Public Comment Summary Report

Draft FY24-28 Operating & Financial Plan and Draft FY24 Operating Plan & Budget

Open for Submissions Date:
Wednesday, 14 December 2022

Closed for Submissions Date:
Monday, 13 February 2023

Summary Report Due Date:
Thursday, 30 March 2023 (Extended from Thursday, 23 February 2023)

Category:
Operations

Requester:
ICANN org

ICANN org Contact(s):
planning@icann.org

Open Proceeding Link:
https://www.icann.org/en/public-comment/proceeding/draft-fy2428-operating-financial-plan-and-draft-fy24-operating-plan-budget-14-12-2022

Outcome:
ICANN received six (6) submissions from five (5) community groups and one (1) individual about the Draft FY24–28 Operating and Financial Plan and Draft FY24 Operating Plan and Budget. The comments are categorized into six themes: document structure, operating plan, operating initiative plan, functional activity plan, financial management, and other. The Public Comment summary report includes ICANN's response to the submission.

TABLE OF CONTENTS

Section 1: What ICANN Received Input On

ICANN org posted the Draft ICANN FY24–28 Operating and Financial Plan and Draft ICANN FY24 Operating Plan and Budget for Public Comments and community feedback.

The Draft ICANN FY24–28 Operating and Financial Plan defines how ICANN org implements the Strategic Plan for Fiscal Years 2021–2025, which was adopted by the ICANN Board in June 2019. The Strategic Plan enables ICANN to continue to fulfill its mission and meet new and continuously evolving challenges and opportunities.

The Draft ICANN FY24–28 Operating and Financial Plan details the feasibility and timing of activities and milestones identified to achieve the Strategic Plan's objectives and goals. It provides an overarching view of the activities ICANN org is undertaking or will undertake, in support of the Strategic Plan, to carry out its mission in the public interest over the next five years.

Informed by the Five-Year Operating and Financial Plan, the Draft ICANN FY24 Operating Plan and Budget establishes the planned efforts and organizational commitments for the current fiscal year.

Section 2: Submissions

Organizations and Groups:

Name	Submitted by	Initials
At-Large Advisory Committee	N/A	ALAC
ICANN Business Constituency	Tim Smith	BC
ICANN Governmental Advisory Committee	N/A	GAC
gTLD Registries Stakeholder Group	N/A	RySG
ccNSO Strategic and Operational Planning Committee	Andreas Musielak and Irina Danielia	ccNSO SOPC

Individuals:

Name	Affiliation (if provided)	Initials
Raoul Plummer	NPOC, NCSG, and GNSO	

Section 3: Summary of Submissions

ICANN org received six submissions from five community groups and one individual about the Draft ICANN FY24–28 Operating and Financial Plan and the Draft ICANN FY24 Operating Plan and Budget. The comments are categorized in this Public Comment summary report (Report) into six themes: (1) document structure; (2) operating plan; (3) operating initiatives; (4) functional activities plans; (5) financial management; and (6) other. This Report includes ICANN org's response to the submissions. All received comments will be taken into consideration, and where appropriate and feasible, incorporated into the Revised Draft ICANN FY24–28 Operating

and Financial Plan and the Revised Draft ICANN FY24 Operating Plan and Budget, prior to Board consideration. All comments received by the submission date are also available on the Public Comment page.
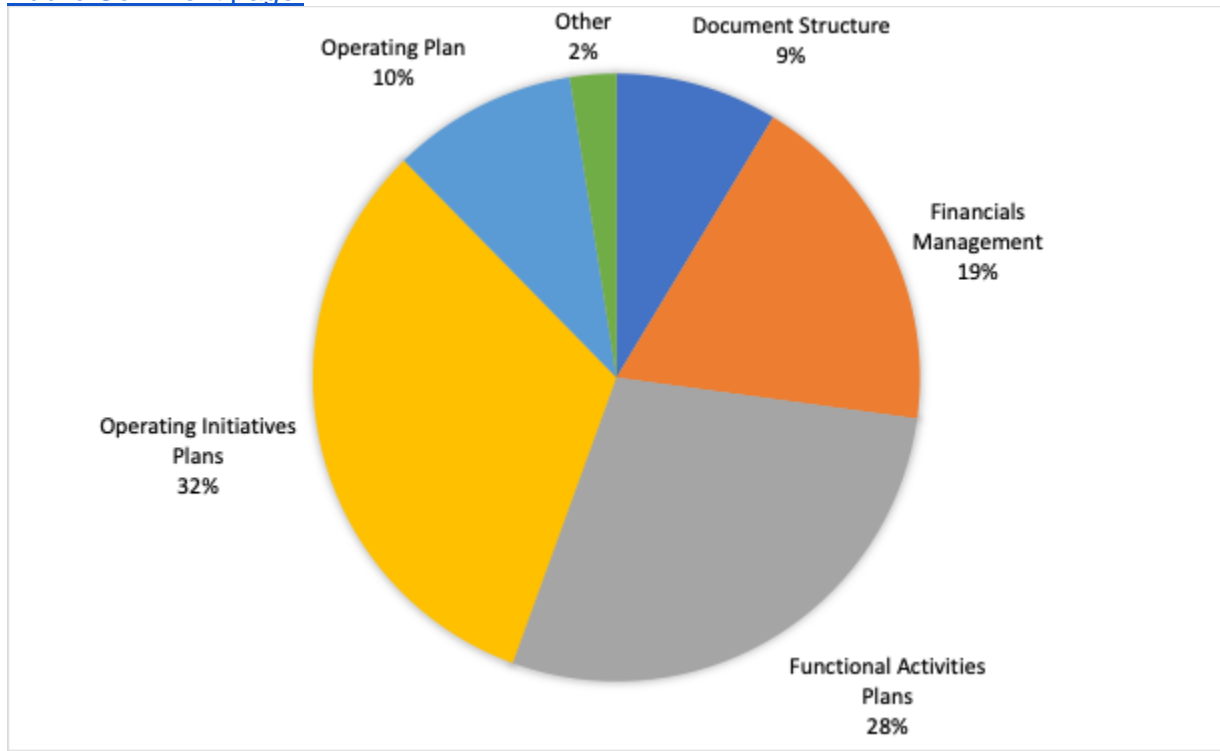
Section 4: Analysis of Submissions

4.1 Document Structure

Four groups submitted seven comments regarding the document structure, particularly about the document's length and details, as well as some suggestions for future enhancement.

ICANN appreciates the compliments received from ALAC, ccNSO SOPC, GAC, RySG, and their support of the improvements in this year's draft planning documents.

The ccNSO SOPC and RySG suggest easier ways to identify changes or new activities in the draft plans when compared to the previous year, such as a red-line or comparison version suggested by the RySG. ICANN acknowledges that the planning documents are lengthy, and although new strategic activities are marked with a delta (Δ) icon in the plans, we will continue to evaluate ways to improve clarity around changes and additions to the planning documents. The planning team welcomes opportunities to engage with the ICANN community to gain more insight into how to best improve the structure of the planning documents.

The RySG also commented on the guided Public Comment proceeding with specific questions for key issues on which ICANN is seeking community input. In response to the RySG's comment, ICANN has implemented the guided Public Comment process during the FY24 Public Technical Identifiers (PTI) and IANA Operating Plan and Budget Public Comment proceeding process. ICANN learned from that process and determined that more specific guided questions

could be beneficial. ICANN welcomes engagement opportunities with the RySG and other ICANN community stakeholder groups to gain more insights into how to best utilize the guided Public Comment proceeding during the FY25 planning process.

4.2 Operating Plan

ICANN received eight comments about the overall Operating Plan, including comments about planning assumptions, update to the Strategic Plan, prioritization, overarching progress measurement, and reporting.

4.2.1 Planning Assumptions

The ccNSO SOPC noted that the planning assumptions are an indication of good management practice. ICANN appreciates the ccNSO SOPC's support.

4.2.2 Update to the Strategic Plan

The Business Constituency (BC) commented that although the trend impact assessment is based on the data collected at a certain point in time, the BC regards the issues that were identified during the trend impact assessment as still being valid. It wants to make sure that they are appropriately resourced given the changes over the past year. The evaluation of whether the Five-Year Strategic Plan remains unchanged is one of the foundational elements in developing the Five-Year Operating and Financial Plan, as the Five-Year Operating and Financial Plan articulates the feasibility and timing of activities and milestones identified to achieve the Strategic Plan's objective and goals. Thus, the Strategic Outlook program's goal is to evaluate the update of the Strategic Plan. Any resource allocation is based on the activities planned for the Five-Year Operating and Financial Plan and the activities planned for the annual Operating Plan and Budget.

The BC also commented on the trend of Domain Name System (DNS) abuse and how DNS abuse mitigation is being reflected in the work for FY24. To this, ICANN provided a summary of activities in the FY24 Strategic Outlook Trend Report in section B.1, such as:
- The Board has formed a DNS Abuse Caucus to refine the problem statement.
- ICANN org's DNS Security Threat Mitigation Program (also known as the Gutsy Star project) strives to make the Internet a safer place for end users by reducing the prevalence of DNS security threats across the Internet.
- The Domain Name Security Threat Information Collection and Reporting (DNSTICR) project provides evidence-based reporting to registrars. ICANN org is adding terms to DNSTICR to help monitor and search for malicious domain registrations.
- The ICANN Domain Abuse Activity Reporting project was established to study and report on domain name registration and security threats, such as phishing and malware distribution.

The activities mentioned in the FY24 Strategic Outlook Trend report, to support Board consideration of whether the impact of the trend should result in any Strategic Objective changes, will be continued in FY24. It is documented in several sections, such as under the functional activity of Office of the Chief Technology Officer, GDD Accounts and Services, etc.

4.2.3 Prioritization

The ccNSO SOPC supports the planning prioritization process and acknowledged how the planning prioritization process effectively influenced the operating planning. The ccNSO SOPC also noted the expanded planning effort and prioritization across the ICANN ecosystem. In response to the ccNSO SOPC's comment, the latest Planning Prioritization Framework provides guidelines of the scope of activities to be prioritized;, the Board-approved Policy Development Process recommendations, Specific Review recommendations, etc. As such, the current planning prioritization process is based on the latest framework. Having said that, ICANN agrees with the ccNSO SOPC that there remains a need to prioritize from the ecosystem perspective and focus on ICANN's mandate to support policy development and implementation. As part of the evolution of the planning prioritization framework, ICANN intends to evaluate and collaborate with the community on how to move forward with a more comprehensive ecosystem prioritization approach.

4.2.4 Progress Measurement and Reporting

ICANN appreciates the ccNSO SOPC and RySG's compliments of progress measurement and report improvements implemented in the draft plan.

Moreover, ICANN agrees with the ccNSO that there are different reporting mechanisms depending on the nature of the activity and the example the ccNSO provided in its comment. In general, ICANN measures progress based on two categories:
● Project based activities are measured based on planned project milestones, such as the example the ccNSO SOPC used in its comment: "root zone key management facilities upgrades completed in the U.S. East and West regions is a real milestone";
● Recurring activities are measured by performance, such as the example the ccNSO SOPC used in its comment "Delivering the IANA functions by meeting all associated contractual deliverables is an ongoing activity." The performance metrics are reported on the iana.org website.

The RySG acknowledged the inclusion of progress achievements throughout the draft plan and the existing progress measurement and report mechanisms. The RySG also suggested bringing that information to a centralized place in the plan for better visibility. In response to the RySG's suggestion, ICANN notes that the "Planning at ICANN" Operating Initiative includes a deliverable to develop a progress reporting framework estimated to be delivered in FY24. This work will also help to achieve the implementation of the Board-approved ATRT3 recommendation 4. ICANN org looks forward to working with the community and Board on this initiative. Once this work is underway, ICANN will evaluate how to best improve the current planning document.

4.3 Operating Initiatives

4.3.1 Evolve and Improve Internal and External Ethics Policies

ICANN appreciates ALAC's compliments and support around efforts to evolve and improve the ethics policies.

The ccNSO SOPC has concerns that the Ethics Policy appears to be subject to variation rather than a fixed statement of values. ICANN seconds the need to not lose focus while developing the process. Building predictable processes is a key part of demonstrating leadership in ethics and in documenting shared values.

