduction from 4% to 2% of average ICANN org staff compensation increases
\$1.2m	Travel/Meeting savings (excluding ICANN Meetings specific costs and Constituent Travel)"	
72	Namibian Network Information Center	Document saved down has a pro / con list of a facebook discussion regarding the Fellowship program	Thank you for your feedback. Please see response to comment #37.
153	ccNSO-SOPC	Document 2 – FY19 Total ICANN Budget, Last but not least, we identified a minor inconsistency. Section 2.5.2 Reductions to Engagement and Community Support of Document 2, Fellows/Next Gen travel support (page 22), the NextGen progamme number of seats is listed as	There were revisions made to the FY19 Operating Plan and Budget documents after initial publication due to several minor corrections that were needed. The inconstancy noted in this comment was corrected.

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		being 15 seats in the text, and 20 in the table. Which figure is correct?	
154	ccNSO-SOPC	Document 4 – FY19 Operating Plan, We acknowledge that ICANN has 'improved the distinction between projects that are for recurring activities and projects that deliver new tools and improvements to existing activities'. This is a request that this working group has put forward for many years.	Thank you. The improvements seen in the draft plans for FY19 were part of an ongoing, multiyear improvement process. These improvements are working towards clearer delineation between recurring activities and project work and are linked to work that will improve reporting.
159	ccNSO-SOPC	Document 4 – FY19 Operating Plan, The "Global Stakeholder Engagement" section appears to be confused and lacks clear and quantifiable goals that should be together with the actions. On page 13, it reads "GE will be following the ongoing implementation of the GDPR and the navigation of the potentially sensitive international arena", could you clarify the meaning of the second part of such sentence?	Responses to the ccNSO SOP comments were made in the SOP working session at ICANN 61 in Puerto Rico, clarifying that the section describing Global Stakeholder Engagement had been misread. For Global Stakeholder Engagement, in the remainder of FY18, the team is establishing baselines for Accountability Indicators related to the objectives 1) Actively solicit input into ICANN's processes and 2) Foster confidence in ICANN's mission. The team is also establishing baselines for 1) Understanding and planning for stakeholder needs in each region, 2) Enhance capacity development efforts through engagement with new and existing stakeholders, and 3) Ensure diversity in engagement with stakeholders.

For the first Accountability Indicator, GSE will establish a baseline for participation in and satisfaction with regional webinars, readouts and capacity development activities. This will include the number of registered participants for all events hosted by ICANN regional teams, satisfaction survey results sent to all participants after each event, with quarterly reporting on the number and types of events held, number of registered and invited participants, number of actual attendees, the percentage response rate on surveys, the satisfaction score with each event, the overall knowledge transfer score with |

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			each event.
			For the second Accountability Indicator, GSE will establish a baseline for stakeholder support mechanisms, such as the number of Memoranda of Understanding signed with community stakeholders, number of capacity development activities requested/fulfilled, the number of speaking events/shared events with partners aimed at improving understanding of ICANN's mission and role.
			The third Accountability Indicator will provide information on progress of the regional engagement strategies and plans, such as the percentage of "on target" projects or programs in each region at 80% or higher, target numbers of projects/programs implemented during the year is met or exceeded, initial survey response rate is 30% or higher (the satisfaction rate will set the baseline for future years). The capacity development Accountability Indicator will include the satisfaction rate for capacity development workshops, the knowledge transfer score, potentially including the number of participants at face-to-face trainings who have already completed an ICANN Learn course, following the number of participants who after completing ICANN Learn and capacity development trainings or events then become involved in a working group or ICANN policy work, and following the number of capacity development requests received vs fulfilled, and number of attendees at these events.

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6	MH	HEADCOUNT It is difficult for us to understand how, when everybody should be tightening their belts and accepting cuts, that you can add US$8m to the FY19 budget to increase staff (for what purpose?). YET, at the same time as say you are encouraging people (volunteers) to become involved in policy development, you take away the means by which they can become involved (?). There needs to be some balance here and a lot more transparency. From ground-level where we sit, there appear to be fractures building within the multi-stakeholder bottom-up model on which ICANN was originally founded. There is a perception among the volunteer community that the multi-stakeholder bottom-up model is losing its effectiveness. Making cuts to volunteer work and topping up the ICANN staff by a further 25, adds testimony to this perception, yet it doesn't seem to make sense. Working within a more streamlined budget with a more effective and streamlined complement of skilled and efficient staff would be a more effective ICANN Org goal. You mention attrition, but attrition generally implies reduction. During the webinar, I understood that Xavier stated that ICANN would be rehiring back to the pre-attrition level, and then topping it up again to add a further 25 staff members from Dec 2017. So, where are the savings from attrition? Unless you lose a senior staff member and hire a junior	Several factors impact both the scale of ICANN activities, and the community's expectations of ICANN org. These factors include, but are not limited to: (i) contracting for and the delegation of the approximately 1,200 new gTLDs; (ii) the approximately 1,500 new registrar accreditation agreements that ICANN has entered; and (iii) the post-transition period without US Government oversight over the IANA functions. The personnel growth during FY18 and FY19 is driven by (net increase by 38 positions, 34 during FY18, and 4 during FY19): • 13 positions – GDD resources supporting engagement with and support operations for contracted parties and registrants. This increase reflects the growth of the service requirements driven by increasing number of contracted parties. It also reflects the creation of registrant services and the contract monitoring resulting from the IANA functions oversight structure. • 10 positions – Transfer of GDD Operations department from the New gTLD Program to ICANN Operations. Since 2013, GDD Operations department has contributed to both the New gTLD Program and the contracted parties support (GDD Operations), and its costs have been allocated accordingly. For practical reasons, as the efforts from this department on the New gTLD Program continue to decrease, the work was transferred from the New gTLD Program reporting segment, to the ICANN Operations reporting segment. The costs allocation of this department to both segments continues after the transfer. • 13 positions – increase in support functions: including Communications (two positions driven by ITI), Finance/Procurement (one position for billing), Risk Management (1), Human Resources (2), Legal (6). These

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		member, but is that such an effective strategy? So, you are losing perhaps 15 staff members at USD2.2m (or US$147,000 per head) and then rehiring I am assuming at the same level on average, and then hiring a further 25 at a cost of US$8m (or US$320,000 average per head). To someone whose current local salary would be covered for 20 years+ of that salary, the salaries I hear about within ICANN are mind-boggling. This does not look like an effective business model for a company that is supposed to be cutting its costs. If you already have 400 people working within ICANN Org and yet are unable to work within the US$138m budget unless you make cuts to your volunteer support group who already work in ICANN's interest in their communities for the privilege of attending the ICANN meetings, then there are obviously inefficiencies within your system. Or alternatively, your planning is not based on an effective mechanism for operating your business within budget, especially if you are having to seek top ups from outside of ICANN Org for your reserve fund. Unexpected contingencies notwithstanding, maybe these also should managed more conservatively. Invested funds are not added into the mix, or are they? There are no actual figures so it is difficult to justify what funds are required from other areas for the reserve fund and whether they should come from the auction proceeds which were originally earmarked for community projects. It is not good planning that halfway downstream, the working group is told that several million could be	increases reflect the continued improvements by ICANN org towards operational excellence. The increase of personnel overall allows to increase quality, and reduce the use of more expensive external resources (in Legal notably). • 6 positions – technical functions: Office of the CTO (4) and IANA functions (2). Reflects the organization's increasing focus on technical excellence in support of its mission to coordinate the technical identifiers, and increased work to develop monitoring capabilities for bad behavior in the domain name system. • 5 positions – Policy development support (3) and Reviews (2). Reflects the continued support to policy development and reviews activities, which have been increasing in the post IANA stewardship transition period. • 2 positions – Government Engagement / IGOs. Reflecting the increasing need for interaction with Governments and IGOs, post IANA stewardship transition. • Less 13 positions – Reflects into the budget the personnel turnover that happens naturally, and leads positions to become vacant for a period of time. Vacant positions may lead to a like-for-like replacement, or a reallocation of the work to existing resources. The personnel turnover is not allocated by department as the positions that will become vacant during the year are not known. • Other increases and reductions, netting to a change of 2 positions. Engagement activities, while dealing with a changing environment during the period, have been optimized to operate with a stable amount of resources. We are conscious of our headcount numbers and growth and continue to look for ways to perform work more efficiently, identify pockets of capacity in org to prioritize work to decide if it still meets our strategic plan and is necessary, to ensure we have the right balance of employees versus third party providers, etc. As the number of registries and registrars is stabilizing and

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		transferred back to ICANN into the reserve fund. So, BTW how much is returned to ICANN from invested funds? The increasing headcount within ICANN Org is also a concern when there has been a huge reduction in projects. It begs the question that perhaps your projects are not particularly appropriate for maintaining a high level of business effectiveness. Who is consulted about what these projects are and how they will impact on end-users – among all the stakeholder groups? Maybe you don't even need the 222 projects that you have reduced the number to. Although the projects are listed in Document 6, what value to they give to ICANN Org if you have to reduce the support given by the bottom-up multi-stakeholder model – and valuing your volunteers. The fact that ICANN needs to do this, does not engender confidence that ICANN is an effective business operation. Technical support is an essential area of need in the Pacific. Will any of these new hires bring any real benefit to the Pacific and other underserved regions when the focus for ICANN Org is on business development. I know that the Pacific will never be an area of strong business development for ICANN because it is so lacking in business development overall, let alone in relation to domain name uptake and distribution. Our small countries do not realize just how important their ccTLD is, nor how they could take advantage of knowledge about the new gTLDs, DNSSEC, or the privacy models being explored by ICANN – areas that are essential learning for our 22 economies so that	ICANN continues to increase its operational excellence and effectiveness, it is expected that the organization's resource will also stabilize. ICANN org and Board have initiated a process to prioritize activities to allow ICANN to stabilize its resources, and ensure that expenses remain below funding in the long term, while continuing to deliver on its mission. The ICANN organization, Board and Community will be fully engaged in a collaborative interaction as part of the planning process, to appropriately prioritize the activities of the Organization

