

Public Comment Backgrounder for ICANN's Draft Strategic Plan for Fiscal Years 2021 – 2025

- Strategic plan framework for FY21-FY25.
- Strategic planning process.
- Results of trend sessions and subsequent analysis.

17 December 2018



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Introduction

The purpose of this backgrounder is to provide the community with additional context on ICANN's strategic planning process, and the steps that led to the draft ICANN Strategic Plan for fiscal years 2021 through 2025, posted for public comment on 4 December 2018.

Included in this document:

- A description of the framework for the FY21-FY25 strategic plan, including what is carried over from the FY16-FY20 plan, and what changes have been made to strengthen the plan;
- An overview of the process ICANN is following to develop this plan; and
- A summary of the outcomes and analysis from the strategic trends outlook sessions undertaken by the community, the Board, and the ICANN organization.

Public comments on this draft five-year strategic plan are part of ICANN's consultation process with the community, and ensure this plan is focused on the right priorities for fiscal years 2021-2025. In addition, ICANN is seeking comment on whether the desired outcomes and risks accurately reflect the success ICANN is seeking to achieve and the potential challenges it may encounter.

Strategic Plan Framework for FY21-FY25

The strategic planning process for FY21-FY25 began with an analysis of the operative FY16-FY20 plan's structure and effectiveness. Feedback from the community, Board, and ICANN organization informed the Board's direction on which aspects of the strategic plan framework and process to keep, and what changes to make to strengthen the framework.

The new framework for FY21-FY25 follows the structure of the FY16-FY20 strategic plan. To complement the FY21-FY25 strategic plan, ICANN will also develop a fully costed five-year operating plan to show not only how, but at what cost, the organization will implement the strategy, so that implementation is both realistic and affordable.

The strategic plan is composed of three main components: vision, mission, and a set of strategic objectives and goals.

The vision is an aspirational statement about the future. It provides a call to action and describes a clear picture of what ICANN will work to achieve by FY2025.

The mission describes what ICANN does and may do on a day-to-day basis and is a restatement of what is set out in the Bylaws.

The third component of the plan, the strategic objectives and goals, provides the necessary guidance for establishing Specific, Measurable, Attainable, Results-oriented and Timebound (SMART) operating goals and plans to fulfill the vision and deliver on the mission over the five-year horizon of this plan.

The strategic objectives and goals are the direct result of the trends work conducted with the community, Board and ICANN organization, and are focused around five key categories: security; governance; unique identifier systems; geopolitics; and financials.

ICANN's Strategic Planning Process

The purpose of strategic planning is to set out the long-term strategic objectives for the organization, reflecting the ICANN mission and vision. Strategic planning is a core element of ICANN's three-fold [planning process](#) cycle, namely the Strategic Plan, 5-year Operating Plan, and the Annual Plan and Budget. Strategic planning helps answer two important questions: Where are we now? And where do we want to be?



The 5-Year Operating Plan and annual Operating Plan and Budget answer the questions: How will we get there and who will do what? They help the ICANN org fulfill its mission and vision by putting the objectives of the strategic plan into action. The planning cycle ends with ongoing achievement and progress reporting to help us answer the final question: How are we doing?

The strategic planning process can be broken down into four phases: trends identification, trends analysis, drafting of the strategic plan, and finalization of the strategic plan.



Summary timeline of the strategic planning process for fiscal years 2021-2025

- ⦿ Phase 1. Trends Identification
 - The community, Board, and ICANN organization participate in trend identification sessions to engage in a discussion on emerging trends that could affect ICANN. The trend identification process repeats annually to help inform ICANN's strategy in an ever-changing environment.
- ⦿ Phase 2. Trends analysis, categorization, and impacts for ICANN
 - The Board, with the support of the org, reviews and analyzes the results of the trend work and their related opportunities, risks, and impacts on ICANN, and categorizes them into key focus areas. The Board shares its findings with the ICANN community through webinar and/or a public session.
- ⦿ Phase 3. Drafting of strategic plan
 - The Board oversees the drafting of the five-year strategic plan. The ICANN community provides feedback and input on the draft strategic plan via the public comment process.
- ⦿ Phase 4. Finalization of strategic plan
 - Under Board oversight, the ICANN organization revises the draft strategic plan based on community input. The ICANN Board then finalizes and adopts the new strategic plan.