4.3.2 Evolve and Strengthen the ICANN Community's Decision-making Process to Ensure Efficient and Effective Policymaking

ALAC commented that it agrees with the need for academic-quality policy research, data gathering, and analysis. This may have to be commissioned externally. ICANN will continue to strive to improve data gathering and analysis, including looking at how ICANN might better leverage existing resources such as the Policy Research and Stakeholders Programs team and resources within the Planning function, including the recent Economist position. Additionally, more informal, input-gathering channels such as the informal polls (like Zoom call polls) can supplement these more resource-intensive methods. Outside expertise can also be useful where the requirements cannot be fulfilled internally, subject to ICANN's prescribed procurement procedures. It is important to note that some of these items are often not visible when forward budgeting cycles are conducted. At the same time, there may also be occasions when there is an urgent need to solicit and gather data, potentially in a more ad-hoc fashion that may limit the ability to engage outside expertise.

4.3.3 Evolve and Strengthen the Multistakeholder Model to Facilitate Diverse and Inclusive Participation in Policymaking

ICANN appreciates the At-Large community's support for the Pilot Holistic Review Project. These projects and activities will, when implemented, evolve, and strengthen ICANN's multistakeholder model which depends on continued and robust representation of all stakeholders and perspectives.

The RySG though expressed concern about the Pilot Holistic Review Draft Terms and that those terms might pose a risk to the transparency and accountability expected of ICANN. They suggest an increase in scope and cost. ICANN appreciates these comments and notes that following the closure of the Pilot Holistic Review Public Comment proceeding, ICANN published its analysis of the comments via the Public Comment Summary Report. The Organizational Effectiveness Committee of the ICANN Board is now considering the Holistic Review Public Comments and the comments raised by the community to determine an appropriate course of action to propose to the Board.

The ALAC welcomed the Policy Transition Program pilot. ALAC also highlighted the importance of ensuring that participants in all programs are exposed to all points of view, especially newcomers who enter directly into the At-Large or other parts of the ICANN community. ALAC emphasized that ICANN should provide a program to onboard and train these newcomers to reduce the burden on ALAC members. ICANN thanks the At-Large community for its support of the Policy Transition Program pilot, which is expected to conclude on or around ICANN77. ICANN will conduct an in-depth assessment of the pilot, with a view towards clarifying what will

be required to develop a full program, if any, including resources required to implement and operate such a program as well as its scope. ICANN's Policy Development Support team, which is responsible for the pilot, has begun developing a framework to conduct this assessment. ICANN welcomes the At-Large community's feedback on the assessment when it is made available and intends to engage with all interested Supporting Organizations and Advisory Committees to obtain input on how such a program could be useful to each group's plans to recruit and retain active and informed volunteers. More broadly, ICANN looks forward to engaging further with the At-Large community and other ICANN community groups to ensure that the capacity building, training, and related newcomer programs on which ICANN expends significant resources continue to meet the community's evolving needs.

The ALAC commented on the extensive work it devoted to the discussions to address the prioritization of work around Work Stream 2 of the Cross-Community Working Group on Enhancing ICANN Accountability. ICANN org thanks the ALAC and At-Large community for their participation in and contributions to the specific efforts that were highlighted as part of this Operating Initiative. ICANN appreciates the continued commitment to the prioritization and implementation of these community-developed recommendations.

The ALAC expressed concern about the increasing complexity of work being taken on by ALAC staff support and the volunteers that participate in the ICANN community. The ALAC emphasized the importance of encouraging newcomers and providing incentives to existing members to ensure the multistakeholder model can effectively address complex policy processes. To do this, ALAC suggests that ICANN provide additional resources to onboard and train new volunteer members. It also suggests incentives and recognition for more experienced members to encourage retention of people and knowledge. ICANN org thanks the At-Large community for this feedback regarding the challenges with engaging and retaining volunteers for the policy work at ICANN. ICANN has continually deployed new and enhanced tools as part of a broader portfolio of services intended to increase and maintain participation in policy and advice development globally across the various ICANN geographic regions, including in membership of At-Large Structures and across the Regional At-Large Organizations (RALO). In particular, ICANN has continued to support and grow the Fellowship program (such as through a mentor program for Fellows), the NextGen program (including an ambassador program), the ICANN Learn platform (through new and enhanced courses and training), and, most recently, an ICANN for Beginners program and the Policy Transition Training pilot program. This non-exhaustive list of activities requires a significant amount of resourcing. To date, however, ICANN has not had the benefit of a single, unified tool that can provide accurate data on participation and retention.

The ALAC and At-Large Technology Task Force commented that it would welcome new technical tools to support its participation in the policy development and advice process. ICANN appreciates the work of and feedback from the At-Large Technology Task Force. ICANN appreciates the At-Large community's understanding that any new tool that ICANN supports and maintains must undergo a thorough information, security, and legal review, consistent with best practices. ICANN's Policy Development Support and Engineering & Information Technology teams have been working to update the list of community requests, with a view toward prioritizing these requests in a transparent fashion and in consultation with all community groups. ICANN understands that each community group may have its view as to what tools are most needed and why. ICANN looks forward to engaging with the community to ensure that

future resourcing and support of community tools is consistent with the community's evolving needs and priorities.

ALAC commented that it would welcome more stable management and coordination of ICANN Public Meetings, Prep Week, and plenary sessions since the change to a hybrid meeting schedule. ICANN org thanks the At-Large community for its feedback. As part of the President and CEO goals for FY23, ICANN has committed to continuing to deliver best-in-class hybrid meetings that enable equal in-person and virtual participation. ICANN is actively reviewing meeting support and intends to engage the SO/AC community leaders on ways in which ICANN can continue to improve on how ICANN Public Meetings are planned, coordinated, and managed. ICANN welcomes more specific input from the community as to how previous changes could use additional improvements.

The ALAC also commented that it would welcome a program that provides training and research opportunities for all participants interested to help them improve writing and analytical skills. ICANN thanks the At-Large community for this feedback. As part of ICANN's commitment to supporting capacity building in the community, ICANN welcomes suggestions from the community about the kind of training and research that may be most needed by the community, so that ICANN can assess the resources needed and consider how best to allocate these across the community for the needs identified.

4.3.4 Facilitate the Domain Name System Ecosystem Improvements

ICANN org appreciates the ALAC's compliments and support of this new operating initiative around the need to address DNS abuse issues.

The ccNSO SOPC expressed the need for more concrete actions to enable Domain Name System Security Extensions (DNSSEC) and implement DNS-based Authentication of Named Entities, and for a collaborative effort among ccTLD managers and gTLD registries and registrars. The ccNSO SOPC suggested creating business incentives to sign and validate DNSSEC especially for gTLDs. ICANN appreciates the ccNSO SOPC's comment and suggestion. ICANN's Office of the Chief Technology Officer recognizes that there is little more to do on these initiatives from a technical perspective and that they are in the process of closing the technical activities and marking them complete in the Strategic and Operating plan. The suggestion of business incentives is noted and will be considered.

4.3.5 Geopolitical Monitoring, Engagement, and Mitigation

ICANN appreciates the RySG's compliments and support around ICANN's efforts to monitor geopolitical developments relevant to ICANN and the community.

The ALAC suggested that there needs to be more proactive multilateral engagement with the ICANN community to ensure any trends and challenges identified are discussed in the most transparent and collaborative manner possible. Multilateral processes occur within governments and Intergovernmental Organizations (IGO) such as the United Nations and are mostly closed to ICANN and the community. Due to ICANN's Economic and Social Council special consultative status, ICANN is allowed to observe certain U.N. processes, including those dealing with cybersecurity and cybercrime. The Government Engagement (GE) team will

continue to conduct regular sessions at each ICANN Public Meeting to interact with ithe community regarding this type of IGO engagement. The GE team also publishes analytical papers on the IGO deliberations it monitors.

ALAC also commented that the community should be involved in the decision-making process on geopolitical trends and issues. ICANN will continue to share with the community the analyses that underpin priority setting processes as reflected in the planning process. ICANN would seek to address concerns about any changes in operational roles.

The ccNSO SOPC commented that ICANN org should ensure an adequate level of resourcing for geopolitical monitoring and a broader level engagement by ICANN beyond the GAC to allow for more information and experience to be shared. ICANN agrees that providing and sharing of information is crucial when covering geopolitical developments. ICANN's GE team and the regional GSE teams work with all stakeholders and regularly share information. They participate in events with members of the community, including but not limited to the GAC. At ICANN public meetings, the GE team provides a geopolitical legislative and regulatory information update to the entire community. It is also ready to brief SOs and ACs, as appropriate, at other times. GE will also be pleased to engage with and receive information from the community on any national and regional process the community believes has the potential to impact ICANN's mission.

4.3.6 ICANN Reserves

The RySG commented about the Reserve Fund balance. In 2018, the Board approved a resolution confirming the [target level] of the Reserve Fund at a minimum of 12 months of operating expenses. Although the Reserve Fund balance is currently above 12 months of operating expenses, that amount is a minimum. Having the balance above the minimum helps ensure ICANN's long-term financial health and ability to fulfill its
Mission.

Please see section 4.3.9 in response to the suggestion about Auction Proceeds.

ICANN org thanks the ccNSO SOPC for its evaluation of the Reserve Fund balance.

4.3.7 Implement New gTLD Auction Proceeds Recommendations as Approved by the Board

In response to the RySG inquiry into the $36 million of Auction Proceed funds that were transferred to the Reserve Fund per Board resolution in 2018, ICANN appreciates that the RySG would like to have the $36 million transferred from the Reserve Fund back to the Auction Proceeds for usage with the Grant Program. Per the Board resolution, the transfer of the $36 million of Auction Proceeds to the Reserve Fund did not mandate a requirement to repay the Auction Proceeds fund. Currently these funds are in the Reserve Fund and there is still a priority within the organization to ensure a healthy Reserve Fund. Transferring these funds now would cause the Reserve fund to fall below the minimum goal of ensuring the balance is sufficient to fund one year of expenses.

4.3.8 Promote and Evolve the DNS Through Open and Transparent Processes That Enable Competition and

Open Entry in Internet-Related Markets While Ensuring the Stability, Security and Resiliency of the Domain Name System

The ALAC's support for Universal Acceptance (UA) and the process prepared for the New gTLD Program application rounds is noted and appreciated. ICANN expects to continue to collaborate with the ALAC on outreach and education plans in this area.

The ccNSO SOPC commented that it was difficult to follow the progress of this operating initiative in part because the name change was unexplained. The ccNSO SOPC also commented that UA-related activities should not be gTLD-oriented and that the ccTLD community should be mentioned directly because UA and IDNs are highly relevant to ccTLDs as ccTLDs are deeply involved in the development of UA and IDNs. ICANN views the work on IDNs and UA as relating to the overall initiative to evolve the DNS, not simply to gTLD-related processes. As noted in the highlights to the plan, ICANN reviewed all operating initiatives during the FY24 planning process and suggested some operating initiatives be merged.

The ALAC also commented that it would welcome the opportunity to support participating in ICANN outreach activities related to the Operational Design Assessment of New gTLD Subsequent Procedures (SubPro) Policy Development Process. ICANN welcomes the support of the At-Large community to promote Internationalized Domain Names (IDN) and applicant support in the next round of new gTLDs and looks forward to reviewing the RALO strategic plans that include these priority areas. The Community Regional Outreach Program (CROP) allocates up to three individual regional trips to be utilized within a financial year and in accordance with the goals, strategies, and expected outreach activities in each RALO strategic plan. There are no current discussions about increasing resourcing for CROP in FY24.

4.3.9 Support the Evolution and Strengthening of the Root Server System and Root Zone Management

ICANN org appreciates the ccNSO SOPC's comments and support of this new operating initiative about the evolution of Root Zone Management and of the Root Server System and agrees the initiative is equally important for gTLDs and ccTLDs.