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		they can strengthen internet development within their countries and become part of the digital economy and information society. But it would be more appropriate for ICANN to be looking at how to address these gaps, rather than just lopping the budget off areas where local communities could enhance the interests of ICANN. Unfortunately, I feel that this budget appears to be working contrary to its own goals – (4.3) encouraging participation in a global, trusted and inclusive multi-stakeholder internet governance ecosystem; (5.1) acting as a steward of the public interest; and (5.3) empowering current and new stakeholders to fully participate in ICANN activities.	
41	NCSG	The organization's headcount, and personnel costs, cannot continue to grow. We feel strongly that the proposal to grow headcount by 25 FTE to 425 FTE in a year where revenue has stagnated cannot be justified. As it stands, personnel costs of $76.8 million comprise 56% of the $138 million budget, and the growth here by $7.3 million (11%) over FY18 is unconscionable. A further $23.4 million, or 17% of the budget, is allocated to outside consultants, attorneys, and other "professional services." With 73% of the overall budget now being spent on staff and professional services, there is an urgent need to see this spend decrease over time. It is possible that some of this spend is a result of community requests; for instance, to support the IANA stewardship transition, or meeting transcription requests. We kindly request clarification as to precisely what kind	See response to comment # 6 for personnel costs. Regarding Professional Services, ICANN org is careful in its use of professional services. Professional services organizations are primarily engaged when we have a temporary need for a particular expertise. When we have a longer term need for expertise we create personnel roles, as this is more cost effective. In other cases, we develop partnerships with outsourcing organizations that can provide us with a large pool of skilled workers at competitive rates. One example of this approach is our partnership with an IT outsourcing provider, Zensar.

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		of services fall into the professional services category. However, regardless of why the spend is the way it is, there is a need to stop the growth in the size of the staff, and to review staff salaries, bonuses, and fringe benefits.	
42	NCSG	We would like to see, at least in aggregate form, more information about ICANN's compensation structure, broken down by office location. We are under the impression that ICANN is a generous employer, and before we approve the budget we would like to understand whether the salary structure is too top-heavy or if the costs of hiring staff in certain locations is disproportionately expensive. We believe salaries at ICANN are relative to the location where one works, and given the majority of the organization's workforce is in the United States, we wonder if having more personnel in the global South, in countries with lower costs of living, would see cost savings. This could have a secondary benefit in helping ensure that ICANN is viewed as representative of the diverse population it is trying to serve. We have attempted to calculate the average salary in FY19 and, assuming a headcount of 425 and the 20 members of the governing body (the basis for their inclusion being that while directors are not strictly speaking employees, they are paid), there are potentially 445 Individuals sharing $76.8 million, or $172,600 each. This, of course, is a loaded rate and not a take-home salary for employees, but still meaningful because the fringe	Personnel costs at the granular level by function and location is not available at this time. ICANN's basic remuneration practices document is available at https://www.icann.org/en/system/files/files/remuneration-practices-fy18-01jul17-en.pdf

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		benefits that ICANN offers its staff are, we believe, high. In addition to health insurance, we understand ICANN pays its employees a 6% contribution to their 401(k) without requiring an employee contribution plus an addition 10% match with immediate vesting. We would like to see how ICANN salaries, including such contributions, compare against the industry standard.	
56	NCSG	We would like to better understand where in the organization staff members and consultants are placed. For instance, how many staff and consultants are supporting MSSI activities, and how does this compare with the resources allocated to supporting GNSO Policy Development Process activities? For instance, how many staff and consultants are supporting the RDS Review team, and how does this compare to the RDS PDP WG? We would like to understand the rationale for these kinds of staff allocation decisions, which are not transparent to us because we have no idea as to what staff workload/priorities/deliverables are	We will evaluate the feasibility of providing this level of detail in the FY20 budget.
59	ccNSO-SOPC	Document 1 – FY19 Budget Introduction and Highlights, Recently, ICANN has cut its annual budget by $5 million, because the estimated revenues from the new gTLD programme were too optimistic. At the same time, the ICANN Board Chair states in his note in the preamble to Document 1 that 'funding is stabilizing for the foreseeable future at a level of US$135 million to US$140 million per fiscal year'. The budget cuts do not come as a surprise to this Committee, as for a few years we have detected clear trends towards lower domain name transactions.	Many factors are considered in the projection of transaction volumes and resulting fees, including trends from historical data, recent marketplace developments, and input from industry participants (provided both directly and via public statements/documents). ICANN org evaluates and utilizes those various perspectives in developing estimates on future funding.

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60	ccNSO-SOPC	Document 1 – FY19 Budget Introduction and Highlights, With reference to the planed payroll increase, we are quite puzzled to see both that ICANN keeps hiring in times of need without a clear evidence of the necessity of the extra staff and that ICANN foresees a raise in salaries that is considerably higher than current averages in many countries in which ICANN has offices.	For FY19, ICANN personnel is projected to reach a stabilized figure. Of the 25-new headcount, 20 are from approved positions from the FY18 budget that have been delayed. In addition, the FY19 budget proposes a reduction from 4% to 2% of average ICANN org staff compensation increases due to the funding levels and our need to stabilize costs.
61	ccNSO-SOPC	Document 1 – FY19 Budget Introduction and Highlights, Headcount is expected to level out at about 425, up from the current 400, by the end of FY19 (personnel costs are going up by 11% due to a combination of new hires and pay rises, year to-year basis). We fail to see a detailed rationale for such an increase. Furthermore, the annual pay rise seems to stay in effect for FY19 and further to FY 20 (although halved from 4% to 2%). The SOPC – as well as many other community stakeholders – seem to agree that ICANN staff are paid well enough, and sometimes even above market average. Considering the current DNS industry trends and forecasts, tougher action to further limit or even abolish the annual rise in compensation would send a strong positive signal to the community. Furthermore, taking into account the higher social charges in certain countries where ICANN has regional offices, ICANN may look into the option of hiring staff where social charges are lower and eventually, relocating staff to achieve further savings without increasing headcount.	Thank you for your feedback. Please see response to comment #6.

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78	Blacknight	The comments below are being submitted on behalf of Blacknight, an Irish based hosting provider, ISP and ICANN accredited registrar. We would first like to thank the ICANN finance team for their co-operation with the broad ICANN community in both providing greater levels of transparency in the published budget documents and their willingness to engage with the community when clarity around expenditure was requested. With respect to the budget as a whole we would urge ICANN to exercise fiscal prudence throughout its operations. We find it odd that ICANN plans to expand its headcount while it also recognizes that its revenues are not growing and may be falling in the future. Normal businesses do not hire more staff when their revenues are flat, so this discrepancy warrants further explanation. As others have noted the ICANN staff headcount has mushroomed in the last few years. While some of that increase was definitely warranted it's not convincing that further growth is.	Much of the headcount growth year over year is the phasing of ICANN org hiring to a stable headcount. In FY19, only six new headcount are planned. Much of the headcount growth is from delayed hiring in FY8. Please also see response to comment #6.
84	i2Coalition	Headcount: ICANN headcount grew dramatically from FY17 – FY18. Though the proposed increases are relatively small going from FY18-FY19, in an environment with shrinking budgets, staff increases should not be considered at all. In fact, headcount should be decreasing. An assessment is required to determine whether each role at ICANN is essential in maintaining ICANN's Mission, and whether each role has metrics for success associated with it. If justification cannot be made for any role, a role should be cut and the overall headcount decreased.	Thank you for your feedback. Please see response to comment #6.

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		ICANN needs to look at how it accomplishes its goals more creatively than simply adding headcount. One example - we acknowledge that Global Stakeholder Engagement (GSE) s responsible for leading engagement and outreach with stakeholders on ICANN and it's Mission around the world. We suggest that headcount should not be increased at all here, particularly as resources such as ICANNWiki - which has good GSE value to the community as a learning and collaboration resource - is cut. While we agree that ICANNWiki should not be funded by ICANN long term, a step-down approach that shifts the burden to the community, could be far cheaper than increasing headcount any further. Many ICANN functions, not just GSE ones, can be effectively addressed through targeted investment in programs with trackable metrics for success. These are preferable to increasing or even maintaining current headcount	
117	GNSO	The GNSO Council recognizes the growth in the organization's personnel costs by $7.3 million (11%) over FY18. The overall budgeted personnel costs of $76.8 million comprise 56% of the $138 million budget, and a further $23.4 million, or 17% of the budget, is allocated to professional services. In principle, the GNSO Council believes that growth of staff numbers should only occur under explicit justification and replacements due to staff attrition should always occur with tight scrutiny; especially in times of stagnate funding levels. When considering personnel allocation and costs, we emphasize the need for prioritizing mission critical work like policy development and implementation of GNSO consensus policies. Of	Thank you for your feedback. Please see response to comment #6.

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		the 25 FTE increase from current actuals, through the FY18 forecast, and the FY19 budget, none of the increases apply to policy development and only a handful occur where implementation and reviews take place. The GNSO Council currently manages five large PDPs in addition to other activities, many of which are expected to operate through FY19 and beyond, and while there are no proposed FTE cuts to Goal 1.3, we are concerned that GNSO policy staff support is at their limit (if not beyond) to take on additional work of the GNSO without impacts to quality that we depend on. This complements the expected need of professional experts as noted at the start of these specific comments. Further, while the information within the draft budget has improved considerably over the years, the Council would like to see in future budget cycles information to better evaluate and justify the overall staff expense and planned growth.	
122	JP	Reduce ICANN's headcount, and reduce salaries and benefits where appropriate. I have read most of the comments already submitted. Collectively they are a "cry" from the ICANN community that ICANN leadership stop cutting "around the edges" and address the "crux of the problem." The fact is ICANN doesn't need 425 overpaid personnel to carry out its core mission. Many knowledgeable ICANN staff members will privately acknowledge this, but they also know most personnel in ICANN management and staff positions, competent and incompetent, "can't afford to lose their jobs" as comparable pay and benefits elsewhere are not nearly as generous. As a result, ICANN keeps compounding the problem. Even worse, ICANN	Thank you for your feedback. Please see response to comment #6.