The Empowered Community may consider the strategic plan before it goes into effect. Learn more about that process [here](#).

Once the strategic plan and operating plan are adopted, recurring evaluation of these plans are conducted. As new trends emerge or shifts in existing trends impact the operating plans (five-year or annual), and/or budget, these emerging or shifting events will be factored into the annual iteration of those plans as appropriate. Significant shifts could result in adjustments to the strategic plan, following the strategic planning process described above.

Community engagement

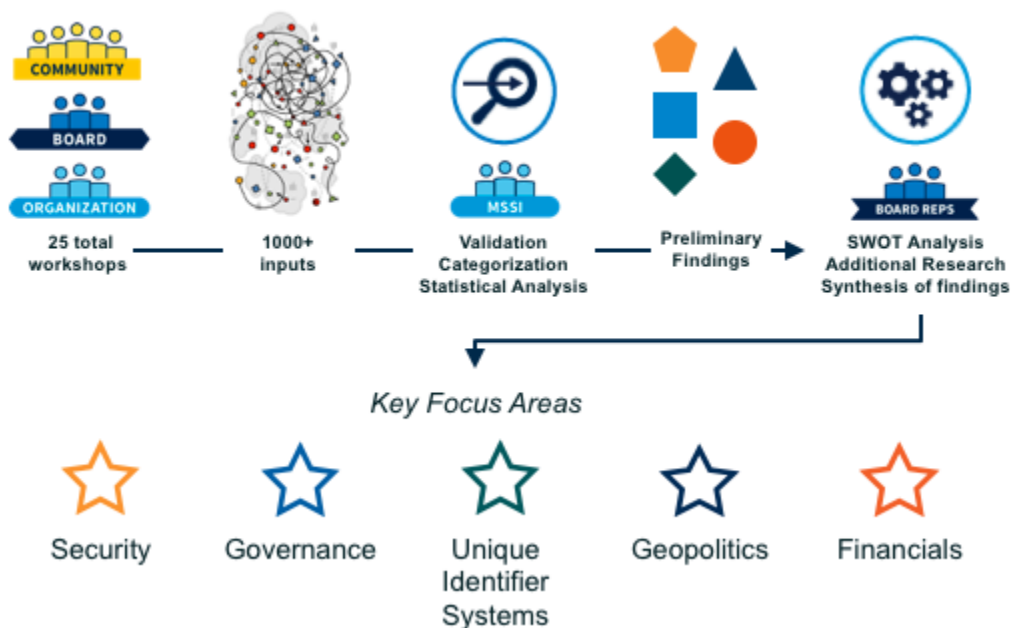
Community participation is a critical component of the strategic planning process in collaboration with the ICANN Board and the ICANN organization. The strategic planning process is designed to ensure continuous community participation throughout the development of the plan. This includes running strategic outlook/trend identification sessions with stakeholder groups, information sharing via webinars, public sessions at ICANN meetings, and, as required by ICANN's Bylaws, a public comment period for a draft strategic plan.

Strategic Trend Sessions and Analysis

Between November 2017 and June 2018, ICANN Organization conducted 14 departmental and regional hub trend identification workshops within the organization and facilitated 11 sessions with the community and the Board, collecting more than 1,000 trend data inputs.

Between April 2018 and September 2018, the Board caucus group tasked with overseeing the strategic planning process reviewed and analyzed the results of the trend work and their related opportunities, risks, and impacts on ICANN, and categorized them into key focus areas.

These efforts represent approximately 1,500 collective hours of combined work by the community, Board, and ICANN organization.



There were significant similarities across all the trend sessions, that naturally converge into five primary focus areas: security; governance; unique identifier systems; geopolitics; and financials.

STRATEGIC FOCUS AREA 1: SECURITY

Trend Statement:

“The exponential growth in security issues is challenging the stability of the domain name system and the root server system, as well as ICANN’s ability to finance increasing investments required to ensure continued stability.”

