

**DRAFT 04**  
**24 Dec 2014**

## **ccNSO Strategy and Operating Plan working group (SOP WG)**

### **Comments on the draft FY16-20 Operating Plan**

#### **Executive Summary**

- The ICANN Five-Year Operating Plan (2016-2020) represents a great improvement in comparison to the previous efforts made by ICANN to set long term strategies.
- The ccNSO SOP WG has provided feedback on the subject of ICANN KPIs for many years. It is therefore very disappointing that some KPIs are missing and/or the proposed KPI's still need significant work and revision regarding most of the goals.
- It is vital that the metrics actually measure progress against the strategic goals and objectives, so that they can be understood by all stakeholders and enable monitoring and assessment of progress on an annual basis. In our view the proposed set of KPIs do not achieve this..
- Due to limited correlation with the financial information, the SOP WG finds it difficult to assess whether the proposed activities in the plan are affordable or, alternatively, would result in unacceptable increases or decreases to ICANN's income and expenditure.
- The working group recommends that the Five-Year Strategic Plan, Five-Year Operating Plan and Annual Operating Plan continue to be presented to the community in the same format to facilitate their reading and ensure fast and appropriate community feedback.

#### **Introduction**

The Strategic and Operational Planning Working Group (SOP WG) of the ccNSO welcomes the opportunity to comment on ICANN's FY14 Operating Plan and Budget Framework.

The SOP WG was created at the Cairo ICANN meeting in November 2008. The goal of the WG is to coordinate, facilitate, and increase the participation of ccTLD managers in ICANN's strategic and Operating planning processes and budgetary processes.

According to its Charter (<http://ccnso.ICANN.org/workinggroups/sopiwg-charter-18aug10-en.pdf>) the WG may as part of its activities take a position and provide input to the public comments forum and relate to ICANN or other Supporting Organizations and Advisory WG's on its own behalf. The views expressed are therefore not necessarily those of the ccNSO (Council and membership) or ccTLD community at large. The ccNSO Council and individual ccTLD managers, either collectively or individually, will be invited to endorse or support the position or input of the WG. Membership of the WG is open to all ccTLD managers (members and non-members of the ccNSO).

To facilitate ICANN to relate our comments to the relevant sections of the FY 2014 draft Operating Plan and Budget, we have structured our submission in the following manner:

- First we provide high level, general comments;
- Then, we list additional, specific comments, which are aligned with each of the areas identified in the plan.

### **General Comments**

- The ICANN Five-Year Operating Plan (2016-2020) represents a great improvement in comparison to previous efforts made by ICANN to set long term strategies. The ccNSO SOP WG believes that the Operating Plan and Budget should not serve to “complement” the approved long-term Strategic Plan, but should be both the translation of high-level objectives and goals into measurable actions to be implemented to achieve the Strategy Plan objectives and goals, and the key guidelines for the ICANN staff and the community to steer subsequent work, assess its progress, eventually implement corrective measures and accurately evaluate any achievement.
- The ccNSO SOP WG has provided feedback on the subject of ICANN KPIs for many years. It is therefore very disappointing and highly frustrating that KPIs are missing and/or still need significant work and revision for most of the goals. It is vital that the metrics actually measure progress against the strategic goals and objectives, that they can be understood by all stakeholders and enable monitoring and assessment of progress on an annual basis. In our view the proposed set of KPIs do not achieve this.
- With regard to the consultation process about the Plan, we would appreciate further clarification from ICANN on the mechanisms that ICANN plans to adopt in order to keep the Plan updated and in line with community expectations. As a matter of fact, within the various objectives and goals we note confusing lines on the frequency of consultation.
- We are pleased to see the IANA functions included in the Operating Plan, but feel that further iteration would be helpful.
- Several objectives and goals seem to be duplicated. To ensure full clarity of the objectives and overall goals, as well as to improve the general flow of the document, it would be desirable – if not necessary in some cases – to merge several goals (e.g. Strategic Goal 4.1 and 4.3 where it seems more logical that any encouragement to further engage in the existing Internet governance ecosystem is accompanied by actions to monitor and participate in the ecosystem evolution, unless the meaning of Strategic Goal 4.1 is “passive” engagement).
- With no financial information as yet, it is difficult to assess whether the proposed activities in the plan are affordable or would result in unacceptable increases or decreases to ICANN’s income and expenditure. The ccNSO SOP WG has previously recommended that there be iteration of the ICANN Strategic Plan and Operating Plan in conjunction with the budget.
- The Five-Year Financial Model helps understanding of ICANN’s approach to the management of revenues and expenses. We would appreciate further clarity on the third bullet point on page 31 that states “The Financial Model is not fixed for a long time”.
- We acknowledge that the assessment – hopefully undertaken at the highest level considering the current available information at multiple levels – of the market and its trends forms the basis of the Financial Model, but we would encourage ICANN to broaden the set of worldwide data to be taken into account in order to

have an even better perception of the possible evolution of the domain name environment.

