**Strategic Outlook**

2020 Trends Identification

**GNSO Council Trend Session Summary**

**Session date & location:** Los Angeles, 19 March 2020

**Number of participants:** 20

**Session facilitator:** Nathalie Vergnolle, Sherwood Moore (MSSI)

**Network liaison:** Nathalie Peregrine (org), Keith Drazek (chair)

## **Description of the session:**

This was a remote-only session.

Participants were divided into subgroups and engaged in a brainstorming exercise to:

* Identify and track the evolution of trends that may affect ICANN.
* Evaluate the impacts that these trends pose to ICANN, either in terms of threats or in terms of opportunities.

Subgroups shared their ideas with the larger group, and additional discussions followed, allowing participants to dive deeper into areas of interest.

At the end of the session, participants were invited to vote for their top-three highest priorities that ICANN should be focusing on, (each individual participant could select up to three from all trends, risks and opportunities identified by any subgroup during the session).

This year, the brainstorming exercise was structured around the five areas of focus of ICANN’s new strategic plan for fiscal years 2021 to 2025. The elements collected in previous years have helped identify these different focus areas:

* **Security** – relating to cybersecurity, Internet of Things vulnerabilities, DNS security, root service reliability, resilience and interoperability, DNS abuse.
* **ICANN’s Governance** – referring to ICANN’s governance rather than Internet governance in general, ICANN’s multistakeholder model of governance, efficiency and effectiveness, transparency and accountability, inclusiveness and openness.
* **Unique Identifiers System** – evolution of the unique identifiers system in the context of the evolution of its uses and its user base, considering external technology advancement (such as blockchain, IoT, rise of artificial intelligence etc.), alternate roots, alternative infrastructures, universal acceptance, and IDNs.
* **Geopolitics** – including effects on ICANN of legislation and regulation, and other globalization topics such as the global reliance on the Internet, or the Internet fragmentation.
* **Financials** – including financial sustainability, financial responsiveness to changing industry economics, funding strategies, and cost management.

## **Key take-aways from session (staff summary):**

* Security:
	+ Seeing an increase in cybersquatting to run phishing and other fraudulent schemes (voted high priority). Cybersquatting legislation under review is increasingly referencing the DNS. Risk that DNS abuse undermines ICANN’s credibility to respond to these clear threats.
* Governance:
	+ The decrease in community participation in policy development and increase in workload creates challenges in the capacity to do the necessary work over time. (voted high priority). The growing size of the multistakeholder model and the increasing complexity, amount, and length of policy work is making it more difficult to reach consensus and ensure everyone is represented.
	+ The inability to travel requires the need to rethink a model that relies on face-to-face engagement. ICANN should explore remote participation and how it affects the work being done. Failing to implement a fair MSM will encourage big actors to leave the ecosystem, and in the worse, plan to create their own Internet. There is an increasing risk of capture. Possible solutions include implementing the reforms of PDP 3.0, improving program management, and attracting new participants.
* Unique Identifiers System:
	+ DOH/DoT and associated deployment models may change the way DNS is handled. Risks of (more) centralization of resolvers, and possibly fragmented Internet namespace.
	+ Traditional identifiers may run the risk of becoming irrelevant. The traditional Internet model is moving to proprietary social networks and content distribution networks. Also, mobile devices applications create their own ‘network’ of data, connections, etc.
	+ IPv4 depletion and increased pricing of IPv4 space will cause headaches for providers and is leading to issues around abuse and “gaming”. (Voted high priority)
* Geopolitics:
	+ The trend of more national legislation and regulations continues, and the sanitary crisis is increasing the risk of divergence regarding privacy matters, creating more challenges for ICANN to comply. (voted high priority)
	+ The Coronavirus has drawn increasing public policy focus on the online world. Governments are taking renewed interest in the internet infrastructure for productive capacity.
* Financials:
	+ Coronavirus causing a global recession/depression and its impact on the domain name industry causing issues with ICANN’s budget projections. It will be important to monitor these trends over the new months and to identify any course-corrections needed to keep the Strategic and Operating plan current and relevant. (voted high-priority)

## **Transcription of Session’s outputs:**

The elements collected during the session are presented in the next pages. The results have been regrouped by focus areas and topics discussed (by staff).

Bullet points are a direct transcription of inputs collected during the session. Repetitions or duplications have not been removed, as the intent here is to reflect the full information received.

The number of votes for high-priority that each statement received is indicated in parenthesis after that statement.