Examples of themes supporting this trend include:

- Increasing cybersecurity risks. Examples include massive Distributed Denial of Service (DDOS) attacks, Internet of Things (IoT) vulnerabilities, and DNS security.
- Increasing threats to the root server system, and challenges to root service reliability, resilience, and interoperability.
- Continuing concerns about DNS abuse.

Opportunities and Challenges for ICANN:

- Review the recent advice received from the Root Server System Advisory Committee (RSSAC) in order to propose an action plan in response to the RSSAC037 & RSSAC038 recommendations regarding a proposed governance model for the DNS Root Server System.
- Opportunity to better understand and address security threats to the DNS through greater and more proactive engagement, and stronger alliances with players in the Internet ecosystem.
- Heightened importance to address KSK system and process vulnerabilities.

STRATEGIC FOCUS AREA 2: GOVERNANCE

Trend Statement:

“ICANN’s multistakeholder model of governance, which grew to fit ICANN’s needs, has the potential of becoming less effective and more expensive as it matures and scales up to respond to increasing needs of our community.”

Examples of themes supporting this trend include:

- ICANN’s multistakeholder model is increasingly costly, while efficiency and effectiveness continue to be questioned.
- Continued necessity of fulfilling transparency and accountability, inclusiveness, and openness obligations.
- Increasing pressure to work effectively and to make timely and efficient use of ICANN resources.

Opportunities and Challenges for ICANN:

- Increased focus on role clarity, decision-making structures, and skill-building.
- Need to evolve international strategy to increase diversity and efficacy of participation, and address volunteer and staff fatigue.

STRATEGIC FOCUS AREA 3: UNIQUE IDENTIFIER SYSTEMS

Trend Statement:

“The rapid evolution of new technologies requires ICANN to be responsive to these changes and ensure that the unique identifier systems evolve and continue to serve the global Internet user base.”

Examples of themes supporting this trend include:

- Alternate roots and alternative infrastructures increasingly threatening the global interoperability of the Internet.
- External technology advancement (such as blockchain, IoT, rise of artificial intelligence etc.) creating both threats and opportunities.

Opportunities and Challenges for ICANN:

- Increased pressure to improve and promote Universal Acceptance and Internationalized Domain Name (IDN) implementation.
- Need to improve ICANN’s understanding and responsiveness to new technologies.

STRATEGIC FOCUS AREA 4: GEOPOLITICS

Trend Statement:

“The increasing importance of the Internet across all sectors increases the possibility of governments intervening to gain control over the DNS through legislation and regulation. At the same time there is an increasing risk of Internet fragmentation as a result of geopolitical, technical, and organizational pressures.”

Examples of themes supporting this trend include:

- More legislation and regulation that risk impacting the Internet’s unique identifier systems and ICANN’s mission.
- Increasing global reliance on the Internet.
- Increasing geopolitical risks of Internet fragmentation.

Opportunities and Challenges for ICANN:

- A greater need for monitoring of global issues, regulatory or other, and public policy decisions on a global basis.
- Continued need for capacity-building, engagement, and alliance-building with others in the Internet ecosystem and beyond.

STRATEGIC FOCUS AREA 5: FINANCIALS

Trend Statement:

“Consolidations in the marketplace, decline in the growth of domain name registrations, and continued uncertainties surrounding the expansion of the gTLD name space, are putting pressures on ICANN’s ability to support the growing needs and demands of its global community.”

Examples of themes supporting this trend include:

- Funding growth rate slowing to a small annual growth rate.
- Continued growing demands and costs (demands for support from stakeholders, demands for investments to address security and technology requirements, costs of global engagement, costs of transparency and accountability, etc.).
- Financial responsiveness to changing industry economics.

Opportunities and Challenges for ICANN:

- Opportunity to strengthen cost management and financial accountability mechanisms.
- Opportunity to plan a properly funded, managed and risk-evaluated new round of gTLDs.
- Necessity of funding for increasing technology and security requirements.
- Need for greater understanding of industry economics and market projections.
- Need for increasing proactivity in our financial planning model, including considering a move to a two-year budgeting cycle.

