**Submission to ICANN regarding the FY19 Budget**

**From Maureen Hilyard, Cook Islands (Pacific Islands region of APRALO)**

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I am very disappointed to hear of the specific cuts to areas of the budget, especially as they will impact on the involvement of people from the Pacific region. I am providing my views on certain aspects of the Budget which are of concern to me. I am writing on my own behalf, as President of the Cook Islands Internet Action Group (CIIAG), an ALS of APRALO.

**TRAVEL BUDGETS**

* The cuts to the travel budgets of the volunteer advisory communities, the ALAC and the GAC, will impact on the needs of these communities in order to fulfil their role within ICANN, especially if this decision is to be long-standing.
* The additional slots for the ALAC were used to reward active and hardworking volunteers who would benefit from being present at a face to face meeting as well as being able to contribute to the discussions of the ALAC involving matters of concern to end-users.
* The reward system was a selection of three people for each ICANN meeting to acknowledge the efforts of individual members in their contribution to the work of At-Large in-between ICANN meetings. The opportunity to attend and participate in a particular meeting with the ALAC offered training and capacity building during the face-to-face meeting: to hear the At-Large viewpoint on various issues firsthand, as a means of providing further support for their work; offering mentoring opportunities for leadership skills building; and facilitating introductions to others who could support their work on behalf of At-Large, outside of the face-to-face meetings. As well, the objective was to encourage the individual’s own further engagement as a future leader within At-Large and was directed towards its policy development tasks.
* The ALAC goal has been to support ICANN’s objective 1.2: *To bring ICANN to the world by creating a balanced and proactive approach to regional engagement with stakeholders*. It was also a means by which ALAC was able to identify individual members who could learn more about the role of the ALAC and be trained for future membership of the ALAC from their respective region. The ALAC was not acknowledged for this personal support of individual members during the ITEMs review, but the cuts will result in even this small development opportunity for individual members no longer being actionable.
* My personal objective as an ALAC member has been to encourage and promote the opportunities of involvement and engagement within ICANN for the benefit of the region of the Pacific and other developing regions that do not normally get represented on the ALAC because they don’t understand what ICANN does and how they could contribute to the work of At-Large.
* As an aside, I have a colleague from the Cook Islands Government who leads the GAC Underserved Regions Working Group. Pua Hunter has been working hard to try to encourage government officials from the Pacific region to become more involved. We often discuss how we might best be able to do that, first of all from our own country whose government officials do not fully appreciate the work we do in ICANN, and despite our best efforts have still not yet participated in an ICANN meeting.
* I have been involved in At-Large and the ALAC for five years, and with respect to the Pacific and the Asia-Pacific regions have found it difficult to engage more At-Large members. My outreach activities through APRICOT and the APrIGF have given me access to a number of individuals who would make great leaders on the ALAC. But there are so many constraints in the way of full participation by potential participants from the APRALO region which consists of many developing countries.
* Critical to this work of development and recruitment has been the Fellowship programme. From the Pacific perspective, the number of opportunities that have been provided for the Pacific to participate in the programme is evident by the strong cohorts of individuals who are now leaders across the Pacific in internet-related activities. New ALSes are being established to sustain the work of At-Large within their small island communities. I am attaching a recent newsletter that has been distributed to the members of one of the ALSes whose executive is mainly composed of former Fellows who have banded together to work on At-Large issues on their home island. They are an example of what the Fellowship and support from the ALAC and At-Large community can do within the regions. **It is important that we retain targeted slots that will help us to grow our future ALAC members,** especially among those who are already doing the required work in their own local communities in developing regions.