The ALAC also commented that staff retention and stability within the engineering staff is extremely important in ensuring the continued success of PTI/IANA functions. This is especially so for policy development work being done that requires IANA expertise to oversee to ensure the Root Zone Management System and other business processes are in compliance with emerging requirements. ICANN appreciates and agrees with ALAC's comment. A primary purpose of ICANN's Global Human Resources is to attract and retain top talent. Please refer to the Global Human Resources section of the draft Operating Plan for more details.

4.4 Functional Activities Plans
4.4.1 Constituent and Stakeholder Travel

ICANN appreciates the ccNSO SOPC and GAC's compliments and support of the constituency travel funding and will continue to strive for improvement to encourage attendance at all ICANN Public Meetings.

The RySG also commented that it would like support from ICANN to provide additional funding to help support travel costs for the RySG Secretariat and a guaranteed travel slot. Community travel funding is allocated based on a set number of travel slots for each of ICANN's community structures, including the GNSO stakeholder groups and constituencies. As part of their self-governance responsibilities, each group has the authority to decide how to allocate its travel slots. ICANN does not provide or set aside specific travel funding for individual travelers. As the community structures evolve and as needs change, ICANN will be pleased to consult with the community as to whether current travel allocation levels are sufficient to support the community's work and whether other tools and approaches can be explored to provide the community with the resources it needs to perform its work.

4.4.2 Engineering and Information Technology

The ccNSO SOPC commented on Engineering and Information Technology (E&IT)'s functional activity planned for FY24, that the removal of E&IT's plan to "improve staff and subject matter expertise retention to 100 percent internal" when compared to the FY23 plans. ICANN notes the plan is not abandoned and continues to be essential to E&IT's strategy with respect to execution and delivery. ICANN's E&IT function applies a rightsourcing and blended staffing model to support the portfolio of projects in its remit. In said rightsourcing model, ICANN aims to optimize delivery by applying the proper blend of in-house and outsourced resources. In determining the proper staffing plan, ICANN adheres to the objectives of; (a) improving staff retention and ensuring retention of expertise among internal staff; and (b) assigning to internal staff design and implementation of the products and services that are key to ICANN's mission. While retaining staff, expertise, and execution control, E&IT has access to a bench of resources available to ICANN through a short and carefully selected list of outsourcing partners. E&IT leverages the outsourced model in two ways; (a) support maintenance and service lifecycle management at a lower cost; and (b) augment internal staff capacity as it may be necessary from time to time to accelerate delivery or to mitigate impact of a new project on projects already in progress. Since the inclusion of this goal in the FY23 plan, ICANN has made steady progress in this multi-year plan to shift delivery of products and services that are core to ICANN's mission to internal staff.

4.4.2 Global Meetings Operations

The ccNSO SOPC pointed out corrections to be made regarding meeting schedule locations under the Global Meeting Operations' plan, and ICANN will correct them in the next version of the plan. Thank you.

4.4.3 Global Stakeholder Engagement and Regional Offices

The ccNSO SOPC commented that the full time equivalent (FTE) for the regional offices are not clearly identified in the draft plan. ICANN notes staff allocation is based on the function not region, that is, a regional office can include staff from Human Resources, Global Stakeholder Engagement, Government Engagement, E&IT, etc., and the FTE data is associated and reflected under the function, rather than a regional office.

The ccNSO SOPC commented "With respect to the Regional Offices, the ccNSO SOPC would like to understand how progress can be tracked through 'Development of tailored plans for

European legislation tracking and technical engagement'." In Europe, the ICANN Global Stakeholder Engagement and Government Engagement teams regularly coordinate sessions to raise awareness of legislative developments that might impact ICANN, gTLD and/or ccTLD registries. These efforts have involved Internet Dialogues in Brussels to bring together stakeholders from European Union institutions, businesses, technical community, and others. ICANN has also hosted webinars related to European legislative developments and country-specific talks to highlight the impact of legislation on the Internet's unique identifiers.

4.4.4 Governance Support

ICANN appreciates the ccNSO SOPC's support of the activities planned under the Governance Support function. ICANN will continue to strive to improve how prioritization is addressed both by and with the community and within the organization.

4.4.5 Government and Intergovernmental Organization Engagement

The GAC commented that it looks to resume capacity development activities throughout FY24 to continue onboarding new participants and keeping existing committee participants informed about high interest government topics. ICANN supports increasing the knowledge, understanding, and capacity of GAC representatives to enable them to engage with ICANN policy processes. ICANN will continue to work with the GAC Underserved Regions Working Group to implement their demand driven region specific programs to support robust policy development participation on the issues identified by the GAC members.

ICANN appreciates the ALAC's support regarding the monitoring and reporting on governmental and intergovernmental developments. ICANN also acknowledges the request for community input. ICANN GE would welcome any information that At-Large members could contribute about national and regional initiatives and events, which are relevant to the discussions at the U.N., and could help ICANN gain a better understanding of the positions of national governments and regional organizations. The community plenary session at ICANN76 was an opportunity for the community to share ideas about WSIS+20. In addition, ICANN is in the process of building a page to provide links to third-party Public Comment processes ICANN is aware of so that any community group knows where to submit contributions, if the group is eligible and chooses to do so.

4.4.6 Internationalized Domain Names and Universal Acceptance

The ccNSO SOPC expressed its concerns and emphasized the need for more active outreach to technology and tool providers to promote UA readiness, specifically IDN UA readiness. ICANN continues to conduct multiple outreach efforts to the technology and tool providers directly as well as through the support provided to the community-led Universal Acceptance Steering Group. This includes training, bug reporting, and outreach to relevant organizations. ICANN has recently expanded its team to bring in a full-time role in the UA Program team to focus on these aspects, in addition to the other ongoing efforts. This is also captured in the FY24–28 Operating and Financial Plan (page 43) via the following bullet points:
- Conduct outreach to software developers and system administrators to promote UA readiness in applications and email services.

- Develop and conduct training for technology developers and email tools and service providers to promote UA readiness.

4.4.7 Nominating Committee

ICANN appreciates the ccNSO SOPC's question about the additional metrics regarding the Nominating Committee. ICANN will continue to evaluate additional progress measurements in the future. ICANN invites the community to review the existing metrics on the ICANN org website https://www.icann.org/nomcom2023.

4.4.8 Policy Development and Advice

The ALAC indicated that it realizes the need for and availability of expert staff to support the community's work. The ALAC said the support is unique and high levels of expert staff are essential. ICANN thanks the At-Large community for this feedback. The Policy Development Support function regularly assesses its staffing needs to ensure that it is equipped, both in terms of skills and expertise as well as staffing numbers, to support the community's policy development and advice work. This assessment needs to be conducted within the broader context of the organization's overall staffing and priorities, to ensure that ICANN is appropriately managing FTEs required to support all of ICANN's work in support of its mission while still addressing the community's needs in relation to policy development and advice.

The ccNSO SOPC commented that the risks and dependencies under Policy Development and Advice are appropriate, especially about the importance of prioritization and staff bandwidth in both the Five-Year Operating and Financial Plan and the FY24 Operating Plan and Budget. ICANN thanks the ccNSO SOPC for its feedback. ICANN will continue to strive to improve how prioritization is addressed, both by and with the community as well as within the organization.

4.4.9 Policy Research and Stakeholder Programs

The ccNSO SOPC noted that in the Draft ICANN FY24–28 Operating and Financial Plan and FY24 Operating Plan and Budget under Policy Research and Stakeholder Programs, support for Board consideration of GNSO consensus policy recommendations is specifically mentioned. The ccNSO SOPC notes that similar support for ccNSO policy recommendations is not included. Although the ccNSO does not regularly develop policies, two efforts are underway and nearing completion, including the ccNSO PDP on the selection of IDN ccTLD strings. The ccNSO SOPC wonders whether not including support for the Board consideration of ccNSO policy recommendations implies the support is not provided, not needed, an omission, or is there another reason not to include it? In response to the ccNSO SOPC's comment, ICANN supports Board consideration of ccNSO recommendations; however, this support may be provided by a variety of functions across the organization, depending on the subject matter. For the ccNSO policy work on IDNs, the Policy Research and Stakeholder Programs team is actively engaged in supporting the policy discussions and would expect to also provide strong support to the Board's consideration of recommendations from this ccPDP when completed.

4.4.10 Planning

The ccNSO SOPC notes that a new Functional Activity, namely Planning, is introduced and Global Shared Services Functional Activity is excluded (if compared to the FY 2023 plan). The ccNSO SOPC notes that the activities under Planning are fully explained, however it is unclear

to the ccNSO SOPC how activities previously mentioned under "Global Shared Services" were captured in the planning documents. Both of these functional activities are included in the FY23 and FY24 Operating plans. The Functional Activity - Planning, was previously located under the service category "ICANN org Governance", it is now under "ICANN org Shared Services". The Functional Activity - "Global Shared Services", was renamed to "Global Support Center" and includes all the activities previously mentioned under "Global Shared Services".

4.4.11 Review Support and Implementation

In preparation of this submission the ccNSO SOPC asked three clarifying questions, including one on the Pilot Holistic Review. The ccNSO SOPC welcomed the timely responses. Regarding the response to the question pertaining to the pilot Holistic Review, the ccNSO SOPC wishes to express its concern that such an anticipated major operational effort, both from a community and org perspective, is not further detailed in the planning documents. The ccNSO SOPC noted that it would appreciate to hear from ICANN how this effort will be reflected in the FY24–28 and FY24 planning documents, assuming it is still the intention of this effort or an alternative effort to start in FY24. In response to the ccNSO SOPC's comment, ICANN agrees that the Holistic Review is a significant initiative. ICANN is evaluating possible courses of action. The plans reflect the information available at the time they were developed. They will be amended as soon as the course of action is decided.

The ccNSO SOPC also notes that with respect to Functional Activity, Review Support, and Implementation the role in implementing new gTLD auction proceeds is upgraded from "support" status to "Lead". The ccNSO SOPC would like to understand if such a change of role is appropriate in light of governance of that program. ICANN indicated that the responsibility for leadership of the Grant Program initiative reflects the status of the Grant Program work within implementation, and the Implementation Operations function leads on the implementation of cross-community developed recommendations of this type. The Grant Program has significant involvement from teams across ICANN within the internal governance structure for the project.

4.4.12 Strategic Initiatives

The ccNSO SOPC commented that the progress measurement of the Registrant Program in Strategic Initiatives Functional Area of the FY24 Operating Plan and Budget should be improved. For example, it needs to be clarified whether the tracking addresses both ccTLD registrants and gTLD registrants as there may be contractual differences, but certain general principles should be the same. ICANN appreciates the comment. Indeed, ccTLD and gTLD registrants alike can and should be able to benefit from many of the outputs of the Registrant Program, including educational materials for registrants that are published periodically. As such, progress tracking for the Registrant Program can apply to both ccTLD and gTLD registrants, while recognizing that additional attention may be given to gTLD registrants at times due to the contractual relationship ICANN has with ICANN-accredited registrars, and some of the content produced (for example, educational materials around ICANN policies that gTLD registrants must adhere to) may be more suitable for the gTLD registrant audience. The Program will continue to track its progress while remaining cognizant of the different circumstances and needs from ccTLD and gTLD registrants and will explore further opportunities in both spaces.

ICANN appreciates the ccNSO SOPC's comment regarding the level of activities under the Strategic Initiatives functional area and that it seems appropriate and important for the ccTLD

community, especially regarding IDNs and UA, monitoring legislation, and ensuring security and stability of DNS.

The ccNSO SOPC commented on the Contracted Parties Services Operations under both the FY24–28 ICANN Operating and Financial Plan and FY24 ICANN Operating Plan and Budget. They appear to be normal, stable, unexceptional, and not detract from other services including services relating to ccNSO. ICANN appreciates the comment. ICANN notes that its agreements bind the organization to certain time periods to accomplish specific transactions with contracted parties, thus the need to maintain a level of service to meet contractual commitments.

