Xavier Calvez

Chief Financial Officer

ICANN

8 February 2019

Dear Xavier,

**Statement of the Generic Names Supporting Organization Council on
ICANN’s Draft Operating Plan and Budget for Fiscal Year 2020**

The Generic Names Supporting Organization (GNSO) Council welcomes the opportunity to provide input on those aspects of ICANN’s proposed Operating Plan and Budget for the fiscal year 2020 which are of relevance to the GNSO Council’s remit.

Thus, while this statement is made on behalf of the GNSO Council, our comments are intended to complement, and not replace, any input that may be provided on the proposed FY20 Operating Plan and Budget by individual GNSO Stakeholder Groups and Constituencies.

This comment was informed by discussion and research from the Council's Standing Committee on Budget and Operations (Standing Committee), whose membership includes both Councilors and Subject Matter Experts from across the GNSO. The Standing Committee focused its efforts on exploring whether or not the resources directed at policy development are appropriate, both in relation to current workload, and in view of planned policy activities for FY20 and the risks or threats to the fulfillment of the GNSO Council’s responsibilities within ICANN’s larger mission and remit. The Standing Committee prepared information on the budget for the Council’s consideration on an array of topics. However some members of the Council preferred to have a narrowly focused submission on the budget, and so redirected some topics that the Standing Committee had identified as highly important back to the GNSO’s Stakeholder Groups/Constituencies to consider actioning on.

As an overarching comment, the GNSO Council recognizes the significant improvements in the level of detail provided, which has been a consistent evolution in response to the ICANN community’s feedback. However, the GNSO Council notes that the Budget is still presented in a way that makes it difficult for the community to be able to grasp at a glance where resources are being allocated. There is no implied criticism here of the current budget documents, however, moving forward we request that data be presented both at the current level of detail, and we request a high level “at a glance” summary approach, where we can easily see the bigger picture. This is of critical importance to the Council’s budget examination. The Stakeholder Group/Constituencies budget submissions may reference the useful value of such a high-level addition to the detailed budget documents.

Examples of summary categories that would be helpful to the Council, and also, we believe, the broader ICANN communities, would be an “at a glance” roll up of total projected expenditure in key buckets that can help the GNSO Council to better understand how policy development, coordination, and onboarding of additional resources into its communities are being supported, or will be in the next budget cycle. We cannot speak for any other SO/AC, but we suggest that it could be useful to consult with each to ask if such a “at a glance” would also be of assistance to them as they review and comment on the overall ICANN budget.

This summary page could be published on the same page as the table outlining the total size of the projected budget for the coming fiscal year.

Our further comments provide both comments of a general nature, and then, comments of a more specific nature.

**General Comments:**

* The GNSO Council recognizes and takes seriously its responsibilities as a part of the Empowered Community. It is an honor to be part of ensuring ICANN’s accountability not only to the GNSO’s communities, but overall to the global community.
* As we flagged in our comments last year, we have taken great care to examine the proposed budget to understand what resources have been allocated to each GNSO Stakeholder Group, and to the other Supporting Organizations and Advisory Committees. We are of course focused on the role and functions of the GNSO Council, but we recognize that we are part of a larger ecosystem within ICANN and thus we look to understand the “spend” across the full budget and operating plan.

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* Although we have budget experts drawn from the various GNSO constituencies as part of our Standing Committee, we find it is extremely difficult to approximate the levels of financial support provided directly and indirectly to the various Supporting Organizations, Advisory Groups, and associated Stakeholder Groups and Constituencies. This information is essential for each of these groups, including the GNSO Council to hold ourselves, and others, mutually accountable. We appreciate that this information may be difficult to determine at this point in time, but we ask that you please provide us with what information you can at this point in time.
* For this budget, and moving forward when future budgets are published, we ask that more specific information be made available as requested by our Standing Committee and as requested by the various budget working groups from the SOs/Acs. We hope to benefit from this to advise our own understanding of funding for community/staff/Board engagement in GNSO-related activities.

