ICANN 75
ANNUAL GENERAL
KUALA LUMPUR

At-Large Operations Update

Operations, Budget, and Finance Working Group (OFB-WG)

Sunday, 18 September 2022

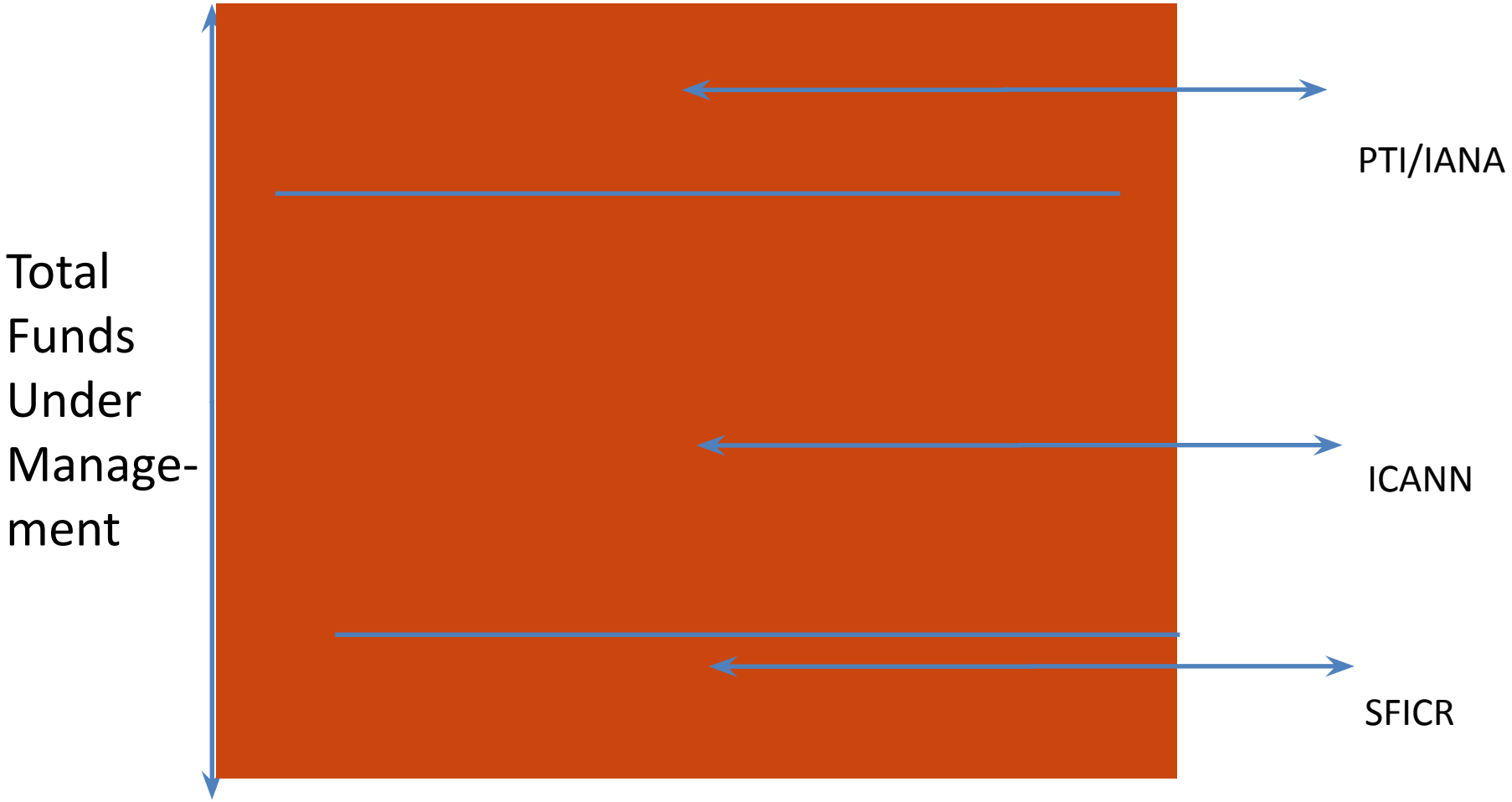
Agenda

1. **Welcome & Role of the OFB-WG** - *Holly Raiche* (5 min)
2. **Review 2022 OFB-WG work** - *Holly Raiche* (35 min)
    a. Annual schedule of development of budgets, comments, and brief mention of ABRs - *Holly Raiche* (10 min)
    b. PTI/IANA Budget - *Ricardo Holmquist* (5 min)
    c. ICANN Budget and Initiatives (10 min)
        i. Multistakeholder Model (MSM) - *Marita Moll*
        ii. ICANN org response to ALAC comments - *Ricardo Holmquist & Marita Moll*
3. **Operating Initiatives updates** (25 min)
    a. Prioritization Subteam - *Cheryl Langdon-Orr* (10 min)
    b. Holistic Review - *Sebastien Bachollet* (5 min)
4. **ALAC/At-Large Priorities** - *Holly Raiche* (20 min)
    a. Discussion
5. **Any Other Business (AOB)** - *Holly Raiche* (5 min)
6. **Adjourn**