The BC acknowledged that the Operating and Financial Plan for FY24–28 and Operating Plan and Budget for FY24 indicate support for the "anticipated implementation of a WHOIS Disclosure System as well as a standardized system for accessing registration data" and "Continued engagement and activities related to implementation of the EPDP on Temporary Specification for gTLD Registration Data Policy Phase 2A, and management of the EPDP Phase 2 recommendations on a System for Standardized Access/Disclosure (SSAD) to Non-public gTLD Registration Data." The BC noted that, while the stated attention is positive (in draft plan that "Should the Board determine to proceed with the implementation of the SSAD, it is proposed that the funding of the corresponding costs come from the Supplemental Fund for implementation of Community Recommendations (SFICR)."), they do not address the specific and immediate reality of NIS2 and necessary resources. Therefore, the BC calls for specific allocation of resources for legal and policy work to update SSAD policies as the European States transpose NIS2 into their own laws and regulations. In response to this comment, the ICANN [Board approved](#) the implementation of the WHOIS disclosure system based on Expedited Policy Development Process on the Temporary Specification for gTLD Registration Data (EPDP) Phase 2 recommendations. ICANN will work on the implementation next. Moreover, ICANN's Governmental and Intergovernmental Organization Engagement team has added resources and subject matter experts in targeted regions to support its activities planned for FY24.

4.4.13 Technical Services

ICANN appreciates the ccNSO SOPC's support of the activities planned for the function as well as the potential staff increase.

4.5 Financial Management
4.5.1 Financial Assumptions and Projections

The RySG commented about zero-based budgeting, which is a budgeting method that requires all expenses to be justified and approved in each new budget period. During the annual planning and budgeting process, ICANN carefully evaluates its costs. Although it may appear as a top-down process because projected funding matches expenses, it is a bottom-up process akin to zero-based budgeting. Most of ICANN's expenses are fixed, so budget owners must prioritize or reevaluate current costs with new expenditures required to do new work that is being asked of the function. These inputs are evaluated at the Executive level to ensure functional expenses make sense given the work in the fiscal year required for each function, balanced with the assumptions for funding which has had slow growth in recent years.

The ALAC commented about inflation. Inflation has been factored into ICANN org's financial plan. Some costs in the five-year financial plan are modeled to be flat or decreasing because ICANN org plans to reprioritize activities, such as nonpublic meeting related travel and the use of contractors. The Budget includes a contingency placeholder for unknown and hard to predict costs. Contingency is available to help cover any costs significantly higher than planned. ICANN will continue to revise its long-term projections as it learns more about the impact of inflation.

The ALAC also expressed concern about the stated forecasted deceleration of growth not being reflected in the budget figures. Per ICANN's Fiscal Year 2024–2028 'base case' budget forecast, projected annual funding growth rates vary from -1.6% in FY24, +0.5% in FY25, +1.1% in FY26 and FY27, and +2.4% in FY28. Each of these overall funding growth rates are built upon various assumptions of annual growth or decline in gTLD transaction volumes and the total size of ICANN's Contracted Party base.

ICANN thanks the BC for its comment on ICANN's funding and expense assumptions. Also, ICANN org acknowledges the GAC's comment expressing appreciation for the Additional Budget Request continued funding.

ICANN appreciates the ccNSO SOPC's comment during this Public Comment process. ICANN continually seeks to improve the quality and content of the Budget and the Caretaker Budget.

4.5.2 Funds Under Management

The ALAC commented about investment income assumptions for ICANN's funds under management. ICANN does not make detailed projections of the financial markets and investments. Because the budget is projecting investment income over one year into the future, ICANN makes a conservative estimation for investment income for its funds under management.

4.5.3 Headcount and Personnel

The ccNSO SOPC commented about staff costs and new hires. ICANN has a strict process for adding new hires and for replacing staff when a position is vacated. For initiatives such as SubPro, Review Implementation, or the Grant Program, ICANN leverages existing staff to carry out those initiatives. When additional resources are needed, project leaders will request new hires or contractors depending on the business need. For these initiatives, ICANN is developing separate reporting with Key Performance Indicators that address factors such as FTEs and hours worked on a project.

4.5.4 New gTLD Program

ICANN published the initial Operation Design Assessment of the next round of the New gTLD Program on 12 December 2022. Since then, both the organization and the ICANN Board have been working toward further refinements of the program design and a comprehensive implementation plan. At ICANN's Public Meeting in Cancun (ICANN76) the ICANN Board will consider approval of a subset of policy recommendations and incremental funding for continued work on the program with the intent for a final comprehensive Board approval at ICANN's Annual General Meeting in Hamburg (ICANN78). ICANN plans to implement an efficient and effective subsequent round of new gTLDs that meets community needs, ensures that qualified applicants are able to secure the right to operate gTLDs, and remains revenue-cost neutral.

Ongoing ICANN operations will not be negatively affected because of this work. ICANN has incorporated into the strategic plan and operating plan and budget continued efforts and work related to implementation of the Subsequent Procedures. Program estimates take into account the number of current staff support as well as required additional resources. In addition, mechanisms of risk mitigation are being taken into account and reviewed by the ICANN Board.

In regard to the importance of UA, ICANN agrees it is a key strategic focus area for ICANN and the community. Both ICANN and the community are actively engaged to promote UA globally and this effort is an integral part of the next round of gTLDs.

4.5.5 Grant Program

ICANN acknowledges the ccNSO SOPC and ALAC's concern on the high overhead rate of 40%, or $4 million in support costs, to run the Grant Program for $10 million in expected grants. The initial high overhead rate is due to the infancy of the Grant Program. The estimated volume of applications, and therefore contributions, will be lower in the first year versus future years as awareness and communications plans increase the number of applications. In addition, the Grant Program's first year will be establishing best practices and procedures that can run efficiently and scale up volume in future years with minimal incremental support costs. The recurring costs to run the program will remain relatively steady with only modest growth for standard of living increases and external processing costs. This modest growth is due to efficiencies that will be realized once the Grant Program is more established and can take on an increased number of applications and fund allocations. In future cycles of the Grant Program, the overhead rate is expected to decline, and ICANN is working toward best practices of grant administration expenses in relation to awarded grant funds.

4.5.6 Supplemental Fund for Implementation of Community Recommendations

The RySG commented on the Supplemental Fund for Implementation of Community Recommendations (SFICR) and Contingency. Per the ICANN Investment Policy, the SFICR should be used to fund community recommended projects and initiatives that were specifically approved to be funded in the annual planning and budget process. The funding of these projects by the SFICR occurs, as approved by the Board, when the size, complexity, and length of the project create a challenge to be solely funded by annual funding.

A complex project that would take multiple years to complete could be a candidate for SFICR funding if the other criteria are also met and the Board approves the project and the use of SFICR as a funding source. If additional priorities are added to the project, those should also be approved by the Board and at that time, incremental funding can also be recommended for Board approval.

Contingency is an amount included in the annual budget that is not allocated to specific activities. Contingency is used more for events that occur within the fiscal year and are unplanned, significantly higher than planned, or hard to predict. This could also include activities that have been confirmed for implementation by the Board after the Budget was finalized.

ICANN acknowledges ALAC's inquiry on the $4 million of spend projected against the SFICR in FY24. To clarify, the $4 million of expenditures are not handling expenses for the fund. The $4

million of expenses represents the balance of the [Board approved resolution](#) for use of the SFICR in the amount of $5.8 million for one-time implementation of Board-approved community prioritized recommendations. Work related to the one-time implementation effort of prioritized recommendations began in January 2023 and is expected to conclude by the end of FY24. Please see [section 7](#) of the Draft ICANN FY24 Budget for further information on the work that is being conducted for the reviews implementation prioritization.

In addition, the Draft ICANN FY24 Budget posted for Public Comment did not include expenditures for the implementation of the Registration Data Request Service. In February 2023, the [Board approved](#) a resolution to develop and launch the Registration Data Request System. These costs will be added to the SFICR expenditures and reflected in the Proposed for Adoption version of the ICANN FY24 Budget that the Board will be asked to consider.

4.6 Other

ICANN appreciates the question regarding ICANN becoming carbon neutral and the suggestions to track and reduce ICANN's carbon emissions. In response to Public Comments received on the Operating Initiatives document put out for Public Comment in 2019, in September 2019 ICANN published a blog on ICANN's Carbon Footprint. After that blog, due to the impact of the global pandemic all in person travel was paused. Now that in person travel to ICANN meetings has resumed, ICANN is working with its travel provider FCM Travel Solutions to assess the air, hotel and car rental carbon impacts from all ICANN funded travelers. FCM Travel's calculations are based on the Greenhouse Gas Protocol, the most widely used international accounting tool for government and business leaders to understand, quantify, and manage greenhouse gas emissions. ICANN will continue the work to determine a comprehensive approach to reporting, measurement, and best practices. ICANN will share updates with the community as the work progresses.

Section 5: Next Steps

ICANN appreciates all community input and support in this Public Comment process. ICANN reviewed and responded to all comments received, and where appropriate, will incorporate the comments into the next version of FY24 planning documents or, will evaluate and incorporate into the further planning cycle as appropriate.

Following the publication of this report, ICANN will update the Draft ICANN FY24-FY28 Operating and Financial Plan and the Draft ICANN FY24 Operating Plan and Budget, taking into consideration the Public Comments, and where appropriate and feasible incorporate the comments into the next version or Proposed for Adoption plans. These plans will be published and available prior to the Board consideration.

In May 2023 the ICANN Board Finance Committee will consider recommending that the ICANN Board adopt the FY24-FY28 Operating and Financial Plan and the FY24 Operating Plan and Budget.

Following the ICANN Board's adoption of the FY24–FY28 Operating and Financial Plan and the FY24 Operating Plan and Budget, the Empowered Community may consider whether to reject the plan as adopted. So, if no Empowered Community rejection process remains pending, the FY24–FY28 Operating and Financial Plan and the FY24 Operating Plan and Budget will go into effect on 1 July 2023.

Section 6: Appendix

Submitter Organization/ Individual	Question / Comment	Reference to Section of Staff Report where Response can be found
RySG	**Presentation and complexity** The RySG appreciates the effort to provide comprehensive and detailed documentation, and efforts to thoroughly plan and track expenditure. We acknowledge the important improvements in recent years to how the information is presented and shared with the community. We appreciate the optimisation from 15 to 11 Operating Initiatives by merging overlapping initiatives. This said, the ICANN planning and budget documents remain a massive and challenging amount of information to deal with from a community and volunteer perspective. The Multitude of Operating Initiatives (11) and Functional Activities (33) continue to make it difficult to assess where ICANN is focussing (or not) its resources.	4.1
RySG	To assist the community in processing the documentation and facilitate a more efficient and effective public comment process we want to reiterate some of our earlier suggestions: ● Red-line document: Replicating the documents' structure and content, and indicating new initiatives, provides transparency. A red-line or comparison version that shows what has changed from year-to-year would be extremely helpful to focus comments.	4.1

RySG	Updates on achievements and progress: We appreciate ICANN's feedback on our recommendation to include for items that were initiated in prior years brief narratives and updates on achievements, ongoing actions and plans for the upcoming years, and situate the current state of initiatives compared to its ultimate goal(s). We understand ICANN's concern, as stated in ICANN's feedback to our prior year comments, that the plans and budget are 'forward looking plans with activities, estimated resources, progress measurement to be reported, etc.' and not output reports, and that 'ICANN org reports performance via the CEO Reports to the Board and ICANN's annual Report, which are published on icann.org.' We recommend ICANN to bring the information from these reports together in one place, structured according to the structure of the plans and budget. At a minimum, we believe including links to these relevant documents where appropriate in the budgeting documents would be helpful. This will help community members and avoid that they have to track and consult different sources to find this information.	4.24
RySG	Public Comment questions: Our comments last year suggested ICANN to compile specific questions for key issues on which ICANN org is seeking community input during the public comment proceeding to enhance the focus for specific comments. We were pleased to read in the Report on Public comments about ICANN's intention to 'work with the relevant functional teams to evaluate this suggestion, and where appropriate, incorporate the suggestions in future planning cycles', and would welcome to understand what feedback was received.	4.1
RySG	**Zero base budgeting** Considering that industry growth is expected to be relatively flat for the next years, a zero-based accounting of all ICANN's activities (instead of building a spending plan to match projected revenues) may help to streamline the many spending proposals. The RySG requests ICANN to duly consider this change.	4.5.1

RySG	**Support Fund for Implementing Community Requirements and Operating Budget Contingency** More detail around the planned expenditures from the Support Fund for Implementing Community Requirements (SFICR) and/or the Contingency line item of the Operating Budget would be appreciated. It is our understanding that these funds are to address Board priorities that weren't anticipated in the budget cycle. What happens when projects take multiple years, and the Board adds additional priorities to the list?	4.5.6

| RySG | **Constituent Travel**
"4.4.1 Constituent Travel
ICANN provides travel support for selected community members to:
● Advance the work of ICANN
● Provide support for those who might otherwise not be able to afford to attend ICANN Public Meetings
● Broaden participation in ICANN's processes
ICANN.org publishes travel guidelines that form the basis for making travel allocations. The number, cost, and support of funded seats for Supporting Organization (SO) and Advisory Committee (AC) constituent travel remain at FY23 Budget levels. Likewise, the number of travel seats funded for Fellows and NextGen participants at each of the three ICANN Public Meetings remains the same as FY23 Budget levels."

