



**Comments from the Internet Infrastructure Coalition (i2Coalition)
On ICANN Draft FY21-25 Operating & Financial Plan and Draft FY21 Operating Plan & Budget**

The Internet Infrastructure Coalition (i2Coalition) appreciates the opportunity to comment on ICANN's Draft FY21-25 Operating & Financial Plan and Draft FY21 Operating Plan & Budget.

The i2Coalition's diverse membership represents both large and small Internet infrastructure providers such as web hosting companies, software services providers, data centers, registrars and registries. The i2Coalition has several key goals within ICANN, but chief among them is continuing to build a voice for underrepresented parts of the Internet ecosystem – in particular web hosts, data centers and cloud infrastructure providers – and ensuring that accountability and transparency are paramount. The i2Coalition brings unique representation to ICANN as it is made up of companies representing the broad ecosystem of Internet infrastructure companies.

We offer general comments on the Draft FY21 Operating Plan and Budget, as well as on the Draft FY21-25 Operating & Financial Plan.

In terms of the FY21 Operating Plan and Budget:

ICANN is not an ordinary Non-Government Organization. ICANN plays a critical role in ensuring the security, stability, and resiliency of the IANA functions, and in particular, the DNS root zone. Appreciating this critical role is key to understanding the difference between ICANN and other organizations. The global economy has flourished due to the effective and centralized management of the DNS root zone. Due to the global economic importance of the DNS, ICANN needs to live within its current budget, and be conservative about how it operates under existing revenue streams. The ICANN organization should carefully balance its budgetary increases with the need to continue to properly and adequately allocate money for its core functions, and ensure that no monies spent are done so for activities that stray from the Mission of the organization. The FY21 Operating Plan does a good job at articulating the connection between how ICANN Org intends to fulfill its stated Mission and the financial costs associated with them, including metrics and risks.

In general, i2Coalition believes that the ICANN budget as presented is relatively fiscally conservative in appropriate ways. We offer up specific areas in which we take exception. They are as follows.

Specific comments:

1. **Headcount:** ICANN headcount is still growing for the year. We see a small increase and continue to advocate for not just a freeze, but in fact, a potential decrease. We continue to stress that an assessment is required to determine whether each role at ICANN is essential in maintaining ICANN's Mission, and whether each role has metrics for success associated with it. If justification cannot be made for any role, a role should be cut and the overall headcount decreased. While it may be due to the fact that the bulk of the hiring is to be done in FY21, we are pleased with the perspective that headcount will remain stable as predicted in the 5 Year Plan.
2. **Growth expectations:** ICANN continues to base its budget off of an assumption that legacy TLD growth numbers (4.1% growth) will persist. Published industry-wide reports from Verisign and others show these numbers to be unrealistic. Domain growth is relatively flat. ICANN needs to work within a budget that reflects that. While ICANN's Budget puts the risk of lower TLD numbers at "Low", it is important that the organization operate closer to fiscal reality.
3. **Participation and travel:** Active participation requirements need to be put in place for travel funding across the board. We continue to note the need for a comprehensive model on this, that encourages working group participation and doesn't merely consider attendance at ICANN meetings a sufficient metric for success.
4. **GDPR as a ongoing concern:** The language used for the data privacy heading is strikingly similar to previous Budgets, which argue that the previous year was when GDPR-related work would conclude. While the contingency section talks about GDPR, we ask that the funding for further GDPR-related concerns be added as part of the budget, as doing otherwise does not seem realistic, given the complexity of the issues we are grappling with.

In terms of FY21-25 Operating & Financial Plan:

We appreciate the work ICANN Org. has put into creating the 5 year plan, in particular with an eye towards realistic expectations, as well as worst case and best case scenarios, in terms of financial needs. While the 15 initiatives lay out a strong sense of what ICANN is and what it should do going forward, we also appreciate the work that has been put into understanding the risks and considerations for each of the initiatives, and how they may be very impactful in actually succeeding on the implementation side. In particular we appreciate the

community-focused initiatives such as “Evolve and Strengthen the Multistakeholder Model to Facilitate Diverse and Inclusive Participation in Policymaking” and “Evolve and Strengthen the ICANN Community’s Decision-making Processes to Ensure Efficient and Effective Policymaking” which by their nature would fundamentally bring about more transparency to the multistakeholder model and general decision-making process. We welcome the implementation of “Evaluate, Align, and Facilitate Improved Engagement in the Internet Ecosystem”, which would streamline ICANN’s involvement in policy discussions, and does not require additional funding beyond FY21.

For Financial Projections, we appreciate both the capping of staffing at 410 across the 5 years beyond FY21, and the thought that went into identifying actions that ICANN Org can, and should, take in the event of underfunding.

Concluding Comments

Thank you for the opportunity to comment. We look forward to continuing to work with the group as it moves toward finalizing its work.