

ICANN Quarterly Stakeholder Call

18 August 2016 | FY16 Q4 - Quarter ending 30 June 2016

Agenda



President & CEO Overview

Goran Marby



Board Update

Steve Crocker



Policy Update

Bart Boswinkel
Adiel Akplogan



Management Update

David Conrad



Financial Update

Xavier Calvez

6

Questions & Answers

President & CEO Overview



Göran Marby
President & CEO



Quarterly Stakeholder Calls



View archived materials here:

- <https://www.icann.org/quarterlyreports>



Improvements to calls

- Added Board update



Starting from FY17 Q1 (October)

- Rotate call time by region
- Regional update



Send feedback to:

- engagement@icann.org

Highlights from Quarter Ending 30 June 2016



IANA Stewardship Transition

- NTIA intends to allow the IANA functions contract to expire as of October 1
- ICANN remains focused on implementing the community's proposals



ICANN56 Meeting

- New Policy format

Events I've Attended

- **May 21** – I* Meeting in Copenhagen, Denmark
- **June 9** – EuroDig in Brussels, Belgium
- **June 16** - Meetings on the Hill in Washington, D.C
- **June 21** – OECD Ministerial Meeting in Cancun, Mexico
- **June 25** – ICANN56 in Helsinki, Finland

Board Update



Steve Crocker

Chair, ICANN Board of Directors



ICANN Board Highlights

- Meetings: 13-15 May Amsterdam; ICANN56 Helsinki
 - Attended GDD Summit in Amsterdam
- New Meeting scheme: more interaction
- Steps toward more visibility into Board processes
- Increased interaction on Budget
 - Overall budget; CCWG budget
- Approval of GNSO review, recommendation & RySG Charter
- Board Working Groups on Internet Governance and Trust launched

Policy Update



Bart Boswinkel

Sr. Director ccNSO Policy
Development Support



Adiel Akplogan

VP Technical Engagement



Generic Names Supporting Org. (GNSO)

FY16 Q4 HIGHLIGHTS

8 motions adopted

11 Policy Development processes underway

40 GNSO sessions held during ICANN 56

MORE INFORMATION

<https://www.icann.org/policy>

<http://gnso.icann.org/en/>

New areas of work in Q4

- ⦿ Creation of a drafting team to further develop recommendations to implement the GNSO's new roles and obligations under the post-transition ICANN Bylaws
- ⦿ Creation of Customer Standing Committee (CSC) Selection Committee

Completed work in Q4

- ⦿ Adoption of Final Status Update on PDP Improvements
- ⦿ Extension of the term of the current GNSO Liaison to the GAC and confirmation of the extended timeline for the selection process for the next GNSO liaison to the GAC.
- ⦿ Adoption of the GNSO Review Working Party's feasibility and prioritization analysis of the GNSO Review Recommendations
- ⦿ Adoption of the GNSO Review of GAC Marrakesh Communiqué for submission to the ICANN Board

Country-Code Names Supporting Org. (ccNSO)

FY16 Q4 HIGHLIGHTS

5 cross-community WGs
(chartering organization)

6 active ccNSO working
groups

1 ccNSO PDP underway

16 Council decisions

2 Council committees

18 Sessions Helsinki
(ICANN 56)

MORE INFORMATION

<https://www.icann.org/policy>

<http://ccnso.icann.org/>

- ⦿ Focus on IANA Stewardship Transition and ICANN Accountability: Continued discussion with ccTLD community present in Helsinki on implementation and relevant topics for the ccTLD community, for example presentation on results of ccNSO Council accountability survey.
- ⦿ Launch of Customer Standing Committee call for Expression of Interest, based on new ccNSO Guidelines.
- ⦿ ccNSO Guidelines Review Committee mandate expanded to also look into the need for and to develop ccNSO Guidelines to implement 27 May 2016 ICANN Bylaws changes.
- ⦿ ccNSO Council launched a ccNSO policy development process on retirement of ccTLDs and a review mechanism for decisions pertaining to delegation, revocation and retirement of ccTLDs. First milestone, expected by October 2016, is the Issue Report.

Number Resource Org. (NRO) & Address Supporting Org. (ASO)

- ASO appointed Maemura Akinori for ICANN Board Seat 10 (seat currently held by Kuo-Wei Wu)
 - <https://aso.icann.org/aso-ac-selects-maemura-akinori-to-serve-on-seat-10-of-icann-board-of-directors/>
- ASO AC is currently making updates to the election procedures so these are aligned with current ICANN Bylaws
 - <https://aso.icann.org/aso-icann/icann-board-elections/2016-elections/>
- ASO appointed Hartmut Glaser for 2017 ICANN Nominating Committee
- NRO currently in discussion with other Operational Communities on IANA IPR



Number Resource Org. (NRO) & Address Supporting Org. (ASO)

- RIR-ICANN Service Level Agreement signed during ICANN 57 in Helsinki
 - <https://www.nro.net/news/icann-and-regional-internet-registries-sign-sla-for-the-iana-numbering-services>
- All Service Level Agreement processes and discussions documented at:
 - <https://www.nro.net/iana-oversight>
- The RIR community is also active discussing policies related to IP numbers resources management in their respective regions.
 - More information: <https://www.nro.net/policies>

Upcoming RIR Meetings *(in Chronological Order)*

- LACNIC 26 - San Jose, Costa Rica 26-30 September 2016
- APNIC42- Colombo, Sri Lanka 28 September -5 October 2016
- ARIN 38 – Dallas USA 20-21 October 2016
- RIPE 73 Madrid, Spain 24-28 October 2016
- AFRINIC 25 – Mauritius, 25-30 November 2016



Management Update



David Conrad

Chief Technology Officer



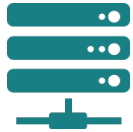
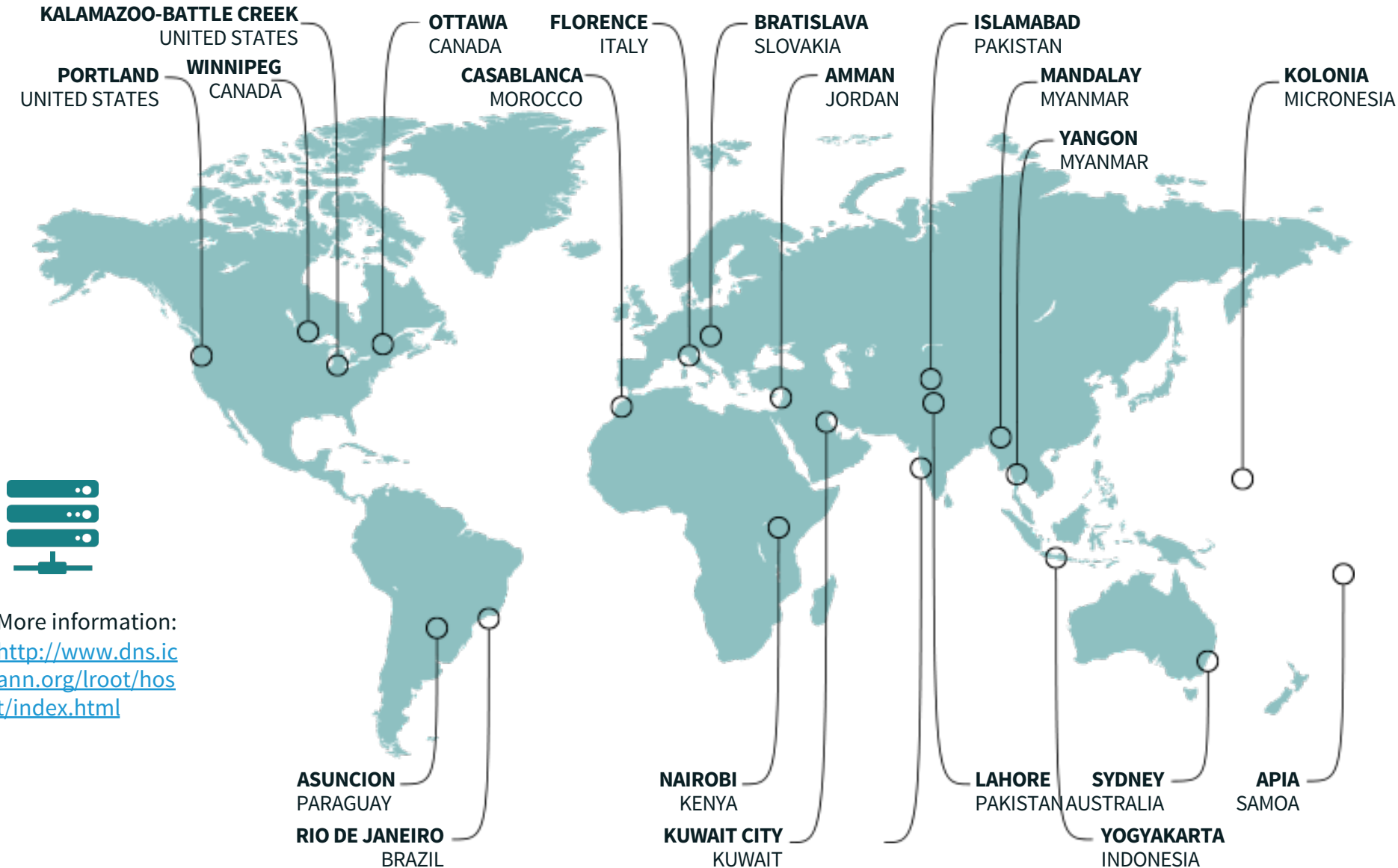
Executive Summary