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		has not yet purged itself of the incompetent cronies of the former CEO who were hired or promoted into positions for which they are not qualified.	
128	ALAC	The ALAC does not support the direction taken in this budget however. Specifically we see an increase in staff headcount and personnel costs while services to the community have been brutally cut. ICANN's credibility rests upon the multistakeholder model, and cuts that jeopardize that model should not be made unless there are no alternatives and without due recognition of the impact. At-Large, unlike many parts of the ICANN multistakeholder community, exists solely through the benefit of Individuals who are not employed in the domain industry and to a large extent, not even in jobs related to the Internet. Without ICANN financial support, we would simply disappear from the ICANN ecosystem - a cut in our support can severely damage At-Large involvement.	Thank you for your feedback. Please see response to comment #6.
132	ALAC	Non-IANA personnel costs account for about 50% of the non-IANA expense budget (48% of the FY18 adopted budget, 50% of the FY18 budget forecast, and 56% of the FY19 draft budget. As such, these costs bear closer examination. FY19 personnel costs increased 11.0% from the FY18 adopted budget, and 12.8% from the FY18 forecast. Noting that ICANN often uses contracted services in lieu of staff, it is reasonable to compare the total of the two. In that case, the FY19 amount is 2.9% over the FY18 adopted budget, and 4.8% over the FY18	Thank you for your feedback. Please see response to comment #6.

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		forecast. So even considering contracts (which include a wide range of other non-personal costs), we are seeing a substantial increase. In a budget that is supposed to be based on "stabilized" such increases do not seem reasonable in the absence of a carefully reasoned rationale. To be clear, the ALAC does not oppose staffing increases as such. In any dynamic organization such as ICANN, there will always be changing needs and demands which warrant bringing in new people. From an ALAC point of view, in the middle of an Organizational Review, we may well be able to justify the need for additional support and we presume the same may be true for other policy groups and support services throughout the organization. And as needs change, we need to be confident that that staff are deployed factoring in fitness-for-purpose. Appropriate changes to improve effectiveness are critical. But there needs to be clarity when such changes are presented to the community.	
140	RrSG	Headcount With regard to overall headcount, we are not clear why ICANN is projecting growth of an additional FTEs in FY19, when compared to FY18 Projections or FY17 Actual. Given the overall industry environment where organizations are being asked to do more with less, we are not convinced these additional positions are needed. Several (7) of these new hires are allocated for the Legal/Governance team7, when compared to FY17, and it is not clear what changes are driving this growth. Furthermore, many providers note a growing trend to outsource back office functions, and believe ICANN is not fully leveraging this	Thank you for your feedback. Please see response to comment #6.

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		potential to halt the growth in headcount. The RrSG is not yet calling for cuts to ICANN Staff, we believe the organization should strive to maintain headcount at FY17 Actual year-end levels.	
142	IPC	A Continued Call for Fiscal Prudence As mentioned in its comments on the FY 2018 Budget, fees associated with operationalizing PTI and reforming ICANN's overall governance and accountability mechanisms accelerated budget pressures and undermined long-term planning. On top of this, the entire ICANN community has been dealing with the broad policy implications of the European Union's new data General Data Protection Regulation (GDPR). The costs of this unexpected and significant regulatory scheme have been a significant burden and drain on resources. As result, IPC continues to advocate for supports replenishment of the reserves at a reasonable rate and prudent planning for the future. To this end and in shared community stewardship, IPC elected, as it did in 2018, not to make a special budget request for FY19. IPC recognizes the financial challenges that ICANN faces and encourages fiscal prudence. While some special budgets requests may be urgent and necessary, we urge the ICANN organization to consider these requests very carefully and only grant them for extraordinary needs. In addition, IPC notes the overall budgeted personnel costs of $76.8 million comprise 56% of	ICANN org is careful in its use of professional services. Professional services organizations are primarily engaged when we have a temporary need for a particular expertise. When we have a longer term need for expertise we create personnel roles, as this is more cost effective. In other cases, we develop partnerships with outsourcing organizations that can provide us with a large pool of skilled workers at competitive rates. See response to comment #6 regarding personnel costs.

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		the $138 million budget, and that $23.4 million, or 17% of the budget, is allocated "professional services." IPC encourages ICANN to take a hard look at personnel costs and the use of outside professional services consultants. IPC supports the measured and conservative approach that the FY19 Budget has taken with respect to global stakeholder engagement, fellowship and other similar programs. Recognizing that these can be important initiatives, IPC also asserts that some programs may be costly and with little benefit to the organization and its mission. IPC supports close and frequent evaluation of such programs to make sure that the costs are justified and that the results are aligned with ICANN's mission.	
158	ccNSO-SOPC	Document 4 – FY19 Operating Plan, Engagement Activities, Hiring, and GSE Teams: while we understand the measures that ICANN will take to recoup the lower funding, we fail to understand the increase in ICANN staff and its costs. In reality, ICANN is still hiring under the 'engagement' umbrella when there are already teams working for each region, and in some cases we believe those teams are overstaffed.	Thank you for your feedback. Please see response to comment #6.

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1	SO	ICANNNWiki helps the locals understand how ICANN functions within the internet ecosystem through its 'local content translation and exchange programs". In Africa, the exchange program, which promotes the use local content for solving the future challenges of the Internet, is building the next generation of global shapers. Therefore, cutting funding entirely would stop the ICANNwiki operations and a great disaster to ICANN community! In order to allow adequate time for ICANNwiki to develop a sustainable business plan, it is advisable to adopt gradual annual decreases in funding of ICANNWiki.	ICANN has over the years provided long term support for ICANNWiki by offering it free booth space at the ICANN Public meetings. In 2014, ICANNWiki approached ICANN org seeking support to reach a wider audience. While ICANNWiki was funded by the community, the lack of predictability of that funding hindered its ability to grow so it sought a long term partner. ICANNWiki asked ICANN org for three years of funding at $100,000 per year. ICANN org admired, and continues to admire, the work of ICANNWiki and we wanted to support its efforts. In that spirit we structured a relationship that made sense for both, and mutually agreed to a three-year contract. At the end of the second year of the contract, ICANN org approached ICANNWiki to discuss a possible contract renewal. At the start we provided guidance to ICANNWiki that in ICANN org's view the goals originally set out had been achieved, and that budget constraints would make renewal challenging. ICANN org offered reduced funding as a compromise, but that was rejected by ICANNWiki because it deemed it insufficient to maintain its current level of outreach. Given this impasse, ICANNWiki was given approximately nine months' notice that the contract would not be renewed. ICANN org acknowledges the strong community support for continued funding of ICANNwiki. In light of this ICANN org is considering making changes to ICANNWiki funding in the FY19 budget.

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8	Fellowship alumni	As a fellow alumni and as a recent newcomer to the community, I would like to remind that ICANNNWiki benefits the entire ICANN community and cutting its funding entirely can affect the community as well as the onboarding of the newcomers. If there is space for an interim funding that would give ICANNWiki enough time to create a sustainable solution that would benefit all.	Thank you for your feedback. Please see response to comment #1.
9	SO	As one of the most active domain industry professionals in the China marketplace, I've seen the positive impact that ICANNWiki has made on globalization and comprehension of the industry by Chinese readers in China. Before ICANNWiki, there was precious little information on industry fundamentals in China, and since Allegravita has supported the pro-bono translation of ICANNWiki content into Chinese, the vital platform that is ICANNWiki has been acknowledged hundreds of times. We do not support the immediate and full withdrawal of funding for ICANNWiki. We guardedly support incremental, annual decreases to give ICANNWiki the time necessary to generate new sponsorship income to cover their costs. ICANN, please don't contribute to the elimination of ICANNWiki via a sudden withdrawal of modest funding. ICANNWiki is amongst the most important investments that ICANN makes. I've seen wasteful expenditure that pales in comparison to ICANNWiki's stipend. Disclaimer: My company is a pro-bono ICANNWiki supporter and we regularly translate ICANNWiki content into Chinese for the benefit of Chinese readers in China and everywhere.	Thank you for your feedback. Please see response to comment #1.

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10	Swhaili ICANN Wiki Ambassadors	Today, nearly 400 students from secondary schools as well as colleges and an even larger number from different internet stakeholders benefit directly or indirectly from our Swahili encyclopedic resource that boasts of over 500+ articles in just under a year. Women and youth in the sphere of internet governance have less participation due to lack of platforms to introduce them, their chances of learning in a classroom setting about these issues is very minimal. Through the Swahili ICANNWiki initiative, more women and youth have being engaged in the multistakeholder approach. This critical resource is built through regional Edit-a-thons, capacity building workshops and Internet governance panels held throughout East Africa (Nairobi, Arusha and Dodoma).The East African Swahili project strives to create 5,000 Internet Governance articles/glossary for the 150 million Swahili speakers by 2020.

