ccNSO SOP WG Comments on ICANN's Draft Five-Year Strategic Plan

Executive Summary

- We commend ICANN for greatly improving the Strategic Plan in terms of structure, clarity and presentation.
- We strongly urge ICANN to improve the planning and scheduling of its strategic initiatives and processes, creating realistic public comment periods, and adhering to its own publicly announced planning and deadlines.
- We consider the vision statement as work in progress, needing further clarification.
- We submit that the impact of the IANA Stewardship Transition Process and related processes, as well as the global market trend of decreasing net growth of domain names registrations should have been taken into account in the Strategic Plan.
- We note the improvement in defining metrics, yet find that they need to be more precise and evolve further.

Introduction

The Strategic and Operational Planning Working Group (SOP WG) of the ccNSO welcomes the opportunity to comment on ICANN's Draft Five-Year Strategic Plan (FY16-FY20). The SOP WG was created at the Cairo ICANN meeting in November 2008. The goal of the WG is to coordinate, facilitate, and increase the participation of ccTLD managers in ICANN's strategic and Operating planning processes and budgetary processes.

According to its Charter (http://ccnso.ICANN.org/workinggroups/sopiwg-charter-18aug10-en.pdf) the WG may as part of its activities take a position and provide input to

the public comments forum and relate to ICANN or other Supporting Organizations and Advisory Committees on its own behalf. The views expressed are therefore not necessarily those of the ccNSO (Council and/or membership) or ccTLD community at large. The ccNSO Council and individual ccTLD managers, either collectively or individually, will be invited to endorse or support the position or input of the WG. Membership of the WG is open to all ccTLD managers (members and non-members of the ccNSO).

To facilitate ICANN to relate our comments to the relevant sections of the Draft Five-Year Strategic Plan, we have structured our submission in the following manner: First we will provide high level, general comments and comments related to the Vision statement. This will be followed by additional, specific comments aligned with each of the five focus areas presented in the plan and related Objectives:

- Evolve and further internationalize and regionalize ICANN's implementation of the multi stakeholder approach.
- Continue to support a healthy, stable and resilient unique identifier ecosystem
- Advance technical and operational excellence
- Clarify and establish ICANN's role in the Internet governance ecosystem
- Develop and implement a global public responsibility framework

We use this opportunity to strongly urge ICANN (again) to improve its planning and scheduling of this and similar processes, including the related comment periods. We note that important processes, such as the Strategic Planning Process, consultation by the Strategic Panels, IANA Stewardship Transition Process and Enhancing ICANN's Accountability Process are staggered. We also note that, without due (advance) notice, start and end dates and the duration of comment and reply periods are changed. As a result the members of SOP WG note that the ability of the ccNSO Council, ccNSO membership and the ccTLD community at large to provide timely, considered and coordinated feed-back and input to all the aforementioned, related processes is

frustrated. It is the belief of the SOP WG that this ability is a fundamental aspect at the heart of the multi-stakeholder model itself and should not be undermined the way it is now.

General comments

The SOP WG commends ICANN for strong improvements of the Strategic Plan in terms of structure, clarity and presentation. It brings greater clarity and consistency across the various strategic priorities and the SOP WG is especially pleased that outcomes and potential metrics are identified, as we have consistently requested over the last several years.

The SOP WG views the overall strategic direction as preliminary focused on "continuity". It does not, as yet, take into account some of the key strategic issues ICANN is already facing or may be facing, such as:

- The impact of the IANA Stewardship Transition Process and the related review of accountability processes on ICANN's structure and business model
- The impact the global market trend of decreasing net growth of domain names registrations may have on ICANN (See also the specific comments relating to: Strategic Area 3, **Evolution of the domain name marketplace**)

In the view of the SOP WG these two elements are critical in assessing the strategic direction of travel reflected in the plan, and signal that ICANN is at a critical juncture.