Noting the specific line item relating to the GNSO allocated finding for constituent travel under section 4.4.1 of the Draft ICANN FY24 Budget, the RySG would request that ICANN specifically considers the inclusion of an increase of funding, sufficient to provide the following travel slots:

Secretariat Travel Support: The RySG currently employs a secretariat for support for our stakeholder group, the salary costs of which are fully supported by the RySG. The RySG, where possible, provides direct funding from our budget to support travel for our secretariat to attend ICANN meetings. Attending the ICANN public meetings is a key part of the support our secretariat provides to the RySG: she coordinates the scheduling of all RySG sessions with the GNSO secretariat, is responsible for disseminating session information and agendas to our membership, manages the participation of remote attendees to the RySG sessions, and develops and distributes materials that support our outreach efforts to engage new members. The funding for the secretariat's travel to ICANN meetings is not always available from our own budget, thus we must operate at ICANN meetings without that important support. Not only does our secretariat provide significant support to the RySG and Contracted Parties House during ICANN meetings, she also provides support to ICANN Staff, namely the GNSO Secretariat, when needed, including by serving as the remote participation manager for both RySG sessions and other GNSO sessions if | 4.5.1 |

	called upon. We are aware that ICANN provides specific and dedicated funding for full time secretarial support to a number of SGs/SO/ACs. The RySG does not make a request for such a full support, however we would like to request for important supplementary funding for the provision of a dedicated and guaranteed travel slot for ICANN meetings for our secretariat.	
	Reasoning: Given the vital support provided by the secretariat in both the coordination, running and maintenance of the the RySG, as well as the expectations of the secretariat in furthering the RySG role at ICANN meetings, we respectfully submit that the provision of additional funding for travel to ICANN meetings, specifically allocated to support the RySG Secretariat, is not only of objective benefit to the RySG, but of continued support and benefit the effective achievement of ICANN goals and missions at those meetings. We would therefore formally request an increase in allocated budgets under 'Constituent Travel' in section 4.4.1 to provide permanent funding, specifically for the RySG Secretariat support for travel to ICANN meetings.	

RySG	**Operating initiative 3:** Evolve and Strengthen the Multistakeholder Model to Facilitate Diverse and Inclusive Participation in Policymaking. FY 24-28: p. 19-21 / FY24: p. 131-133 The RySG expressed concern in its comments on the Pilot Holistic Review Draft Terms of Reference and while we reiterate that conducting the review as proposed would be a risk to the transparency and accountability we expect to be at ICANN, we also highlight scope concerns which could lead to increased costs. We understand that the ICANN Board and Staff are in the process of reviewing input to the public comment period and will engage with the community to clarify the scope of the review and agree on the approach to a pilot. https://www.rysg.info/wp-content/uploads/archive/RySG_comment_Pilot_Holistic_Review_Draft_Terms_of_Reference_10-November-2022.pdf	4.3.3
RySG	**Operating initiative 7:** Geopolitical Monitoring, Engagement, and Mitigation FY24-28: p. 28-30 / FY24: p. 142-145 The RySG continues to appreciate ICANN's efforts to monitor geopolitical developments relevant to ICANN and the Community.	4.3.7
RySG	**Operating initiative 9:** Implement New gTLD Auction Proceeds Recommendations as Approved by the Board FY24-28: p. 32-33 / FY24: p. 148-149 The RySG appreciates that the FY24-28 Operating Plan provides a tentative timeline for the launch and evaluation of the first grant cycle and preparation of the subsequent cycle. The RySG suggests below (see ICANN Reserves) to return funds to the Auction Proceeds to partially replenish what ICANN diverted to the Reserve Fund in 2018.	4.3.7

| RySG | **Operating initiative 11:** ICANN Reserves.
FY24-28: p. 36 / FY24: p. 151

Reserve Fund - The ICANN Board, in its 2018 resolutions set the target level of the ICANN Reserve Fund 'at a minimum equivalent to 12 months of operating expenses' and agreed on a replenishment strategy 'to increase the Reserve Fund through annual excess from the operating fund of ICANN organization by a total amount of US$32 million over a period of seven to eight years, starting with FY19' and an allocation of US$36 million of Auction Proceeds. As noted in earlier comments, the RySG is supportive of replenishing the Reserve Fund from surplus operating funds in combination with a diligent cost control of ICANN's expenditure. A financially prudent ICANN - an organization with operating expenses comfortably less than, not equal to, the income in a given financial year - will necessarily be a lower risk operation and therefore a targeted 12-month Reserve Fund is more than adequate to mitigate the appropriate risks. Moreover, the Reserve Fund should be targeted to ensuring the operation of critical core operations, such as the IANA function within PTI, and does not necessarily need to cover all aspects of ICANN's operation. The RySG notes that there has been an accelerated supplementing of the Reserve Fund compared to the seven to eight years envisaged by the Board, and that with the FY23 US$19M transfer the Reserve Fund balance (US$ 164M) is already well above the 12-month target (US$145).
The RySG suggests returning the excess funds above target, including the additional US$1M in the FY24 budget, to the Auction Proceeds to replenish the US$36M that ICANN diverted to the reserves in 2018. https://www.rysg.info/wp-content/uploads/archive/ec8e4c_d599632ff1da4402b090f8fda38e7669.pdf | 4.3.6 |

RySG	**Comments on the ICANN Functional Activities (p. 37-115)** **Policy Development and Implementation Support** ● Policy Development and Advice (FY24-28: p. 50-53 / FY24: p. 166-168) ● Policy Research and Stakeholder Programs (FY24-28: p. 54-55 / FY24: p. 169-170) ● Contracted Parties Services Operations (FY24-28: p. 56-57 / FY24: p. 171-172) ● Technical Services (FY24-28: p. 58-59 / FY24: p. 173-174) ● Strategic Initiatives (FY24-28: p. 60-62 / FY24: p. 175-177) ● Constituent and Stakeholder Travel (FY24-28: p. 63 / FY24: p. 178-179) Noting the specific line item relating to the GNSO allocated finding for constituent travel under section 4.4.1 of the Draft ICANN FY24 Budget, the RySG refers to its comments above requesting ICANN to include of an increase of funding sufficient to provide dedicated travel support for the RySG secretariat. The secretariat salary is fully funded by the RySG and we are seeking only dedicated travel support for the secretariat.	4.5.1
GAC	**General Comments** The GAC thanks the ICANN org Finance Team for continuing to evolve and improve the detail and scope of information provided to the community in the draft operating plan and budget materials. Over the past few years, the GAC Leadership has continued to observe improvements to the format and detail of the extensive materials made available for community review as well as the information provided during direct opportunities for community information sharing with the ICANN org Finance Team. It has also been noted that this year's public comment opportunity has again been moved up to occur slightly earlier in the calendar year, continuing the trend of productively extending the time available for organizational and community planning.	4.1
GAC	**Specific GAC Comments** The GAC acknowledges the apparent careful coordination within and between both the Draft Operating and Financial Plans for FY24-28 and FY24 (hereinafter Draft FY24-28 O&FP - https://www.icann.org/en/system/files/files/draft-op-financial-plan-fy24-28-draft-opplan-fy24-2022-en.pdf) and the Draft FY24 Operating Plan & Budget (hereinafter Draft FY24 Budget https://www.icann.org/en/system/files/files/draft-budget-fy24-2022-en.pdf). The documentation allows readers to see how the	4.1

	organization's strategic and operating initiatives are being addressed over the course of both one-year and five-year operating plan periods. This coordination is important in providing assurances to governments that particular areas of GAC interest are preserved as important organizational operational priorities that will be adequately resourced over the next five years.	
GAC	*Additional Budget Request Process* The GAC appreciates that the ICANN org has once again chosen to offer the Additional Budget Request (ABR) Process to recognized community groups this year. The ABR is a critical tool that permits various communities to experiment with and test innovative new processes or service offerings that can improve the work of the ICANN multistakeholder community. Although the GAC does not make use of the ABR every year, for FY24 the committee has developed and submitted an ABR proposal seeking support from the organization to conduct a pilot effort to test the ability of the organization to offer sign language interpretation at future ICANN public meetings and events (see https://community.icann.org/pages/viewpage.action?pageId=215287619. The proposal is consistent with ICANN's strategic objective to "Improve the effectiveness of ICANN's multistakeholder model of governance" and encompasses the intersection of ICANN Strategic Goal #6, "[s]support and grow active, informed, and effective stakeholder participation" and Operating Initiative #3, to [e]volve and strengthen the Multistakeholder Model to facilitate diverse and inclusive participation on policy making" (see Draft FY24-28 O&FP at page 236). The proposed pilot effort will create opportunities to provide, test, and evaluate this capability and the GAC hopes the proposal will be viewed favorably by the ABR evaluators.	4.5.1

GAC	*Community Engagement and Service* In describing functional activities involving community engagement and service, the Draft FY24-28 O&FP recognizes the need for increased resources to address "[s]stakeholder demand for engagement and capacity development through the GAC's Underserved Regions Working Group and Public Safety Working Group" (see Draft FY24-28 O&FP at page 74). The GAC appreciates that ICANN org staff have also recognized the GAC's intention to resume capacity development activities throughout the FY24 year – specifically setting aside a line item for this type of "Other Community Event" (see Draft FY24 Budget at page 18). Proactive capacity development activities throughout FY24 will help the GAC address the challenges and opportunities presented by a dynamic committee membership roster and will enable the GAC to onboard new participants while regularly informing all committee participants about topics of high interest to governments around the world.	4.4.5
GAC	*Constituency Travel* The GAC endorses the commitment in the Draft FY24 Budget to maintain constituency travel support at the current FY23 budget levels. While it is possible that in future budget years it may be needed to temporarily increase community travel support to encourage attendance as ICANN public events continue to evolve in the hybrid-in-person formats, it is also reasonable to expect in FY24 that many potential attendees may still be either personally leery of or professionally not permitted to engage in international travel for much of the budget year. In fact, improvements to remote meeting access developed up to and through the ICANN75 public meeting may impact future demand for in-person attendance at public ICANN events. The GAC also appreciates that ICANN org staff have not only recognized the GAC's intention to proceed with planning the committee's next High Level Governmental Meeting (HLGM) but also have made allowances for providing travel support resources for such an eventuality in FY24 (see Draft FY24 Budget at page 18). The Draft FY24-28 O&FP further reinforces that delivery of GAC HLGM meetings are a key progress milestone needed to increase the engagement and participation of governments and intergovernmental organizations in the work of ICANN (see Draft FY24-28 O&FP at page 29). The GAC Leadership is currently collaborating with the ICANN Governmental Engagement Team to review and consider the best options available for the	4.4.1