With ICANN announcing that it will not renew its support for ICANNWiki, all these milestones and aspirations hang in the balance. The ending of sponsorship of ICANNWiki work from ICANN will serve as a setback for the majority of women and youths that still haven't being reached through this workshops. As language plays a prime factor in helping connect the Next one Billion of Internet users, We (ICANNWiki Swahili Ambassadors) join the rest of the Internet community to appeal to ICANN to reconsider its decision, in the quest to propel the Wiki localization initiatives, so that we can keep enjoying the satisfaction of a job well done, as well as meditate about the new paths we are yet to discover. We thus look forward to ICANN's, and everyone else's continued role in making ICANNWiki projects so | Thank you for your feedback. Please see response to comment #1. |

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		meaningful and rewarding to the East Africa Internet community.	
12	MC	As an 18-year participant in ICANN, I can testify to the time and difficulty involved in learning about ICANN policy development, developing new relationships with ICANN colleagues, and keeping abreast of critical issues. An indispensable tool for keeping up-to-date is ICANNWiki. I see with dismay that ICANN has proposed an elimination of funding for this resource, which I believe would be a short-sighted mistake. ICANNWiki is an outstanding example of resourcefulness and the dedication of community-minded professionals who identified a need and moved with initiative to productively fulfill it. I recognize the need for ICANN to wisely allocate its resources. I do not, however, support the sudden withdrawal of this modest contribution to community learning and productivity. Better that ICANN collaborate with ICANNWiki to fund the project while helping develop alternative sources of sponsorship. I hope ICANN org will reconsider its current thinking on this matter.	Thank you for your feedback. Please see response to comment #1.
14	CT	Dear All, It is surprising to hear that ICANN is considering withdrawing its support to ICANNwiki. ICANNwiki is an invaluable, educational resource for people to learn about the ICANN Community. A trusted site where internet users can learn about different TLDs in an easily accessible, standard yet informative format. This not only benefits users today but also a resource that applicants can learn about ICANN, the community and the TLD ecosystem. It is also a great resource for future	Thank you for your feedback. Please see response to comment #1.

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		applicant support candidates, to not only understand all of the different aspects in an ICANN jargon friendly manner but as an expert resource. While I fully support ICANN being fiscally responsible, the insignificant donation to ICANNwiki when compared to ICANN's $127.5 million dollar operational budget. The value it provides to the wider community far exceeds the cost even when ignoring any related saving achieved through ICANNWiki's operations.	
32	Radix	ICANNNWiki benefits the entire ICANN community. Cutting the funding entirely would effectively halt its operations and be a disservice to the community it serves. It is in ICANN and the community's best interest to continue funding it in an amount that works for ICANN long-term, and provide ICANNWiki sufficient time to develop a more sustainable business plan. ICANNWiki has been an instrumental resource and provides open, accessible and easy to use content to Newcomers and everyone that is a part of the community.	Thank you for your feedback. Please see response to comment #1.

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33	RL	As you know from your previous generous support, ICANNWiki provides a valuable service and has become an integral part of the community. Afilias has also supported ICANNWiki for years for this reason and many others have demonstrated support as well. The complete withdrawal of funding from ICANN so abruptly not only threatens the viability of the project, but rather disrespectfully junks the valuable time and resources that the community has invested over the years. Ultimately the loss of ICANNWiki would be a loss to our overall sense of community. ICANN should continue to support ICANNWiki at a reasonable level in the next fiscal year. At a minimum, please consider giving the team time to find other sources of funding.	Thank you for your feedback. Please see response to comment #1.
34	KP	I. ICANNwiki. While it is not the most important issue confronting ICANN or the ICANN budget, I find the potential elimination of funding for the ICANNwiki highly discouraging. The ICANNwiki has been an essential part of the ICANN culture for many years. Importantly, it has provided an interesting and in-depth online history of ICANN through the ICANNwiki pages - the most easily searchable historical database available of ICANN personalities and issues. The ICANNwiki meeting interviews and the playing card deck are a vital part of the ICANN culture - often saving ICANN meetings from terminal ennui. ICANNwiki describes the ICANN mission and methodology in a clear, objective way that is helpful to newcomers and not-so-newcomers. As the ICANN budget (and its corresponding activity)	Thank you for your feedback. Please see response to comment #1.

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		has grown over 800% since ICANNwiki was first launched, the small amount of funding ICANNwiki receives is necessary to catalogue that history. If ICANN were to take over this role, it would surely be significantly more expensive. The ICANNwiki is an independent resource to which ICANN can point that provides validation for its mission and work. We should not put this ICANN institution and valuable resource at risk. [As part of the budgeting process, ICANN could list each funded outside program so that the community can see the relative cost and benefit.	
65	PR	For several ICANN meetings,* .pr *has been a proud sponsor of ICANNWiki and we are always in awe of the great work, energy and color they provide to every event. We believe that they should not be cut out from the ICANN's Budget, instead, they should be supported and embraced to continue their engaging approach and work with ICANN's Community and as well newcomers, veterans, special programming for beginners and others in order to deliver what is ICANN and what does the organization do and so forth.	Thank you for your feedback. Please see response to comment #1.
66	OC	I have been a long-standing active member of the ICANN community in many capacities an in different SO, ACs and CCWGs, as well as supporting capacity development in the LAC region through initiatives like the South School on Internet Governance SSIG and Dominios LatinoAmerica. In all of my capacities, and based on my experience, I strongly believe that: - ICANN should continue to fund ICANNWiki and the service it provides to the community. They provide outreach, capacity development, and great content	Thank you for your feedback. Please see response to comment #1.

Ref #	Contributor	Question / Comment	ICANN Response
		spread across all regions. Their role in the LAC region has been recognized by many and has been included in the LAC Strategy Renewal 2018-2020. The complete discontinuation of funding to ICANNWiki would be short-sighted and disregard the investment by both the community and ICANN itself that has built ICANNWiki into a critical part of the community over the years.	
74	Registry Africa	As a non-profit organization, ICANNWiki is dedicated to providing a community-developed wiki focused specifically on ICANN, Internet Governance issues and the provision of educational resources. It specializes in outreach, engagement and accessibility and was established to provide partners with a platform to contribute to the future of the Internet while building a strong sense of community. It can be easily seen from the above that Registry Africa and, in fact, the entire African ICT community have similar goals to that of ICANNWiki. There has been historical collaboration between us and it should continue for the future benefit of the Internet in Africa. As the administrator of the dotAfrica gTLD, Registry Africa is determined to be the catalyst for ICT development in Africa and the right partners are paramount in this regard. Foremost amongst these is surely ICANNWiki, an organization that has community outreach at the centre of its being.

ICANNWiki has a long history of helping to develop the Internet in Africa, an important and growing world market of over 1.2 billion people. Since its inception, in 1998, ICANNWiki has become a strong advocate for the African ICT community when it comes to Internet access and the necessity of bridging the digital divide. ICANNWiki has been a key supporter of the African ICT developmental goals as outlined in the OR Tambo and | Thank you for your feedback. Please see response to comment #1. |

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		Abuja Declarations through the creation of a community of online content developers and the building of capacity of these developers and by raising awareness about internet governance. The translation of policy documents into local African languages is an ongoing programme which needs to be phased into African regions other than the East and Southern regions of Africa to indeed bridge the current massive digital divide. ICANNWiki programmes have supported the World Economic Forum's Internet For All (IFA) programme which aims to create millions of new Internet users with a focus on the hardest to reach. This initiative specifically brings together stakeholders from the public and private sectors, non-profits, academia, international organizations, donors and civil society to create multistakeholder partnerships, all in pursuit of this developmental goal. With the delegation by ICANN of the dotAfrica gTLD, the African continent has a real chance of being the birthplace of these legions of new Internet users that are the goal of the IFA campaign and which will take the web well into the 21st century. It goes without saying that the creation of new Internet users will ensure long-term sustainability within the domain name space. Aside from its support of the above campaign, ICANNWiki helps boost the Internet in Africa by providing access to translation services that are helping many more Africans understand the workings of ICANN and its policies. ICANNWiki is specifically providing language services to communities in the East African region, an important hub for the web on this continent.	

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		Through collaboration and support of centres of excellence such as the Universities of Dodoma and Nairobi, ICANNWiki is transferring skills that are much needed by many Africans to allow them to participate in the digital economy. The first phase of the translation services provided to Southern Africa has been completed, and with our ISOC partners, we are well on our way to move onto the next phase of translating more languages to increase participation in Africa's role in expediting presence in the in the 4th Industrial Revolution by allowing our people to adequately access the written word. ICANNWiki has implemented programmes to support language localization and translation services in both East Africa and Southern Africa. The support of ICANNWiki in translating ICANN material and updates into Swahili, the most widely spoken language in Africa, has specifically been designed to bridge the language gap - and the digital divide by extension. This programme is now at a point where we can replicate to other parts of Africa, and the support of ICANNWiki is of utmost important. ICANN's support of ICANNWiki is crucial in ensuring that the services it provides to the ICT community continues until we reach an inclusive world where over a billion Africans have become Internet users and are able to access information in a language they understand. ICANNWiki must continue to be the best resourced tool for narrowing the digital divide. The current programmes, which have proven to provide more Africans based in East and Southern Africa access to the internet are still heavily reliant on the support and capacity building initiatives as provided by	

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		ICANNWiki. It is for these reasons that the continued funding by ICANN is of utmost importance to allow Registry Africa and other ICT communities to ensure that we not only grow access to the internet but also to the possibilities of Africa's sustained participation in the global digital economy.	
125	DotAsia Organization	Dear ICANN, ICANNWiki has been a part of ICANN culture for many years not only in terms providing a clear, community-sourced, well-organized platform for newcomers (as well as the not so new) to navigate through the oft-confusing acronyms and industry jargon, but also for the community to keep up-to-date with policy development and timely issues in the ICANN ecosystem. The intrinsic value of a trusted neutral resource independent of the ICANN organization that lays out industry fundamentals in a user-friendly way cannot be highlighted enough - the ICANN community has recognized this throughout the years. Add to the fact that there are even fewer resources that provide this basic information in an easy to navigate manner on the industry in Chinese for Chinese	Thank you for your feedback. Please see response to comment #1.

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		stakeholders to become aware, learn, understand and ultimately participate in the ecosystem, makes it an important resource for many in the APAC community. We at DotAsia recognize this and has supported ICANNWiki with Chinese translations on key articles. The complete withdrawal of ICANN's modest funding (compared to other expenditures) to ICANNWiki will undoubtedly jeopardize the existence of this indispensable community resource, a loss that will be keenly felt by all. We urge ICANN to, at a minimum, continuing funding ICANNWiki at a reasonable level that enables the project to continue to provide its invaluable services to the community.	