- Internet Technology and Engineering update
- IANA Stewardship Transition update
- Contractual Compliance report
- Global Domains Division report
- Engagement update

Office of the CTO Update

- ⦿ Plans for the root Key Signing Key (KSK) roll finalized and published in July
- ⦿ Ongoing research on DNS-related activity included analyzing root server traffic in support of KSK roll, middlebox and recursive name server testing, and exploring various instances of DNS abuse
- ⦿ Identifier Technologies Health Indicators project continued with collaboration with the multi-stakeholder community, including the IETF and Regional Internet Registries, to develop indicators of Internet health
- ⦿ Participated in anti-abuse and other security, stability, and resiliency training and engagement sessions around the world
- ⦿ Looking for volunteers to join the SSR2 Review
 - ⦿ Extended Deadline for applications is **15 September**
<https://www.icann.org/news/announcement-3-2016-06-30-en>

Added 23 New L-Root Instances in FY16



More information:
<http://www.dns.icann.org/lroot/host/index.html>

1

Root Zone Management
System

2

Service Level Agreement
Monitoring System

IANA Stewardship Transition

ICANN confirms that all the required transition tasks are completed or will be complete in advance of September 30, 2016.

Completed Implementation Tasks:

- May 27 – Board approved revisions to **ICANN Bylaws**
- June 24 – ICANN signed the 2016 **Supplemental Agreement with the Internet Engineering Task Force (IETF)**
- June 29 – ICANN signed **Service Level Agreements** with the five Regional Internet Registries
- July 5 – ICANN and Verisign successfully completed the **90-day parallel testing period** on the Root Zone Management System
- August 9 – ICANN Board approved the amendments to the **ICANN Articles of Incorporation**
- August 10 – membership of the **Customer Standing Committee (CSC)** approved
- August 10 – Incorporation Documents for the “Post-Transition IANA” org. filed and received by Calif. Secretary of State under the name **Public Technical Identifiers** (“PTI”)
- August 12 – Root Zone Evolution Review Committee was formed

Contractual Compliance



REGISTRY AUDIT

NEW REGISTRY AGREEMENT

Near completion

20%

To be retested once remediation is completed.



REGISTRAR AUDIT

2013 RAA

Sep 14, 2015 – May 25, 2016

40%

Implemented a remediation plan;
To be retested in a future audit round

500

Documents

10

Registries

9

Countries

6

Languages

5,200

Documents

65

Registrars

23

Countries

11

Languages

WHOIS Accuracy Reporting System



2,689

Ticket Received



1,686

Tickets Closed



1,472

Tickets that went
through Compliance
process



121

Tickets to be
processed

For more information about WHOIS ARS, visit <https://whois.icann.org/en/whoisars>

FY16 Q4 Contractual Compliance



Total Volume	Apr-16	May-16	Jun-16	Q4 Total	Q3 Total
Total New	2,683	2,830	3,739	9,252	10,771
Total Closed	2,973	2,747	2,822	8,542	11,654

Closure Rates	Apr-16	May-16	Jun-16	Q4 Average	Q3 Average
New Tickets	69%	66%	49%	61.3%	62%
All Tickets [Target >= 55%]	77%	73%	59%	70%	72%

Turnaround Time (days)	Apr-16	May-16	Jun-16	Q4 Average	Q3 Average
Received-to-Closed	10.2	9.7	11.1	10.3	10.7

Contractual Compliance Monthly Dashboard at: <https://features.icann.org/compliance>

Beta ICANN KPI Dashboard at: <https://www.icann.org/progress>

GDD: New gTLD Program

*as of 30 June 2016

WHY IT'S IMPORTANT

The New gTLD Program is driving the largest expansion of the Domain Name System ever. Hundreds of new top-level domain names are being introduced into the Internet on a rolling basis.

The New gTLD Program is meant to enhance competition, innovation and choice.

96

Strings delegated
in FY16 Q4

1,051 total*

12

Registry Agreements
signed in FY16 Q4

1,235 total*

3

Contention sets
resolved in FY16 Q4

217 of 233 total*

Auctions of Last Resort

- ⦿ Total auction proceeds over \$230 million to date. Community to create proposals for distributing proceeds.

New gTLD Program Reviews Updates

- ⦿ Global Consumer Survey Phase 2 report published.
- ⦿ DNS Abuse comment summary issued; revised report published.
- ⦿ Trademark Clearinghouse independent review draft report available for public comment.

WHY IT'S IMPORTANT

IDNs at the top-level enable Internet users to access domain names in local languages and scripts.

IDN ccTLDs allow countries and territories to represent their respective names scripts other than US-ASCII characters.

Internationalized Domain Names Program

- ◉ Khmer Generation Panel finalized its Label Generation Rules proposal.
- ◉ Georgian script Generation Panel seated.
- ◉ 12 total generation panels seated and working.

Country Code TLD Fast Track Process

- ◉ Four new IDN ccTLDs for India approved

Second-Level Domain Internationalization

- ◉ Public comment open on reference IDN Label Generation Rules for 29 languages.

MORE INFORMATION: <https://www.icann.org/InternationalizedDomainNames>

GDD: Universal Acceptance of TLDs

WHY IT'S IMPORTANT

Universal Acceptance means that Internet applications and systems must treat all top-level domains (TLDs) in a consistent manner, including new gTLDs and internationalized TLDs. Specifically, they must accept, validate, store, process and display all domain names.



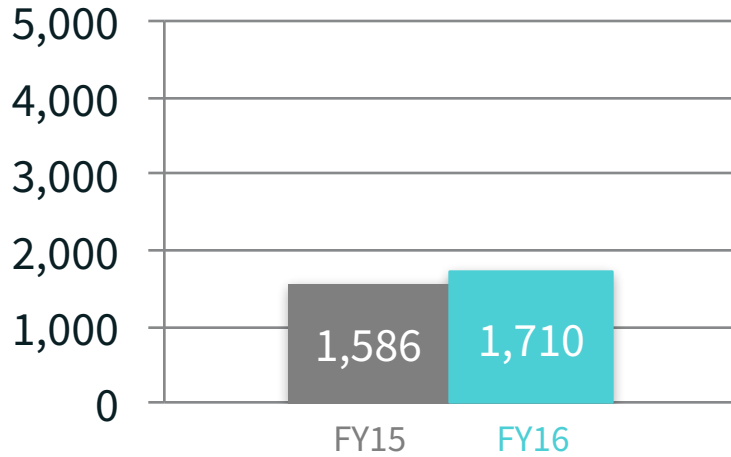
- ⦿ Use cases for testing available
- ⦿ Comprehensive technical document published
- ⦿ Quick guides for developers available in 9 languages
- ⦿ UASG.tech launched
- ⦿ Core communications plan ready for launch
- ⦿ UASG participated in multiple conferences

MORE INFORMATION: <https://www.icann.org/universalacceptance>

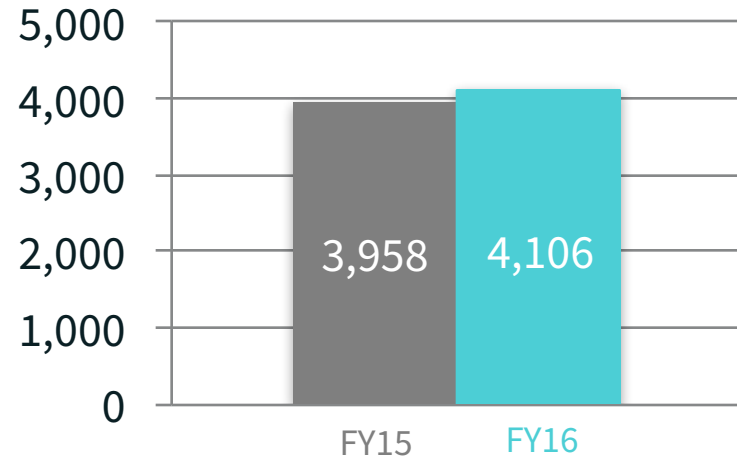
<https://community.icann.org/pages/viewpage.action?pageId=47255444>

