

RrSG response to Draft FY21-25 Operating & Financial Plan and Draft FY21 Operating Plan & Budget

<https://www.icann.org/public-comments/draft-opplan-budget-fy21-25-2019-12-20-en>

Public comment period closes on 25 February 2020

The Registrar Stakeholder Group (RrSG) is pleased to provide comment on the Draft FY21-25 Operating & Financial Plan and Draft FY21 Operating Plan & Budget, as well as providing input on the three questions related to the "Evolving ICANN's Multistakeholder Model Work Plan:"

Draft FY21 Operating Plan and Budget

The RrSG notes that from the FY20 adopted budget to the FY21 Draft budget, the costs of personnel increases by \$2 million, with \$1.6 million of this being from the '*...impact of Merit/Fringe benefit increases and new hires*'. This is significant given the FY21 Draft budget anticipates only 5 additional personnel. It is not clear what constitutes a 'fringe' benefit, whether these benefits are given to all or only executive personnel, nor what percentage of the amount would be going to new vs existing personnel, or the intended compensation for these hires. Personal costs represent more than 50% of the FY21 Draft budget while average headcount had increased over the past 3 years. However, it is unclear whether ICANN Org carries out reviews of existing headcounts to assess whether a particular resource/position is optimal or even justifiable. One example of this would be ICANN's Complaints Office which received a grand total of 8 complaints in 2019, according to <https://www.icann.org/complaints-report>. Another example is the Consumer Safeguards Director position, about which there was a significant ambiguity over the role, function, and deliverables. The RrSG would like to see more transparency around personnel costs and efficiency, particularly when the budget increases are this notable.

Draft FY21-FY25 Operating & Financial Plan

The RrSG is pleased to see that the Financial Projections show no excessive increases, although there is not a lot of detail on how ICANN Org have arrived at the amounts specified. As RrSG has noted in several previous budgetary comments, there should be more transparency around how funds are expected to be spent.

Evolving ICANN's Multistakeholder Model Work Plan:

Are the right entities suggested to take the lead in developing an approach or solution to an identified issue? If not, which entity would be appropriate?

The RrSG supports the proposed entities suggested to take the lead for issues A, B, D & F.

With regards to issue E (Precision in Scoping), we reiterate our previous comments that '*Specific to gTLD policy development, the GNSO Council PDP 3.0 is currently developing improved processes to result in more effective scoping of issues within Policy Development Process charters*'. The chartering organization should be leading Issue E.

With regards to issue C (Culture, Trust and Silos), the RrSG has some concerns that ALAC, or any one ICANN group, be given the responsibility for coming up with solutions for it. Whilst we recognise that ALAC has significant engagement experience and would certainly know how to make good recommendations for internal group work, this is a cross-constituency issue, which ALAC, like all ICANN groups, has had difficulties with. Due to the very nature of this issue, it would benefit from neutral and independent leadership (or a diverse cross-constituency representation).

How can the ICANN community effectively coordinate the work of developing approaches and solutions?

Work on the issues should be staggered, with each limited for efficiency to a 6 month timeline that includes any proposed approaches or solutions being ready for community discussion at an ICANN Meeting. Ideally with the top 1 or 2 issues being ready by the AGM in 2020.

How should the six issues included in the work plan be prioritized?

Following on from prior comments¹ the RrSG believes the six issues should be prioritized as follows:

- (1) **B** Prioritization of work + Efficient Use of Resources
- (2) **A** Consensus + Representation and Inclusivity
- (3) **C** Culture, Trust and Silos
- (4) **E** Precision in scoping work
- (5) **D** Complexity
- (6) **F** Roles and Responsibilities

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<https://mm.icann.org/pipermail/comments-multistakeholder-model-next-steps-27aug19/attachments/20191017/4e018d23/RrSGresponseonNextStepstoImprovetheEffectivenessofICANNsMultistakeholderModel1-0001.pdf>