IT Projects

Ref #	Contributor	Question / Comment	ICANN Response
2	JC	I noticed a lack of funding for cloud initiatives in the budget? As more organizations digitally transform using the cloud, ICANN should be leading the way with innovation and scalable opportunities. ICANN should be a leader in cloud innovation, and I would like to see budget allocated for that initiative.	ICANN is using cloud services in several areas. While we haven't allocated budget specifically for cloud projects, cloud is considered as an option for all new services deployed. Services where cloud is in use or planned include Salesforce for Naming Services portal and GSE, Enterprise Resource Planning (ERP), Intranet and the community-facing portion of ITI. AWS is in use for several services supporting Technical Services.

Language Services

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137	RrSG	We note that the budget outlines savings to be realized via reduction in translation services to an "as-needed" basis, and we support this change. Translation of key agreements, reports, and documents has value, but real-time audio translation of all meetings is both expensive and not justified by demand. ICANN should consider adopting some minimal demand threshold for language translation, and encourage the community to self-support its needs in this area.	ICANN org will be publishing an updated Language Services Policy and Procedures soon, and welcome your thoughts in the corresponding public comment period. Your participation will be critical to helping us refine our approach.

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49	NCSG	The NCSG supports a multilingual Internet, and we want to see all cultures and linguistic groups represented in the domain name space. However, we are also cognizant of the low uptake of ICANN's language services and the high cost involved in delivering real-time interpretation. We therefore support ICANN in its efforts to focus translation and interpretation resources based on need. We would like to help ICANN identify these needs. During public meetings, we would like to request basic language support that is appropriate both for the region and for our members who will be active in those sessions. For instance, during our Constituency Day and outreach activities in Panama City, we would like to have Spanish interpretation available, as it would be useful to delegates attending the meeting locally, and to our broader membership, many of whom speak Spanish as their first language. However we would not need interpretation at these meetings into the other U.N. languages such as Arabic, Mandarin, and Russian. Similarly, we would encourage other community groups and ICANN org to optimize their use of translation and interpretation, even in the major tracks and high interest sessions. For printed materials, we support ICANN's proposed plans to translate executive summaries, and not necessarily entire documents, where that document is unlikely to have a large readership.	Thank you for your comment. ICANN Language Services follows specific criteria to make sure multilingual support in the form of simultaneous interpretation is provided during ICANN Public Meetings. There are a number of specific sessions that automatically are provided with multilingual support in all UN languages. These sessions are Newcomers Day, ICANN Opening Ceremony, Cross Community Sessions, Public Forum and the closing Board Meeting. ICANN org regularly provides linguistic support in the local language of a meeting, especially when the local language is not part of the UN Language set (for example Japanese during the Kobe meeting). We will be publishing an updated Language Services Policy and Procedures soon, and welcome your thoughts in the corresponding public comment period. Your participation will be critical to helping us refine our approach
55	NCSG	The NCSG feels very strongly that the ICANN community should not be the first group to be affected by drastic cuts to the budget; it is our view that budget cuts should happen at all levels, and the Board too should take steps to reduce the costs of its own operations. For instance, the travel of Board members to external events, particularly outside of the region in which he or she lives, should be curtailed	ICANN org has worked to reduce travel costs through new vendor contracts, as well as exploring alternative remote working tools. The FY19 travel expenses are less than FY18 forecast and the specifically the Board travel has been reduced 19.6% year over year.

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		unless there is a clear role and speaking opportunity for said Board member.	
81	Blacknight	While this comment period is about the budget as a whole and travel funding is but a small part of it, we would ask ICANN to review some of its policies. We understand that some people are granted the right to travel business class due to health reasons and we would not question that. However it is, for example, a bad use of resources that ICANN would fund business class travel for funded travelers on flights within Europe under 4 hours, where most carriers don't even have a "proper" business class cabin. Most businesses apply rules based on length of flights or overall travel. Applying a blanket rule that traveler X should always fly business class for any reason is an odd choice to make.	The ICANN travel and expense policy states that business class airfare is acceptable only for flights longer than eight hours in duration. In addition, ICANN org has worked to reduce travel costs through new vendor contracts, as well as exploring alternative remote working tools.
82	Blacknight	Providing translation and other language services is important for the development of true global internet policy. If participants cannot understand key documents or follow plenary meetings their engagement in policy work will be negatively impacted. So overall we support ICANN's language services work. However we feel that the expenditure should be more targeted. Not every single document needs to be translated into all of the UN languages and ICANN's data should help inform which documents and types of documents are being read in languages other than English. The supply of translation and interpretation services should be based around demand where possible.	We agree. We will be publishing an updated Language Services Policy and Procedures soon, and welcome your thoughts in the corresponding public comment period. Your participation will be critical to helping us refine our approach. And, in addition to the stated benefits of ICANN's Information Transparency Initiative, the project will also help us better navigate our data and metrics.
89	i2Coalition	Translation services: Metrics exist to show whether documents that have been translated are viewed. Recommendations need to be made, based on collected data, on how much translation should be done. The goal	We will be publishing an updated Language Services Policy and Procedures soon, and welcome your thoughts in the corresponding public comment period. Your participation will be critical to helping us

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		should be to minimize translation costs in areas where usage seems minimal.	refine our approach. And, in addition to the stated benefits of ICANN's Information Transparency Initiative, the project will also help us better navigate our data and metrics, which we agree are key factors.
115	GNSO	The GNSO Council supports in principle the proposed sustainability audit (referring to the proposed reductions noted in Document #2, Section 2.5.3, on page 23), particularly in light of current budgetary pressures. The purpose, scope, and cost of this audit are, however, unclear. Additional information is required in order to properly assess this proposed reduction.	The sustainability audit is intended to be a finite research project, a benchmark of sorts, to learn more about our existing carbon footprint, including the impact of ICANN's operations, travel and meetings. We would use that research to determine if and how to make changes to any of our activities from a cost and emissions point of view.
119	GNSO	The GNSO Council is cognizant of the low uptake of ICANN's language services and the high cost involved in delivering real-time interpretation. We therefore support ICANN in its outlined efforts to focus translation and interpretation resources based on necessary and justifiable needs. We would like to help ICANN identify these needs within our own policy development activities.	We will be publishing an updated Language Services Policy and Procedures soon, and welcome your thoughts in the corresponding public comment period. Your participation will be critical to helping us refine our approach.
124	JP	Also related to the above recommendations, examine and reduce the grotesque and excessive physical footprint of 'brick-and-mortar' ICANN offices all over the world. This again, is another unfortunate legacy of grandiose thinking (some have called it 'empire building') by the former CEO. What does ICANN really need for its core mission? A physical presence in Los Angeles (headquarters), Singapore, and Geneva, may be essential, but other than that, questionable. The Washington, D.C., office should be closed because ICANN is no longer a U.S. government contractor. Personnel there can be reassigned to Los Angeles, work remotely, or terminated. Likewise, the Istanbul office (an unfortunate choice for a "Hub" by the former CEO) should be closed and its operations combined with ICANN's location in Geneva. Remember, ICANN staff can work remotely all over the world via the internet. Where	This comment is noted. In June 2017 the ICANN org international office strategy was formalized in order to have ICANN org operate more consistently and effectively with the global community. ICANN org moved from having three global hubs to having five regional offices: Los Angeles (headquarters), Brussels, Istanbul, Montevideo, and Singapore. ICANN org also has engagement centers in Washington, D.C.; Geneva; Beijing; and Nairobi. And ICANN org has strategic partnerships in Asunçion, Cairo, and Seoul in order to reach more stakeholders around the world.

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		necessary or appropriate, physical offices or virtual office services for ICANN's remote workers, can sensibly and economically be arranged through independent firms who specialize in providing such spaces and services—one well-known firm (of many) offers 3000 locations in 900 cities in 120 countries. Lastly, make sure ICANN has an effective disaster recovery plan for essential services, when Los Angeles (headquarters) is hit by the next 'Big One' (major earthquake):	
147	ccNSO-SOPC	Document 1 – FY19 Budget Introduction and Highlights, Likewise, the costs of professional services seem to remain quite high in both absolute and relative terms over the past fiscal years. We welcome the effort to optimize these. However, we firmly believe that further actions could be planned to rely more on in-house services rather than opting for external consultants, as ICANN staff have the capacity to deal with most of the matters pertaining to the DNS community. Moreover, in order to increase transparency we would recommend a public list of contractors (if any) for the various projects/actions and the amounts spent on them. Another option to further increase transparency might be to establish a panel system where contractors in the new FY are asked to bid to be placed on a panel of approved suppliers that the community then knows. This will help the community to assess the impact of expenditure on certain initiatives such as Internet Governance and other outreach activities.	ICANN org is careful in its use of professional services. Professional services organizations are primarily engaged when we have a temporary need for a particular expertise. When we have a longer term need for expertise we create personnel roles, as this is more cost effective. In other cases, we develop partnerships with outsourcing organizations that can provide us with a large pool of skilled workers at competitive rates. One example of this approach is our partnership with an IT outsourcing provider, Zensar.
151	ccNSO-SOPC	Document 2 – FY19 Total ICANN Budget, Costs associated with remuneration and travel of Board members have recently fueled a number of concerns. While not explicitly reflected in the Budget, it would be useful and appropriate to provide certain clarifications and aggregates, which should enhance the degree of accountability of ICANN org.	Actual Board remuneration and travel expenses are published annually. Making visible the budgeted amounts for these is reasonable. For the most recent report of Board reimbursement and other payments please see:

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			https://www.icann.org/en/system/files/files/fy17-annual-report-expense-reimbursement-payments-directors-28oct17-en.pdf