GDD: IANA Department – Year on Year

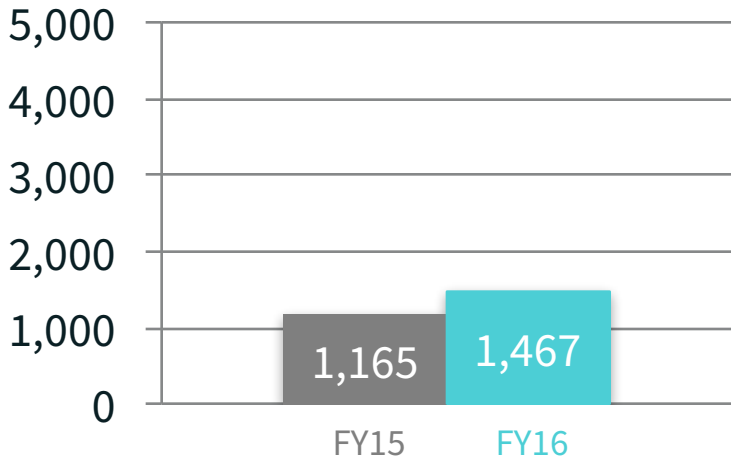
Name Requests



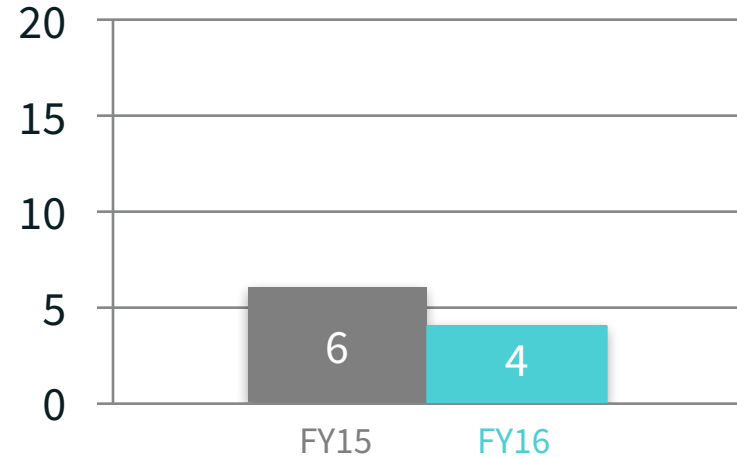
Protocol Parameter Requests



General Requests



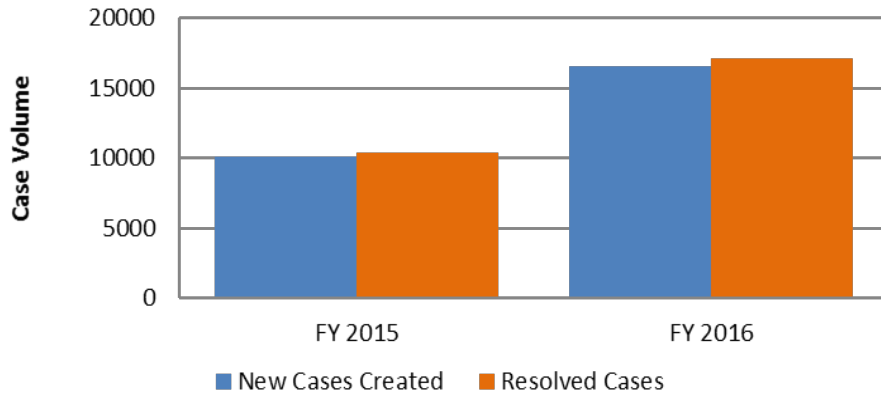
Number Events



GDD: Global Support Center Tickets– Year on Year

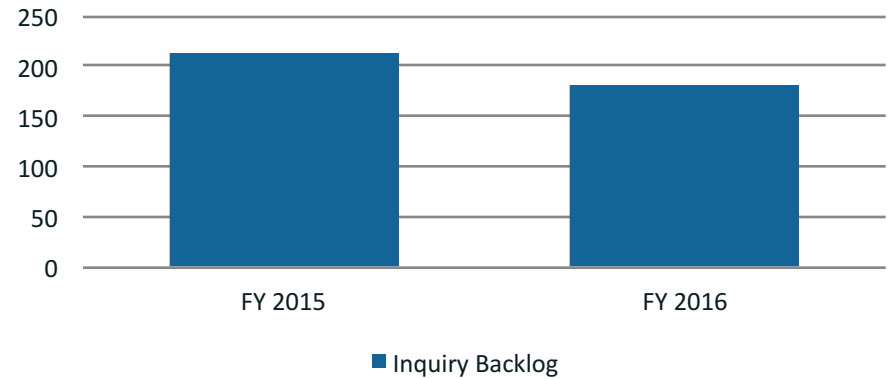
Case Volume Trending

Cases Created & Resolved



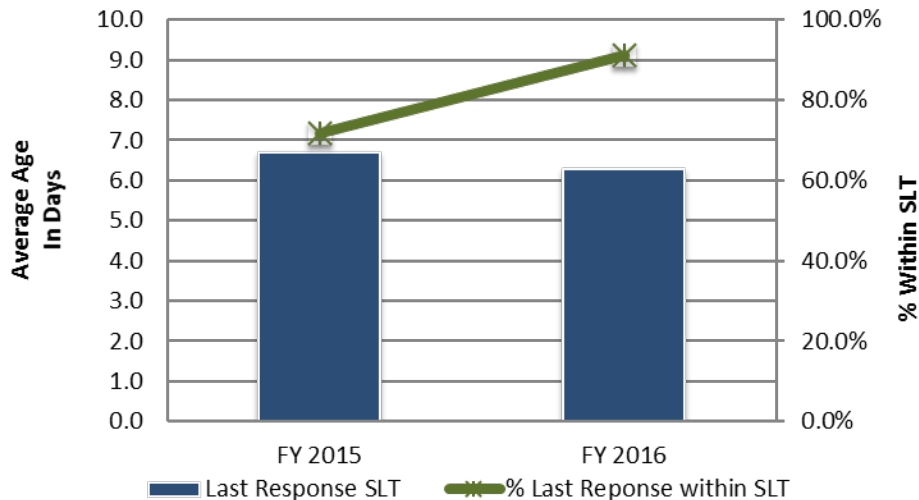
Case Backlog

Quarter End Volume Trending



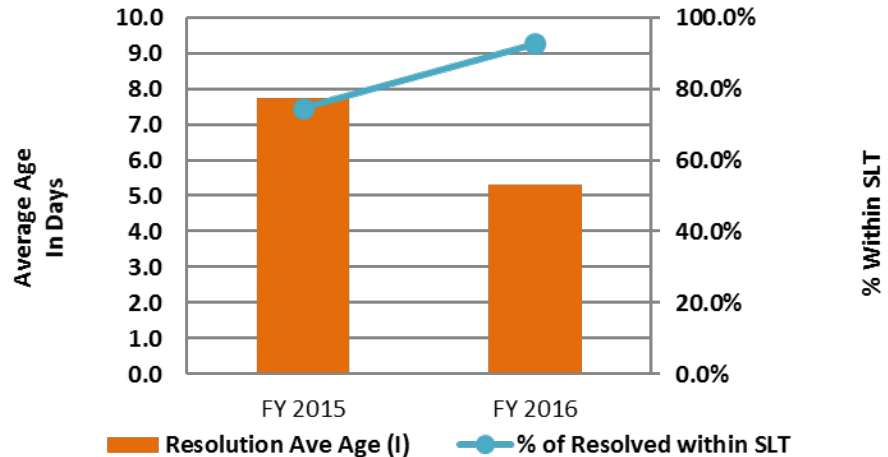
Status Frequency

Communication & Updates



Resolution Time Target

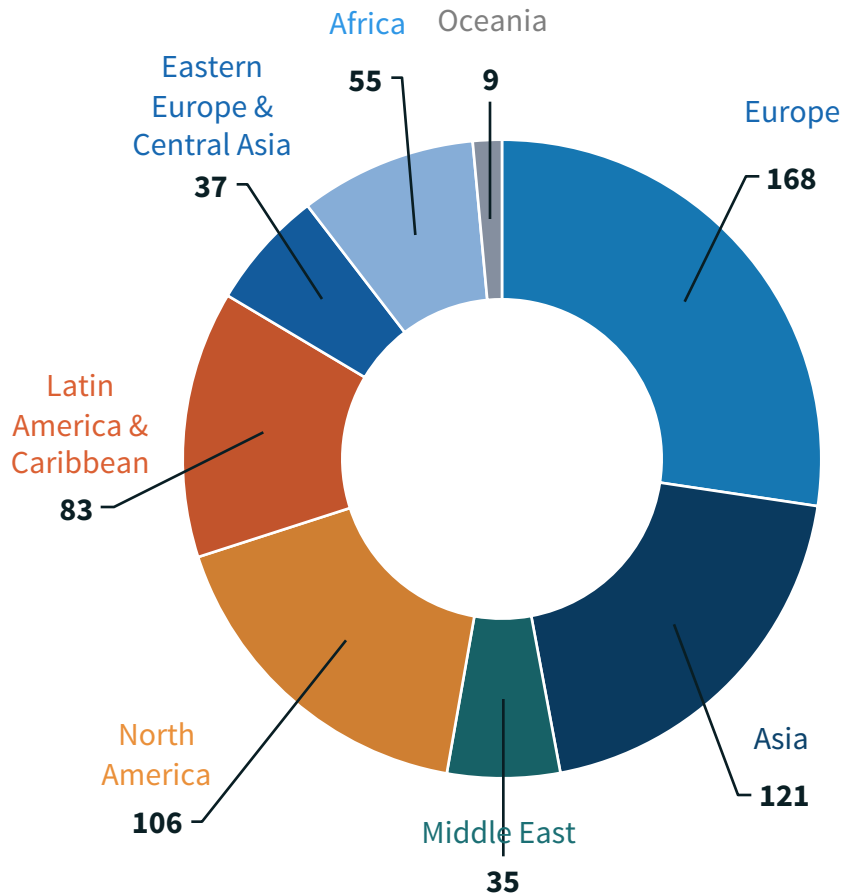
Case Aging



Global Stakeholder Engagement & Government Engagement

FY16 Regional Engagement Events

Over 600 events in FY16



Internet Governance Engagement

- ITU World Summit on Information Society (WSIS) Forum, Geneva, May 6-7
- Committee on Science Technology and Development (CSTD) Plenary Geneva, May 9-13
- ITU Council WG on WSIS and ITU Council WG on Internet Public Policy Issues in Geneva – May 25-31
- Commonwealth Telecommunications Organization (CTO) ICT Ministers forum London, June 14-15
- UN Economic and Social Council (ECOSOC) Multistakeholder Forum, New York, June 6-7
- Organization for Economic Co-operation and Development (OECD) Ministerial on the Digital Economy, Cancun, Mexico June 21-23

Newcomers, Fellowship Program and NextGen



- ◎ **Fellowship Program** – 31 Fellows at ICANN56; anticipate 55 Fellows at ICANN57
- ◎ **NextGen @ICANN Program** – 20 participants at ICANN56
- ◎ **ICANN Learn** - Internet Diplomacy Spring Institute course added
 - ◎ More information: <http://learn.icann.org/courses/internet-diplomacy>

