

Draft ICANN Strategic Plan for Fiscal Years 2021 - 2025

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INTRODUCTION

The Internet is a globally shared resource with ever-increasing importance to and influence on society. The Internet Corporation for Assigned Names and Numbers (ICANN) acts in the global public interest as the trusted steward of the Internet's unique identifier systems. The ICANN Strategic Plan for fiscal years 2021 to 2025¹ builds upon ICANN's mission so that it may continue to effectively fulfill its aims and meet new and continuously evolving challenges and opportunities.

Since ICANN developed its last strategic plan for fiscal years 2016 to 2020, Internet use has grown. More than half of the world's population is now online. Cyberattacks and data breaches have increased in size and frequency. Regulatory and legislative activity related to Internet matters is growing. New technologies are also introducing new challenges to the security and stability of the Internet infrastructure.

ICANN is an ecosystem made up of three components: the ICANN community, the ICANN Board of Directors and the ICANN organization (ICANN org). Significant changes occurred across the ICANN ecosystem over the last five years, including the successful transition of the stewardship of the Internet Assigned Numbers Authority (IANA) functions from the U.S. government to ICANN. Through that process, ICANN cemented its mission and strengthened its governance model, as demonstrated through new bylaws and enhanced community powers. ICANN also welcomed a new CEO and a new Chair of the Board of Directors.

ICANN's multistakeholder, bottom-up approach to policy development and strategic planning remains rooted in the continued belief that

global representation, transparency, and accountability are critical to fulfilling the shared goal of a single, globally interoperable Internet supported by stable, secure, and resilient unique identifier systems.

To prepare for the development of this plan, ICANN initiated a process to identify internal and external trends that impact ICANN's future, its mission, or operations. The ICANN community, Board, and ICANN org all provided extensive input to this effort. There were significant similarities that naturally converged into five primary trends.

During the ensuing months, the ICANN Board assessed the impacts of these five primary trends. The result of that work is reflected in this plan in the form of a renewed vision statement, as well as new strategic objectives, goals, targeted outcomes, and risks for the fiscal period 2021 to 2025. ICANN's mission as stated in its bylaws remains unchanged.

The new strategic objectives are directly correlated to five primary trends identified by the ICANN community: security; ICANN's governance; unique identifier systems; geopolitics; and financials. They represent areas of challenge and opportunity for ICANN to shape its future successfully.

This strategic plan will be complemented by a fully-costed five-year operating plan which will show how and at what cost we will implement our chosen strategy. It will include details of activities, dependencies, and phasing.

¹ ICANN's Fiscal Years start 1 July and end 30 June.

VISION

Evolution of the Vision

The vision statement contained in the FY16 - FY20 strategic plan was adopted at a different time for ICANN and the global Internet ecosystem, when ICANN still had a contract with the United States government for the performance of the IANA functions.

Together, the ICANN community, ICANN org, and the ICANN Board have achieved many of the objectives captured in that vision statement, such as becoming an independent and global organization. That vision therefore needs to evolve in view of the challenges and opportunities ICANN will likely face in the future.

There is an opportunity now for the ICANN community to coalesce around a new vision that evokes a renewed sense of purpose, describes a clear picture of ICANN's destination and provides a call to action, while remaining within and true to its mission.

Proposed New Vision Statement

The five primary strategic objectives outlined in this draft strategic plan, which originated from the community's efforts to identify overarching trends, and which form the foundation of this strategic plan, reinforce the importance for ICANN to work with other organizations that champion the single Internet, each working within their respective remit. Accordingly, the Board proposes the following new vision for ICANN:

To be a champion of the single, open, and globally interoperable Internet, by being the independent, trusted, multi-stakeholder steward of the Internet's unique identifiers, and by providing an open and collaborative environment where diverse stakeholders come together in the global public interest to:

- *Secure operational excellence of the IANA functions;*
- *Continuously improve the unique identifier systems;*
- *Strengthen the security of the Domain Name System and the DNS Root Server System;*
- *Evolve ICANN's governance model to remain effective, transparent, and accountable;*
- *Improve the effectiveness of ICANN's policy development processes;*
- *Anticipate and manage the impact of legislation and regulation; and*
- *Ensure ICANN is technically robust and financially sustainable.*

MISSION

ICANN's mission was refined and incorporated into the bylaws, which were adopted in 2016, following the transition of the oversight of the IANA functions from the U.S. government to ICANN's multistakeholder community. The mission as stated in the Bylaws is as follows:

ICANN Bylaws section 1.1. MISSION

(a) The mission of the Internet Corporation for Assigned Names and Numbers ("ICANN") is to ensure the stable and secure operation of the Internet's unique identifier systems as described in this Section 1.1(a) (the "Mission").

