SOPC comments on Draft PTI FY25 Operating Plan and Budget

February 2024

Introduction

The ccNSO Strategic and Operational Planning Committee (SOPC) welcomes the opportunity to comment on Draft PTI FY25 Operating Plan and Budget.

The SOP working group was created at the Cairo ICANN meeting in November 2008. The working group became a Committee in November 2017 and the Terms of Reference were reviewed and updated in 2022. The goal of the Committee is to coordinate, facilitate, and encourage the involvement of ccTLD managers in ICANN's strategic and operational, planning and budgetary processes. Membership of the Committee is open to representatives from all ccTLD managers (members and non-members of the ccNSO).

According to the SOPC Charter, the Committee may - as part of its activities - on its own behalf take a position and/or provide input on the public comments forum, and subsequently relate back to ICANN and/or other Supporting Organizations, Advisory Committees and/or advisory WGs. Therefore the views expressed in this submission are of the SOPC's only. They are not necessarily those of the ccNSO (Council and/or its membership) nor from the ccTLD community at large, nor individual ccTLD Managers. The SOPC is also mandated through its Terms of Reference to submit a Rejection Action Petition when deemed necessary.

As part of the 2022 review of its Terms of Reference, the SOPC reviewed its working methods. As a result the SOPC focuses, but does not restrict itself, to the areas of ICANN's planning considered relevant for ccTLDs.

In this submission the SOPC comments on Draft PTI FY25 Operating Plan and Budget. Comments on ICANN's Draft FY25-29 Operating & Financial Plan, Draft ICANN FY25 Operating Plan and Draft ICANN FY25 Budget are submitted in a separate document.

If you have any questions with respect to this SOPC submission, please do not hesitate to reach out to us.

On behalf of the Committee,
Andreas Musielak, chair of the SOP Committee
Irina Danelia, vice-chair of the SOP Committee

SOPC Comments on Draft FY25 PTI Budget

Adequate resourcing PTI's operations and development work

The SOPC believes that adequate resourcing of PTI's operations and development work needs to be ensured now and in the years to come. In this context we like to draw your attention to our comment on ICANN's FY 25 Operating plan and budget.

There is a general consensus across the ccTLD community that the evolution and strengthening of root zone management is at the core of ICANN's mission. This includes the evolution and strengthening of the IANA naming Services as performed by PTI.

Therefore the SOPC was surprised to find the following in the planning documents relating to the evolution and strengthening of root zone management: " *The greatest risk is the possible loss of development resources that are prioritized to other objectives."* The SPOC would like to understand whether adequate resourcing of PTI is ensured, taking the aforementioned risk into account.

Additional or replacement of PTI staff

In the Draft PTI FY25 Operating Plan and Budget it is stated (page 10): *"ICANN plans for a certain amount of headcount turnover and growth in FTE's each year, but costs for new positions are not allocated nor budgeted to PTI until they are hired. This process allows ICANN to strategically evaluate each new hire, controlling headcount growth and ensuring proper allocation of resources."*
The SOPC would like to understand, when PTI requires additional staff in FY25 or in subsequent years, PTI resources will be prioritized by ICANN using this budgeting and approval process.

The SOPC believes that as the PTI is responsible to perform the IANA Naming Functions, the hiring of new staff should be part of the PTI budget and not part of the general ICANN budget.

Creating Reserve Fund for PTI

In the Draft PTI FY25 Operating Plan and Budget it is also stated (page 17): *"PTI is the affiliate of ICANN that is responsible for the operations of the IANA functions. PTI invoices ICANN every quarter for performing those functions. ICANN, in accordance with its Bylaws and The IANA Naming Services Contract to perform the IANA functions. ICANN org is committed to providing the funding of PTI for the IANA functions. ICANN org has a sustainable model of funding expected to generate approximately $148 million per year, which allows ICANN org to confidently commit to the funding of PTI."*

Given the criticality of the IANA naming Services for the ccTLD and broader community, the SOPC suggests to consider whether a PTI reserve/contingency fund should be established, ensuring the funding of the PTI operations for a number of years, independent of and mitigating risks of funding by ICANN.

Implementation of Community Recommendations

The SOPC noted that Draft PTI FY25 Operating Plan and Budget does not cover ongoing review and policy-related work that is not yet Board-approved.

Commenting on for draft PTI FY 24 Operating Plan and Budget[1], the SOPC suggested that implementation of the recommendations of ccNSO PDP 3 Review Mechanism working group and ccNSO PDP4 IDN working group are included in the PTI OP&B to avoid delays in this important project.

The SOPC also urged PTI to ensure the implementation of the ccNSO PDP3 Retirement Policy (Part 1) approved by ICANN Board on September, 22 2022.

The SOPC re-iterates these comments and suggests PTI considers them. It is our understanding (based on ICANN org's answers to Clarifying Questions in FY24 budgeting process) that Contingency amount maybe used to fund such a work.

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[1] See https://www.icann.org/es/public-comment/proceeding/draft-iana-and-pti-fy24-operating-plan-and-budgets-15-09-2022/submissions/ccnso-sopc-08-11-2022