**THE FELLOWSHIP PROGRAMME**

* The biggest cut has been to the Fellowship programme. It has been noted that the programme has increased quite considerably since its early days but the suddenness of the cut has been a real jolt to the communities who have benefited from the programme over the years. It is understood that just before Abu Dhabi, the Fellowship Unit carried out a survey as a self-review of the programme and the its benefits not only for ICANN but also for the regions. The ALAC did not receive a report on how the results of the survey was received by the Board, until the budget came out with the fellowship numbers slashed.
* It has been heartening to view the statistics about Pacific involvement in the Fellowship programme. Thanks to Dev Anand Teelucksingh’s stakeholder tool I have been able to get some valuable statistics. Since the Puerto Rico meeting in 2007, 53 individuals from 14 (/22) countries in the Pacific region have participated in 86 Fellowship slots which have been used by individuals with backgrounds in Government (24), Civil Society (22), Technical (19), Academic (15) and Business (6)[[1]](#footnote-1).
* Among the 53 individuals, one has since become the Minister of IT in Tonga, and several hold executive positions in ICANN, local government and ccTLD management, and others have set up ALSes or IT groups in their countries to provide more informed support for the work of ICANN within their small communities.
* One PICISOC Board member who will be acting as a Coach within the Fellowship programme in ICANN61, Puerto Rico, put a message online to the PICISOC list today in response to a request from me for PICISOC members to add their voices to the public comment on the Budget:

“Thank you Maureen,   
 Not only as you mentioned have we had the privilege to participate in ICANN programs and events but this exposure has also led to increased participation in the Internet community - within ICANN's remit of names and numbers as well as beyond.  
 I speak for the impact I have witnessed first hand in PNG. Such programs have exposed the beneficiaries to the wider Internet community. And many of whom have gone on to make contributions in their own way to the Internet in PNG. Particularly in the past 2-3 years where PNG has had a more consistent presence at ICANN, largely due to ICANN funding. I am sure the same impact has been witnessed throughout the Pacific. It would be a shame if we were not to have such opportunities more available to our people.  
 Please also feel free to communicate your thoughts to the board should you wish to. As Maureen mentioned, we are an ALS and our input in this is most encouraged.”[[2]](#footnote-2)

* Therefore, things are happening in our region of developing countries, but ICANN would not realise this because **developing regions are not granted any recognition for what our Fellows are doing when they return to their countries**.
* There is a need for greater monitoring of Fellows when they return to their homes. What contribution do their make in their communities, and how can this be validated? We have known of Fellows who have had repeat Fellowships although they did not undertake what is the Fellows’ obligation after their respective Fellowship participation. In order for ICANN to feel that the programme is justified, and that ICANN is getting ROI, then there must be a series of reports expected as follow up to a Fellowship to demonstrate the value of the programme to the Fellows home community as well as to ICANN, and before a Fellow will be considered for a repeat Fellowship.
* I am a product of the Fellowship programme and I can truly attest to the successful introduction that I was given to the programme in 2010, and subsequently in 2012 and thereafter, once I was able to commit more time to ICANN matters. Through the Fellowship programme, I also grew a network of people within the ALAC which I had decided was my preferred constituency, who have helped me grow and to learn more about the ICANN ecosystem. The Fellowship spurred me to become an active member and I am now aLAC Vice Chair. I have always felt supported not only by the ALAC and by the APRALO Leadership Team and our ALSes, but also by people across the other ICANN communities who have welcomed me and helped me learn more about what they do and how we can help each other.
* Halving the Fellowship programme will slow down the potential for future volunteers from developing countries, like myself, to become involved in ICANN and its policy development processes. I hope I have demonstrated that there is great potential out there if ICANN will not only harness their participation in the Fellowship programme but also encourage their continued participation in ICANN. **This is** **an area that needs further development – how to keep Fellows actively participating AFTER the Fellowship programme**.