	committee's next HLGM in FY24 or beyond.	
AT-LARGE ADVISORY COMMITTEE	We would like to thank ICANN org for the important reduction of pages of this Operational Plan & Budget, without losing the explanations of the budget, operational plans, and initiatives. As it has been in the last years, it is presented in a very readable format, with bookmarks embedded in the document.	4.1
AT-LARGE ADVISORY COMMITTEE	We also appreciate the inclusion of the budget 'highlights' that provide a good summary of the two documents for those without the time to read both documents.	4.1
AT-LARGE ADVISORY COMMITTEE	The plan forecasts a "sharp deceleration and prolonged slowdown in growth." However, this is not reflected in the budget figures, where the following years show the same steady growth rate projected in the past 4-5 years.	4.5.1
AT-LARGE ADVISORY COMMITTEE	The remaining numbers vary in the treatment of inflation. For example, it is good to see that inflation has been taken into account for personnel. However, it appears not to have been taken into account for travel, which is surprising since travel costs post-COVID have risen considerably.	4.5.1
AT-LARGE ADVISORY COMMITTEE	Similarly, the amount budgeted for ICANN org's use of professional services and administrative expenses is expected to decrease despite the ongoing use of these services. These services are essential to support the work of At-Large volunteers and the ICANN Community as a whole and it is unclear what these decreases entail. There is also an expected increase in costs to support proposed outreach in preparation for Operational Readiness for Universal Acceptance (UA) and the new generic top-level domain (gTLD) round that we comment on later in this report.	4.5.1
AT-LARGE ADVISORY COMMITTEE	For the Funds Under Management and its explanations, we have a concern regarding the Supplemental Fund for Implementation of Community Recommendations (SFICR) and grant of the auction proceeds funds. Our concern relates to the cost of management of the SFICR and the auction proceeds funds. The SFICR was created with a funding of USD 20 million. According to documentation provided for FY24, it is planned to be USD 18 million, but the handling of the fund is expected to cost USD 4 million, which is 22% of the fund. This 4 million figure seems to be very high. The same situation applies to the auction proceeds funds: the planned	4.5.5 & 4.5.6

	distribution of grants is USD 10 million, but the management of the funds alone is expected to be USD 4 million, a 40% rate of grant/management which is very high.	
AT-LARGE ADVISORY COMMITTEE	Another concern we have is that the expected investment income for the auction proceeds funds and the reserve fund are listed at approximately 1%, which seems very low, when the rate for the sovereign bonds are at 3.5-4% yield, and bank interest rates are at the same level.	4.5.2
AT-LARGE ADVISORY COMMITTEE	Section on 'Considerations' with observations: ● Success depends heavily on the stability and commitment of engineering resources. ● The greatest risk is the possible loss of development resources that are prioritized to other objectives. ● The inability of the IANA team to provide sufficient designs and requirements settings to inform development given its limited resources. ● Policy development work being done in the ICANN community, such as in the New gTLD Subsequent Procedures Policy Development Process and for the Internationalized Domain Names, must be monitored by someone with IANA expertise to ensure RZMS and the associated business processes will meet those emerging requirements. At-Large believes that these considerations rely heavily on the IANA/PTI Budget, and it seems that the lack of additional full-time equivalents (FTEs) and the conservative increment of the personnel costs might be a problem. Root Server System and Root Zone management are the heart of the ICANN work. Appropriate hiring of (both in quantity and in knowledge) skilled personnel as FTEs, with strong competitive salaries, is a must.	4.3.9
AT-LARGE ADVISORY COMMITTEE	At-Large applauds the inclusion of this new operating initiative. We appreciate the recognition of the need and desire to address the DNS abuse issues that have been the focus of many At-Large initiated discussions over the past few years.	4.3.4

| | Various issues were identified in the October 2020 paper "Enhancing the Effectiveness of ICANN's Multistakeholder Model," and At-Large notes that the issues of prioritization, complexity, and roles and responsibilities are featured prominently in this operating initiative.

Prioritization: At-Large devoted a huge amount of time, and engaged in community-wide discussions to address the prioritization of important end-user issues relating to Work Stream 2 (WS2) of the Cross-Community Working Group on Enhancing ICANN Accountability (CCWG-Accountability) recommendations. This work was carried out broadly within our own community, specifically so that we could contribute to enhanced cross-community opportunities for ICANN "to improve its processes and efforts to ensure diverse and inclusive participation in its work on a continuing basis." | 4.3.3 |
| AT-LARGE ADVISORY COMMITTEE | | |

	Complexity: The increasing complexity of the work taken on by ICANN org (including At-Large staff support) as well as the volunteers that participate in the ICANN Community is a continuing issue of concern. The At-Large community suggests a multi-pronged approach to address the complexity of the roles they are expected to play as community volunteers and as active participants in the ICANN ecosystem. With regards to an identified consideration: "as policy challenges facing the community become more legally and technically complex, the need for participants in the policy process to have the requisite expertise and experience could result in less diverse participation," At-Large believes that a multistakeholder system has to address increasing policy complexities while increasing and broadening onboarding opportunities for newcomers along with adequate incentives for veterans to keep them engaged. We draw attention to the following issues emerging in our community as we cope with the increasing demands arising from the complexity problem: ● At-Large tries to focus on engaging its newcomers in already established systems, but realistically it is an added burden for established volunteers to have to take on training roles as well as maintain their active participation in their own areas of interest within ICANN. ● While At-Large appreciates the great support we get from current ICANN org staff, we need additional resources to support the great work that is done by members who attend the many meetings that are covered by the policy, operations and outreach working groups, as well as the social media and other community engagement programmes. We need additional staff on hand to support volunteer efforts in making programmes more effective and engaging. ● The lack of incentives and any recognition given to volunteers and the time volunteers devote to ICANN activities is problematic. We lost many valuable members during the COVID pandemic because of two and a half years of zoom meetings, and the frequency of meetings (one after another) was just too much. We are down to the stayers. ● Without these other voices representing the diversity of our At-Large community across regions, languages, cultures, professions, as well as ordinary end-user backgrounds, we do not have an effective and robust multistakeholder system.	4.3.3
AT-LARGE ADVISORY COMMITTEE		

| | | ● Retaining veteran participants would also help alleviate pressures on ICANN org staff who must deal with the ensuing knowledge gaps.

Taking these factors into consideration, At-Large welcomes ICANN org's plans to launch a Community Engagement System to provide records of reporting in relation to SOAC membership and their participation in policy processes. This will allow ICANN to track diversity and global representation across the ICANN Community. We look forward to seeing how this will be implemented but acknowledge that some recognition will finally be given to the participation by our diverse community in policy processes. | |

	Policy Transition Training: At-Large welcomes the Pilot Policy Transition program to provide fellows and newcomers with specific knowledge about policy issues using subject matter experts. We highlight the importance of ensuring that participants in such programs are exposed to all points of view. While ICANN org provides support for a new pilot transition programme to train and engage specific groups of newcomers, such as NextGen or ICANN Fellows, it highlights inequity among the different types of participants within the ICANN Community. Currently, there is no support offered to transition newcomers who enter directly into the At-Large or other parts of the ICANN community, many of whom are ordinary Internet end-users who arrive as an At-Large Structure (ALS) or as an individual member with insufficient idea of what ICANN does or its policy interests. But these are the people who are attracted to ICANN because they want to know more. While we can offer them ICANN Learn courses and online onboarding programmes, these do not completely lend themselves to building a relationship between newcomers and ICANN and its own complexity. There is inequity within ICANN as to how newcomers coming into the system are appropriately onboarded and educated about ICANN and its systems. It becomes an added burden that current volunteers are expected to train these newcomers or even existing members who also want to learn more about policy issues, for example through our own proposed Policy Ambassador programme, without any additional support or resources. This becomes an added responsibility loaded on top of their other expected participatory roles within At-Large. Education and training outside of ICANN Learn should also be encouraged and supported. One example is the growth of regional and virtual Schools of Internet Governance, which offer participants a deeper understanding of the complexity of the world of internet governance which is a crucial perspective to bring to ICANN discussions, and vice versa.	4.3.3
AT-LARGE ADVISORY COMMITTEE		

	Holistic Review - Scope: We recognize and applaud the inclusion of planning for and implementing the Pilot Holistic Review within the scope of this initiative. As noted: "During the pilot Planning Prioritization Framework exercise conducted in FY22, the Pilot Holistic Review was accorded the highest priority status by the community participants" (p19). The At-Large believes this will be necessary to ensure that current structures continue to improve the overall effectiveness of ICANN as well as ensure optimal representation of community views (p131).	4.3.3
AT-LARGE ADVISORY COMMITTEE	At-Large recognizes the importance of "evolving and enhancing community governance, including revisions to constituency and stakeholder group charters and improvements to election processes" and notes that this is among the recommendations of work stream 2 which are currently being addressed.	
AT-LARGE ADVISORY COMMITTEE	**New Technical Tools** **Resources:** At-Large requests the ability to identify and submit requests for new technical tools to be used in order to support its participation in policy development and advice. This initiative suggests an "increase in the use of virtual meeting tools... will be needed to advance...policy projects as well as ensure continued global participation." The At-Large has a Technology Task Force Working Group that is a small expert group within our community who would like to trial new tech tools like Slack for communication, which add value in organizing our policy work. New tools can enable us to be effective in developing consensus policy and better engage newer At-Large participants in ICANN's multistakeholder policy making activities. However, the ICANN org Technical Team has not allowed At-Large to purchase or use free versions of any new software (for example, Slack) because the tools have not been approved by ICANN Legal and by the ICANN Technical functions for community use. Without ICANN org approval, At-Large support staff are more limited to their ability in assisting At-Large volunteers in our policy making efforts. Moreover, we are not allowed to purchase these tools like Slack, use them, or attach them to our work as they are not approved. This lack of approval to test and adopt remains an obstacle in a path to lessening volunteer burnout and does not support any growth of effective participation by our community.	4.3.3

AT-LARGE ADVISORY COMMITTEE	**ICANN Public Meetings** **Considerations:** At-Large would welcome more stable management and coordination of ICANN Public Meetings, prep week, and frequency of plenary sessions since the change to a hybrid meeting structure. The hybrid meeting structure has already signaled a need for a review by community leaders including about the way future meetings should be coordinated. Even with the various considerations needed to be taken into account, ICANN persisted with incorporating the post-pandemic changes into the "same old" model. It has not worked and At-Large believes the planning process needs an overhaul.	4.3.3
AT-LARGE ADVISORY COMMITTEE	**Resources:** We agree with implementing a program that provides training and research opportunities for interested ICANN org staff to help them improve writing and analytical skills needed to support development of community policy recommendations. While we support this initiative, we also suggest that these programs be available to all participants and not just a select few.	4.3.3
AT-LARGE ADVISORY COMMITTEE	**Considerations:** At-Large agrees with the need for more consistent, academic-quality policy research and data gathering and analysis that may need to be commissioned from outside the organization. It is noted that "Lack of robust data collection to date means that data-driven policy work has become difficult and time consuming and decisions may be made based on anecdotal rather than comprehensive factual evidence." We have recently seen an example of this in the attempt to collect data on the effectiveness of the consensus play book through Zoom polls at stakeholder meetings. Any data collection needs to be carefully designed to ensure that all stakeholder communities have the same understanding of the questions being asked. We appreciate that this is difficult in such a diverse community and understand that this may require outside expertise.	4.3.2

AT-LARGE ADVISORY COMMITTEE	The At-Large supports the "strengthening and evolving ICANN Org's bandwidth for strategy and engagement in order to help reach new stakeholders and to prepare more appropriately for potential up-coming round of new gTLDs." At-Large has appreciated having a voice at the table of discussions relating to UA and during the preparatory stages of a potential subsequent round of new gTLDs. We appreciate the measures that have been incorporated into ICANN's operational readiness to ensure that progress of UA meets the expected results with regards to technology, UA-ready systems, training of technical stakeholders and creating greater public sector awareness.	4.3.8
AT-LARGE ADVISORY COMMITTEE	We acknowledge that based on lessons learned from the previous round, more support will be given to the planning and preparations of new rounds along with a proposed budget for outreach and awareness programmes over a longer period before the opening of potential new rounds as recommended by the Operational Design Assessment (ODA). The use of the remaining funds of the 2012 round for this outreach, and cost recovery of application processing during the new round to be paid from applicants' fees makes sense.	4.3.8
AT-LARGE ADVISORY COMMITTEE	We appreciate this initiative, which is important to the At-Large community, as it focuses on the norms and interests of Internet end-users. Such policies are also necessary to ensure appropriate ongoing interactions between the ICANN-wide communities as we work collaboratively towards strengthening the multistakeholder model to facilitate diverse and inclusive participation, as well as strengthening the ICANN Community's decision making processes to ensure efficient and effective policy-making.	4.3.1

