



## **Strategic Plan**

**July 2006 – June 2009**

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# Internet Corporation for Assigned Names and Numbers

15 March 2006

To All Interested Parties:

I would like to express my thanks to all those who contributed to this strategic plan. The development of this plan has been based on many rounds of consultation with the community through workshops at ICANN meetings, through Supporting Organizations and Advisory Committees and through public forums on the ICANN website. Members of the community have been very generous with their time and we appreciate the work that they have done.

Based on feedback that we received from the first draft plan, this July 2006 – June 2009 plan is a short, concise document. It gives a brief description of challenges and opportunities that ICANN is likely to face in the next few years and then outlines five strategic objectives for the ICANN community. Each of those objectives is then described in more detail and goals and targets have been set where appropriate. The strategic objectives in this plan will form the framework around which the operational plan is constructed. I look forward to working with the community in the coming months to put the first year of this plan into effect through the 2006-2007 Operational Plan.

Yours sincerely

Paul Twomey  
President and CEO

**DRAFT**

## ICANN's Mission and Values

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

- ensuring the stability and security of the DNS,
- promoting competition and choice for consumers,
- facilitating the bottom-up, transparent policy development process, and
- engaging the participation of the global stakeholder community in the ICANN process

is the inter-relation among those principles. ICANN's work supporting bottom-up coordination involving global stakeholder interests also facilitates stability and competition. Similarly, facilitation of competition and practices promoting stability and security will attract global participants to the ICANN model and its policy development forums.

### ICANN's Mission

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

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

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

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

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

### ICANN's Core Values

ICANN's Bylaws detail ICANN's core values as part of its Mission. In performing its mission, the following core values should guide the decisions and actions of ICANN:

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

## **Development of the July 2006 – June 2009 Strategic Plan**

Development of this strategic plan began at the ICANN meeting in Luxembourg in July 2005. Extensive consultation with the community was undertaken in workshops with the Supporting Organizations (SOs) and Advisory Committees (ACs), and also in general sessions conducted in English, French and Spanish. At the request of the community, a further series of questions was posted for comment on a public forum on the ICANN website.

Input from the public forum and the Luxembourg sessions was collated into an issues paper which was published in September 2005. Comments were sought through a public forum on the ICANN website and also through SOs and ACs.

All SOs and ACs were invited to send representatives to a meeting held in Marina del Rey in October 2005. Some members of the Board and senior members of staff also attended this meeting. The output of this meeting was a summary of the key challenges and opportunities that faced the ICANN community and a draft of strategic objectives for the next three years. This material was posted on the ICANN website for comment.

At the request of members of the community, the period for comment was extended to the Vancouver meeting in December 2005. In Vancouver, a meeting of chairs of SOs and ACs, the chairman of the Board and senior staff further refined the strategic objectives. These were posted on the ICANN website and comments were gathered in English, French and Spanish at public forums during the Vancouver meeting. The public forum on the website was kept open until mid-February to allow all those who were interested to provide comments.

This plan is based on a bottom up, multi-phase consultation with the ICANN community. It attempts to set out the community's views of the priorities that the community needs to adopt in the next three years as it continues to evolve as a global organisation serving the Internet community in maintaining the stability and security of the Internet's unique identifier systems.

## **Key challenges and opportunities for ICANN**

Any strategic plan is, by its nature, setting a course through an unknown future. In considering the issues that will face ICANN community over the next three years, the following list of major challenges and opportunities was developed. It is not an exhaustive list and issues are not necessarily in priority order. The list is a summary of environmental factors that the community believed will shape the future and they are therefore the issues that have shaped this plan.

- i. The continued rise of the Internet as a truly global means of communication and the need for ICANN to meet the needs of a truly global stakeholder base
- ii. Ensuring stability and security in an environment of increased threats
- iii. A wide range of abusive behaviours in the Internet environment that may be placed at ICANN's doorstep
- iv. Maintaining stability given expected increases in scale driven by the number of devices using the Internet and the number of users
- v. Multiple complicated changes to Internet operations or protocols that need to be managed in parallel, including possible paradigm changes not yet anticipated
- vi. Significant increases in the volume of policy and management work that needs to be done
- vii. Continuous evolution of commercial applications and business models that use the Internet
- viii. Possible fracturing of the current system perhaps brought about by some users becoming dissatisfied with perceived restrictions imposed by technical protocols or by actions of a government or governments
- ix. ICANN taking an appropriate role in the broad group of international entities involved in Internet functions
- x. Designing appropriate structures and processes for a post-MOU and post-WSIS ICANN