The WG notes the improvement in defining metrics, yet they need to be more precise and evolve further. Even though the ¨Measures¨ include envisioned achievements, metrics (or targets) need to be further specified to measure success and evaluate progress. In order to do this, ICANN is advised to understand the statistics and targets of the activities under its management to be able to measure and report to the community on improvement. Further, the phasing (or time lines) in which these Measures should be achieved also need to be more precise to ensure that the targets are realistic and progress can be measured over time.

The WG notes that customer and/or stakeholder satisfaction is not used as a key metric at the level of objectives. In the view of the WG, monitoring of customer and

stakeholder satisfaction should be a key metric, specifically for the following objectives: 3.1: measure customer/stakeholder satisfaction with ICANN's technical services/operations, 4.1: measure stakeholder recognition of ICANN's role in the (evolving) Internet ecosystem, 4.3: measure stakeholders' satisfaction with ICANN's contributions, and, 5.2: measure stakeholders' satisfaction with ICANN's ethics, transparency and accountability

Finally, the WG notices that the plan lacks any information about planned resource allocations and key underlying assumptions: to assess and enable feedback about the plan's effectiveness and efficiency at a minimum an estimation of growth rate on each strategic priority in terms of human resources or external costs would be necessary.

Vision statement

ICANN's vision is to be an accountable and independent organization coordinating the Global Internet's systems of unique identifiers. ICANN strives to be trusted by all stakeholders for its inclusive, effective and consensus-based operations.

This vision statement contains an inherent contradiction between the words "accountable" and "independent". In the view of the WG it would greatly benefit from further clarification of the relation between these terms and to whom they apply (Accountable to whom, and, Independent from whom ?).

The WG also notes that "to be trusted by all stakeholders" is far less ambitious than an alternative form, which would be "serving and advancing the interest of the public". Being trusted is vague and merely passive, a state of perception, and it lacks any indication about the direction ICANN intends to undertake.

In the view of the SOP WG the vision statement is work in progress and should be further clarified.

Specific Comments

Evolve and further internationalize and regionalize ICANN's implementation of the multi stakeholder approach

Evolving policy-developing and decision-making processes, structures and meetings

It is the view of the SOP WG that all 3 objectives are worth pursuing, however they are not at the same level. The SOP WG believes that the third objective (evolving policy-developing and decision-making processes and structures) is an essential feature of the ICANN's multi-stakeholder approach and makes it different from the other institutions such as the ITU, IGF, NETmundial and IETF. The other two merely are a means to an end of the core objective.

Bring ICANN to the world

With regard to objective 2, the proposed strategic projects within the "Engage Stakeholder Regionally" portfolio display a different degree of elaboration and implementation. It is not clear, however, whether they all are subject to deployment of equal volume of attention and resources, specifically with regard to all the regions where regional engagement strategies have been developed. It would be therefore be appropriate, both from an effort- and costs - perspective to articulate that the priority is placed either on implementation of the most advanced strategies to build the pool of best practices, or, vice versa, on ongoing projects in the underperforming/underserved regions.

The WG also notes that if business (Registrars and Registries) is not diversified geographically, the multi-stakeholder model is not working for everybody, just for developed countries. Thus, one can expect lack of confidence in the model from developing countries.

Further internationalize and regionalize ICANN

In the view of the SOP, internationalization and regionalization of ICANN, should not solely imply hiring more international staff and setting up more offices and engagement

centers across the globe, but more importantly, should focus at greater global participation in ensuring and overseeing ICANN's optimal performance.

Continue to support a healthy, stable and resilient unique identifier ecosystem
We acknowledge and support ICANN's efforts to have a long-term vision of the environment in which this area is likely to develop in the next years. The new uses of domain names, the massive introduction of new top level domains and the importance of IP addresses are all factors that should be carefully monitored and assessed over the next decade.

We believe that the preamble contains certain elements which deserve more attention by ICANN and would like to see objectives that seek to deliver:
- Measures to avoid consumer confusion and ensure protection of their interest;
- Measures to strengthen security mechanisms that may anticipate, prevent and fight misuse of the Internet unique identifiers.

