

Proposal for external review/case study to the ATRT2

ICANN finances

Introduction

ICANN is a private not-for-profit multi-stakeholder organization. One of the fundamental principles for being a multi-stakeholder organization is to be a transparent and accountable organization.

At the moment ICANN as an organization is growing rapidly, partly because of a new management which is aiming for a global outreach and partly because of the new gTLD program. At the same time, ICANN income has grown significantly and with this the complexity of the organization and its finances have also grown.

This changes the scope of ICANN from being an organization with a limited number of fairly fixed TLDs, which might provide growth in the number of second level domain names, to an organization that aims to expand the numbers of its gTLDs. This puts pressure on an organization that is not-for-profit and multi-stakeholder because it expands both its business and its stakeholder groups. This is why it is important to ensure that the organization's finances are managed in an accountable, transparent and non-discriminatory way. A case study like this is best done by external experts, rather than by the ATRT2 group.

The study

This paper proposes that a study be made of ICANN finances, of how ICANN uses its finances, and whether this is done in an accountable, transparent and non-discriminatory way. The case study should take into account the fact that ICANN is operating according to the multi-stakeholder model and the not-for-profit paradigm, and that every year it publishes an operating plan. When an evaluation of transparency is completed, the external experts might also assess the timing of publication of the operating plan to the internet society.

The study could also make an evaluation of whether reporting back to the international internet society has been done in an accountable and transparent way. The reporting should be measured according to the operating plan and the yearly financial statements, and a comparison made with other international not-for-profit organizations.

It is proposed that the study focus on three main questions:

1. Are the finances used in an accountable, transparent and non-discriminatory way?
2. Are the finances used according to the published operating plan?
3. Is the reporting to the international internet society done in an accountable and transparent way?