## Strategic Objectives for the Next Three Years

Having considered the challenges and opportunities that are most likely to present themselves over the next three years, the following objectives have been identified by the ICANN community for the ICANN community:

1. **Organizational excellence in Operations:** If ICANN is to continue to serve a growing stakeholder base effectively, it must strive to further improve its basic operational functions. Given expected increases in activities related to meeting the core mission and continuing attention to stability and security, operational excellence is critical to ICANN's success. Accordingly, ICANN will continue to pursue and adopt adequate, diverse forms of funding models.
2. **Organizational excellence in Policy Development:** The continued evolution of the Internet, especially the DNS, brings with it an increasing number of policy issues of ever increasing complexity that need to be decided through the ICANN process. Given this growth, the ICANN community needs to further improve its policy processes to deal with these challenges.
3. **Increase international participation in ICANN and the use of the Internet system of unique identifiers:** ICANN is a global forum for the discussion of issues affecting the stability and security of the Internet's unique identifier systems. At this stage of the evolution of the Internet and of ICANN's own evolution as an organization, it is appropriate to review and improve ICANN practices and procedures to ensure that they are designed to serve and support a global audience as effectively as possible.
4. **Increase participation in and efficiency of the ICANN multi-stakeholder environment:** One of ICANN's great strengths is the multi-stakeholder environment in which issues are debated and resolved. ICANN needs to continue to build on that strength by improving participation by key stakeholders in the process. As one of a number of organizations that are concerned with Internet governance, ICANN must clearly communicate its unique role and engage other organisations in dialogue on matters of common concern.
5. **Work towards a post-MOU ICANN:** ICANN currently performs under a memorandum on understanding (MOU) from the United States Department of Commerce. ICANN needs to engage the community now on developing options for how ICANN might operate after the completion of the MOU.

Each of these objectives is covered in more detail in the following sections.

Wherever possible, goals and measures have been set based on current performance and desired improvements. However, in some cases, the first step in continued improvement is to put in place a measurement system and to establish benchmarks against which future performance can be judged. In other cases, the first step towards the further improvement is to develop capability within ICANN to allow proper identification of issues and scoping of a way forward.

In addition to the priorities outlined here, ICANN staff are involved in "business as usual", the day to day operational activity of ICANN. These activities are not described here and are complementary to the strategic objectives contained in this document.

# 1. Organizational excellence in operations

## 1.1 Operations

### 1. Operational performance targets for IANA

In the five major areas of IANA operation: Root Zone management; IETF services; IEFT drafts; protocol management (e.g., port and PEN assignments); and .INT management, ICANN will in

- a. Year 1: continue to work with customers to establish acceptable performance targets and meet all of those targets;
- b. Years 2 and 3: after meeting customer expectations fully, continue to improve so those targets are routinely exceed and subsequently reset. Nominally, each year deliver 15% improvement on the targets established in the first year. Those reset targets, will be mutually agreed by ICANN and its customers.

### 2. Operational performance targets for gTLD Registry tasks

In providing liaison and customer services to existing and new gTLD registries such as: processing requests for new registry services, and implementation of consensus policy, ICANN will in:

- a. Year 1: Manage new registry services requests in complete accordance with the consensus policy guidelines, develop and implement effective feedback reporting methodologies on new consensus policies, and implement the capability for consideration of new TLD applications;
- b. Years 2,3: Continue to manage all new policy implementations in accordance with the written implementation plan and in the cases of the implementation of new TLDs, increase continually the rate at which new applications can be competently considered by at least 15% and improve performance by a similar amount in quantifiable areas.

### 3. Operational performance targets for gTLD Registrar tasks

In providing services to gTLD registrars such as: contractual compliance activities; facilitating the activities of the registration market to promote competition and choice; fostering innovation to develop additional markets; and improving the accreditation process, ICANN will in:

- a. Year 1: Fully staff and equip the compliance function, fully implement consensus policy regarding the designation of new TLDs, automate and strengthen the accreditation process, introduce experimentally IDNs in TLDs;
- b. Years 2 & 3: deploy IDNs in the top-level; provide nominally for 15% improvement each year on current performance in areas determined by registrars.

**4. Operational performance targets for end user tasks**

Making use of the contacts made to ICANN by registrants and end-users, establish processes and collect data in order to: effectively provide complainants with proper direction, collect and analyse data to recognize trends and identify potential problems areas associated with ICANN's technical coordination role, and inform the community of this information, ICANN will in:

- a. Year 1: Establishment of processes (e.g., complaint handling processes) for dealing effectively with end user issues; establishment of metrics
- b. Years 2 & 3: Monitoring of progress against identified measures.