**TRAINING AND CAPACITY BUILDING**

* But there are lots of constraints to participation for potential leaders from developing countries and regions: affordability of the internet in the Pacific is really expensive; access to the internet as well as to equipment so that they can attend meetings can also be an issue if they don’t have the internet to their homes; and timing of meetings is not very hospitable to those of us in the Oceania region.
* Although many working groups are being a little more accepting of rotating meeting times, I have found that the GNSO are pretty rigid with their times (midnight and 4am for Southern Hemisphere participants (in Aust and Cooks Is) in the Auction Proceeds and WT5 meetings).
* But local training and capacity building is essential if ICANN truly wants to produce their stated strategic outcome (1.2): *Broad and effective participation from around the world in ICANN’s programs and initiatives demonstrated by an increase in engagement of countries and stakeholder groups worldwide***. ICANN would be better served to add a project for a facilitator to provide outreach and capacity building within each of the islands** to the various community sectors about ICANN and its work. It would be a cheaper option than providing travel and accommodation costs to move groups of people between island nations which is really expensive.
* **A survey is currently underway of APRALO ALS participants which includes a number of Pacific respondents[[3]](#footnote-3).** After a week, 35 participants have responded, many of them from developing economies. The results show that:
* 51.5% are in the 25-40 year age group – a target group we should be encouraging to become more engaged. I note that we had no respondents from the <25 year age group.
* 16/35 respondents (46%) had been ICANN Fellows – a second area of potential participants that ICANN should target immediately after their Fellowships
* 68% of our respondents work in the internet or domain name industry – so that they already have an understanding of what is required of policy, but need to be encouraged to have more input into the policy development process. (**The Fellowship programme needs to incorporate more policy study**, or even as a case study following their Fellowship as part of an ongoing evaluation process, until they actually become engaged – or drop out.)
* 12% indicated that they do not have broadband at home (this is a small number at the moment, but the low response rate could be attributable to some of our members’ not being able to access the internet to respond to our survey nor to attend our At-Large meetings – unless they use equipment and access at work – if they are allowed to do so).
* 22.6% experienced problems with Adobe Connect, or other equipment-related issues during their last online ICANN meeting. For our developing countries, the problems could be related to poor connectivity. Even in the Cook Islands where I am, and where the service is reasonable, sometimes, connectivity is a real issue. The ICANN phone bridge is an essential service, because Pacific countries do not have a freeline option that they can use. I have to pay a toll call to reach a freeline in Australia or NZ.
* With regards to community involvement and local outreach:
* 70% of our ALSes support internet or domain name services
* 83% of our ALSEs (and 67% of individual members) provide information and discuss ICANN policy and activities with their members in-country
* 73% of ALSes (and 77% of individual members) are regularly involved in outreach about ICANN in their country
* 76% of ALSes (and 44% of individual members) attend the monthly APRALO call.

This indicates that ALS and individual member volunteers are already involved in promoting the vision and mission of ICANN in their countries and regions. They deserve more support to do this work on behalf of ICANN. Cuts in the capacity building and outreach budget (even if they do not normally ask for and financial or in-kind support) will not cause volunteers to believe that their efforts are valued by the organization they represent and that they are not encouraged within the “global, trusted and inclusive multi-stakeholder internet governance ecosystem” (Strategic objective 4.3).

At the same time our volunteers are supporting the vision and mission of ICANN and are working for its good, they don't need to hear that you are pulling the plug on Fellowships; on travel opportunities that are granted to hard working volunteers who would not normally be able to attend an ICANN meeting; or on capacity building in underserved regions who desperately need to hear more about ICANN and technical areas like registries/registrars, domain privacy issues, new gtlds and how this important information can contribute to economies of our developing regions.

**HEADCOUNT**

It is difficult for us to understand how, when everybody should be tightening their belts and accepting cuts, that you can add US$8m to the FY19 budget to increase staff (for what purpose?). YET, at the same time as say you are encouraging people (volunteers) to become involved in policy development, you take away the means by which they can become involved (?). There needs to be some balance here and a lot more transparency.

From ground-level where we sit, there appear to be fractures building within the multi-stakeholder bottom-up model on which ICANN was originally founded. There is a perception among the volunteer community that the multi-stakeholder bottom-up model is losing its effectiveness. Making cuts to volunteer work and topping up the ICANN staff by a further 25, adds testimony to this perception, yet it doesn’t seem to make sense. Working within a more streamlined budget with a more effective and streamlined complement of skilled and efficient staff would be a more effective ICANN Org goal.