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27	AF	I would never call for austerity at the expense of good judgement. If I thought these programmes were succeeding in bringing new active participants into ICANN policy processes, I would enthusiastically support their continuation. After all, their cost as a percentage of the overall budget is negligible. But I feel very strongly that they do not work. However, there is a final point that I would like to make, and I believe it to be an important one. While I support ICANN in its decision to reduce the size of these programmes, I have a procedural objection. I do not support drastic and dramatic cuts being made to core budgetary items without community consultation. This budget, which contained the proposal to shrink the fellowship and NextGen programmes, was published on 19 January 2018. It was not until 31 January 2018 that ICANN staff opened a consultation to understand community perspectives on the future of the fellowship programme. No such consultation has been opened on the NextGen programme, with the fellowship consultation documents specifically requesting that the community not comment on NextGen. This is improper. ICANN should not put forward such proposals without first listening to community input on the effectiveness of these programmes (in terms of leading to engagement with ICANN's policy development processes, and ICANN's core mission) and publishing evidence supporting the reduction in the programme's size. I believe the organization holds enough data already to be able to make the case: the names of the fellowship alumni are public, as are the names of those who are in leadership roles both within the community and on the Board. It should not be a huge task to map out just how effective the fellowship programme has been at bringing in new,	The public comment process is intended to elicit the diverse views of the community on what types of projects ICANN should prioritize in the FY19 Operating Plan and Budget. Public comment submissions on the draft documents are a critical part of the annual budget planning cycle, including in the preparation of a final proposed FY19 Operating Plan and Budget. ICANN org encourages the commentator to also submit this feedback to the ongoing consultation on the Fellowship Program so that the input can be taken into account in considering whether changes and improvements to the Fellowship Program should be made.

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		active participants into the ICANN community when there is 10 years of data already available. ICANN should do this. Just as I have anecdotes of where I have seen the programme fail, others will have anecdotes of fellowship success stories. Anecdotes can guide us just as easily as they can mislead us. There's the inevitable selection bias (only the exceptional cases make for interesting stories), there are no controls for confounding variables, and sometimes they aren't even verifiable. But ICANN can generate objective, systematic data by mapping out what has been the actual progression of fellowship alumni into ICANN leadership roles. There is one ICANN-funded capacity development programme that I think does have the potential to work: the pilot community onboarding programme. I understand that this project is not being funded in FY19, and I support that decision, but I would suggest this perhaps be re-considered in FY20 and beyond following community consultation.	
71	Namibian Network Information Center	4 Policy Development Process NA-NiC is aware of the fact that a Cross Constituency Policy Development Process might be required,	The Fellowship Program is not a topic that can be appropriately addressed through a policy development process, and a community consultation has been launched to facilitate ICANN organization's assessment of the Program. ICANN org encourages the commentator to also submit this feedback to the ongoing consultation on the Fellowship Program so that the input can be taken into account in considering whether changes and improvements to the Fellowship Program should be made.

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93	RySG	2.4. Policy Development and Policy Implementation A budget necessarily balances competing demands and projects around an organization's mission and objectives. For ICANN, funding the policy development process and associated policy implementation work is a core obligation that should take priority over other projects at times when trade-offs are required.	This public comment proceeding is intended to elicit the diverse views of the community on what types of projects the ICANN org should prioritize in the FY19 Operating Plan and Budget. Public comment submissions on the draft documents are a critical part of the annual budget planning cycle, including in the preparation of a final proposed FY19 Operating Plan and Budget. ICANN org is mindful of the critical nature of core policy work undertaken by the community and supported by the Policy Development Support Team. Each year every ICANN org department is called upon to plan for the activities in the coming year. ICANN org recognizes that this is a challenge, as the yearly issues and "hot topics" can change between the budget planning process period and the actual time that resources are needed. The Policy Development Support function is well-managed and in generally is able to match available resources with necessary activities. It is up to the community, however, to highlight particular projects that it believes are high-priority and that require specific resources, especially in this challenging budget year.
111	GNSO	The GNSO Council wishes to underline the fact that GNSO policy development and coordination is a core ICANN activity that should be prioritized with respect to other ICANN activities. We would like to understand what proportion of the organization's spend can be reasonably connected to policy development activities. Our feeling is that this allocation is not adequate at present. The GNSO Council anticipates that our active Policy Development Process Working Groups will require funds in FY19 in order to meet the terms of their respective charters. While specifics cannot be foreseen in detail at this time, activities like face-to-face meetings, training of leaders, an annual Council induction, and/or the provision of relevant	The public comment process is intended to elicit the diverse views of the community on what types of projects ICANN should prioritize in the FY19 Operating Plan and Budget. Public comment submissions on the draft documents are a critical part of the annual budget planning cycle, including in the preparation of a final proposed FY19 Operating Plan and Budget. ICANN org is mindful of the critical nature of core policy work undertaken by the community and supported by the Policy Development Support Team. Each year every ICANN org department is called upon to plan for the activities in the coming year. ICANN org recognizes that this is a challenge, as the yearly

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		professional expert assistance are likely candidates. Recent examples have included external legal advice for the RDS PDP and the data acquisition via survey for the RPM PDP.	issues and "hot topics" can change between the budget planning process period and the actual time that resources are needed. The Policy Development Support function is well-managed and in generally is able to match available resources with necessary activities. As FY19 will be a difficult budget year, no specific amount has been allocated for additional policy work beyond what has been identified as a current need. Should it become necessary, however, the Policy Development Support team and the Finance team will work together to try to find additional resources that can support the community's work. ICANN org welcomes the GNSO Council's input on what should be priority projects as well as any specific additional capability or expertise that may be needed to support the GNSO's work in FY19 and beyond.
112	GNSO	The GNSO Council has submitted an additional budgetary request to hold a Strategic Planning Session in 2019. This follows on from a very productive and successful pilot session in 2018. We ask that the resources be made available by the organization for its continuation, while recognizing that other Stakeholder Groups/Constituencies have different priorities that may compete with the support of this request at the Council level.	Thank you for your feedback. Please see response to comment #99.
120	GNSO	The GNSO Council welcomes suggestions as to which, if any, areas of ICANN org operations could be automated to enhance cost saving in policy development activities over years to come.	Thank you for your feedback. Please see response to comment #112. ICANN org welcomes the GNSO Council's wish to engage in longer term planning, particularly in relation to ensuring cost savings while providing the necessary support for the community's work. This should include ways to streamline and automate certain GNSO working group procedures, many of them requiring additional personnel time to administer and maintain. Some preparatory work on automated processes is already underway and will continue. ICANN org also welcomes opportunities to

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			continue this discussion with the GNSO Council, in planning for FY19 and beyond.
138	RrSG	Prioritization of Policy Development Work By contrast, we note that the same page shows a freeze on expenditures for new or priority policy work. Given that this work is, in our view, the primary mission and function of ICANN, we encourage you to guard this area against any future cuts, and ensure it is appropriately resourced.	The public comment process is intended to elicit the diverse views of the community on what types of projects ICANN should prioritize in the FY19 Operating Plan and Budget. Public comment submissions on the draft documents are a critical part of the annual budget planning cycle, including in the preparation of a final proposed FY19 Operating Plan and Budget. ICANN org is mindful of the critical nature of core policy work undertaken by the community and supported by the Policy Development Support Team. Each year every ICANN org department is called upon to plan for the activities in the coming year. ICANN org recognizes that this is a challenge, as the yearly issues and "hot topics" can change between the budget planning process period and the actual time that resources are needed. The Policy Development Support function is well-managed and in generally is able to match available resources with necessary activities. As FY19 will be a difficult budget year, no specific amount has been allocated for additional policy work beyond what has been identified as a current need. Should it become necessary, however, the Policy Development Support team and the Finance team will work together to try to find additional resources that can support the community's work. ICANN org welcomes the Registrar Stakeholder Group's input on what should be priority projects as well as any specific additional capability or expertise

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			that may be needed to support the community's policy work in FY19 and beyond.

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36	KP	III. Reserve fund. Recent discussions have suggested these solutions to restore the former reserve fund level. 1) Increased contracted party fees, 2) use of auction funds, 3) use of gTLD application fees Each of these is unacceptable. First, the reserve fund can be replenished over many years; there is no rush. The important metric is not the amount of annual replenishment but the direction. So long as ICANN establishes and manages to a budget with an annual surplus, that is fine. We need not pay it all back in 2, 4 or more years. The reserve fund was created to protect against the cessation of funds, not against unexpected expenses. Unexpected expenses should be managed by the CEO. If funds are drained by an unexpected need, those funds must be replaced by reducing some other internal use of the funds. The organization must be managed to accommodate that. CEOs are faced with these issues every year and deal with them in this way. If ICANN does this also, then a positive cash flow can be maintained. Use of excess applications fees is a clear violation of ICANN policy that states that application fees should cover application costs. I don't see any allowable use of the funds beyond a refund to applicants or the funding of a program agreed by a consensus of the applicants. Similarly, use of auction funds to fund a reserve requires community approval. I, for one, cannot imagine a worse use of funds that to reserve them against the occurrence of ICANN budget dilemma. The exhaustion of reserve funds	The ICANN Board has identified fiscal responsibility as a top FY19 priority and specifically identified the reserves as a top concern. There is a Board working group tasked with developing a plan for replenishment of the ICANN Reserves. ICANN org will monitor the outcome of the working groups in hopes of incorporating any decision into the FY19 Operating Plan and Budget process. As the number of registries and registrars is stabilizing and ICANN continues to increase its operational excellence and effectiveness, it is expected that the organization's resources would also stabilize and it will continue engaging with the community to appropriately prioritize the activities of the organization in support of its mission. It is ICANN's intention that its operations should be funded from annual operating funding. Exceptionally, unexpected or large costs so arise and generally would need to be funded from reserves. This has occurred for the IANA stewardship transition project, as indicated in this comment. A number of auctions of last resort have happened, leading ICANN to collect proceeds. Such proceeds are fully segregated from ICANN's Operating and Reserve Funds, and are the subject of a community-led process to define their future use. The organization appreciates the comment on the continued improvement and transparency of the budget process. ICANN's investment policy indicates that it should maintain a Reserve Fund equivalent to one year (12 months) of operating expenses. We are currently below that level. The existence of the Reserve Fund directly supports the ability of the organization to carry out ICANN's

