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AT-LARGE ADVISORY COMMITTEE

ALAC Statement on the ICANN Reserve Fund – Public Comment on Rationale and Target Level

Introduction

Sebastien Bachollet, ALAC Member of the European Regional At-Large Organization (EURALO) and Alan Greenberg, ALAC Member of the North American Regional At-Large Organization (NARALO) and the ALAC Chair, developed an initial draft of the Statement on behalf of the ALAC.

On 22 November 2017, the first draft of the Statement was posted on its [At-Large Workspace](#).

On that same date, ICANN Policy Staff in support of the At-Large Community sent a Call for Comments on the Statement to the At-Large Community via the [ALAC Work mailing list](#).

30 November 2017, a version incorporating the comments received was posted on the aforementioned workspace and the ALAC Chair requested that Staff open an ALAC ratification vote.

In the interest of time, the ALAC Chair requested that the Statement be transmitted to the ICANN public comment process, copying the ICANN Staff member responsible for this topic, with a note that the Statement is pending ALAC ratification.

ALAC Statement on ICANN Reserve Fund – Public Comment on Rationale and Target Level

The ALAC strongly supports having the Reserve Fund at the level of 12 months expenses, and higher if there is a practical way of achieving that without unduly impacting ICANN's ability to provide necessary services, ensure the current and ongoing security, stability and resiliency of the DNS, and adequately support its ACs and SOs.

Since the Reserve Fund level is clearly tightly coupled to the level of ICANN operational expenses, any discussion of the reserve should have included a recent history and projection of ICANN operational expenses along with the employee/contractor levels and the Reserve Fund levels over the same period.

At whatever level the Reserve Fund target is set, ICANN must publish a plan on how and when this will be achieved. Given that the proposed target level(s) are significantly above the current Reserve Fund level, and it is unrealistic to believe that we will sustain or exceed this year's return-to-reserve of \$5m, ICANN should expeditiously investigate alternative methods of building the reserve to ensure ICANN's future stability.