## **Security**

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| **2020 Trends** | **Risks or Threats associated with these trends for ICANN?** | **Opportunities or Suggested Actions?** |
| **Security Concerns** - I think previous trends still apply.- Yes, previous years trends still apply. | ⎼ "The requirements may surpass ICANN’s capacity." | ⎼ Consumer education - ICANN community can mobilize to raise awareness and educate users and other affected parties. (1 vote) |
| **DNS Abuse** ⎼ Seeing an increase in cybersquatting to run phishing and other fraudulent schemes. ( 2 votes) | ⎼ DNS abuse. In all its flavors.(1 vote)⎼ Undermine ICANN credibility to respond to these clear threats | ⎼ Domain industry best practices or voluntary undertakings to address DNS abuse (within ICANN mission). |
| **DNS Security** ⎼ Cybersecurity legislation now in review increasingly referencing domain name system. |   | ⎼ Maintain ICANN as the leader in DNS security. << is it really? - what do we compare to? What is the standard? ⎼ It can be a marketing point.⎼ We would like to see hard data on DNS security issues and DNS abuse. |
| **Internet of Things Security** - DNS and the Internet of Things could become a specific separate topic. The SSAC is working on this issue and their report could highlight some corner points to be considered. (1 vote) |   |   |

## **ICANN’s Governance**

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| **2020 Trends** | **Risks or Threats associated with these trends for ICANN?** | **Opportunities or Suggested Actions?** |
| **Efficiency of Multistakeholder Model** - Multitude of meetings and effectiveness- Capacity of the GNSO participants is running out (there might be a need to limit the number of the simultaneous initiatives). Not all companies can afford to allow their staff members to participate, and with the shrinking markets it might become even worse.- Rethink an ICANN interaction model that limits reliance on face-to-face.- Inability to travel and hold face to face meetings will impact how ICANN does its work. Other groups such as IETF + RIPE use mailing lists effectively, whereas ICANN tends to have a heavy reliance on the public meetings and intersessionals- Less global travel and face to face meetings due to COVID-19 in short term but possibly continuing indefinitely.- The multistakeholder model is getting bigger every year and consequently more difficult to reach agreements, or insure that everyone is represented and has a voice. (3 votes)- Trend to have more policy topics to cover and to work on, in addition to be more complex, having less consensus on them. (1 vote).- Growing complexity and length of policy development process is taxing the community and making reaching consensus difficult. | ⎼ Failing to implement a fair MSM will encourage big actors to leave the ecosystem, and in the worse, plan to create their own Internet.⎼ It might be interesting to foresee cases where countries will consider developing their own Internet and isolating themselves as Russia seems to warn about that. That is a risk, we should seek a way to avoid that, by improving the MSM to be more inclusive and power “equally” distributed among actors. (2 votes)⎼ We are observing a decreasing level of participation among the ICANN community in policy development, while the workload continues to increase. Our capacity to do the necessary work over time is going to be a challenge. We do not have sufficient “bench strength” to maintain ICANN’s productivity. (4 votes) | ⎼ Implementing the reforms of PDP 3.0 and developing/obtaining tools for program management. ⎼ Use alternatives like at ICANN67.⎼ Less meetings more focus (1 vote)⎼ Opportunity to introduce more expertise in meetings/discussions.⎼ Have more new participants (business people, experts, academics⎼ More efficient and accessible transaction of community business via remote participation - if implemented appropriately⎼ Community consultation after the second virtual meeting to see if the model can be sustained with less face to face meetings and how virtual meetings affect work being done and the sustainability of the model.⎼ Make a position paper on outstanding issues or hot topics. (1 vote) |

## **ICANN’s Governance (cont.)**

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| **2020 Trends** | **Risks or Threats associated with these trends for ICANN?** | **Opportunities or Suggested Actions?** |
| **Risk of Capture** ⎼ It is very easy for the model to be dominated by an inside group | ⎼ Potential capture by some big companies⎼ Due to lack of the Face to Face interactions the current model might became more industry oriented and lose some or a lot of public involvement (the latter is an important for legitimacy of the model). (2 votes)⎼ Risk: lack of current proper authorization in the remote meetings might lead to unwanted impostors being attending and even to the haste of some meetings by bad parties. |   |
| **Trust Issues** ⎼ In some cases the community feel like ICANN don’t hear them or even take into account what they are thinking or saying in a relevant topic | ⎼ Heavy impact on the organization’s accountability. (1 vote) |   |
| **Planning** ⎼ Need for a clear and accessible planning framework that is covering the ICANN organisation and operations. (3 votes) |   | ⎼ Data Protection & Privacy Legislation: the RPMs are being examined now by the RPM Working Group and this topic may be addressed to seek improvements.⎼ GDPR ignites the setting of an EPDP, however; the consensus policy that will derive from the EPDP Team’s work should be as neutral as possible and be applicable within all jurisdictions that use Internet and the DNS. (1 vote) |