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		occurred due to the fiscal mismanagement of the IANA transition and inexplicable over-estimation or registry fees. Both of these lessons should have caused the Board and staff to implement better management controls and judgment. Finally, increasing registry and registrar fees reminds me of my water company. They enforced strict conservation practices and (gasp!) their revenue went down. So they proposed to raise water rates and the community rained down on them — complaining of bloated overhead and staffs. The rate increase was beaten back. When contracted parties first agreed to per domain registration fees, then CEO Paul Twomey promised (paraphrasing), "ICANN's fate is tied to yours - as your revenue increases, so will ours, if your revenue decreases, ICANN will suffer that with you." The "shortfall" in revenue is nothing but a management error in judgment when budgeting. That error should not result in a fee increase. It violates the original commitment made when the contracted parties supported ICANN by approving per domain registration fees.	mission in the long term ensure the stable and secure operation of the Internet's unique identifier systems. The Reserve Fund allows ICANN to face any unforeseen event, or disaster, and still continue to carry out its mission. It is a fiduciary requirement for any nonprofit organization to be able to continue its mission for the public benefit and a Reserve Fund is one of the elements that allow a nonprofit organization to remain accountable to the public. The ICANN Board recently engaged in a reassessment of the Reserve Fund requirement, in the context of ICANN's mission in the public benefit. Please find the following document that discusses the replenishment strategy: https://www.icann.org/en/system/files/files/proposed-reserve-fund-replenishment-strategy-06mar18-en.pdf
52	NCSG	Given the level to which the ICANN Reserve Fund has been depleted, we believe ICANN must be more ambitious in its plans to replenish this fund. We believe the only way to do this is to cut costs and focus on activities central to ICANN's core mission.	Thank you for your feedback. Please see response to comment #36.
92	RySG	2.3. Replenishing the ICANN Reserve Fund ICANN's current Investment Policy determines that it should target a Reserve Fund equal to minimum 12 month's operating expenses. It is a matter of current discussion as to how the Reserve Fund should be replenished, and indeed whether that 12-month level should be amended. The RySG reiterates its view	Thank you for your feedback. Please see response to comment #36.

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		that the Reserve Fund is intended to allow ICANN to continue providing its core function, and that the fund's target level should be based on a detailed estimate of the resources required to continue operation in survival mode rather than on a fully expensed one-year budget basis. Moreover, the RySG view is that regardless of the determination as to how the ICANN Reserve Fund is replenished, diligent cost control of ICANN's expenditure is a vital ongoing component. The budget process for FY 19 and beyond must anticipate an annual contribution to the Reserve Fund from ICANN's income.	
143	IPC	Reserve Funds As stated by IPC in its November 2017 comments, IPC supports the conclusion that a minimum of 1 year's budget be the target goal of ICANN's reserve fund. This level supports industry best practice. The FY19 Budget does provides for a modest increase of US $4.7million in ICANN's reserve fund by virtue of project investment gains and indicates that "periodically, any funds in excess of this are transferred to the Reserve Fund. As an illustration, in November 2017, the ICANN Board approved an allocation of US $5 million from the Operating Fund to the Reserve Fund." While this is applauded, IPC reiterates that it would be helpful to the community for ICANN to have included a replenishment plan in support of the different scenarios for the reserve whether it be for 1 year, 18 months or 2 years and what the corresponding impacts will be on operating expenses.	Thank you for your feedback. Please see response to comment #36.

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146	IPC	Conclusion IPC has the seven (7) Key Initiative document for FY19 Budget and agrees that that they align with ICANN's strategic plan. IPC is pleased to see that support of the Policy Development Process is highlighted along with data and privacy issues related to GDPR. As an active member of the Empowered Community, IPC has been an active and engaged participant in ICANN's budget discussions and appreciated the transparency of the budget process. As discussed above, IPC appreciates the conservative approach, but believes that the impact of GDPR to Compliance and Consumer Safeguards may be under-estimated. In addition, we have ongoing concerns about ICANN's failure to address to its dwindling operational reserves and challenge some of the assumptions used to build the FY19 Budget in light of these concerns.	Thank you for your feedback. Please see response to comment #36 for Reserve. Thank you for your feedback. Please see response to comment #80 for GDPR.

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80	Blacknight	Considering the importance and impact of GDPR on both contracted parties and ICANN org it is worrying that there does not appear to be a specific budget allocation for GDRP related activities.	A project breakdown for the allocated resources can be found in portfolio 5.2.4, Strategic Initiatives of the draft FY19 ICANN Operating Plan and Budget. The draft budget was adjusted for Legal expenses for this cross functional project that were reported as ongoing activities in the draft budget documents. The FY19 Budget includes estimates for external data processing and internal data processing. Since the scope of GDPR requirements is still being finalized, there may be unforeseen costs which will be attributed to this program. Any changes to business practices as a result of the GDPR are to be considered part of the normal course of business. In this case, contingency dollars will be allocated to GDPR. Any changes to business practices as a result of the GDPR are to be considered part of the normal course of business. In this case, contingency dollars will be allocated to GDPR.
88	i2Coalition	GDPR as a going concern: The budget states: "Data privacy encompasses specific areas of work, such as GDPR implementation and the e-privacy directive, which have resources allocated for FY18, which is when ICANN org anticipates implementation work for GDPRt to conclude. Therefore, at this time, no resources have been allocated specifically for GDPR-related implementation work in FY19." Also "Funding will not be available for any new or additional request for accelerated PDP work on priority policy issues, as part of core policy development allocated budget." These do not seem realistic, given the	Thank you for your feedback. Please see response to comment #80.

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		complexity of the issues we are grappling with. We ask that these decisions be re-evaluated.	
102	RySG	3.6. GDPR ICANN org anticipates implementation work for GDPR to conclude in FY18 and therefore, no resources have been allocated specifically for GDPR-related implementation work in FY19. The RySG is concerned that this is an overly optimistic assumption and that a failure to budget adequately for the GDPR-related work that will take place in FY19 will have an adverse impact on ICANN's finances.	Thank you for your feedback. Please see response to comment #80.
152	ccNSO-SOPC	Document 2 – FY19 Total ICANN Budget, Within the Section Data privacy-related FY19 implementation activities, no funding for GDPR-related initiatives are planned in FY19. Are these likely to be a part of the consultancy costs? If not, ICANN should consider a separate budget for the implementation and possible follow-ups.	Thank you for your feedback. Please see response to comment #80.
164	ccNSO-SOPC	Document 4 – FY19 Operating Plan, On page 32, under "Projects and Activities not included in the budget submission", the third point is about GDPR and it reads "Both the internal and external tracks of work could result in outcomes that require unbudgeted dollars and other resources from GDD	This section is documenting that since the scope of GDPR requirements is still being finalized, there may be unforeseen costs which will be attributed to this program. In this case, contingency dollars will be allocated to GDPR.

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		to implement. Timeframe is between now and May 2018, with possible work required after May 2018". Could we have the meaning of such paragraph clarified in plain English?	

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166	BC	ICANN Reserve Fund The BC believes that ICANN should fund reserves with a minimum of 12 months, but ideally 17 months, of budgeted expenditures. Given ICANN's experienced short-fall in expected revenue from new gTLDs, the BC recommends that reserve fund replenishment be carefully considered. The BC reiterates our Nov-2017 suggestion that the community process on use of new gTLD Auction Proceeds should thoroughly examine using some of those proceeds to replenish the Reserve Fund. As the CCWG-Auction Proceeds is still underway, this consideration is timely. We note that the Reserve Fund is established for events that might require major changes in revenue sources or even an exit strategy. In those events, it does not seem realistic that present levels of staff and offices would continue over a 12 or 17 month period. As businesses, we are familiar with costs of downsizing and transitions, so we propose that the Risk Committee document scenarios showing use of the Reserve Fund.	Thank you for your feedback. Please see response to comment #36.
167	BC	Revenue projections The BC agrees that it is appropriate for ICANN to revise its financial projections for lower growth and to reduce overall expenditures. We are concerned, however, that ICANN org, since many new gTLDs are experiencing significant name drops, and some legacy gTLDs are experiencing static or negative growth. The BC urges ICANN to reevaluate its revenue projections, especially related to the new gTLDs. The BC believes that ICANN previously stayed with highly optimistic projections for new gTLDs, ignoring warning signs that many business models were not sustainable (for example, free and nearly free domain registrations). All gTLD registries	Thank you for your feedback. Please see response to comment #91.

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		must be financially sustainable and be able to pay ICANN fees.	
168	BC	Proposed growth in staff numbers and expenditures Lower revenue projections also necessitate commensurate action regarding staffing, yet the budget proposes to increase both staff numbers and costs. The BC urges ICANN to consider freezing staff until revenue projections and reserve fund targets are met. ICANN is revising its budget to reflect an expected drop in income of $8M (from $142.8M to $134.5M). Expenses are due to drop by $6.3M (from $142.8M to $136.5M). While ICANN Org is proposing cuts to travel, administrative and operational expenses, staff costs and headcount will continue to increase. Based on ICANN's proposals and projections for the period FY2017-FY2020, the following changes would occur: Revenue: +4% (135m in 2017 to 140m in 2020) Personnel costs: +35% (60m in 2017 to 81m in 2020) Headcount: +12.5% (378 in 2017 to 425 in 2020) Admin and operational costs: -35% (27m in 2017 to 18m in 2020) Salaries are projected to rise at roughly three times the rate of headcount increases, with an average cost per capita rising by 7% per year from $157,000 in 2017 to $190,000 by 2020. For comparison, the rate of inflation was 2.1% in the USA during 2017, and median household income in the US between 2012-2016 was $55,000 (US Census).	Thank you for your feedback. Please see response to comment #6.