- Risks and opportunities as mentioned in the Strategic Plan are missing in the Financial Model section of the Operating Plan. It would have been worth including a more expanded and further structured list of risks to determine possible actions to cope with each of them.
- The working group recommends that the Five-Year Strategic Plan, Five-Year Operating Plan and Annual Operating Plan continue to be presented to the community in the same format and outlook to facilitate their reading and ensure fast and appropriate feedback.

### **Strategic Objective 1: Evolve and further globalise ICANN**

#### *Strategic goal 1.1: Further globalise and regionalise ICANN functions*

- It is not clear how this goal is distinct from goal 1.2. We recommend that these two goals should either be unified or made more distinct.
- It is not clear how the ICANN regional initiatives are included within this goal and our view is that some are lacking momentum and progress.
- We suggest adding a KPI that measures stakeholder satisfaction with ICANN's regionalization and globalization by region and the early establishment of a baseline in order to measure progress made. The survey for this could also provide the opportunity for any service related feedback.
- We assume that the second proposed KPI '% of ICANN organisational functions performed across ICANN' is missing the word 'hubs' at the end.
- We also suggest adding a KPI that measures changes in the current number and geographic hub distribution of ICANN staff at all levels (by function and location) with a baseline and target FY20 number and distribution. Yearly targets for this KPI should also be added.
- Neither of the two proposed KPIs measure the 'efficient, effective and responsive' elements of the strategic goal and we recommend these should be added.
- The phasing text, particularly in relation to regional communications strategies, appears to miss the opportunity for the establishment of a baseline measure of stakeholder awareness and engagement for each region and then the measurement of improvements year-on-year. Our strong view is that this would be a better measure compared to the measuring progress of the strategy which seems to be suggested e.g. 'FY17 Sustain implementation of communications strategy'.

#### *Strategic goal 1.2: Bring ICANN to the world by creating a balanced and proactive approach to regional engagement with stakeholders*

- As noted above, it is not clear how this goal is distinct from goal 1.1. We recommend that these two goals should either be unified or made more distinct.
- The sole proposed KPI is weak, in that measuring the number of regional strategies and their stage of progress will not necessarily be a measure of regional engagement with stakeholders. If it is decided to measure progress against the strategies, then the KPI should be expanded to cover operations, projects and other activities.
- The FY20 aim #1 that 'ICANN participants cover all regions' is queried. The WG believes that this is already the case.
- The published ICANN Strategic Plan also included a key success factor of 'more geographic diversity of accredited registrars and registries', but this outcome has not been covered in this section of the Operating Plan, neither does it have a KPI.

*Strategic goal 1.3: Evolve policy development and governance processes, structures and meetings to be more accountable, inclusive, efficient, effective and responsive*

- The wording of the strategic goal strongly suggests baseline measures for each of the attributes and year-on-year progress over the life of the plan. However, it is not clear how the planned activities achieve this nor how it is proposed to measure accountability, inclusiveness, efficiency, effectiveness and responsiveness.
- The metrics are not clear. Neither do they appear to actually measure achievement of the strategic goal in question. For example, an 'increase in the number of public comments' may be an indicator of a controversial policy rather than efficient and effective stakeholder engagement.

## **Strategic objective 2: Support a healthy, stable and resilient unique identifier ecosystem**

*Strategic goal 2.1: Foster and coordinate a healthy, secure, stable and resilient identifier ecosystem*

- The 'unique identifiers operation health index' is both a new term and concept. It is currently incomprehensible to the SOP WG. The meaning and means of calculation for this index should be provided, in order to help determine whether this metric will be able to successfully measure progress against the strategic goal.
- It is not clear whether the 5% year over year improvement in the gap of IPv6 and DNSSEC deployment is a realistic target for ICANN and whether 'collaboration with the community' will reduce the gap to this, or a larger extent. We note that the ccTLD exemplar in this area was able to achieve a 0% - 30% DNSSEC take up over a two-year period and that DNSSEC is obligatory for new gTLDs.