## **Unique Identifiers System**

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| **2020 Trends** | **Risks or Threats associated with these trends for ICANN?** | **Opportunities or Suggested Actions?** |
| **Universal acceptance** ⎼ Universal Acceptance should be included within the trend, as it is important when it comes to increasing engagement and inclusiveness. ( 1 votes) | ⎼ Are we also thinking UA and IDNs here? As in: are we actually scaling them up in time for the next round? (1 vote) |   |
| **Emerging Identifiers Technologies** ⎼ DoH: DNS over https and associated deployment models. (2 votes)⎼ DOH/DoT may change the way DNS is handled.⎼ Traditional Internet model moving to proprietary social networks and content distribution networks, also mobile devices applications create their own ‘network’ of data, connections etc. (some global companies might use their own networks, not necessary using IP protocol and traditional identifiers). (1 vote)⎼ Previous years trends still apply. (1 vote) | ⎼ DoH: Risks of (more) centralization of resolvers, and possibly fragmented Internet namespace.⎼ DoH will definitely be an issue.⎼ Traditional identifiers getting irrelevant. | ⎼ Making traditional identifiers more user friendly might help for a while.⎼ Continue to monitor. |
| **Internet Protocols** ⎼ IPv4 depletion and increased pricing of IPv4 space will cause headaches for providers. The cost of an IP address has gone up several hundred percent in the last couple of years. This leading to issues around abuse and “gaming”. (3 votes) |   | ⎼ Actively promote the use of IPv6 and establish a global framework for an efficient deployment that will not lead to the same issues encountered with p4 addresses. |

## **Geopolitics**

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| **2020 Trends** | **Risks or Threats associated with these trends for ICANN?** | **Opportunities or Suggested Actions?** |
| **Legislation & Regulations** ⎼ Unpredictable nature of new legal/regulatory developments - Need for expertise and focus by community members participating in PDP, in WGs. ( 2 votes).⎼ Current isolation of people across countries might lead to more harsh laws worldwide (when the internet is the only means to order food and necessities), less taking care about contractual obligations and fines of the involved parties. (1 vote)⎼ Need to control populations in times of disruption will lead to nationalism, censorship and isolation (might lead to removal of the current masking of the Registration data).⎼ Yes, previous years trends still apply, e.g., GDPR, and other national privacy legislation. (1 vote)⎼ Many legislative initiatives are coming from the EU can have direct impact on ICANN like an e-evidence directive, or perhaps digital services act (the potential impact of the latter is still unclear). However, they will have transborder reach in terms of jurisdiction and ICANN and DNS industry will have to comply with the new requirements. (1 vote)⎼ Divergence of national laws regarding privacy impact ICANN policy regarding registrant data. (1 vote) | ⎼ Fragmentation in legal requirements ICANN and DNS industry will have to comply with.⎼ National laws ultimately take precedence over the ICANN “space” and their development and application is inconsistent with the MSM (or vice versa - MSM might became not applicable to all aspects of how internet works). (1 vote) | ⎼ ICANN should continue monitoring the situation and provide input where it can. For example, Brussels is currently working in rather an inclusive manner on the new legislation, a lot of consultations are being held. |
| **Covid-19** ⎼ The coronavirus virus situation has drawn increasing public policy focus on the online world. Governments are taking renewed interest in the internet infrastructure for productive capacity. (1 vote)⎼ The international Corona impact - Impact on bandwidth; capacity - meetings (need for distant meeting - cost/budget ICANN and the Community). (2 votes)⎼ Corona virus :(  |   |   |

## **Financials**

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| **2020 Trends** | **Risks or Threats associated with these trends for ICANN?** | **Opportunities or Suggested Actions?** |
| **Geopolitical and Economical Risks** ⎼ Impact on new TLD registries with weak business plans.⎼ Impact on registrars + resellers and rest of eco-system.⎼ Given the current climate, we may need to factor in huge economic shocks/downturns - globally. In every single business, not only Tourism + hospitality for example. (5 votes)⎼ Coronavirus causing a global recession/depression and its impact on the domain name industry causing issues with ICANN’s budget projections. (5 votes) |   | ⎼ Monitor at the ICANN finance level.⎼ Consider whether the 5-year Plan will be materially impacted due to prior financial assumptions - Speak to Registries/Registrars re: their projections. |
| **Planning** ⎼ Without proper tracking of financial trends ICANN FY plan can became irrelevant. ⎼ Uncertain timeline for next round of new gTLDs. | ⎼ Budget miss if not properly managed. | ⎼ Coronavirus-induced market crash and economic collapse, there is a need to make a serious review of a FY plans in 1, 3, 6, 9 months from the current moment, statistics does not help with new unpredictable items, and we need to try to track the new trends caused by this global disruption. (4 votes)⎼ As we consider these trends and risks, it’s important to identify any course-corrections needed to keep the Strategic and Operating plan current and relevant. (1 vote) |

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