Turning to the three focus sub-areas, our general feedback is that we believe that these would all benefit from having clearer, more time-based and measurable KPIs. Our specific feedback on each sub-area is below.

Foster and coordinate a healthy, stable and resilient identified ecosystem
We would appreciate clarification of the first sentence that states "Major attack or event results in failure of TLD(s) of substantial size that causes loss of confidence in the administration of the IANA functions, Internet ecosystem or internationalisation of ICANN".

More specifically, we believe that this sentence does not illustrate the effects of a major TLD failure and that there should be a distinction between the ccTLD and the gTLD space. In any case, it would be very unlikely that a TLD failure has an impact on the confidence in the administration of the IANA functions, Internet ecosystem or internationalisation of ICANN. The following point of the same section – "Ecosystem

members' resistance to collaboration leads to gaps in DNS administration best practices" - should also be clarified.

In addition, we suggest that measures of stability and resilience should be included, in order that performance can be benchmarked over time.

Plan for changes & the development of technology roadmaps
The text here could usefully explain the kind of roadmaps envisaged. With regard to the risk section, we believe that any mature international organisation should have in place adequate policies and procedures that help to cope with unexpected contingencies that are out of its direct control.

Evolution of the domain name marketplace
In comparison to other sections, this looks quite empty in terms of planning and possible outcomes.

It is suggested that a survey of current levels of trust, robustness and stability could be introduced, which would be used for future year benchmarking over time.

With the introduction of the new gTLDs and the launch of many new IDN TLDs in the generic and country code space, the domain name marketplace will need more and more support, not only at the registry and registrar level, but also and mainly at the end user level. The outcome section should take the aforementioned changes into more account and therefore, the achievement should be not only to have a credible and respected industry that is compliant with its responsibilities, but also to have an industry that is able to cope with faster changes and challenges, that is able to meet the multilingual and multicultural needs of the end-users, that is a mirror of a continuously evolving society.

Advance technical and operational excellence
For several years now, ICANN's IANA department used the EFQM excellence framework to improve its operations. There have been several discussions within the SOP WG and

at various workshops and other meetings, suggesting that this framework could be used to improve ICANN's operations in general. We support such an expansion of the use of the EFQM framework, which, in the view of the SOP WG, would be of great value to ICANN (and hence the community) in the current rapidly changing environment. If the EFQM framework is still used, or if the intention is to expand its use, the SOP WG recommends that measurement of results/outcomes in this strategic area are based it. For example, ICANN's IANA department, would now aim for the Excellence label under the EFQM framework.

Classification of Critical Services

Aiming to 99.999% uptime is always a good technical challenge but not a minor financial investment. And it is not always necessary in every technological component. There needs to be a classification of critical services and important (less critical) ones, where five 9's are not needed.

Need to distinguish Objectives among Constituents

The Measures and Phases are not clear due to the diverse group of people included in this objective. The strategy aimed for Board Members is very different from that aimed at staff, stakeholders and technical advisors and this should be reflected in the text. At the stakeholder´s level, this objective is very hard to attain, this objective should focus on staff and Board Members. Metrics and timing should be adapted to the different groups involved. Lastly, the retention and training of staff is not a three-year goal or project, but should be a continuous effort from ICANN.

Participation of SOs and ACs

ICANN´s SOs and ACs (through public comment periods) can take an active role in providing measurements for this particular point. Just as in point 3.2, staff, Board and stakeholders have very different roles, progress needs to be measured in different ways and their timings might differ. These differences need to be reflected in the Strategy Plan. As mentioned in point 3.2, this objective should be focused on staff and Board Members and not determine stakeholder´s roles.