*Strategic goal 2.2: Proactively plan for changes in the use of unique identifiers and develop technology roadmaps to help guide ICANN activities*

- The proposed measure of '% of registered domain names to internet users regionally and globally' would measure domain name market penetration, but does not measure the strategic goal as defined.
- The 'draft technology roadmap' is a new term and the scope and detail of the roadmap has yet to be defined or explained. Given this status, it is difficult to comment on whether the phasing of the roadmap is achievable or affordable.

*Strategic goal 2.3: Support the evolution of domain name marketplace to be robust, stable and trusted*

- The KPIs do not fully measure progress against the strategic goal. For example, KPIs might also measure gTLD and ccTLD registry failures and end user trust in the marketplace in general and TLDs in particular.
- The showing of 'stable healthy growth in the DN industry' is shown in FY17-20. However, measures to improve trust and stability could potentially reduce growth and it is not clear that this has been considered in the thinking about this goal.

## **Strategic Objective 3: Advance organisational, technological and operational excellence**

*Strategic goal 3.1: Ensure ICANN's long-term financial accountability, stability and sustainability*

- The lack of long-term budget figures does not help the understanding of how carefully ICANN is taking into account different financial scenarios. It would be

desirable to have a perception of how ICANN plans to address possible budget decreases.

- It is not clear whether the indices proposed in the KPI seek to measure the overall goal or a sub-section of it. On face value, they appear to not measure financial accountability – a measure of stakeholder perception of ICANN's financial accountability may be a helpful addition.

*Strategic goal 3.2: Ensure structured coordination of ICANN's technical resources*

- The proposed 'top tier infrastructure uptime' KPI may not be a measurement of the goal which is about ensuring 'structured co-ordination'. Furthermore, we would appreciate to see a cost quantification for the "scaling from 99.9% in FY 2016 to 99.999% in 2020 for top tier services". It is suggested that the ICANN Technical Community be tasked with developing measurable and achievable KPIs for this area.
- The published ICANN Strategic Plan also included a key success factor of 'ICANN is recognised by the global community as having technical excellence and thought leadership', but this outcome has not been covered in this section of the Operating Plan, neither does it have a KPI.

*Strategic goal 3.3: Develop a globally diverse culture of knowledge and expertise available to ICANN's Board, staff and stakeholders*

- The metrics as currently worded are almost incomprehensible. Assuming that they partly relate to the calibre of the ICANN staff team, it would be helpful to add KPIs relating to talent management, staff retention and staff engagement.
- The published ICANN Strategic Plan also included a key success factor of 'ICANN is recognised by the global community as having technical excellence and thought leadership', but this outcome has not been covered in this section of the Operating Plan, neither does it have a KPI.

**Strategic Objective 4 – Promote ICANN's role and multistakeholder approach**

To ensure a truly bottom-up approach, we believe that ICANN should strengthen and refine the consultation mechanisms with its stakeholders to understand what the community expectations really are before properly addressing them in the plan.

*Strategic Goal 4.1: Encourage engagement with the existing Internet governance ecosystem at national, regional and global levels*

- We recommend the merger of this goal with goal 4.3, as the engagement with the existing Internet governance ecosystem is inevitably linked to the participation in its evolution. The merger of the two goals will also improve the flow of the fourth Strategic Goal.
- The only KPI seems extremely weak against the goal. The introduction of further metrics is highly desirable because the number of Memorandums of Understanding does not adequately measure the goal, which can be better evaluated with the number of presentations/initiatives/actions. It is not even clear if the KPI refers to the number of formalised MoUs or to the range of stakeholders that have been engaged.
- We would also suggest the inclusion of a careful mapping process to assess what the existing Internet governance ecosystems are at national, regional and global levels. Without this kind of initial evaluation, it is hard to set annual goals in terms of "increasing % participation rates" or having "strong working relationships with organisations and entities (...)". As for the last point, we would also like to suggest introducing better wording like "Fully structured working relationships with organisations and entities (...)". The inclusion of a sort of mapping process

under the “dependencies” section does not facilitate the understanding of the actions to achieve the goal. Any mapping made in 2015 should be reviewed, as new initiatives might be developed at national, regional and global levels.