Financial Update

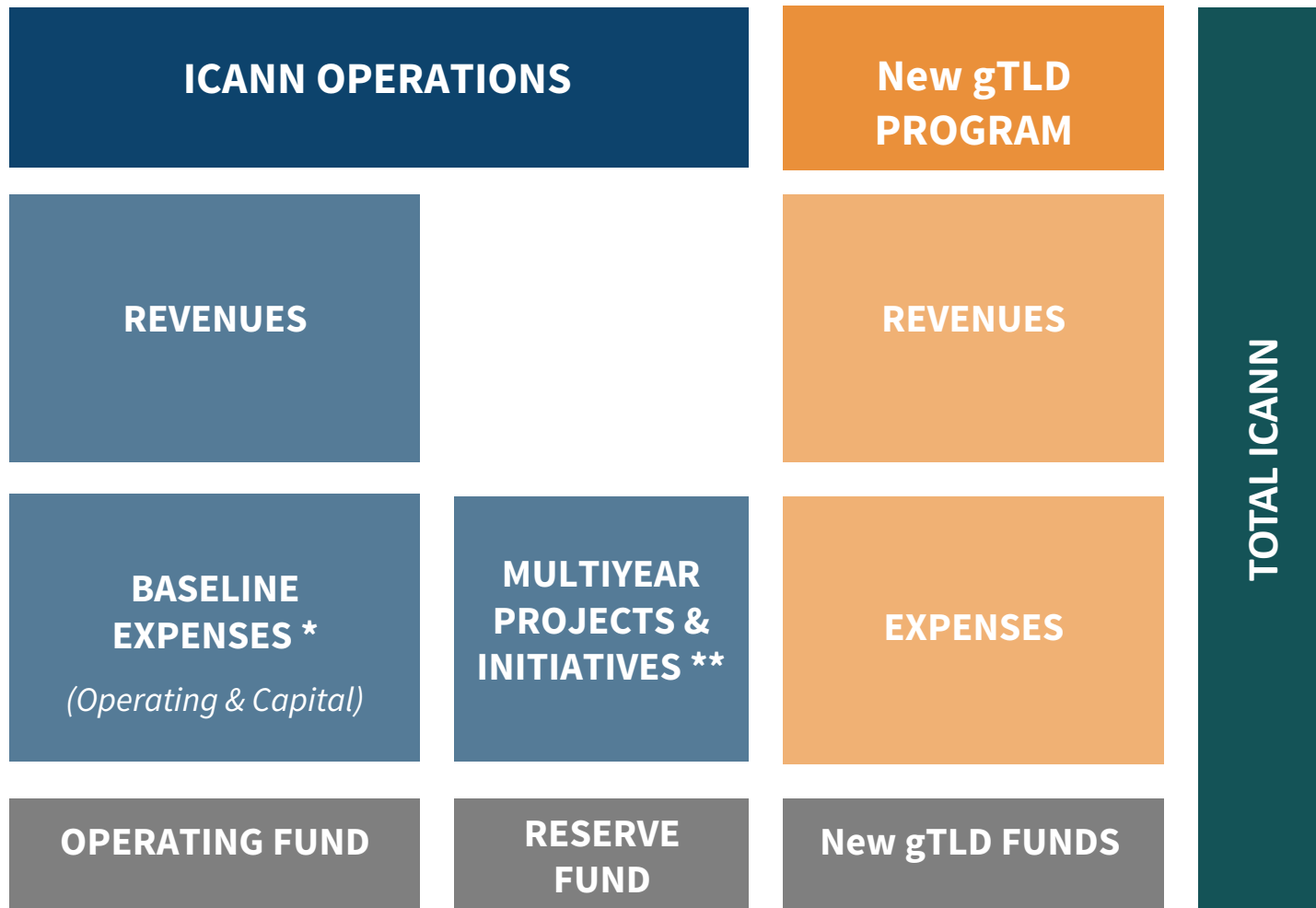


Xavier Calvez

Chief Financial Officer



Total ICANN Overview

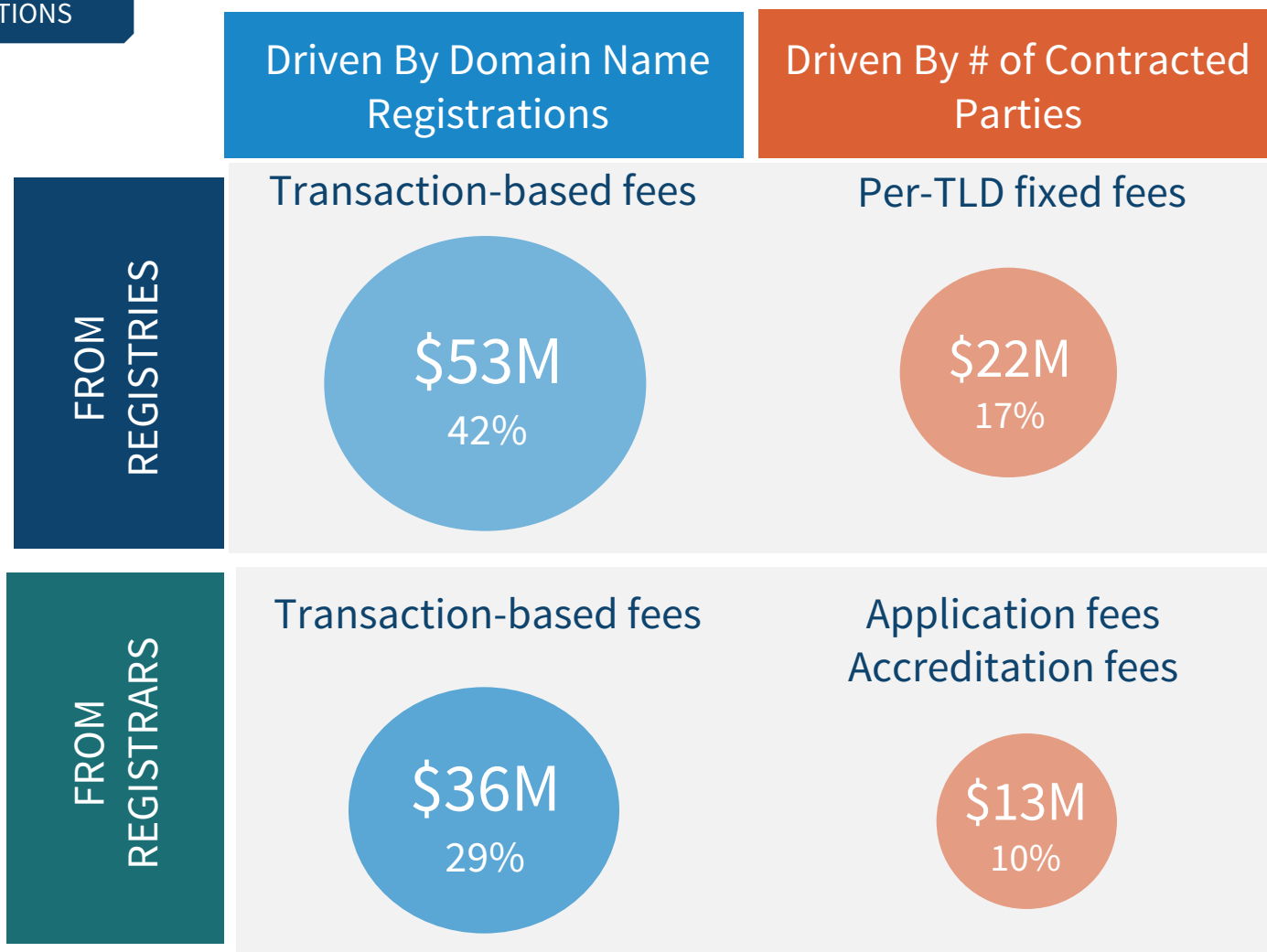


*: includes the IANA Operations

** : includes the USG IANA Stewardship transition