Specifically, ICANN:

- (i) Coordinates the allocation and assignment of names in the root zone of the Domain Name System ("DNS") and coordinates the development and implementation of policies concerning the registration of second-level domain names in generic top-level domains ("gTLDs"). In this role, ICANN's scope is to coordinate the development and implementation of policies:
 - For which uniform or coordinated resolution is reasonably necessary to facilitate the openness, interoperability, resilience, security and/or stability of the DNS including, with respect to gTLD registrars and registries, policies in the areas described in Annex G-1 and Annex G-2 (of the Bylaws); and
 - That are developed through a bottom-up consensus-based multistakeholder process and designed to ensure the stable and secure operation of the Internet's unique names systems.

The issues, policies, procedures, and principles addressed in Annex G-1 and Annex G-2 (of the Bylaws) with respect to gTLD registrars and registries shall be deemed to be within ICANN's Mission.

(ii) Facilitates the coordination of the operation and evolution of the DNS root name server system.

(iii) Coordinates the allocation and assignment at the top-most level of Internet Protocol numbers and Autonomous System numbers. In service of its Mission, ICANN (A) provides registration services and open access for global number registries as requested by the Internet Engineering Task Force ("IETF") and the Regional Internet Registries ("RIRs") and (B) facilitates the development of global number registry policies by the affected community and other related tasks as agreed with the RIRs.

(iv) Collaborates with other bodies as appropriate to provide registries needed for the functioning of the Internet as specified by Internet protocol standards development organizations. In service of its Mission, ICANN's scope is to provide registration services and open access for registries in the public domain requested by Internet protocol development organizations.

(b) ICANN shall not act outside its Mission.

(c) ICANN shall not regulate (i.e., impose rules and restrictions on) services that use the Internet's unique identifiers or the content that such services carry or provide, outside the express scope of Section 1.1(a). For the avoidance of doubt, ICANN does not hold any governmentally authorized regulatory authority.

(d) For the avoidance of doubt and notwithstanding the foregoing:

(i) the foregoing prohibitions are not intended to limit ICANN's authority or ability to adopt or implement policies or procedures that take into account the use of domain names as natural-language identifiers;

(ii) Notwithstanding any provision of the Bylaws to the contrary, the terms and conditions of the documents listed in subsections (A) through (C) below, and ICANN's performance of its obligations or duties thereunder, may not be challenged by any party in any proceeding against, or process involving, ICANN (including a request for reconsideration or an independent review process pursuant to Article 4) on the basis that such terms and conditions conflict with, or are in violation of, ICANN's Mission or otherwise exceed the scope of ICANN's authority or powers pursuant to these Bylaws ("Bylaws") or ICANN's Articles of Incorporation ("Articles of Incorporation"):

(A)

(1) all registry agreements and registrar accreditation agreements between ICANN and registry operators or registrars in force on 1 October 2016 [1], including, in each case, any terms or conditions therein that are not contained in the underlying form of registry agreement and registrar accreditation agreement;

(2) any registry agreement or registrar accreditation agreement not encompassed by (1) above to the extent its terms do not vary materially from the form of registry agreement or registrar accreditation agreement that existed on 1 October 2016;

(B) any renewals of agreements described in subsection (A) pursuant to their terms and conditions for renewal; and

(C) ICANN's Five-Year Strategic Plan and Five-Year Operating Plan existing on 10 March 2016.

(iii) Section 1.1(d)(ii) does not limit the ability of a party to any agreement described therein to challenge any provision of such agreement on any other basis, including the other party's interpretation of the provision, in any proceeding or process involving ICANN.

(iv) ICANN shall have the ability to negotiate, enter into and enforce agreements, including public interest commitments, with any party in service of its Mission.

STRATEGIC OBJECTIVES

Strategic Objectives for Fiscal Years 2021-2025

Taking into account the external impacts on the global growth and evolution of the Internet, the DNS, and other unique identifier systems ICANN helps coordinate, ICANN is prioritizing the following five strategic objectives over the fiscal years 2021 – 2025 to enable it to continue to fulfill its mission and achieve its new vision.