**Specific Comments:**

* GNSO policy development and coordination are core ICANN activities that we hope can be prioritized. We recognize that while the GNSO Council is heavily engaged in GNSO policy development, it is joined by the ccNSO, SSAC, ASO, ALAC and GAC in contributing to stable, informed, multistakeholder policy development. Thus, we would like to understand what proportion of the organization’s spend can be reasonably connected to policy development activities for all who have such responsibilities, and we ask that ICANN org consider how best to provide this information more clearly for all aspects of policy development and coordination.
* The GNSO Council anticipates that our active Policy Development Process Working Groups will require funds in FY20 in order to meet the terms of their respective charters. While specifics cannot be foreseen in detail at this time because we have not been provided with figures from FY19 or earlier years to approximate costs, we anticipate requiring resources for activities including:
	+ face-to-face meetings outside of public ICANN meetings to advance policy development work;
	+ leadership training and skills development;
	+ an annual Council Strategic Planning Session; and
	+ the provision of relevant professional expert assistance, such as independent facilitators, conflict resolution specialists, external legal advisors, and/or other relevant expert advice.
* The GNSO Council recognizes the substantial benefits that have been achieved by holding a Strategic Planning Session of the GNSO Council in the first quarter of 2018 and 2019. This session shaped our workplan throughout 2018 and saw Councillors brainstorm, develop, and ultimately begin to implement the Council’s Policy Development Process 3.0. The Council would like to encourage the continuation of an annual strategic planning retreat as part of the core budget; but for now, we ask that resources be made available for a Strategic Planning Session of the GNSO Council in January or February 2020.
* The GNSO Council notes with interest that many commenters raised concerns about continued growth in the organization’s overall personnel and related costs. As we stated in our comment last year, the GNSO Council believes that growth of staff numbers should only occur under explicit justification and replacements due to staff attrition should always occur with tight scrutiny; especially in times of stagnate funding levels. We were not alone in making these comments last year, and we believe there was a community consensus that the organization cannot continue to grow at its current scale and may need to consider reducing its size.
* In particular, we encourage ICANN org to provide more diligent explanations and justification for staff allocated to each group that affects policy development, coordination, and implementation, while keeping in mind that in times of stagnating income, organizations need to curtail internal growth, not merely cut services to the communities that they are designed by their mission to support.
* We have observed strong concerns on this from within our communities and expect that they will raise concerns. At this point, we note that more staff and funding resources continue to migrate into programs that are more staff than broadly community driven and that continued cuts in community programs, such as CROP and Additional Budget Requests are sacrificed to more staff roles and staff decisions about who and what is funded, versus community proposals that enable community members to advance policy awareness and engagement at a more localized level.
* The GNSO Council understands that there is no funding in the budget for the Document Drafting and Development Pilot Program. This program was used broadly by the GNSO’s Stakeholder Groups and Constituencies, and we understand was well-received and created value for the ICANN community. We encourage ICANN to help reduce volunteer burnout by providing communities with 125 hours of research assistance in FY20.
* The GNSO Council believes it is necessary for ICANN to seriously evaluate the future of all of its capacity development programs and how they bring in informed and “ready to go” contributors to policy development. Our priority is the GNSO but we support the multistakeholder model and suggest that more clarity in both the Fellowship Program and NextGen programs about their purpose can improve the engagement and then “onboarding” into the GNSO’s Stakeholder Groups/Constituencies but also all the SOs/ACs:
	+ The GNSO Council requests to see evidence of the ICANN Fellowship program’s effectiveness, particularly at leading to engagement in GNSO policy work. ​We also think that an improved analysis of the program’s participants, ​and their ongoing engagement in ICANN, would better allow us ​and our communities to assess how best to utilize this program to broaden informed and capable contributors to policy development activities, thus renewing, strengthening, and broadening the base of possible contributors.
	+ The target audience of the NextGen@ICANN program appears to some members of the GNSO Council to overlap with the ICANN Fellowship program. ​It would be helpful to understand what the expectations for deliverables are for the NextGen@ICANN participants and how the requirements support informed policy making.
	+ We would appreciate further information on how the NextGen and Fellowship programs differ, and on what number of individuals participating ​over a funding cycle have received funding from both programs, along with information on how many participants are migrating into active working roles to contribute to informed policy development/coordination.
* There is a perception within the GNSO Council that some programs, including the ICANN Academy, ICANN Indigenous Ambassador Program, and ICANN Learn are largely driven by an individual or individual Supporting Organization, or are staff driven and thus are not as effective as they could be, even perhaps with less resources from staff, external consultants, and funding. Assessing how to refocus such programs to benefit the GNSO’s Stakeholder Groups/Constituencies and of course, other SO/ACs will be of significant benefit to ICANN. It may be possible that in redistributing funding to the community for projects that they conduct that these same goals could be accomplished at lower cost and in ways that strengthen ICANN’s reputational acceptance.
* We are concerned that initiatives of the Stakeholder Groups and Constituencies that are targeted and delivering more direct increases in engagement are being curtailed in favor of these staff-drivenn programs. We expect that various GNSO Stakeholder Groups and/or Constituencies will express more detailed comments and provide concrete suggestions about the effectiveness of such programs to their own development of membership and engagement in policy development.
* The GNSO Council is concerned by the shrinking spend on Additional Budgetary Requests. While we appreciate there is a need to achieve operational efficiencies in order to replenish the Reserve Fund, it would appear to us that ICANN org is seeking to do this by penalizing the community, instead of cutting back on staff expenditure. In particular, we asked that funding allocated to community Additional Budgetary Requests be returned to its previous, higher funding level. This concern extends to the Community Regional Outreach Program (CROP), which was slashed in size in FY19 and has become unusable for many parts of the GNSO. We ask that CROP return in size and scope to FY18 levels and that flexibility be allowed when the proposer for such programs identifies a need to focus or include a particular community/sub region.
* The GNSO Council asks that resources be allocated in FY20 for a Non-Contracted Parties House Intersessional of equivalent size and scope of either FY17 or FY18. Funding for this resource was allocated in FY19, however, as a gesture of good will due to the revenue shortfall for ICANN, the NCPH of the GNSO voluntarily agreed not to hold an Intersessional this year in order to help replenish the reserve fund. Moving forward, it was agreed that this would occur every two years. Accordingly, the next Intersessional should be in FY20.
* The GNSO Council requests ICANN org presents contingency spending with more detail. A single lump figure is not fully informative. We also believe that the budget should include a specific placeholder for activities rolled up into this envelope, otherwise we are not seeing an accurate budget. If we know what is not funded and could potentially need to be funded in the coming fiscal year, then we should know what the actual budget allocation could be.
* The GNSO Council asks that ICANN org publish information on its planned pipeline for website upgrades. We understand that there are various initiatives underway to improve the findability of content and to improve the user experience of ICANN websites, and we would appreciate being first in the queue for a website upgrade. In that spirit, it would be helpful for the GNSO to understand what that queue is, and when we can expect the GNSO website to receive needed enhancements.

The GNSO Council appreciates this opportunity to share our perspectives on these important issues. As the GNSO is a part of the Empowered Community we look forward to reviewing all inputs from the public comment process which addresses ICANN’s broader strategy and budget. Finally, the GNSO Council would be happy to answer any clarifying questions that you may have regarding the contents of this document.

Yours sincerely,

Keith Drazek Rafik Dammak Pam Little

GNSO Chair GNSO Council Vice Chair GNSO Council Vice Chair

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