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169	BC	Capacity to fund new priority projects There do not appear to be funds available for work on priority policy issues, such as implementation of GDPR, Work Stream 2, the New gTLD Subsequent Procedures WG, and Competition, Consumer Trust and Consumer Choice (CCT). The BC asks whether ICANN plans to further deplete its reserve fund if it needs to exceed current budget to fund these priority activities. The BC, along with other constituencies, has made a priority of increasing the amount of publicly available technical data, and we are gratified to see that ODI, DAAR, and ITHI are moving to production in 2019. However, it is unclear how these will be delivered and what costs are associated.	
170	BC	Concern about the magnitude of proposed cuts in community-support activities such as CROP, Special Budget Requests, the Onboarding Program, ICANNWiki and Fellowship. The BC is concerned that the majority of proposed expense cuts in ICANN's proposed FY19 budget would adversely impact services that support work of the ICANN community. The BC has made excellent use of CROP (Community Regional Outreach Program) funds to increase local awareness and engagement with ICANN. We therefore oppose the elimination of the CROP program. The BC has used Special Budget Requests to bring potential business participants from developing countries. This has helped to increase participation in BC activities, broaden global outreach, and enhance the legitimacy of ICANN in the global community. The BC objects to the proposed reduction in Special Budget Requests. The BC also ppposes proposed cuts in the Onboarding Project. We asks that Onboarding be concluded at the AGM, with an evaluation. This would extend this project by 6 months and allow the full conclusion of the program and	This public comment proceeding is intended to elicit the diverse views of the community on what types of projects the ICANN organization should prioritize in the FY19 operating plan and budget. Public comment submissions on the draft documents are a critical part of the annual budget planning cycle, including in the preparation of a final proposed FY19 operating plan and budget. Community comments on proposals to fund specific projects, whether wholly, partially or not at all, can be particularly helpful during the budget planning cycle. The proposal not to fund certain projects for FY19 (such as the Community Regional Outreach Program (CROP) and ICANN Wiki) and to reduce funding for certain projects (such as the Additional Budget Requests (ABR) envelope, Community Onboarding and the Fellowship Program) was made based on ICANN Organization's understanding that FY19 will be a challenging budget year. This was not intended to undermine the success of any of these programs, but rather to ensure that for FY19 sufficient funding is available for the community's essential policy

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		an effective evaluation. We oppose the proposed elimination of funding for ICANNWiki, which is a valuable service to raise awareness and provide timely information to the ICANN community. We propose a more limited reduction of just 20% in the Fellowship Program. Before any deeper cuts are made to the Fellowship Program, ICANN should engage in a review discussion with the outreach committees of the SOs and ACs.	development and advisory activities, as well as the necessary staff support for these functions. Should budget concerns ease in future years such that it becomes possible to fund additional projects, these programs may be added back in or possibly even enhanced upon a review of their objectives and principles at that time.
171	BC	BC recommends expenditure reductions in NCPH Intersessional, NEXTGen and the ICANN Academy In the spirit of sacrificing a program we find beneficial in order to restore proposed cuts in other programs, the BC recommends skipping the FY19 Non-Contract Party House (NCPH) Intersessional. The NCPH Intersessional consumes nearly $100K in ICANN's proposed FY19 budget, and the BC would prefer that those funds be used to restore funding for CROP, Special Budget Requests, Onboarding, ICANNWiki, and Fellowship program, as described above. We question the proposed expenditure for ICANN's NEXTGen program, which was not developed pursuant to a bottom-up community request, and has not demonstrated its contribution to ICANN. At present, NEXTGen lacks a defined mission and outcome, although it incurs significant travel costs. We propose that NEXTGen be reduced to 5 academics from the relevant region who would develop engagement with their students. We question the need for the ICANN Academy, which is not a fully cross-community program. Moreover, online courses in ICANN LEARN could replace the need for the Academy. We recommend canceling the ICANN Academy and redeploying the staff support and travel costs that have been devoted to this endeavor.	The ICANN Organization thanks the Business Constituency for its suggestions on how cost savings may be effectuated while maintaining support for the community's priority projects. A decision whether or not to proceed with a NCPH Intersessional Meeting in FY19 will need to be made collectively by all the affected community groups. Should the collective agreement be to cancel or reschedule (for future FYs with perhaps fewer budgetary challenges) the Meeting, the ICANN Organization will be pleased to engage with the community to reallocate funds to support their core policy development and advisory activities.

The NextGen and Fellowship programs are currently being reviewed as part of a community consultation. This consultation overlaps with the budget process. ICANN recognizes it is time to review these programs and consider how these fit within ICANN's goals to bring in and support active participation in ICANN's technical and policy work.
ICANN Academy is included within ICANN's capacity development activities. The program should be reviewed for effectiveness, just as ICANN Org is looking at the Fellowship and Next Gen programs. |

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172	BC	As mentioned in our earlier comments, we request a high-level Executive Summary of the entire FY19 Budget Proposal that indicates projected income and expenditure, key changes in budget spending and cuts, and risk scenarios for unbudgeted but potential funding needs (for example: implementing WorkStream 2 recommendations; CCT Review, PDPs, and GDPR). In reviewing the FY19 Operating Plan and Budget proposal, the BC has concerns about several issues: ICANN reserve fund Revenue projections Proposed growth in staff numbers and expenditures Capacity to fund new priority projects We are concerned about the magnitude of proposed cuts in community-support activities such as CROP, Special Budget Requests, the Onboarding Program, ICANNWiki, and Fellowship. The BC recommends expenditure reductions in NEXTGen, the ICANN Academy, and in the frequency of NCPH Intersessional meetings.	Thank you for your feedback. Please refer to document 1, "Introduction and Highlights" for a summary of the key items in the FY19 Operating Plan and Budget.
173	ISPCP	We list those aspects that we believe deserve further specific and detailed consideration as ICANN look to progress on this matter at a time when the projected future budget is no longer showing year on year increase. In terms of high-level priorities, ISPCP consider that ICANN's overall budgetary effort should be focused on two critical areas a) policy development as the core of ICANN's mission and b) participation of the volunteer community to that mission. For this and in the context of reduced revenues and need for "fiscal prudence", the ISPCP call for cost reduction decisions in other areas be based on identifiable and measurable criteria, indicators and metrics, that those be communicated to the community with a transparent cost/benefit analysis	Thank you for your feedback. Please see response to comment #83.

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		of each of the budget segments subject to those cuts, and monitored year on year for adjustment. Examples of areas where such an approach is necessary as opposed to using anecdotal evidence include NextGen and the Academy programs.	
174	ISPCP	The ISPCP also stresses the importance of ICANN continuing to update and assess their projected figures, taking full account of market dynamics, which currently only indicate a downward trend. The pace of change may well prove a critical element in ICANN's future budget considerations.	Thank you for your feedback. Please see response to comment #91.
175	ISPCP	The ISPCP has major concerns over the proposed growth in staff and costs at a time when revenue projections are indicating lower growth. Urgent consideration should be given to freezing staff numbers and even reducing numbers when some current activities are concluded. It is imperative the overall cost envelope does not increase further.	Thank you for your feedback. Please see response to comment #6.
176	ISPCP	Staffing costs including, the level of remuneration, continue to be a major concern, particularly at a time when travel budgets and operational cuts are being considered that will have a direct major impact on the ICANN community. At such a time, there can be no justification for salaries and bonuses exceeding the norm for an equivalent role in the public sector.	Thank you for your feedback. Please see response to comment #6.
177	ISPCP	Major concern exists over the scale of planned cuts that directly impact the ability of the volunteer community to actively support ICANN as a bottom-up, consensus driven organization.	Thank you for your feedback. Please see response to comment #6.
178	ISPCP	Policy development must remain a focal point for the organization and should not be subject to budget reduction as this aspect represents the core of ICANN's activities. Those functions have to be the last to be considered for any potential cuts. The ISPCP also	Thank you for your feedback. Please see response to comment #102.

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		considers the implementation of GDPR and Work Stream 2 as key priorities that must be funded.	
179	ISPCP	The ISPCP is strongly opposed to any cuts in the CROP (Community Regional Outreach Program). This program has proved to be an excellent tool for facilitating outreach and growing the ICANN community. It should be retained in its current form, judged against an agreed set of metrics that will assist in ensuring it continues in that vein.	Thank you for your feedback. Please see response to comment #44.
180	ISPCP	It remains unclear how and where cuts in the travel budget will be implemented. The ISPCP believes that more flexibility within the existing travel rules could result in substantial savings. Such flexibility, underpinned by clear rules, need to be developed with input sought from the communities impacted.	Thank you for your feedback. Please see response to comment #43.
181	ISPCP	The ISPCP are also opposed to the elimination of the ICANNWiki that provides a wealth of information to the community.	Thank you for your feedback. Please see response to comment #1.
182	ISPCP	The ISPCP supports the replenishment of ICANN's reserve funds with an absolute minimum of twelve (12) months across the next five (5) years. This has to remain a priority across that period.	Thank you for your feedback. Please see response to comment #36.
183	ISPCP	The ISPCP notes that other commentators on the budget proposals have suggested that the NCPH Intercessional meetings could be held every other year as opposed to the current yearly schedule. The ISPCP also supports that proposal.	Thank you for your feedback and ICANN org will take this under advisement.
184	ISPCP	The combined expenditure of the Fellowship Program, the NEXTGen program, and the ICANN Academy is far too high. Whilst the Fellowship program has a proven track record, the NEXTGen and Academy programs have not delivered the same level of benefit and their future-in view of the financial constraints being	Thank you for your feedback. Please see response to comment #37.

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		experienced- must be questioned. At a minimum, the travel costs associated with these programs must be considered before any cuts are considered that directly impact the policy development process within ICANNs SOs and ACs.	