The five strategic objectives are:

1. **Strengthen the security of the Domain Name System and the DNS Root Server System.**
2. **Improve the effectiveness of ICANN’s multistakeholder model of governance.**
3. **Evolve the unique identifier systems to continue to serve the needs of the global Internet user base.**
4. **Address geopolitical issues impacting ICANN’s mission to ensure a single and globally interoperable Internet.**
5. **Ensure ICANN’s long-term financial sustainability.**

1. Security

Strategic Objective: Strengthen the security of the Domain Name System and the DNS Root Server System.

The Internet's importance to the world's economic, social, and political systems is growing in conjunction with the expansion of its user base, content, and applications. Internet connectivity continues to grow worldwide, particularly in developing countries. This growth brings with it an increased strain on the infrastructure of the Internet, and thus an increasing need for reliability, stability, and security of the DNS and Internet infrastructure.

Levels of security across the different sectors of the global economy vary widely. Vulnerabilities in systems and processes are numerous. The massive increase of IoT devices increases the risk of Distributed Denial-of-Service (DDoS) attacks across multiple vectors and generates a higher load on Internet infrastructure. DDoS attacks have increased in frequency and size, which many attribute to the growth in use of IoT devices.

These growing threats also present opportunity. ICANN should strengthen the coordination of the DNS and DNS root server systems, in partnership with the DNS root server operators. ICANN can help improve the understanding of these threats and foster greater diversity of thought to best anticipate and respond to these challenges.

Seizing these opportunities requires action. A coordinated approach is necessary to effectively identify and mitigate DNS security threats and combat DNS abuse. Promoting the greater adoption of global open Internet standards and enhancing awareness of security threats among stakeholders are two necessary steps that can be taken to strengthen the security and stability of the Internet's infrastructure. All actors have a collective responsibility to ensure the DNS remains robust.

TO ACHIEVE THIS STRATEGIC OBJECTIVE, ICANN SEEKS TO:

- 1.1 Strengthen DNS coordination in partnership with DNS stakeholders to improve the shared responsibility for upholding the security and stability of the DNS.
- 1.2 Strengthen DNS root server operations governance in coordination with the DNS root server operators.
- 1.3 Understand and mitigate security threats to the DNS through greater engagement with DNS hardware, software, and service vendors.
- 1.4 Increase the robustness of the DNS root zone key signing and distribution services and processes to meet growing security needs.

Strategic goal 1.1 Strengthen DNS coordination in partnership with the DNS stakeholders to improve the shared responsibility for upholding the security and stability of the DNS.

TARGETED OUTCOMES

- ICANN, in partnership with DNS stakeholders, establishes a coordinated approach to effectively identify and mitigate DNS security threats and combat DNS abuse.
- ICANN continues to provide a trusted forum that effectively convenes thought leaders for discussions on the security, stability, evolution, and interoperability of the DNS.
- ICANN maintains a reputation as the source of unbiased, reliable, and factual information on DNS health.

STRATEGIC RISKS

- Continuous cyberattacks and cyberwarfare undermine trust in the DNS.
- Governmental interest in stronger control over the Internet and cybersecurity could change how security and stability of the DNS is addressed.
- The single, interoperable Internet is threatened if the entrenched DNS fails to evolve.

Strategic goal 1.2 Strengthen DNS root server operations governance in coordination with the DNS root server operators.

TARGETED OUTCOMES

- ICANN and the DNS root server operators develop a coordinated emergency plan.
- DNS root server operators, working with the community, jointly counter vulnerabilities and attacks to the DNS Root Server System.
- Working with the relevant parties, ICANN and the DNS root server operators continue to enhance the governance and technical evolution of DNS root server operations and services.

STRATEGIC RISKS

- Without a comprehensive deployment of DNSSEC, creation of an alternative DNS root infrastructure could facilitate the creation of alternative DNS root name spaces.
- Governmental interest in stronger control over the Internet and cybersecurity could influence DNS root server governance structures.
- The lack of an accountable governance structure could lead to insufficiency in DNS root service, potentially encouraging the development of alternative DNS root services.

Strategic goal 1.3 Understand and mitigate security threats to the DNS through greater engagement with DNS hardware, software, and service vendors.

TARGETED OUTCOMES

- The Internet's inherent security measurably increases, due to higher adoption of global open Internet standards and greater awareness of security threats among stakeholders.
- Security threats leveraging the DNS measurably decline as a result of encouraging hardware vendors and software providers to incorporate key security measures like DNSSEC within the DNS.
- ICANN -- working with DNS hardware, software, and service vendors -- enhances knowledge about DNS safety and security to strengthen diversity of choice and increased safety of the DNS.