OFB-WG: What We Have Done and Will Do

- Coordinate the annual additional budget requests - from the ALAC and RALOs - to go into the yearly ICANN budgets – which include
  - PTI/IANA Budget (FY 23 Operating Plan and Budget)
  - ICANN Budget (FY 23-27 Operating and Financial Plan and FY23 Draft Budget)
    - Additional Budget Requests (ABRs)
  - (Includes Supplemental Funds for the Implementation of Community Recommendations)
- Understanding Operating Initiatives identified as they relate to inputs on budget comments

Budgets



Community Participation in Planning

Additional Budget Requests (ABRs)

Assessment:

- Requests which, on their face, are **directly and demonstrably** related to current ICANN policy development, advisory and technical work.
- Addressing capacity building objectives through collaboration with ICANN's Public Responsibility Support and Global Stakeholder Engagement teams including development of **materials that can be used for online** (rather than face to face training.
- Considering the **availability of resources** (financial and staff) to support the individual and collective requests submitted in an equitable and transport manner.
- For **travel** requests – primarily – events taking place at an **ICANN public meeting** or other **ICANN organized meeting.**

Successful/Partially Successful ABRs from ALAC/RALOS

- Professional Individual End User Poll on IDNs/UA
- Zoom meetings in Spanish and French
- Diversity in ICANN Leadership Bodies (partial support)
- Protecting the Internet's Unique Identifier System in an Age of Disinformation (partial support)
- LAC Digital Forum: Civil Society and Government (partial support)

Funded from the Supplementary Fund for Implementation of Community Recommendations (SFICR)

https://community.icann.org/display/atlarge/At-Large+FY22+Additional+Budget+Request+Implementation+Workspace

PTI/IANA BUDGET

ALAC Statement on Draft PTI and IANA FY23 Operating Plan and Budgets

The following comments refer to the FY23 PTI budget:

- Although there is a 27% increase in the budget from the last real results (FY21), in At-Large we are glad to see that ICANN org is dedicating more resources to its core function.

- We notice that there is a decrease in the budgeted amount for travel & meetings. We are wondering if this is due to lower venue costs, as many pandemic related travel restrictions will surely be resolved by FY23.

- With respect to staffing, it is not clear if PTI needs to increase the headcount (or FTE). We feel that, if the need exists, it should be reflected in the budget. Otherwise, it may be difficult to fill a staffing gap 9-21 months from now.

FY23-27 Operating and Financial Plan

The ALAC is pleased that the Plan is easier to digest than in previous years.

- Strategic planning is to include ACs and SOs, starting in FY23 for FY24, But no additional budget set out for this, maybe facilitators and translation will be required.

  - The ALAC notes that inflation does not seem to be taken into consideration

- Number of full-time employees (FTE) is set at 427—the same as for FY23—but elsewhere, the documentation talks about new initiatives, with more people to be needed. Will the planned additional staff be temporary, or should the FTE headcount for at least FY24 be larger?

FY23 Operating Plan and Budget

General comments:

- The draft budget does not seem to be in line with the ATRT3 recommendations both for periodic review by community groups, and particularly for the recommendation for a 'Holistic Review'. There was no Budget planned for it.

Specific comments and questions:

- The Reserve Fund increase is significantly higher than other funds—at 3.48%.
- On new gTLD funds listed, are the costs being funded through the new gTLD program, or through general operations?
- Are there remaining new gTLD names to be assigned from the 2012 round?
- There is a significant increase in headcount (from 395-427) which was not in the previous year's budget. Why the increase?
- In the expenses service group, the costs are assigned based on the actual FTE, but at the bottom, there is a general basket of 37 (nearly 10% of the actual FTE) without breakdown. Is there an explanation for where they will be within ICANN org?
- FTE for years FY22 and FY23 does not seem to correlate. FY22 starts at 387 and ends at 410, FY23 starts at 390 and ends at 427.

Operating Initiatives: Multistakeholder Model (MSM)

- ICANN's MSM is a decision-making model.
- Evolution of the MSM part of ICANN's strategic plan - 2021-25.
- Issues to be addressed came out of community consultation:
  - Roles and responsibilities/ holistic review
  - Representativeness and inclusiveness
  - Recruitment and demographics
  - Consensus
  - Complexity
  - Scoping
  - Culture, trust and silos
  - Costs
  - Terms

Multistakeholder Model (MSM) - continued

At Large comments focused on:

- Routine requests for more qualitative date collection in the tracking of progress – numbers do not tell the whole story.

- Regular reports with rolling goals and expressed targets at the end of the 5-year period.

- Facilitated discussions and community led-focus groups should be part of evaluation process.

Addressed in ICANN org annual budget operating initiatives 2.7.3: Evolve and strengthen the MSM to facilitate diverse and inclusive participation in decision making; and 2.7.4: Evolve and strengthen the ICANN community's decision-making processes to ensure efficient and effective policymaking.