initiative

FY16 Year End Revenue

ICANN OPERATIONS



Other Income: \$3M, 2%

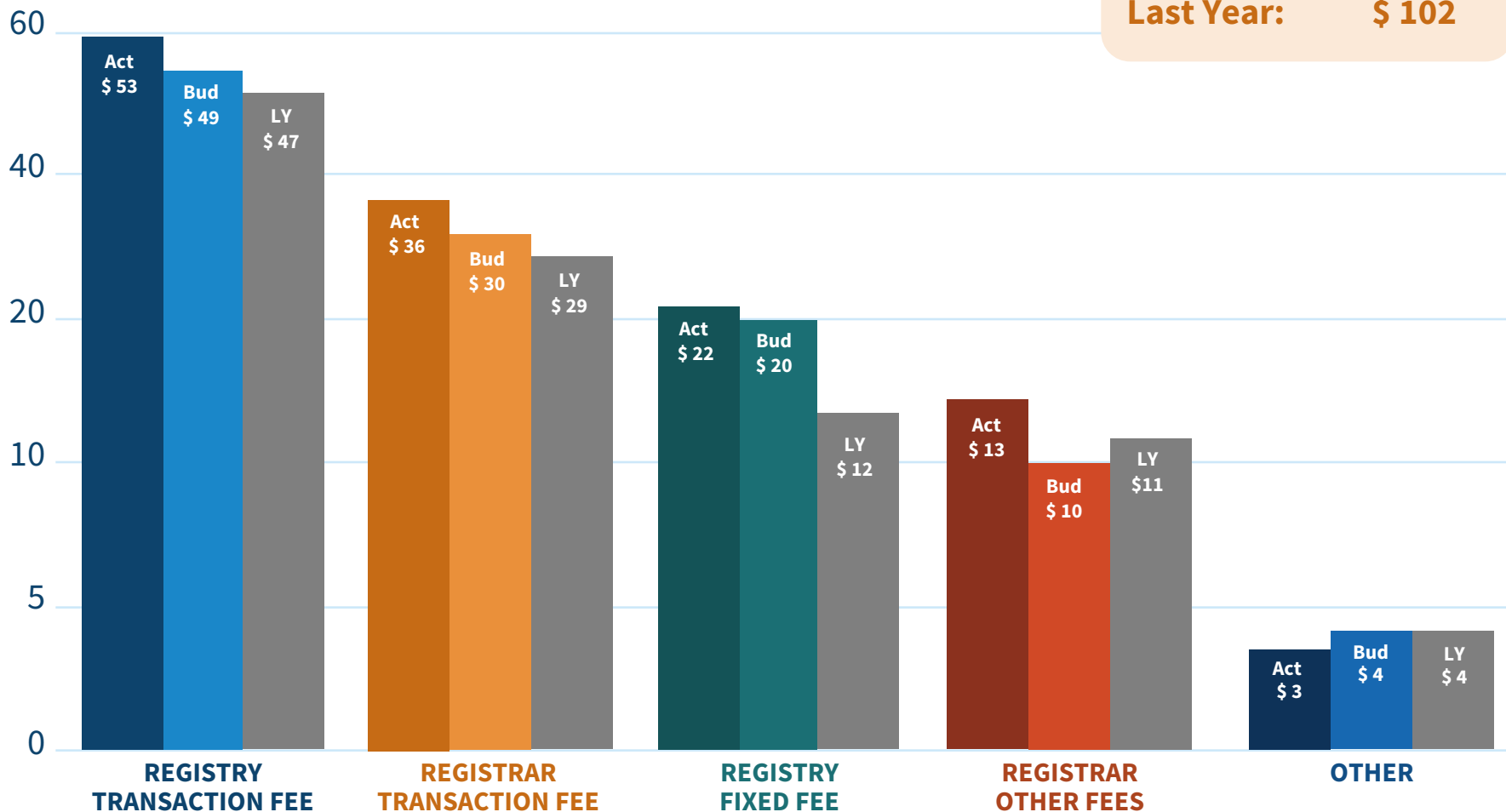
Total Support and Revenue: \$126M

FY16 Year End Revenue vs Budget and Last Year

ICANN OPERATIONS

Revenue exceeds target.

