

# ICANN FY19 Operating Plan and Budget

## ccNSO-SOPC feedback



# Feedback highlights

- The ccNSO-SOPC welcomes the acknowledgements made in the preamble:
  - *‘ICANN org could have done better in its long-term financial planning’*
  - *‘It is for the multistakeholder community to decide not just what work gets done and when, but also to help keep expenses within ICANN’s means and focused on our mission’*
  - *‘ICANN org exists to support the community’s work and ICANN’s mission’*
- The SOPC acknowledges that ICANN has ‘improved the distinction between projects that are for recurring activities and projects that deliver new tools and improvements to existing activities’
- The new Plan format is far from being “reader-friendly” as the various goals, projects and activities are scattered across the various Documents that are also drafted inconsistently.
  - *Metrics and accountability indicators should be included in Document 4.*
  - *The evaluation of past activities/projects that might support decisions and planning of the FY19 Plan should be also in the Document.*

# Feedback highlights

- In terms of funding estimates, the SOPC recommends ICANN be more prudent when it comes to TLD growth estimates as the market is showing clear trends of decrease registrations
- The SOPC fails to see the rationale behind the budget constraints vis-a-vis the further increase in headcount. It would be advisable to use the existing HR capacity more rationally rather than to go for new hires
- Funds allocated to various engagement activities seem to be unbalanced

# ICANN's responses highlights

- “For FY19, ICANN personnel is projected to reach a stabilized figure. Of the 25-new headcount, 20 are from approved positions from the FY18 budget that have been delayed. In addition, the FY19 budget proposes a reduction from 4% to 2% of average ICANN org staff compensation increases due to the funding levels and our need to stabilize costs.”
- “We are conscious of our headcount numbers and growth and continue to look for ways to perform work more efficiently, identify pockets of capacity in org to prioritize work to decide if it still meets our strategic plan and is necessary, to ensure we have the right balance of employees versus third party providers, etc.”

# ICANN's responses highlights

- “ICANN org forecasts a lower rate of growth in total transaction volumes and funding versus prior years, arising from our expectations of a maturing gTLD marketplace and the consolidation in the accredited registrar base. However, this is rather different than expecting a halt or an outright decline to marketplace growth.
- [...] ICANN org's funding projections and market model do consider the expected changes in both supplyside (e.g., registry and registrar geographic market expansion, market launch of new gTLDs, improved industry-wide go-to-market plans, better tailored price promotions, etc.) and demand-side conditions (e.g., increased uptake of IDN strings, greater market awareness of new gTLDs, etc.).”

# ICANN's responses highlights

- “Since the scope of GDPR requirements is still being finalized, there may be unforeseen costs which will be attributed to this program. Any changes to business practices as a result of the GDPR are to be considered part of the normal course of business. In this case, contingency dollars will be allocated to GDPR.”

# ***Thanks to the all Committee members!***

Wafa Dahmani, .tn  
Irina Danelia, .ru  
Stephen Deerhake, .as  
Philip Du Bois, .be  
Russell Haworth, .uk  
Landry Kouadio Assi, .ci  
Roelof Meijer, .nl  
Rosalia Morales, .cr  
Andreas Musielak, .de  
Abdalla Omari, .ke  
Barrack Otieno, AFTLD  
Barbara Povše, .si  
Pablo Rodriguez, .pr  
Leonid Todorov, APTLD  
Mary Uduma, .ng  
Michael Vassilakis, .gr  
Liz Williams, .au