**5. Operational performance targets for L root tasks**

Build on previous hardening of the root server: establish performance targets and measure performance against them to ensure ongoing stable operations. ICANN will in:

- a. Year 1: Establish performance targets and improve resilience as indicated. Provide for geographical diversity of the root server in regional areas.
- b. Years 2 & 3: Continue to improve operations in accordance with stable operating requirements.

**6. Procedures for dealing with potential business failure of key operational entities**

Fully implement contingency plans and study the effect of registry and registrar failover in order to appropriately protect registrants. ICANN will in:

- a. Year 1: Have in place a plan and components with no security risk presented to the community.
- b. Years 2 & 3: Fully implement all plans and conduct annual reviews.

**7. Develop and implement an Emergency Response Plan**

This includes: responses for different emergency situations (internal and external), ensuring agreed processes with key partners, ensuring full operational redundancy, preparing messaging strategies. ICANN will in:

- a. Year 1: Have in place a plan and components with no security risk presented to the community.
- b. Years 2 & 3: Fully implement all plans and conduct annual reviews.

**8. Further improve accountability of the budget process and ensure regularity of revenue flows consistent with ICANN mission and objectives**

In accordance with sound business practice ICANN will continue to establish diverse, consistent sources for revenue. As revenue levels increase, improved performance measurement and financial metrics become more important.

Therefore, ICANN will in:

- a. Year 1: Improve operational planning process to include project based budgets and measurement of performance against those budgets. Survey of SOs and ACs on accountability goals.
- b. Years 2 & 3: Implement the results of surveys to provide responsive reporting. Continue the annual survey process to determine success and future changes.
- c. By June 2009, recognizing the variation in revenue flow is due to the timing of various fee approval and collection systems, reduce percentage variation in quarterly revenue flows to less than 10% from plan.

**9. Improve response to requests for technical advice**

In order to build capability in local communities and take other steps to be responsive to requests, ICANN will in:

- a. Year 1: Build capability to respond to requests in developing countries and undertake comprehensive study as required, providing understanding, and establishing service metrics (such as turnaround times).
- b. Years 2 & 3: Monitor against service metrics and also monitor level of expertise in those areas where services have been provided.

**10. Develop and implement a workforce planning methodology for ICANN staff to attract and retain high quality staff**

ICANN will in:

- a. Year 1: Develop workforce planning methodology, develop and improve recruitment and retention processes, establish turnover targets.
- b. Years 2 & 3: Implement methodology and processes, monitor against targets, provide training and other retention process.

## **1.2 Key issues to be addressed in this plan**

ICANN will prepare project plans to secure and allocate adequate resources for the prosecuting the completion of:

1. Deployment of Internationalized Domain Names in top-level domains
2. Implementation or addressing security aspects in the DNS: DNSSEC and signing the root zone; aspects of root zone management, and name hijacking concerns; of network resources
3. Facilitation and implementation of the consensus policy for the introduction of new top-level domains
4. Facilitation and implementation of the consensus policy for WHOIS functionality
5. Taking action (appropriate study and response) regarding market behaviours within IP addresses and domain names

## **1.3 Sustainability**

**Analyse implications of increased demand on ICANN operations and policy processes and develop ways of improving scalability**

ICANN will in:

1. Year 1: establish metrics for staff workload and SO and AC policy development support work.
2. Years 2 & 3: monitor workloads; develop ways of improving scalability and deriving economies of scale.

## **2. Organizational excellence in Policy Development**

- 1. Develop capacity to better understand economic issues, consumer needs, market expectations and business models and the implications of these factors on ICANN policy development, and also the implications of ICANN policy on Internet users**

ICANN will in:

- a. Year 1: Put into place staff (i.e., Economist, Statistician/researcher), and publish quality papers on relevant topics.
- b. Years 2 & 3: Continue publication of quality papers on relevant topics that effectively inform policy debates and enable effective decision making and debate.

- 2. Improve the efficiency and effectiveness of Supporting Organizations and Advisory Committees, including:**

- 1. Identifying the policy work that needs to be done**

- a. Work identified by all Supporting Organisations and Advisory Committees at beginning of each year

- 2. Identifying which groups need to be working on which policy tasks**

ICANN will in:

- a. Year 1: Policy processes reworked to include early analysis of stakeholder groups
- b. Annually thereafter: Survey to determine SO and AC satisfaction that they have been involved in all relevant policy processes

- 3. Developing core policies as reference points**

ICANN will in:

- a. Year 1: Identification of core policies; Timetable for development
- b. Years 2 & 3: Development of policies according to timetable

- 4. Improving policy development processes**

ICANN will in:

- a. Year 1: Determine metrics (which includes targets such as process times, implementation times, effectiveness measures); Implement regular reporting
- b. Years 2 & 3: Review against targets

**5. Developing a process for policy development where multiple Supporting Organizations and/or Advisory Committees need to be involved**

ICANN will in:

- a. Year 1: Develop and implement process; Develop criteria for reviewing process
- b. Years 2 & 3: Review process

**6. Enhancing interaction between Supporting Organizations and Advisory Committees**

ICANN will in:

- a. Year 1: Have liaisons in place between all SOs and ACs; Schedule for Board dialogues with SOs and ACs established; Scheduled Board dialogues take place
- b. Years 2 & 3: Review against schedule

### **3. Increasing international participation in ICANN and the use of the Internet system of unique identifiers**

**1. Improve the ability of stakeholders to participate in ICANN processes, including in languages other than English**

ICANN will in:

- a. Year 1: Develop and implement translation policy that meets the other objectives of the organisation; develop and implement attendance program; establish metrics for participation by region
- b. Years 2 & 3: implement further programs to improve stakeholder participation; measure against identified metrics

**2. Redesign ICANN business and policy development support practices and processes to meet the needs of a global audience**

ICANN will in:

- a. Year 1: Review of practices and processes; change plan produced
- b. Years 2 & 3: change plan implemented; annual review with subsequent changes implemented as required by changes in the environment

**3. In each region, work with cc managers, local Internet communities (including governments, private sector and civil society ) and regional organizations to develop and monitor outreach programs for their region to improve capabilities in IP address, domain name and root management services**

ICANN will in:

- a. Year 1: Establishment of plan for each region (to include active ongoing liaison with regional orgs and declaration of intent for programs in each region); working with the ccNSO, develop recommended minimum standards for technical aspects of DNS management in ccTLDs
- b. Years 2 & 3: Implement and monitor performance against this plan

## **4. Increasing participation in and efficiency of the ICANN multi-stakeholder environment**

- 1. Improve and deepen participation in the ICANN process by stakeholders, including end users, governments, the business community, technical and industry experts and developers of new business models that use the Internet**

ICANN will in:

- a. Year 1: understand stakeholder groups and set targets; develop plans for each group
- b. Years 2 & 3: implement plans, measure against targets

- 2. Develop and implement a communications plan that clearly explains ICANN's mission and communicates ICANN's activities and achievements**

ICANN will in:

- a. Year 1: develop and implement plan, establish metrics
- b. Years 2 & 3: refine plan and report against metrics

- 3. Implement a programme to enhance and develop relevant skills and knowledge in existing participants and in the next generation of ICANN leadership**

ICANN will in:

- a. Year 1: Undertake skills gap analysis and develop plan; establish metrics
- b. Years 2 & 3: implement plan, report against metrics

- 4. Develop a knowledge management program to institutionalize corporate memory and communicate core ICANN values**

ICANN will in:

- a. Year 1: Develop and implement plan
- b. Year 2 & 3: Implement plan

- 5. Strengthen relationships with key partners as needed to assist ICANN in carrying out its mission**

ICANN will in:

- a. Year 1: Identify key partners, develop plan for each partner
- b. Year 2 & 3: Implement plan; review key partnerships

**6. Identify key forums with which ICANN should interact to assist in dealing with issues that are related to but not in ICANN's ambit**

ICANN will in:

- a. Year 1: Identify target forums and engage with each
- b. Year 2 & 3: Implement plan; review key forum list

**7. Develop mechanisms to report on ICANN's openness, transparency, inclusiveness and its multilateral and multi-stakeholder environment**

ICANN will in:

- a. Year 1: Develop report format; implement first audit
- b. Years 2 & 3: Annually audit

## 5. Working towards a post-MOU ICANN

### 1. Satisfy remaining MOU objectives

- a. All MOU objectives to be completed by agreed timeframe; with at least quarterly report to Board on progress

### 2. Engage the community in the analysis of issues and scenarios for post-MOU governance

ICANN will in:

- a. Year 1: Scenarios developed, consultation process undertaken and issues paper produced: definitions depending on community response

### 3. Review the ICANN structure to determine whether it is appropriate for a post-MOU ICANN, and make the changes that are necessary for stable strong and secure future whilst maintaining the full and meaningful participation of multiple stakeholders including governments, private sector, civil society groups, the broad set of Internet users, the technical community and business users.

Reviews of SOs, ACs and the Nominating Committee are to be scheduled and undertaken as scheduled. ICANN will in:

- a. Year 1: Consult with the community and implemented; as appropriate, change plan in accordance with that developed with the community
- b. Years 2 & 3: Implement changes in the model in accordance with feedback and performance