You mention attrition, but attrition generally implies reduction. During the webinar, I understood that Xavier stated that ICANN would be rehiring back to the pre-attrition level, and then topping it up again to add a further 25 staff members from Dec 2017. So, where are the savings from attrition? Unless you lose a senior staff member and hire a junior member, but is that such an effective strategy? So, you are losing perhaps 15 staff members at USD2.2m (or US$147,000 per head) and then rehiring I am assuming at the same level on average, and then hiring a further 25 at a cost of US$8m (or US$320,000 average per head). To someone whose current local salary would be covered for 20 years+ of that salary, the salaries I hear about within ICANN are mind-boggling.

This does not look like an effective business model for a company that is supposed to be cutting its costs. If you already have 400 people working within ICANN Org and yet are unable to work within the US$138m budget unless you make cuts to your volunteer support group who already work in ICANN’s interest in their communities for the privilege of attending the ICANN meetings, then there are obviously inefficiencies within your system. Or alternatively, your planning is not based on an effective mechanism for operating your business within budget, especially if you are having to seek top ups from outside of ICANN Org for your reserve fund. Unexpected contingencies notwithstanding, maybe these also should managed more conservatively.

Invested funds are not added into the mix, or are they? There are no actual figures so it is difficult to justify what funds are required from other areas for the reserve fund and whether they should come from the auction proceeds which were originally earmarked for community projects. It is not good planning that halfway downstream, the working group is told that several million could be transferred back to ICANN into the reserve fund. So, BTW how much is returned to ICANN from invested funds?

The increasing headcount within ICANN Org is also a concern when there has been a huge reduction in projects. It begs the question that perhaps your projects are not particularly appropriate for maintaining a high level of business effectiveness. Who is consulted about what these projects are and how they will impact on endusers – among all the stakeholder groups? Maybe you don’t even need the 222 projects that you have reduced the number to. Although the projects are listed in Document 6, what value to they give to ICANN Org if you have to reduce the support given by the bottom-up multi-stakeholder model – and valuing your volunteers. The fact that ICANN needs to do this, does not engender confidence that ICANN is an effective business operation.

Technical support is an essential area of need in the Pacific. Will any of these new hires bring any real benefit to the Pacific and other underserved regions when the focus for ICANN Org is on business development. I know that the Pacific will never be an area of strong business development for ICANN because it is so lacking in business development overall, let alone in relation to domain name uptake and distribution. Our small countries do not realise just how important their ccTLD is, nor how they could take advantage of knowledge about the new gTLDs, DNSSEC, or the privacy models being explored by ICANN – areas that are essential learning for our 22 economies so that they can strengthen internet development within their countries and become part of the digital economy and information society.

But it would be more appropriate for ICANN to be looking at how to address these gaps, rather than just lopping the budget off areas where local communities could enhance the interests of ICANN. Unfortunately, I feel that this budget appears to be working contrary to its own goals – (4.3) encouraging participation in a global, trusted and inclusive multi-stakeholder internet governance ecosystem; (5.1) acting as a steward of the public interest; and (5.3) empowering current and new stakeholders to fully participate in ICANN activities.

**I thank ICANN** that I have been able to contribute my point of view about the Budget by way of a conversation, but truly hope that some changes can evolve if not to the actual budget figure, but to the way in which support can be given to those who truly believe and hope that by contributing to ICANN’s work, that they are making a difference to the world in which they live. For us in developing countries, even just trying to catch up to those in developed countries in the face of financial barriers, this vision is still a mirage.

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1. [ICANN STAKEHOLDER TOOL devised by Dev Anand Teelucksingh](https://docs.google.com/spreadsheets/d/1XFp4de8gWB7cdUx60-QM5RTR6RVKPXjDQh8vw7H_ZvU/edit#gid=78037943). Accessed 4 Feb 2018 [↑](#footnote-ref-1)
2. Email from Kasek Galgal to PICISOC Members on the PICISOC email list (picisoc@googlegroups.com), 4 Feb 2018. [↑](#footnote-ref-2)
3. <https://www.surveymonkey.com/user/sign-in/?ep=%2Fanalyze%2FpfizTuLIWhJ_2FMTSRAtGi0iPkNRJIdf0Nz3rXs5LkvdlEX4M1WSsPrROmoHJDsxEE> – APRALO ALS Criteria and Expectations Survey February 2018 (closes 9 Feb) [↑](#footnote-ref-3)