STRATEGIC RISKS

- Increased national or regional regulations threaten a single, interoperable Internet with unintended consequences.
- Confidence declines in institutions responsible for the security and stability of the DNS.
- Competing priorities -- such as public safety, personal security, privacy, and socioeconomic concerns -- raise challenges in mitigating DNS security threats.
- Domain name abuse concerns continue to grow.

Strategic goal 1.4 Increase the robustness of the DNS root zone key signing and distribution services and processes to meet growing security needs.

TARGETED OUTCOMES

- The DNS remains the leading trusted platform for the Internet's addressing system.
- The DNS remains reliable, resilient, and interoperable.
- The Internet community trust in the underlying DNS infrastructure increases, facilitating improved security technologies.
- Increased availability of root zone data enables greater decentralization and distribution of DNS root service.
- Increased trust in resilient, scalable, and accountable Key Signing Key (KSK) management by ICANN facilitates greater use of the DNS as an adjunct to existing public key infrastructures.

STRATEGIC RISKS

- Continuous cyberattacks and cyberwarfare affect and undermine trust in the DNS.
- Failure of the DNS root key signing service would threaten Internet operations.
- Lack of improved root zone distribution service results in potential overload of the existing root zone distribution mechanism.

2. ICANN's Governance

Strategic Objective: Improve the effectiveness of ICANN's multistakeholder model of governance.

As the importance of the Internet continues to grow, so do the demands on all parts of the ICANN ecosystem, including: increased community responsibilities; pressure to accelerate effective cross-community efforts and policy development; and concerns about achieving consensus as ICANN expands participation and tackles increasingly complex issues.

To address these challenges, ICANN must make its model stronger, more efficient, and ultimately more effective.

ICANN must also continue to increase diversity and capacity across all parts of its ecosystem. Stronger decision-making systems, and

more consistent procedures will help improve the efficacy of ICANN's cross-community efforts.

The transition of the coordination and management of the Internet's unique identifiers to the global Internet community highlighted the importance of transparency and accountability for ICANN. The organisation must continue to address the opportunities and challenges associated with these requirements, while striving for operational effectiveness and fiscal responsibility.

TO ACHIEVE THIS STRATEGIC OBJECTIVE, ICANN SEEKS TO:

- 2.1. Address the increasing needs of inclusivity, accountability and transparency, while at the same time ensuring that work gets done and policies are developed in an effective and timely manner
- 2.2 Strengthen ICANN's multistakeholder decision-making process.
- 2.3 Strengthen the inclusivity and openness of ICANN's multistakeholder model by improving and sustaining diverse representation and active, effective participation.

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Strategic goal 2.1 Address the increasing needs of inclusivity, accountability and transparency, while at the same time ensuring that work gets done and policies are developed in an effective and timely manner.

TARGETED OUTCOMES

- ICANN stakeholders collaborate to define a robust and well-understood project and program prioritization model that is utilized by all.
- ICANN priorities reflect the community's collective needs.
- Organizational and Specific Reviews effectively contribute to maintaining a healthy multistakeholder model.
- Policy development processes and cross-community working groups produce timely and relevant results.
- ICANN Board and organization continue enhancing transparency initiatives and upholding accountability.
- ICANN community enhances their transparency practices to increase cross-community accountability and trust.

STRATEGIC RISKS

- Unclear community and organizational priorities compete for scarce resources.
- The cost to implement ICANN's multistakeholder model becomes unaffordable.
- Internal processes bloat in complexity to the point where ICANN is unable to keep pace with the speed of external events that impact its future.
- Progress grinds to a halt and scarce resources are wasted due to polarized positions that do not represent the collective interest.
- Perceived or actual delays in decision-making fuel doubts about ICANN's ability to address serious global issues in a timely fashion.

Strategic goal 2.2 Strengthen ICANN's multistakeholder decision-making process.

TARGETED OUTCOMES

- Supporting Organizations (SOs) and Advisory Committees (ACs) make timely and effective decisions that are in the global public interest.
- Processes are in place and consistently utilized to resolve impasses and reach consensus-based decisions in the global public interest.
- Decision-making processes ensure input from all stakeholders is equitably considered.
- Multistakeholder model processes – such as policy development and reviews, among others – continue to evolve in an efficient and accountable manner.