- We have detected a possible inconsistency in the plan, which encourages engagement with the existing Internet governance ecosystems but in the FY16 phasing refers to increasing the number of IG multistakeholder structures over 2015.

*Strategic Goal 4.2: Clarify the role of governments in ICANN and work with them to strengthen their commitment to supporting the global Internet ecosystem*

- We recommend a change in the title of this goal. We believe the current government engagement in ICANN processes is clear, as it is the commitment of most of them not only to support the global Internet ecosystem, but to highlight the various communities interests in the ecosystem.
- The only Key Performance Indicator – “Increase the number of GAC members (level of actual active participation and level of representation at ICANN meetings)” is very superficial and mixes two elements of government engagement that are the mere attendance of meetings and the proactive participation.
- The entire goal phasing is again linked to a very simplistic increase in numbers (of governmental entities, of frameworks for partnerships) with little if no attention paid to increasing the quality of engagement. A well developed survey of the governmental constituency should be introduced in the phasing stage, or even at the beginning, to investigate the areas where ICANN should work more with governments.
- Certain statements are wrongly based on the assumption that the ICANN community share the same views on certain Internet matters. For instance, what does ICANN define as a “positive outcome of the ITU plenipot”?

*Strategic Goal 4.3: Participate in the evolution of a global, trusted, inclusive multistakeholder Internet governance ecosystem that addresses Internet issues*

- We suggest this goal be merged with 4.1.
- The phasing of this goal is more suited to ICANN coordinating rather than participating in the work. ICANN has a role to be involved, but its mandate is not to be in control of all Internet governance matters.

*Strategic Goal 4.4: Promote role clarity and establish mechanisms to increase trust within the ecosystem rooted in the public interest*

- The goal seems to be misplaced and it would be rather better positioned under Strategic Objective 3.
- There must be a clear link with the work of the Cross Community Working Group (CCWG) on Accountability. Therefore, the development of the work of the CCWG should be listed both as a KPI goal and as a dependency.
- The goal phasing is debatable as FY16 includes “propose measurements and benchmarks”, but it is not clear what they are about (trust?). We believe that any measurement and benchmark should be regularly reviewed and evaluated, instead of being proposed at the beginning of a five-year timeframe.
- The entire description of the goal is too vague and cannot be commented on because of the lack of specific action elements.

**Strategic Objective 5 – Develop and implement a global public interest framework bounded by ICANN’s mission**

The entire objective is based on the concept of “public interest” which has a different meaning in different places (countries and contexts). Therefore, agreeing on a definition – that should include clear boundaries – of “public interest” should be at the core of the entire objective.

*Strategic Goal 5.1: Act as a steward of the public interest*

- The KPI for this goal deserves further clarification, especially the “rationalisation” concept. It is difficult to understand what is measured, when and by whom.
- The goal lacks sufficient clear metrics and measurable actions.

*Strategic Goal 5.2: Promote ethics, transparency and accountability across the ICANN community*

- We acknowledge that the goal is adequately structured, but the lack of specific metrics does not help the community to adequately monitor the actions and achievements in this area.
- As stated for goal 4.4, there must be a clear link with the work of the Cross Community Working Group (CCWG) on Accountability. Therefore, the work of the CCWG has to be seen as a dependency while their progress and findings could represent sound KPIs.

*Strategic Goal 5.3: Empower current and new stakeholders to fully participate in ICANN activities*

- The goal is very ambitious and therefore, would need to be better explained especially considering that it is aiming to engage “under-represented countries and communities and other underrepresented groups”. The first step to engage with them should be at least to explain to the overall community how to get more engaged and what ICANN’s expectations are. Unfortunately, the goal’s paragraphs fail to address these elements.
- It would be of paramount importance to further detail the concept of “priority groups” that is introduced in this goal, as it may lead to unpleasant misunderstandings if misinterpreted. The same can be said for the concept of “public responsibility programs”.
- The only KPI-metric available is extremely poor and, again, it misses the fundamental aspect that in many cases the mere number of actively participating stakeholders is not sufficient to measure the effective empowerment and engagement of any stakeholder. Furthermore, the absolute minimum baseline is missing and makes any future assessment impossible.