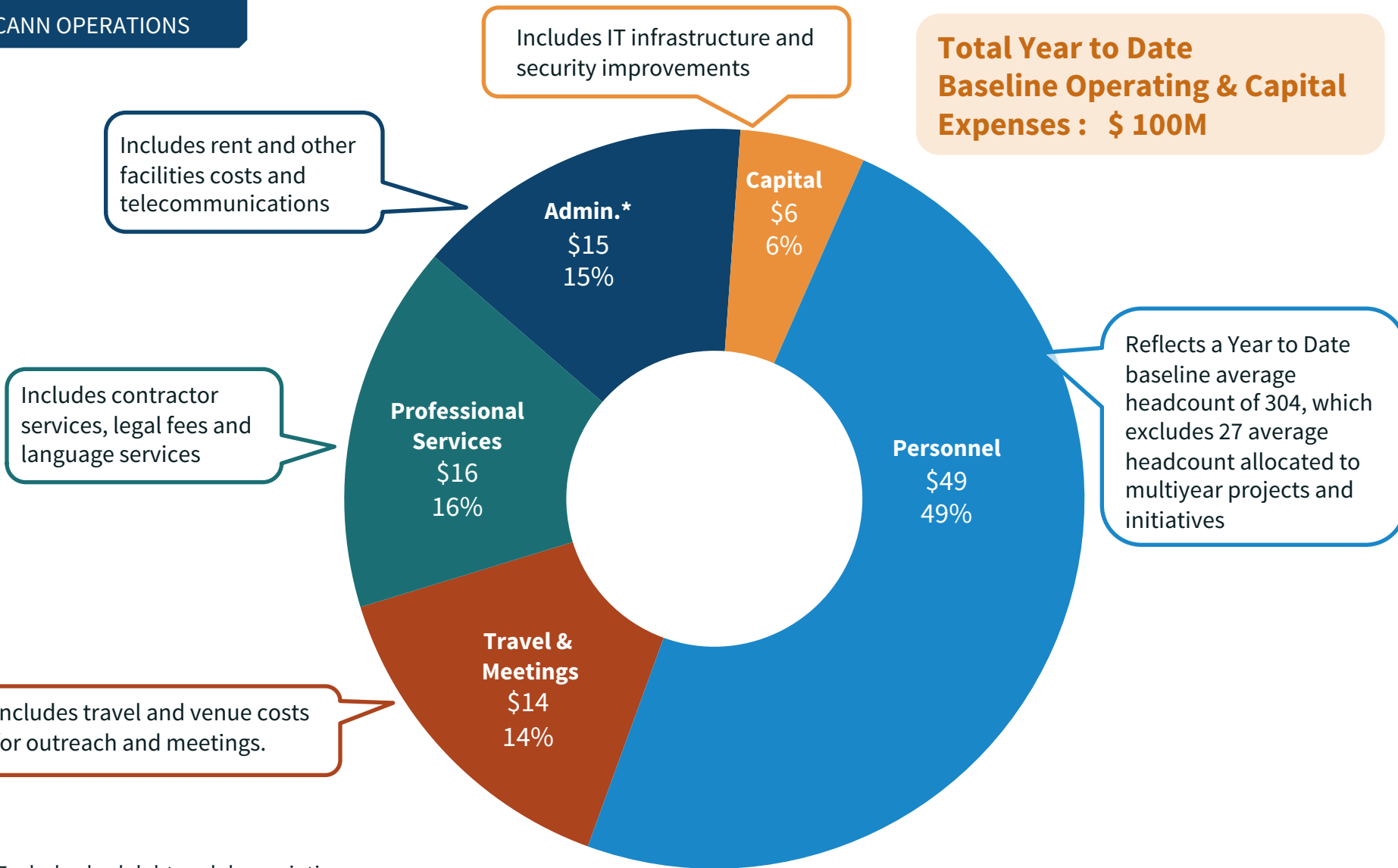
Actual: \$ 126
Budget: \$ 113
Last Year: \$ 102



FY16 Year End Baseline Operating and Capital Expenses

ICANN OPERATIONS

**Total Year to Date
Baseline Operating & Capital
Expenses : \$ 100M**



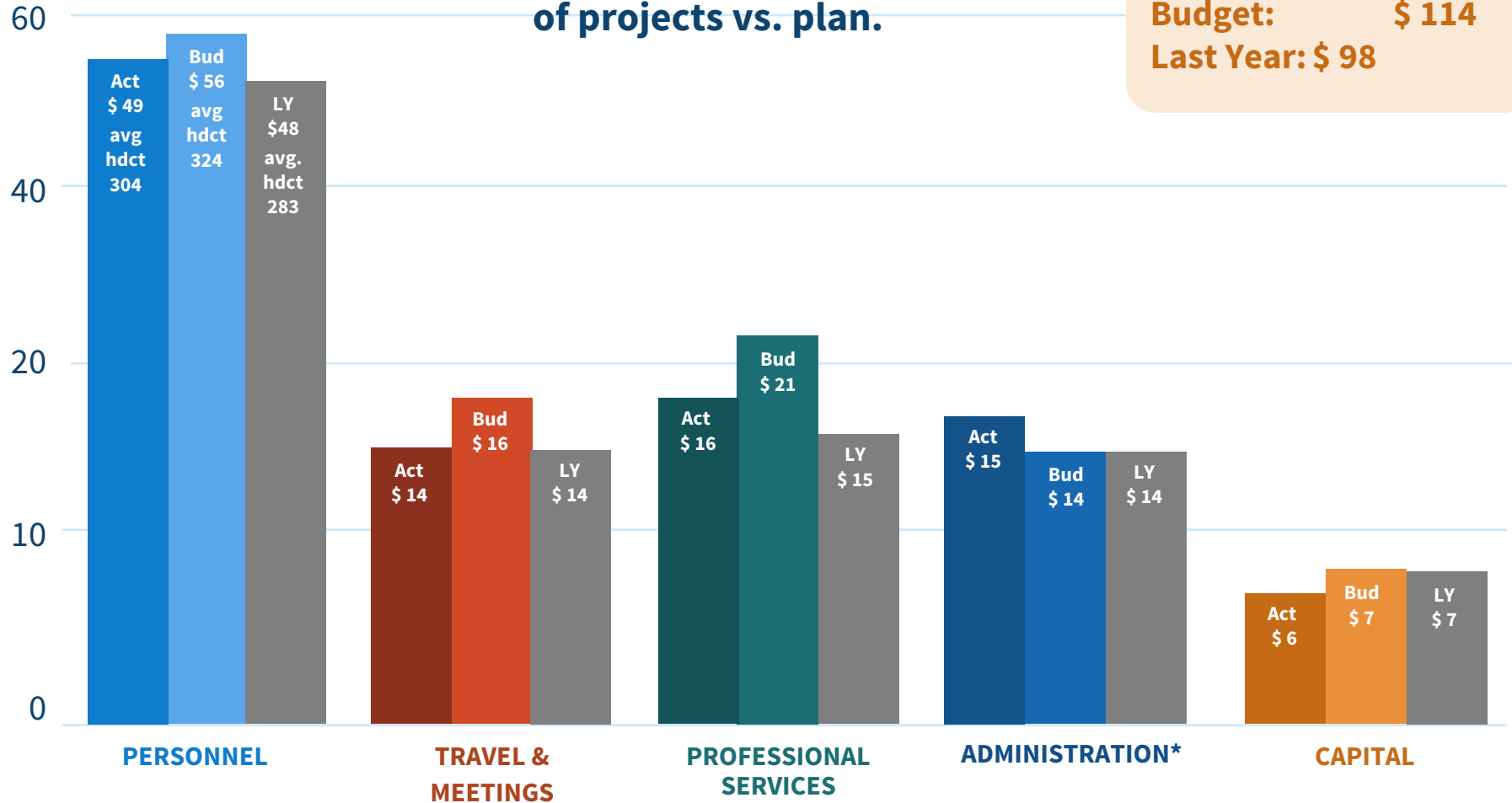
*Excludes bad debt and depreciation

FY16 Year End Baseline Operating Expenses and Capital vs Budget and Last Year

ICANN OPERATIONS

Lower personnel costs and timing differences of projects vs. plan.

Actual: \$ 100
Budget: \$ 114
Last Year: \$ 98



*Administration excludes bad debt and depreciation.