AT-LARGE ADVISORY COMMITTEE	At-Large would welcome the opportunity to support participating in ICANN outreach activities related to the ODA. At-Large appreciates that more outreach and promotion to deliver the ODA recommendations for the new round of new gTLDS will be incorporated into the outreach goals of ICANN org Global Stakeholder Engagement (GSE) function with subsequent support during At-Large outreach and engagement programmes. Currently, the At-Large Regional At-Large Organizations (RALOs) receive three Community Regional Outreach Program slots for general outreach and engagement activities within their respective regions. However, At-Large would gladly support participating in ICANN outreach to help with raising awareness for new gTLD activities if there was some financial support to do so (similarly, as has been provided to support At-Large outreach teams coordinating and participating in UA regional activities for UA Day). It would be appropriate to include the same level of support including specifically assigned additional CROP slots for regionally based teams to help prepare for the potential of future rounds of new gTLDS and with particular relevance to the growing IDNs in South and Southeast Asia. As suggested (p184), it would be important and appropriate to develop region-specific plans for promoting the Applicant Support Program (ASP)in preparation for the proposed new round of New gTLDS.	4.3.8
AT-LARGE ADVISORY COMMITTEE	**Scope:** "Need for resources to monitor and compare information across various venues to detect the 'weak signals' early enough to identify trends and evaluate actions to address possible challenges. In certain cases, deliberations on issues related to ICANN's mission take place within multilateral settings behind closed doors without much, if any, information being released publicly." At-Large believes that early notification of such sessions to the ICANN community would be beneficial. At-Large also believes that briefings by ICANN org, as more information is released, would be helpful to lessen the chance of deliberations happening behind closed doors and ensures they do not become a black box practice. The multistakeholder process requires accountability at all levels. At-Large appreciates that engagement at the geopolitical level is extremely complex but necessary and that some settings are less	4.3.5

	open than others.	
AT-LARGE ADVISORY COMMITTEE	**Considerations:** At-Large recognizes the "Possibility of forging an alliance with an organization that takes the contrary position to ICANN's on a common issue" but suggests that community input into such decisions must be part of the process. Regarding the "potential perception from some in the community that reassignment of work might lead to a change in funding or reducing participation in events from a level to which the community previously had become accustomed," we suggest that such decisions should not be made top-down. The community should be involved in such decisions, not just "informed."	4.3.5
AT-LARGE ADVISORY COMMITTEE	Resources: The At-Large community realizes the need for, and availability of, expert staff to support the community's work. The kind of work that is done in the ICANN community, the need to support volunteers that make that work possible cannot be compared with other workplaces or staffing arrangements. It is unique and high levels of expert staff are essential.	4.4.8
AT-LARGE ADVISORY COMMITTEE	"Monitor and report on developments at the United Nations (U.N.), International Telecommunication Union (ITU), and other U.N. agencies, dealing with the World Summit on the Information Society (WSIS) +20 review, as well as development of the U.N. Cybercrime Convention and other relevant U.N. and ITU documents" (p74). At-Large fully supports monitoring and reporting on developments at this level as essential. At-Large also sees visibility and presence as important. The community should continue to participate in message positioning where and when possible. We note that the proposed plenary session at ICANN76 re: WSIS +20 will be an opportunity for community input.	4.4.5

BUSINESS CONSTITUENCY	The BC is in general agreement of the funding and expense scenarios laid out for the draft Operating and Financial Plans for FY24-28 and FY24. Naturally, the multi-year proposal requires continued monitoring, and we appreciate that annual public comment requirements will allow for input from the community. The draft documents provided for review represent an enormous and thorough effort on the part of the ICANN Financial team and the BC recognizes this and appreciates their diligence. Accordingly, the BC accepts the proposed 'base-case' funding forecast of $145.3 million for FY24, rising to a projected $152.7 million by FY28. We also note that "ICANN plans for operating expenses to remain at or lower than budgeted funding, drawing from designated and available funding sources", with $145 million for FY24 rising to $153 million in FY28. The BC also notes that this funding and expenses represent a reasonable reflection of current and expected activities.	4.5.1
BUSINESS CONSTITUENCY	In reviewing the draft Operating and Financial Plans, BC took special note of the trends process, specifically findings of the FY24 Strategic Outlook Trend Impact Assessment and FY24 Trend Report. It is clearly noted that the process took place between February and April 2022 as input for FY24 planning and that "It should be noted that this data is collected based on participants' perceptions and opinions at a point in time." While we see the issues that were identified as still being valid, we seek to make sure that they are appropriately resourced given changes over the past year.	4.2.2
BUSINESS CONSTITUENCY	The Trend documents confirm that "The topic of DNS abuse and DNS security threats continues to be widely discussed within the ICANN community." We noted that the Trend Assessment indicates the need to "evaluate short term action." The Trend Report posts "No change to Strategic Plan". While several initiatives within and outside ICANN are referenced to illustrate the significant attention being given to DNS Abuse, mostly to monitoring and reporting on the matter, it must be noted that additional momentum has been given to mitigate DNS abuse in the past year and we would like to see how that attention is being reflected in the work for FY24.	4.2.2

	Trend materials acknowledge that "Efforts to regulate or legislate the Internet continue to intensify, and the current geopolitical landscape has added pressure. This could lead to policy fragmentation within the internet ecosystem." In this case, the Trend Assessment indicates the need to "Consider evaluating short term action." The Trend Report states, "No change to Strategic Plan." Not mentioned, presumably due to the time frame in which the Trends were being reviewed, is the recent adoption of the Network and Information Security (NIS2) Directive by the European Union. The BC believes that the passage of NIS2, which will now be transposed into law by each EU State, requires a plan by ICANN to update the System for Standardized Access/Disclosure (SSAD) and allocate necessary legal and policy resources to address State law. The BC acknowledges that the O&FPs for FY24-28 and FY24 indicate support for the "anticipated implementation of a WHOIS Disclosure System as well as a standardized system for accessing registration data" and "Continued engagement and activities related to implementation of the EPDP on Temporary Specification for gTLD Registration Data Policy Phase 2A, and management of the EPDP Phase 2 recommendations on a System for Standardized Access/Disclosure (SSAD) to Non-public gTLD Registration Data." We also note in Strategic initiatives that "Should the Board determine to proceed with the implementation of the SSAD, it is proposed that the funding of the corresponding costs come from the Supplemental Fund for implementation of Community Recommendations (SFICR)." While the stated attentions are positive, they do not address the specific and immediate reality of NIS2 and necessary resources.	4.4.12
BUSINESS CONSTITUEN CY	Therefore, the BC calls for specific allocation of resources for legal and policy work to update SSAD policies as the European States transpose NIS2 into their own laws and regulations.	

Raoul Plommer	In Kuala Lumpur, at ICANN75, over half of the people in the public forum session stood up for my plea in supporting ICANN to become carbon neutral. Everybody knows by now, that this should be achieved as soon as possible, for the time is running out on all of us. ICANN cannot just feign interest in becoming environmentally responsible anymore. We need to take action! To keep things simple - just to get the ball rolling - we should start offsetting emissions on the flights that are made on ICANN's dime to join the live meetings. They are very easily quantifiable and are likely by far the biggest CO2-emissions impact of ICANN. There are approximately 300 community flights to each ICANN meeting during the year, plus probably about a hundred staff members, including translators and tech support. So we'll use a rough estimate of 400 people flying to 3 ICANN meetings every year. $50 is a low estimate per flight on average, to be used for meaningful compensation of the flight's carbon emissions, or better yet, to minimize them. Many schemes off setting carbon emissions have proved to be almost entirely ineffective and we need to make sure that this money is used in a way that actually makes a difference. From these very rough estimates (400*$50*3) we can reach a sum of $60 000 per year, which we should budget for in the upcoming strategic budget plan. At least. Things are luckily happening with big corporations already on their carbon neutrality and we could learn a lot from them in finding viable ways of off setting emissions. Especially this union of companies seems like a good model for ICANN to strive towards: "Unilever is known as a leader in environmental sustainability. In 2021, the consumer goods conglomerate — along with Disney, Google, Microsoft, Salesforce, and others — formed the Business Alliance for Scaling Climate Solutions." They must have found solid ways to minimize their damage on the environment and if ICANN still wants to reap some PR-benefits of its decision to off set its emissions, it should happen in 2023. After that, it won't really be leading the way. Here's one list of meaningful ways to reduce these emissions, just to give an idea of the available solutions: https://www.givinggreen.earth/top-climate-change-nonprofit-donations-recommendations (https://www.givinggreen.earth/top-climate-change-nonprofit-donations-recommendations)	4.6

	Clear is endorsed by IATA, to calculate carbon emissions and I think ICANN could use that also: https://clear.eco/(https://clear.eco/) We can and should concentrate on the details of achieving our goals after we are committed to ending our negligence and becoming an environmentally responsible organisation.	
ccNSO SOPC	The ccNSO SOPC is pleased to note that the document format is consistent with last year's format. This greatly helped us compare the previous plans with the proposed planning documents, and where there was a difference, the difference was generally well explained. However, an additional explanation may be needed to fully understand some area's initiative or functional activity.	4.1
ccNSO SOPC	In last year's submission the ccNSO SOPC suggested that ICANN org, the Board and community jointly review the current non-transactional metrics and KPIs to assess whether they measure what they are supposed to measure, for example progress of the project or activity against the stated goal, relevance from a community perspective etc. In the response ICANN org indicated it would review and engage with the community in FY23 to identify potential improvements in progress	4.2.4

	measurement. In addition, the "How Progress is Tracked" sections of the plan will continue to be refined and more metrics-driven in future documents. Although the ccNSO SOPC has yet to observe engagement with the community to identify potential improvements in progress measurement, the ccNSO SOPC is pleased to note that in many cases, the definition of KPIs has improved.	
ccNSO SOPC	However, in some cases it is still vague and not well-defined. In the documents the term "milestones" is used. What is described is not a milestone. For example: under the Functional Activity TECHNICAL & DNS SECURITY, ICANN org uses a combination of milestones, metrics, and reports to track this Functional Activity, including, but not limited to, Root Zone Key Management Facilities upgrades completed in U.S. East and West regions and Deliver the IANA functions by meeting all associated contractual deliverables. It is the view of the ccNSO SOPC that Root Zone Key Management Facilities upgrades completed in U.S. East and West regions is a real milestone, whilst "Deliver the IANA functions by meeting all associated contractual deliverables is an ongoing activity. Where deemed relevant, the ccNSO SOPC will comment on the proposed KPIs.	4.2.4
ccNSO SOPC	Last year the ccNSO SOPC reiterated the need for the Community, the Board and ICANN org to balance workload and resourcing by setting priorities. In its response, ICANN org stated that during the FY24 annual planning process, ICANN org would implement the prioritization framework with the full scope of activities to be prioritized in discussion with the community. The ccNSO SOPC commends ICANN org for further developing a Prioritization Framework. As part of the planning process, it is now also becoming more evident that planning efforts at ICANN are increasing, including the implementation of community proposals. As people associated with ccTLD Managers and hence the operation of (cc)TLDs, we appreciate the need for planning to operationalize the proposed work. Based on our operational experience we also know that the fewer specific details are included in proposals, the more detailing as part of the planning of implementation is needed, which is a resource-intensive activity which circles back to the need for prioritization. To ensure the operational sustainability, which is in everybody's interest, we believe the required planning efforts should be	4.2.3