STRATEGIC RISKS

- Progress grinds to a halt and scarce resources are wasted due to polarized positions that do not represent the collective interest.
- Larger, more complex groups make consensus-building increasingly difficult.

Strategic goal 2.3 Strengthen the inclusivity and openness of ICANN’s multistakeholder model by improving and sustaining diverse representation and active, effective participation.

TARGETED OUTCOMES

- Representation across all stakeholders continues to reflect the evolving functional, geographic, and cultural diversity of the Internet.
- Geographical presence and international strategy continues to effectively support ICANN’s global community.
- Meaningful volunteer participation increases, as does the knowledge and skill levels across the pool of available volunteers.
- Widespread understanding of the ICANN multistakeholder model is established through increased communication with relevant organizations and institutions.
- The ICANN community establishes mechanisms, such as accurately measuring community participation, to equitably distribute volunteer workload.
- ICANN community members are more effectively engaged in multistakeholder model processes.
- Community members are equipped with basic knowledge of the DNS as well as ICANN policy and advisory processes.

STRATEGIC RISKS

- Trends toward multilateralism, as well as changing economic, societal and governmental interests result in increased pressures on the ICANN multistakeholder model.
- Stakeholder-specific interests preempt Internet policy or governance discussions, impairing the ICANN multistakeholder model.
- Increased workload on the ICANN community and ICANN org impact the ability to effectively support ongoing work, resulting in community fatigue or volunteer drop-outs.
- Divergence of interests inherent to ICANN’s multistakeholder model, as well as a perceived lack of global representation, fuel doubts about ICANN’s effectiveness.

3. Unique Identifier Systems

Strategic Objective: Evolve the unique identifier systems to continue to serve the needs of the global Internet user base.

More than half of the world's population uses the Internet. The vast majority of new Internet users are expected to come from Asia and Africa. The next chapter in the Internet's growth will increasingly impact the global Internet community as it evolves to include more of the world.

With a forecast of exponential growth, the number of Internet-connected devices is growing at an even greater pace.

ICANN must play a role in ensuring a single, stable, interoperable infrastructure, including delivering the IANA functions, to

address the needs of users and devices alike.

Promoting and improving Universal Acceptance and the implementation of Internationalized Domain Names (IDNs) are necessary to reach a more diverse Internet user base.

In addition, embracing the rapid evolution of emerging technologies, business and security models allows ICANN to maintain agility as the Internet evolves.

These strategies will ensure ICANN improves the Internet's unique identifier systems to better serve a broader and more diverse global user base and safeguards an open Internet for all.

TO ACHIEVE THIS STRATEGIC OBJECTIVE, ICANN SEEKS TO:

- 3.1 Encourage readiness for Universal Acceptance, IDN implementation, and IPv6 by increasing awareness to enable more end users to use the Internet.
- 3.2 Improve understanding of and responsiveness to new technologies by greater engagement with industry, academia, standards development organizations, and other relevant parties.
- 3.3 Continue to deliver and enhance the IANA functions with operational excellence.
- 3.4 Plan a properly funded, managed, and risk-evaluated new round of gTLDs.

Strategic goal 3.1 Encourage readiness for Universal Acceptance, IDN implementation and IPv6 by increasing awareness to enable more end users to use the Internet.

TARGETED OUTCOMES

- ICANN engages in greater cooperation across different policy and standards development bodies to raise awareness about Universal Acceptance, IDN implementation, and IPv6.
- Universal Acceptance readiness measurably increases.
- IDNs are increasingly adopted and treated in a standard fashion by software vendors.
- New gTLD awareness increases, as measured in surveys of Internet users.
- IPv6 usage measurably increases.

STRATEGIC RISKS

- Insufficient readiness for Universal Acceptance, IDN implementation, and IPv6 could result in a failure to serve Internet users' needs.
- Lack of coordination among technical bodies on policy development and standard-setting processes could impact use and adoption of IDNs.

Strategic goal 3.2 Improve understanding of and responsiveness to new technologies by greater engagement with industry, academia, standards development organizations, and other relevant parties.

TARGETED OUTCOMES

- Enhanced engagement with contracted parties creates more robust industry relationships, dynamic participation, and improved responsiveness to emerging technologies.
- Mechanisms are established with which ICANN understands and assesses new technologies and embraces them, as appropriate.
- ICANN collaborates with relevant parties on development and integration of new technologies with existing Internet protocol structures, including the DNS.