FY16 Multiyear Projects and Initiatives

ICANN OPERATIONS

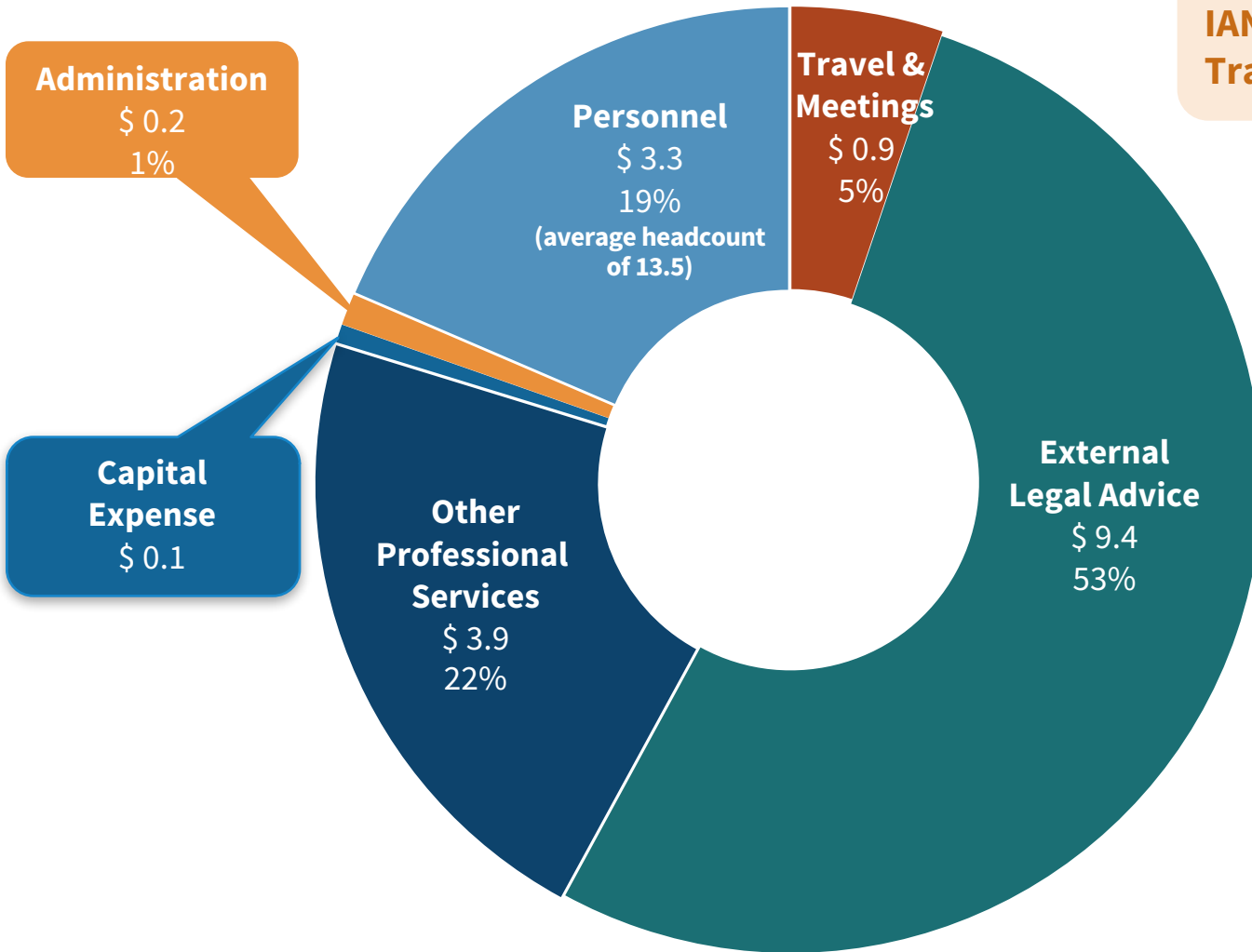
	FY16 Actual	FY16 Budget	Var
USG Stewardship Transition	\$ 17.9	\$ 6.9	-\$ 11
Public Responsibility	\$ 2.0	\$ 2.5	\$ 0.5
Hardening Critical IT Infrastructure	\$ 3.9	\$ 2.5	-\$ 1.4
New gTLD - Next Round Assessments & Preparation	\$ 0.0	\$ 0.5	\$ 0.5
Implementation of Reviews Recommendations	\$ 0.1	\$ 0.3	\$ 0.2
Total Initiatives	\$ 23.9	\$ 12.8	-\$ 11.1

In millions, USD- unaudited - Arithmetic inconsistencies are due to rounding to the nearest million.

FY16 Year End IANA Stewardship Transition Costs

ICANN OPERATIONS

**Total Year to Date
IANA Stewardship
Transition Costs: \$ 17.9**



FY16 Year End Resource Utilization

ICANN OPERATIONS

Increase to Reserve Fund Year to Date due to Revenue ahead of target and Expenses below target.

	Actual	Budget	Var	% Var	LY	Var	% Var
Support & Revenue	\$ 126	\$ 113	\$ 12	11%	\$ 102	\$ 24	23%
Baseline Expenses (Operating*/Capital)	-\$ 100	-\$ 114	\$ 14	12%	-\$ 98	-\$ 1	-2%
Multiyear Projects and Initiatives Expenses	-\$ 24	-\$ 13	-\$ 11	-87%	-\$ 9	-\$ 16	-178%
Net	\$ 2	-\$ 13	\$ 15	114%	-\$ 5	\$ 7	138%

*Excludes bad debt and depreciation

In millions, USD- unaudited - Arithmetic inconsistencies are due to rounding to the nearest million.

FY17 Resource Utilization

ICANN OPERATIONS

**FY17 approved budget, aligned to Operating Plan,
published on ICANN.org**

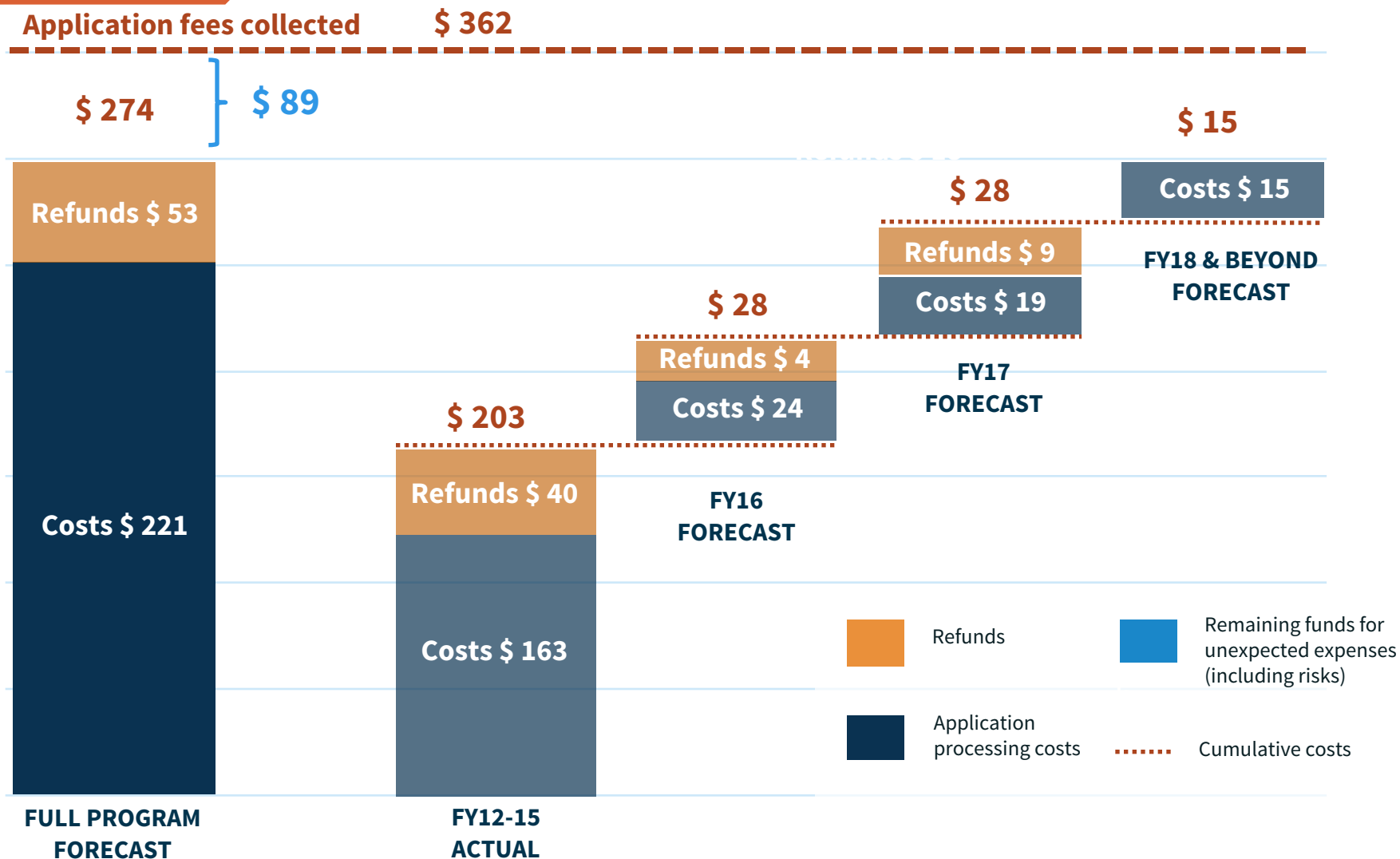
	FY17 Budget	FY16 Actual	Var	% Var
Support & Revenue	\$ 132	\$ 126	\$ 6	5%
Baseline Expenses (Operating*/Capital)	-\$ 118	-\$ 100	-\$ 18	-18%
Multiyear Projects and Initiatives Expenses	-\$ 6	-\$ 24	\$ 18	76%
PTI	-\$ 9	\$ 0	-\$ 9	-100%
Net	\$ 0	\$ 2	-\$ 2	-102%

*Excludes bad debt and depreciation

In millions, USD- unaudited - Arithmetic inconsistencies are due to rounding to the nearest million.