ICANN Org Response to ALAC Comments

- Development of a new evaluation system to track progress on resolving identified issues.
- Recognition that additional staffing may be needed to realize the results of the planning and prioritization process.
- Request for community assistance to do “progress measurement” – qualitative measurement.
- Regular progress reports to stakeholders including a report on community contributions similar to the 5-year rolling roadmap.
- Recognition of the need for regular progress measurement and reports of the evolution of the MSM specifically.

Prioritization Sub team Update

The Operations, Finance and Budget Working Group created its Prioritization Sub-team to facilitate a highly focused attention on and methodology for assessing and updating the implementation of Specific Review and Cross Community Work Group Recommendations.

- **As previously reported on in ICANN 73, the OFB-WG's Prioritization Sub Team (PST) has undertaken extensive work and initial discussions using an Urgency/Importance matrix allocation of rank, using its access to core subject matter experts on these recommendations <link to the ICANN73 presentation.**
- **ALAC appointed 2 Members to the pilot of the Planning Prioritization Framework Project Community Members Team, which worked over a 5-week period in April-May 2022 prioritizing the outstanding but implementable Recommendations from previous Specific Reviews and Cross Community Activities (such as Work Stream 2).**
- **This resulted in a community curated 'Urgency/Importance' matrix of priorities (P1 through to P4) of these matters for ICANN org resourcing and action; As well as an update to the initial Planning Prioritization Framework proposal to a more refined version 2 and the access to the work of and continued activities in the PST was invaluable in this activity, having been able to update positions that had changed over time or due to other circumstances and adjust negotiations and discussions accordingly in this activity.**
- **To this end the preparatory work done by the PST is now set to continue at a more steady-state, to maintain and further refine the resulting tool for future use the ALAC/At-Large Prioritization Assessment Tool (APAT), to be of further use to future Community Review Team Members in future planning Prioritizations Framework cycles.**

Most recently the PST has drafted for consideration a Statement to the current Public Comment on the Draft Terms of Reference for the Pilot Holistic Review...

Holistic Review

At-Large supports the Holistic Review becoming integrated into the overall ICANN org Review process.

- *ALAC and At-Large community are clear on the purpose and potential of recommendation 3.5 from the Third Accountability and Transparency Review Team (ATRT3). As with other recommendations made by ATRT3, this recommendation is fully supported, as outlined in previous ALAC's January 2020 statement.*
- *ALAC strongly endorses the principle of a regularized Holistic Review as part of the overall ICANN org Review cycle. Therefore, we support the proposed draft Terms of Reference (ToR) while the Holistic Review in this pilot phase.*
- *The Holistic Review is a crucial component to the ICANN org review process and to the Evolution of the ICANN Multistakeholder Model.*
- *ALAC/At-Large is in strong support of the process and sees this Public Comment proceeding as an opportunity for the ALAC/At-Large to contribute comments that help ensure a rapid start to the long-awaited Holistic Review.*

ALAC/At-Large:

- **supports the Holistic Review as becoming integrated into the overall ICANN org Review process.**
- **strongly supports the objectives and deliverables as outlined.**
- **supports the timeframes as described but seeks the most expedient implementation and conduct of the Review (including all necessary preparation for it) as possible.**
- **advises planning for the Holistic Review to begin as soon as possible.**
- **proposes it would be advantageous for a non-voting impartial Chair to be appointed independently from any SOAC direct representation role.**
- **advises that the contracting of a suitable and experienced technical writer to support the review team is essential.**
- **proposes revisions to some of the existing definitions and acronyms, which are unclear in their current form.**

Operating Initiatives – OFB Results & Poll

1. Strengthen MSM – diverse and inclusive participation
2. Strengthen ICANN's Community Decision-Making Process
3. Universal Acceptance
4. Planning at ICANN
5. Monitor Legislation, etc., that may impact on ICANN's mission
6. Facilitate DNS Ecosystem Improvements
7. Support Evolution of the Root Server System
8. Formalize ICANN Org Funding Model & improve understanding of long term DN market drivers
9. Implement new gTLD Auction proceeds Recommendations
10. Evaluate, Align and Facilitate Improved Engagement
11. Root Zone management
12. Improve Governmental and IGO Engagement & Participation
13. Promote & Sustain a competition environment in the DNS
14. ICANN Reserves
15. Develop Internal and External Ethics Policies

Strategic Trends – ALAC responses

Security	Governance	Geopolitics
DNS Abuse	Inability to develop and implement gTLD policy	Role of ICANN and Human Rights
Impact of Blockchain	Support for volunteer burnout/motivation	Avoid fragmentation of the Internet
GDPR vs Access to WHOIS Date	Time zones	Keep track of international events and impact on ICANN
End User Education	Processes too long	Train governments in the role and function of ICANN

Discussion

Engage with ICANN

Thank You and Questions

Reach us at:
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