	reduced by improving the quality of work, starting with the work and demands of the community. The ccNSO SOPC suggests that the community, ICANN org and the Board jointly review the current quality of work and identify areas for improvement. In the view of the ccNSO SOPC, the value of the multistakeholder model is in its mandate to develop policy by involving the various stakeholders and then deliver on the policy in a reasonable timeframe.	
ccNSO SOPC	In preparation of this submission the ccNSO SOPC has asked three (3) questions to seek additional clarification, including on the Pilot Holistic Review. The ccNSO SOPC welcomes the timely responses (https://itp.cdn.icann.org/en/files/operating-plan-and-budget/draft-fy24-plans-clarifying-questions-report-30-01-2023-en.pdf). Regarding the response on the question pertaining to the pilot Holistic Review, the ccNSO SOPC wishes to express its concern that such an anticipated major operational effort - both from a community and ICANN org perspective - is not further detailed in the Planning Documents. The ccNSO SOPC would appreciate to hear from ICANN how this effort will be reflected in the FY 24-28 and FY 24 planning documents, assuming it is still the intention this effort or an alternative effort will start in FY 24.	4.4.11
ccNSO SOPC	We have noticed that description of Global Meetings Operations Functional Activities says (page 197): Three ICANN Public Meetings scheduled for FY24: ● ICANN75 Kuala Lumpur, Malaysia	Annual General Meeting ● ICANN76 Cancun, Mexico	Community Forum ● ICANN77 Washington, D.C., United States	Policy Forum The meetings just mentioned took place in FY23. Though it might be just one isolated case, we still wonder if there are any other sections of the Plan not updated since FY23?	4.4.2
ccNSO SOPC	Support the Evolution and Strengthening of the Root Server System and Root Zone Management. The FY24 plan combines two Initiatives of the FY 23 plan, namely Root Zone Management Evolution and Support the Evolution of Root Server System. This initiative is equally important for gTLDs and ccTLDs, as it is a core service for TLDs. The ccNSO SOPC therefore supports the planned efforts.	4.3.9

ccNSO SOPC	It is not clear to the ccNSO SOPC what concrete actions ICANN itself will take to enable DNSSEC and implement DANE. While ccTLD Managers with an interest will be able to coordinate with ICANN OCTO, there are no specifics outlined to ccTLDs. It is noted that promoting DNSSEC is not purely a technical matter. Coordination is needed not only with ccTLD managers but also gTLD registries and registrars. ICANN is suggested to create business incentives to sign and validate DNSSEC, especially for gTLDS.	4.3.4
ccNSO SOPC	The ccNSO SOPC expresses its concern that the Ethics Policy appears to be subject to variation rather than being an absolute statement of values. The risk is a focus on process rather than addressing the more substantive risk of "Failure by ICANN Org to demonstrate the highest ethics standards at all times thereby playing a model role for the community."	4.3.1
ccNSO SOPC	It is unclear and/or not easy from the community perspective to follow the progress on this initiative. ccNSO SOPC noticed that the Operating Initiative 'Promote the Universal Acceptance of Domain Names and Email Addresses' that was a part of FY23 Plan is not included in FY 24 Plan. It is now part of 'Promote and Evolve the DNS Through Open and Transparent Processes That Enable Competition and Open Entry in Internet-Related Markets While Ensuring the Stability, Security, and Resiliency of the DNS' Operating Initiative. The plan does not explain this change. We wonder whether ICANN believes that this initiative should be considered only along with gTLD-related activities that mostly form the scope of Operating initiative? We believe that UA-related activities should not be gTLD-oriented and ccTLD community should be mentioned directly because UA and IDN are highly relevant to ccTLDs and ccTLD are deeply involved in the development of UA and IDNs.	4.3.8
ccNSO SOPC	The ccNSO SOPC noted that ICANN is not a research institute. ICANN Org and ICANN Community need to keep pursuing an adequate level of resourcing for geo-political monitoring work. Success calls for engagement by ICANN beyond the GAC as both the ccTLDs and Regional Organisations (the ccNSO IGLC, APTLD, CENTR) are involved and active in this area and would be able to provide and share information and experiences and would also benefit from ICANN's information and experience in this area.	4.3.5

ccNSO SOPC	The current amount of ICANN reserve funds has reached a level of 14 months of operations. The ccNSO SOPC believes that this level should be maintained to ensure continuous financial sustainability.	4.3.6
ccNSO SOPC	Concerning the activity Internationalized Domain Names and Universal Acceptance, it is stated that support is provided to the policy development work on IDNs, including IDN variant top-level domains (TLDs), by the Country Code Names Supporting Organization (ccNSO). However, we would like to emphasize the need for more active outreach to technology and tool providers to promote UA readiness, specifically IDN UA readiness.	4.4.6
ccNSO SOPC	In the draft FY 24 – 28 Operating Plan and FY 24 Operating Plan under Policy Research and Stakeholder Programs, support for Board consideration of GNSO consensus policy recommendations is specifically mentioned. The ccNSO SOPC notes that similar support for ccNSO policy recommendations is not included. Although the ccNSO does not regularly develop policies, two efforts are underway and nearing completion, including the ccNSO PDP on the selection of IDN ccTLD strings. The ccNSO SOPC wonders whether not including support for the Board consideration of ccNSO policy recommendations implies the support is not provided, not needed, an omission, or is there another reason not to include it?	4.4.9
ccNSO SOPC	With respect to the Technical Services Functional area under Policy Development and Implementation Support, the ccNSO SOPC notes that in both the FY 24 – 28 Operating Plan and FY 24 Operating Plan they seem to be at an appropriate level – which is obviously important to ccNSO.Even though many of the activities are oriented toward GNSO (e.g. RDAP provisions), the ccNSO SOPC is pleased to see that additional staff may be called for (according to the FY 24 Operating Plan) as the FTE is set at just 4.	4.4.13
ccNSO SOPC	Regarding tracking progress for this functional area, the ccNSO SOPC believes that the proposed manner in which progress is tracked of the Registrant Program in Strategic Initiatives Functional Area of the FY 24 Operating Plan should be improved. For example, it needs to be clarified whether the tracking addresses both ccTLD registrants and GTLD registrants (there may be contractual differences, but certain general principles should be the same).	4.4.12

ccNSO SOPC	The ccNSO SOPC is of the view that the risks and dependencies under Policy Development and Advice are appropriate, especially about the importance of prioritization and staff bandwidth in both the Five year plan and the FY 24 Operating Plan.	4.4.8
ccNSO SOPC	The ccNSO SOPC notes that Contracted Parties Services Operations under both the FY 24 – 28 Operating Plan and FY 24 Operating Plan appear to be normal, stable, unexceptional, and not detract from other services including services relating to ccNSO.	4.4.12
ccNSO SOPC	In the view of the ccNSO SOPC the level of activities under the Strategic Initiatives functional area as included in the FY 24 Operating Plan seems appropriate and important to ccTLD community – especially regarding IDNs and UA, monitoring legislation, and ensuring security and stability of DNS.	4.4.12
ccNSO SOPC	The Constituent and Stakeholder Travel Functional Activity appears to be stable and sound in both plans and in the view of the ccNSO SOPC Travel funding makes perfect sense.	4.4.1
ccNSO SOPC	Most, if not all, activities under the Service Group Community Engagement and Services in the FY24 Operating Plan are clearly described and include a chapter Resources, including staffing and costs. However, the ccNSO SOPC notes that with respect to Regional Offices, not all of this data is provided: the non-staff costs for the offices is provided, but not the data on FTE in the Regional Offices. The ccNSO SOPC would like to understand the reason this data is not provided.	4.4.3
ccNSO SOPC	With respect to the Regional Offices, the ccNSO SOPC would like to understand how progress can be tracked through "Development of tailored plans for European legislation tracking and technical engagement".The ccNSO SOPC would welcome an explanation of this metric. To be clear, the ccNSO SOPC welcomes ICANN's initiatives in this area. However the ccNSO SOPC also believes that to be most effective in this area of legislation monitoring and technical engagement, closer cooperation between ICANN and the ccNSO Internet Governance Liaison Committee, relevant working groups of the Regional ccTLD organizations, and when needed - for example to track legislative development and engage at national level - individual ccTLD Managers is beneficial and strengthen this functional area and will avoid misunderstandings.The ccNSO SOPC notes that most initiatives and activities are very focused	4.4.3

	towards gTLD and hardly refer to ccTLDs with the exception of general activities like travel funding, language support etc.	
ccNSO SOPC	The ccNSO SOPC notes that this functional area is fairly stable compared to last year. The ccNSO SOPC notes that new Governance Support activities with respect to implementation of New gTLD subsequent procedures and WHOIS Disclosure System are included.	4.4.4
ccNSO SOPC	With respect to tracking progress in this area the ccNSO SOPC would appreciate additional metrics, milestones with respect to the Nominating Committee.	4.4.7
ccNSO SOPC	The ccNSO SOPC notes that a new Functional Activity, namely Planning is introduced, and Global Shared Services Functional Activity is excluded (if compared to FY 2023 Plan). The ccNSO SOPC notes that the activities under Planning are fully explained, however it is unclear to the ccNSO SOPC how activities previously mentioned under "Global Shared Services" were captured in the planning documents.	4.4.10
ccNSO SOPC	The ccNSO SOPC notes that with respect to Engineering and Information Technology Activity it was mentioned in FY23 Plan that "To improve staff and subject matter expertise retention as well as execution control, the E&IT team is potentially changing the development model from a mix of internal and external or offshore outsourcing, to 100 percent internal." This activity isn't mentioned in the FY 24-28 Plan. The ccNSO SOPC wonders if this goal is abandoned, and if so, how the goals of retention and execution control will be achieved.	4.4.2
ccNSO SOPC	The ccNSO SOPC welcomes and appreciates the Planning Assumptions. They provide the narrative to follow the documents and make it easier to understand. It is an indication of good management practice and allows one to focus on key areas of the financial documents in an easy and digestible way.	4.2.1

ccNSO SOPC	The ccNSO SOPC welcomes the budget as proposed. It expresses the stability of the organization, especially in the current geopolitical and economic climate.	4.5.1
ccNSO SOPC	The ccNSO SOPC appreciates and supports the Caretaker Budget as proposed, including the delineation of the roles of the ICANN Board and the Empowered Community / Decisional Participants, including the ccNSO.	4.5.1
ccNSO SOPC	The new gTLD program The ccNSO SOPC notes this program is relevant for ccTLD Managers: ● Although the program is by definition gTLD focused, some ccTLD Managers may choose to apply for a new gTLD under this program. ● The intention is to specifically focus the program on IDNs and hence the universal acceptance (UA) program is critical. Developments in area of UA do affect all IDN TLDs (including IDN ccTLDs) ● The need to ensure that geographic names do not impinge on ccTLDs The ccNSO SOPC notes that section 5.2 deals with a further round of applications and the consequential results of the ODA. This is 'new' money being spent. Although at this stage the actual next moves following the ODA are still unclear, if and when the button is pushed for a new round the ccNSO SOPC believes there will be significant material effects on ICANN both financially and in respect to headcount, with all risks for the organization associated with it.	4.5.4
ccNSO SOPC	The ccNSO SOPC notes this is the first time the Prioritization Framework is effectively influencing Operational Planning. The ccNSO SOPC agrees with and supports the method used. It helps to reduce "surprises" and enables the ccNSO (and potentially other Supporting Organizations and Advisory Committees) to work more effectively and efficiently.	4.2.3
ccNSO SOPC	The ccNSO SOPC welcomes that the Grant program has become operational and interested ccTLD Managers may apply. However, the ccNSO SOPC expresses its surprise regarding the costs of executing the Grant Program. It appears to be 40% of the amount of the entire budget not including the Technical and DNS Security service area. At the same time the ccNSO SOPC that all requirements do come with a cost.	4.5.5

ccNSO SOPC	ccNSO SOPC has noted that staff costs are increasing by a further 10%. In particular we acknowledge the new hires for the following initiatives - New gTLD SubPro, Review Implementation and Grant Program. We propose to always increase costs in the area of personnel with a sense of proportion and to carry out internal personnel allocation where possible. Furthermore, we would like to see meaningful KPIs developed, especially in the area of human resources.	4.5.3
ccNSO SOPC	The ccNSO SOPC also notes that with respect to Review Support and Implementation the role of Functional Activity in implementing new gTLD auction proceeds is upgraded from "support" status to "Lead". The ccNSO SOPC would like to understand if such a change of role is appropriate in light of governance of that program?	4.4.11