
ICANN77 | PF – PTI/IANA Governance Proposals
Wednesday, June 14 2023 – 10:45 to 12:15 DCA

CLAUDIA RUIZ:

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using your full name. For example, a first name and last name or surname. You may be removed from the session if you do not sign in using your full name. Thank you and with that, I will hand the floor over to Becky Nash.

BECKY NASH:

Thank you very much. Good afternoon. Good evening. Good morning, everyone. This is Becky Nash and we are here for the PTI IANA ICANN planning governance proposal and I will hand the microphone now to James Gannon. Thank you.

JAMES GANNON:

Thanks, Becky. Hi, everybody. James Gannon is my name. I'm the chair of the PTI board. I think many of you know me. So first of all, I just want to start with some thanks, particularly to the ccNSO and the GNSO for allowing us to have this session today and for hosting us. It's an important part of the overall multi-stakeholder model that we can engage with the community when we're making changes like this.

What we're here today to discuss is it's both an exciting thing and a little bit of a boring thing at the same time, unfortunately. So this is the first time that we're proposing to change the bylaws of PTI since PTI was established during the IANA transition. Now, luckily, what we're proposing to change is a relatively simple operational change to bring some timelines together around how we create the budget for PTI and how that aligns to IANA budgeting cycles and ICANN budgeting cycles.

Really what we want to do here today is engage with you folks as the community and as customers of IANA as well and really understand that we're doing this process right. It's the first time we've done it, so there's been a lot of learnings along the way. This process started a long time ago, probably almost two years ago when we had the idea to make this change. So there's been a lot of learnings for us as the board and we are really at this point now where we have the public comment open on this and we want that confirmation from the community of, yes, we're happy with how this process has been run and in addition, obviously, the substantive volume of the actual change itself meets with community support.

So really, it's about having that interaction, that kind of stamp of approval and I think we'll hand over to... I'm joined here by Kim Davies, who I think everybody knows. Kim leads the IANA team. We have Becky, who's the PTI treasurer and Sam, who's the PTI secretary. So they'll go through the substantive, actual meat of the change itself and Sam will go through some of the aspects around the process and then at the end, we'll have a Q&A process at the end if there's any inquiries or comments or anything that we should hear from the community. So with that, I'll hand over to Becky.

BECKY NASH:

Thank you very much. Again, this is Becky Nash. ICANN Org planning and PTI treasurer. Next slide, please. For the agenda, we're going to provide a background and an introduction to the proposals that we are making today. We then will walk through the proposals in detail and we

will then have key milestones and an overall timeline and finally at the end, we will have Q&A. Next slide, please.

For the purposes of background, we wanted to provide an overview of the bylaws, both for ICANN and its affiliate, PTI, as it relates to the planning process. So for overall ICANN, we have a strategic plan, which is a five-year strategic plan with an annual update as needed and for PTI, the affiliate of ICANN, we have a strategic plan which is developed for every four years, again, with an annual update.

We then have bylaws pertaining to ICANN's operating plan and financial plan. We start with an overall five-year operating plan. We then have a one-year ICANN budget and we have two distinct separate budgets. One is the IANA budget, again, for an annual plan and then we have PTI's annual budget.

So in order to improve and enhance the overall planning transparency and accountability and specifically in order to ensure that the community has opportunities for engagement, we are proposing several recommendations that are currently under a bylaw amendment process where we have a public comment open. So with this landscape of all of our planning requirements in mind, we are then going to move into the next slide, please.

So the recommendations that are being proposed do require bylaw amendments and process improvements related to both PTI's bylaws and the IANA budget's planning process. The overall summary is that these proposals are suggesting to have PTI move from a four-year strategic planning cycle to a five-year strategic planning cycle which will then align with ICANN's overall five-year strategic planning cycle.