STRATEGIC RISKS

- Technical coordination becomes more complex as a result of failing to maintain a single, interoperable Internet.
- The viability of alternate DNS roots and alternative infrastructures grows, adding more complexity to the ecosystem.
- Stagnant DNS core technology hampers the continued evolution of the unique identifier systems.
- The resulting complexity of the Internet ecosystem makes technological change difficult.

Strategic goal 3.3 Continue to deliver and enhance the IANA functions with operational excellence.

TARGETED OUTCOMES

- ICANN continues to provide reliable delivery and continuous improvement of the IANA functions, consistent with community service-level agreements.
- ICANN promotes and supports awareness of the IANA functions to successfully maintain the broad array of Internet unique identifiers and deliver effective DNS root zone operations.
- New stakeholder services are defined, delivered, and effectively supported.

STRATEGIC RISKS

- Unsuccessful delivery of the IANA functions undermines ICANN's ability to fulfill its mission.
- Increases in security threats raise concerns about the stability of the DNS root and erode confidence in its dependability.

Strategic goal 3.4 Plan a properly funded, managed, and risk-evaluated new round of gTLDs.

TARGETED OUTCOMES

- The relevance and importance of the unique identifier systems is acknowledged with continued investment in, and expansion of, the domain name space.
- New gTLDs continue to serve the evolving domain name marketplace and diversity of Internet users.
- Consumer confidence in the evolving domain name marketplace remains strong.

STRATEGIC RISKS

- A new gTLD round may not achieve its objectives.
- The stability of the unique identifier systems and underlying infrastructure is potentially impacted by technical failures within the domain name space expansion.

4. Geopolitics

Strategic Objective: Address geopolitical issues impacting ICANN’s mission to ensure a single, globally interoperable Internet.

Geopolitical and technical risks threaten the interoperability of a single Internet. Governmental policies, including so-called “cyber sovereignty” strategies, have already impacted Internet operations. For example, the trend toward forced data localization policies and regulations surrounding cross-border data flows create challenges for a single, interoperable Internet. Global tensions and protectionism threaten potential alliances in the Internet ecosystem, challenging the ability to find common ground.

Information and communications technologies have increasing impact on global trade and development. As global reliance on the Internet grows, ICANN’s role as the single coordinator of the Internet’s unique identifier systems is increasingly important.

To ensure its position as the recognized hub for facilitating discussions on the Internet and the DNS among all of its global

stakeholders, ICANN should continue to increase awareness that the Internet ecosystem does not exist in a vacuum. In addition, ICANN should continue to partner with others in the Internet ecosystem and beyond and support initiatives that are relevant to addressing geopolitical issues and maintaining a single, interoperable Internet.

With an established reputation as a central forum to address issues as they relate to the unique identifier systems, ICANN must also consider how best to position itself to respond to emerging regulatory and legislative matters that may impact its mission and the operation of the Internet’s unique identifiers. For example, different jurisdictions could require changes to ICANN’s contracts or technical standards, overriding ICANN’s processes, and thus threatening a single, interoperable Internet.

TO ACHIEVE THIS STRATEGIC OBJECTIVE, ICANN SEEKS TO:

4.1 Further develop early warning systems, such as ICANN org’s Legislative/Regulatory Development Reports, to identify and address global needs and threats, demonstrating ICANN’s trustworthiness in resolving the challenges within its remit in a timely manner.

4.2 Continue to build alliances in the Internet ecosystem and beyond to raise awareness, and equip stakeholders from around the world to become active participants in ICANN’s policy making.

Strategic goal 4.1 Further develop early warning systems, such as ICANN org’s Legislative/Regulatory Development Reports, to identify and address global threats, demonstrating ICANN’s trustworthiness in resolving the challenges within its remit in a timely manner.

TARGETED OUTCOMES

- ICANN org continues to develop and maturate systems to detect and monitor legislative initiatives and other governmental or intergovernmental actions or initiatives that could impact ICANN’s mission or operations.
- ICANN org proactively engages with the community to develop a common understanding of ICANN’s contribution to early warning systems.
- ICANN has effective processes in place to receive and act on input from the community.
- ICANN effectively convenes and facilitates discussions with relevant parties to help address relevant global threats.

STRATEGIC RISKS

- ICANN’s inability to establish itself as a key player in Internet governance results in increased external interventions by nation states or other entities.
- Unanticipated legislative efforts force ICANN into a reactive mode.