Losing Focus and Need for Clear Metrics

This objective should focus on financial matters and move every A&T matter to the Focus Area no. 5. Furthermore, the metrics are vague. The Measures and Phasing of this particular point should be one of the most clear and solid sections. Clear timings, financial objectives (expected reserves, costs, etc.), clear controls, communication strategy of results and transparency practices need to be laid out. Operational excellence is not only about quality, but also about efficiency and effectiveness in achieving quality. These terms/criteria should be mentioned in the text and should be measured and benchmarked with similar organizations (e.g. registries)

Clarify and establish ICANN's role in the Internet governance ecosystem

The objective is "Clarify and establish ICANN's role…". The "establish" part is covered, but none of the objectives explains how ICANN will clarify its role vis-à-vis its constituent parts. It is not clear if there is already general acceptance of what its role is or should be. We suggest adding a sub-objective that sets out the targets and measures for an internal process that helps ICANN understand what the constituencies expect that role to be.

4.1. Metrics should measure the outcome, not the means used to get there. It is more important to know if the goals are met than to check if enough effort was spent trying to reach them. Some of the measures specified for this objective are quite general. For example, under 4.1 the proposed measure is "Percent of stakeholders participating in decision making and public comment processes" - what does that mean? Does it look at an increase in the number of stakeholders participating? What is meant by "percent of" - does ICANN really know how many stakeholders it has?

Further, steady growth in acceptance of ICANN by relevant Internet organisations isn't necessarily measured by increased attendance. Increases attendance could also indicate growing dissent, or, alternatively, growing business interest in the business and operational aspects (GDD) of ICANN.

Develop and implement a global public responsibility framework

The SOP WG welcomes this strategic priority in that it intends to clarify and explain ICANN's role. However, its description remains quite vague. For instance, it remains unclear what responsibility framework means, and what it will deliver.

The general description of the priority should be rephrased to clarify that it plans to address some fundamental misunderstandings about ICANN's narrow mission, and how it is kept aligned with the interest of the public. The SOP WG notes that ICANN frequently receives requests from various stakeholders to address issues outside its mandate and scope. It is therefore of the highest importance that this strategic priority keeps ICANN focused on its core mission.

This section could also be improved by relying on generally accepted notions such as corporate social responsibility (CSR). CSR strategies are a useful framework for identifying priorities when an organization intends to address the needs of stakeholders outside of its customers. Areas such as responsible employer policies, underserved regions support or minimizing environmental impact could be developed within this framework.

Steward of the public interest

In the Strategic Plan the key fundamental aspect on this question around stewardship of the public interest are acknowledged. Therefore, the Year 1 plan (assess & report) is appreciated and welcomed. However, planning that year 2 - 5 will focus on projects, assumes that clarifying the notion of Stewardship of the public interest is static, and will not be influenced by the discussion around for example Enhancing ICANN's Accountability and the IANA Stewardship Transition Process. We recommend to take a more open approach to further work on the topic, as it could lead to a significant reform, and impact the whole Strategic Plan.

Furthermore, we recommend the assessment and report to include as much benchmarking as possible and rely upon community discussions rather than expert-based reports.

Ethics, transparency, and accountability

This specific part of the Strategic Plan, while welcome in its principle, seems disconnected from current related developments (enhancing ICANN's Accountability and the IANA Stewardship Transition). Noting that ICANN's accountability is considered part of ICANN's vision statement, this part of the Plan clearly does not meet expectations yet. It gives the impression that ICANN only expects minor changes to its accountability (and governance) mechanisms.

We believe the key expected outcome for this priority is increased trust among all stakeholders. The associated risk is that stakeholders across the globe will be asking other organization to take over some (parts of) ICANN's coordinating role!

Public responsibility activities

We note a discrepancy between this section's title and the outcomes and measures proposed. In our view the focus of the activities under this objective should be to increase participation from developing countries. Therefore this section of the strategic plan should be aligned with this legitimate goal.

For the record we note that a public consultation is already under way to prepare Year 1 regarding underserved territories.

May 2014

ccNSO Strategic & Operational Planning Working Group