New gTLD Program – Multi-year Forecast

New gTLD PROGRAM

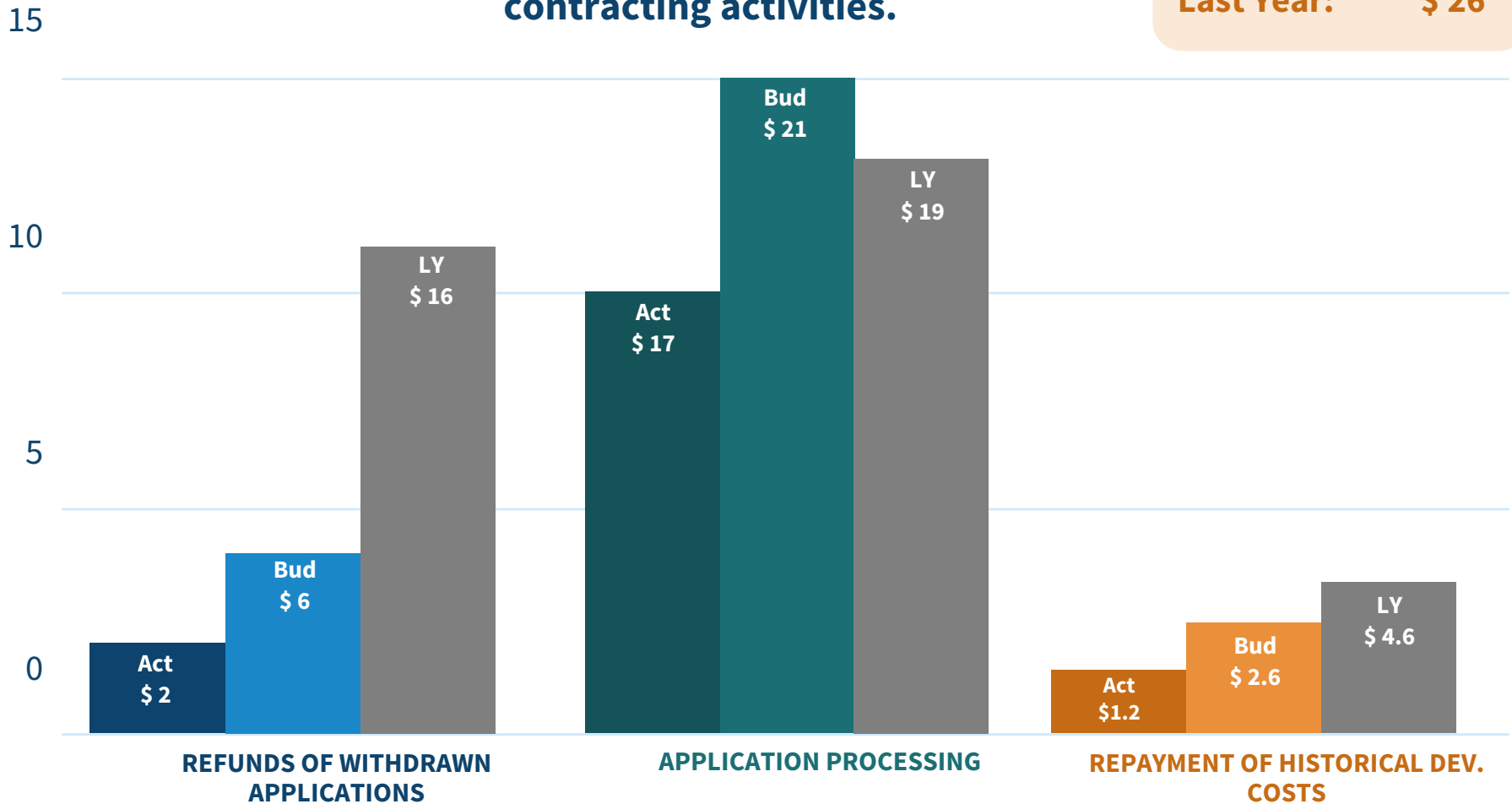


FY16 Year End New gTLD Program Costs

New gTLD PROGRAM

**Processing costs lower than target
driven by lower costs of
contracting activities.**

Actual: \$ 13
Budget: \$ 22
Last Year: \$ 26

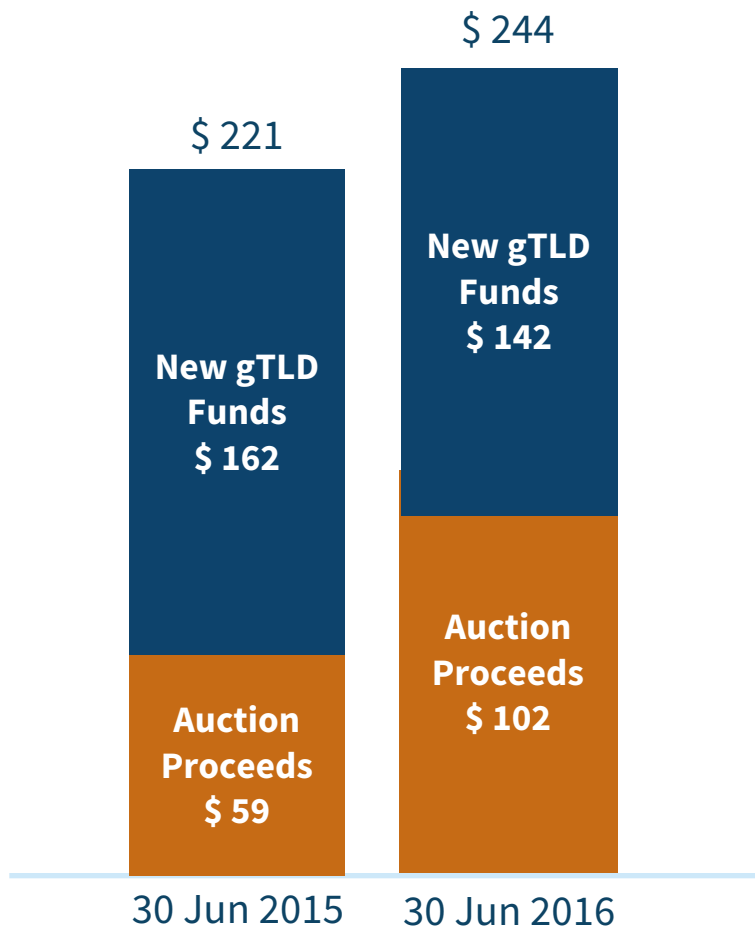


In millions, USD- unaudited - Arithmetic inconsistencies are due to rounding to the nearest million.

Funds Under Management

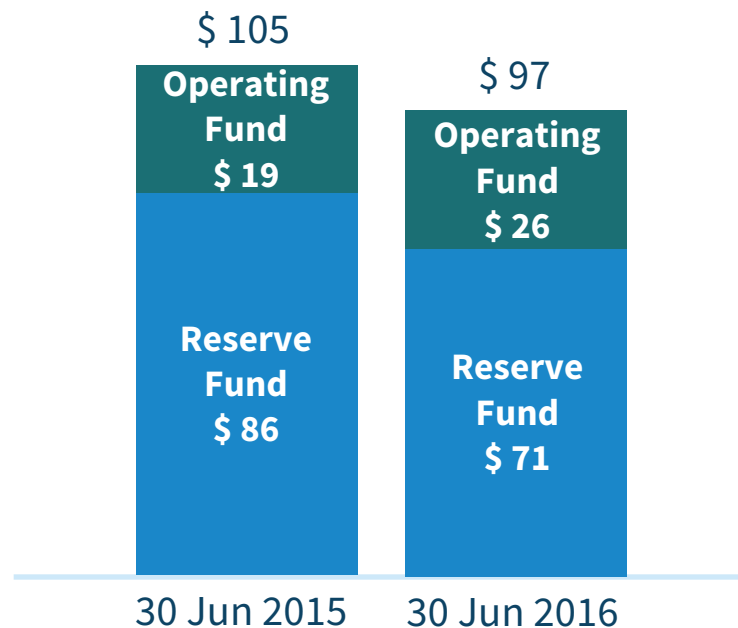
FUNDS UNDER MGMT.

New gTLD Program New gTLD funds/Auction proceeds



Total Funds: \$ 341
Program-related: \$ 244
ICANN Operations: \$ 97

ICANN Operations Operating and Reserve Funds



In millions, USD- unaudited - Arithmetic inconsistencies are due to rounding to the nearest million.

Adopted FY17 Operating Plan and Budget

ICANN OPERATIONS

FY17 Budget adopted 25 Jun 2016 Aligned to Operating Plan and published on ICANN.org

- Community input throughout the past year during webinars, face-to-face workshops, calls and public comment period.
 - Over 80% increase of public comments received (12 Organizations, 150 comments)
- FY17 Budget Revenue Increased by \$6M to \$132M in FY17.
- FY17 Budget Expense increased resulting from multiyear projects becoming ongoing baseline work in FY17, and incremental costs for the formation of a separate legal entity for the post-transition IANA work.

Engage with ICANN



SAVE THE DATE: FY17 Q1 Report October 13

Email: engagement@icann.org
Website: icann.org



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SlideShare

slideshare.net/icannpresentations