Strategic goal 4.2 Continue to build alliances in the Internet ecosystem and beyond to raise awareness about a single, global, interoperable Internet.

TARGETED OUTCOMES

- ICANN has successful and mutually beneficial relationships with regional and global partners that ensure knowledge building about ICANN and its mission continues.
- ICANN is engaged, its role acknowledged, and its presence valued in the arenas where topics within its remit are discussed.
- ICANN plays an important role in educating legislators, regulators and stakeholders about ICANN's role and the effect of various regulatory and other proposals on the Internet ecosystem

STRATEGIC RISKS

- Frequent lack of understanding of ICANN's remit interferes with ICANN's ability to participate in relevant arenas.
- Internet infrastructure, security, and government control continues to vary by region or nation.
- Threats to a single, interoperable Internet – such as alternative DNS roots or diminished commonality within networks – fuel doubt in ICANN's ability to serve a global Internet.

5. Financials

Strategic Objective: Ensure ICANN's long-term financial sustainability.

The evolution of the DNS over more than 30 years has resulted in unprecedented growth in the adoption of domain names. In the past, this trend of rapid growth produced the funding necessary to meet the growing demands on ICANN's services. That trend is now shifting.

Today, the domain name industry is in a phase of consolidation and reduced growth. While funding stabilizes, demands continue to grow. This includes demands for support from stakeholders; the increased costs of globalization; and costs of inclusiveness, transparency, and accountability.

The slowing growth will require both discipline and innovation to ensure ICANN has the sustained ability to support the growing needs and demands of its global community.

ICANN must replenish its Reserve Fund, which has been reduced through the strategic investments necessary to

successfully execute the transition from the contractual relationship with the U.S. government.

ICANN also must continue to fund necessary investments to address essential technology and security requirements.

There are efficiencies and improvements to be made by strengthening cost management and financial accountability mechanisms, without jeopardizing the efficacy of the multistakeholder model or lowering the quality of ICANN's efforts and achievements.

At the same time, ICANN must increase its understanding of industry changes and market trends. ICANN must also be proactive in its financial planning model to improve responsiveness to changing industry economics.

TO ACHIEVE THIS STRATEGIC OBJECTIVE, ICANN SEEKS TO:

- 5.1 Enhance ICANN's understanding of the domain name marketplace.
- 5.2 Strengthen cost management and financial accountability mechanisms.
- 5.3 Enhance ICANN's financial planning model to better balance economic changes and stakeholders' needs.

Strategic goal 5.1 Enhance ICANN's understanding of the domain name marketplace.

TARGETED OUTCOMES

- ICANN has reliable and predictable five-year funding projections.
- ICANN utilizes data about the directions and trends of the market to effectively guide the organization.

STRATEGIC RISKS

- The DNS industry evolves in a way or at a rate that makes it difficult for ICANN to make reliable predictions about the future of the marketplace.
- ICANN org's funding projections may be affected by a lack of understanding about the technological evolution of the DNS and how that technological evolution may impact the perceived or actual value of domain names.

Strategic goal 5.2 Strengthen cost management and financial accountability mechanisms

TARGETED OUTCOMES

- ICANN has processes and tools in place to effectively prioritize its work while managing and controlling costs.
- Key cost drivers are clearly defined and understood.
- ICANN clearly and sustainably supports the activities within its remit, without requiring cost overruns or other budgetary restraints.
- ICANN preserves its capital and replenishes its reserve fund to allow for mitigation of unforeseen circumstances.

STRATEGIC RISKS

- Lack of alignment or consensus on priorities and goals among ICANN's stakeholders results in conflicts about resource allocation.
- Expenditures grow faster than funding, eroding ICANN's reserves.

Strategic goal 5.3 Enhance ICANN’s financial planning model to better balance economic changes and stakeholders’ needs.

TARGETED OUTCOMES

- ICANN is able to quickly address changes that impact ICANN’s budget.
- ICANN monitors changing regulatory and other landscapes to anticipate organizational impacts.
- ICANN evolves toward a 2-year budgeting cycle.
- Financial planning balances investments in strategic initiatives with operating expenses and stakeholders’ needs.

STRATEGIC RISKS

- ICANN is unable to fulfill its mission due to its inability to adjust to changes in the domain name marketplace that impact funding.
- Inefficient financial planning results in an inability to address essential technology and security requirements.

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