We are also proposing to modify the timing of the initial delivery of the draft PTI operating plan and budget which is submitted to the PTI board and currently per the bylaws that is set to be delivered nine months prior to the start of the fiscal year. We're recommending a change of making this a 90-day window. The purpose then is that we can align with the overall ICANN planning process since these plans are all related and roll up to overall ICANN. The final proposal is related to a separate and distinct operating plan and budget for IANA and the IANA budget as defined per the bylaws represents the PTI expenses plus ICANN funded expenses and the IANA operating plan and budget. We are suggesting that this be incorporated for a process into the timing of the ICANN operating plan and budget document.

So these proposals result in proposed bylaw amendments for PTI and we just want to highlight that these proposed amendments remain aligned with the community's principles underlying the IANA stewardship transition. Next slide, please. I'm now going to cover each of these proposals and make reference to the process changes. So next slide, thank you.

So the first recommendation is to align the PTI strategic plan and the bylaw requirements related to that to ICANN strategic plan and the bylaw requirements for a five-year strategic plan. So this recommendation number one requires a bylaw amendment and this relates as noted at the top of the slide here to specifically article 9 section 9.3a of PTI's bylaws.

So the recommendation to align PTI's strategic plan to ICANN's timing for a strategic plan will improve both the accountability and the

transparency with both plans because PTI and IANA are included as well in the ICANN strategic plan.

The recommendation does suggest also removing a clause related to a mandated annual update of the PTI strategic plan and the suggestion there is to align this annual update process to the process that is followed by ICANN where each year we evaluate the need for revising or changing or updating the strategic plan using our strategic outlook trends evaluation process and that is a process that we involve the community with as well. So again the proposed bylaw amendment number one relates to the strategic planning cycle.

Now I will move into the second proposed bylaw amendment and the recommendation here is to align the PTI operating plan and budget and its bylaw requirements to the ICANN and the IANA operating plan and budget bylaw requirements. This relates primarily to aligning the timing for PTI's operating plan and budget development and publication for draft for public comment to the same timing as the ICANN and IANA operating plan and budget.

This means that upon implementing this recommendation the annual operating plan and budget process for PTI, IANA and ICANN can all start at the same time rather than having first a PTI and an IANA cycle and then the ICANN cycle. So the overall operating plan and budget process with involvement from the community, org and board will be approximately 12 months instead of a 15 month process.

So now I'm going to cover the third proposal as part of this project. This is a process change as it relates to the IANA operating plan and budget process. IANA's operating plan and budget is part of ICANN's bylaws.

This is a separate plan document again which represents both the elements of PTI's budget plus some ICANN funded expenses and this is part of ICANN's bylaws and we are recommending to integrate the process for the IANA operating plan and budget into the ICANN operating plan and budget.

I would just like to highlight that this does not relate to the separate and distinct nature of the PTI operating plan and budget and the IANA operating plan and budget is one that is subject to separate empowered community process as well as ICANN's operating plan and budget. So this recommendation does not require any bylaw changes for PTI or ICANN and it is just related to a recommendation to change the process and the timing of the development of the IANA operating plan and budget and this means that the IANA operating plan and budget will be published for public comment separately but at the same time as the overall ICANN operating plan and budget. And we just would like to highlight that this process overall does preserve all of the key principles of the IANA stewardship transition.

So now I'm just going to summarize the impact of these changes. So the key change would be that PTI's strategic plan would be aligned to the timing of ICANN's strategic plan. So the next development cycle for PTI's strategic plan will be for a five-year period for FY26 through FY30 and that will align to the next cycle of ICANN's strategic plan.

Following the bylaw amendments, the current PTI strategic plan which is a four-year plan from fiscal year 21 through fiscal year 24 will be extended by one year to then align to the current timeline of the five-year ICANN strategic plan.

The next impact of these changes would be the integration of the operating plan and budget process. So following the bylaw amendment decision, the FY25 or fiscal year 25 planning process will be at the same time for ICANN's planning which will include separate plans for PTI, and IANA, and ICANN. This means that all of the draft plans will be published for public comment at the same time which is intended to simplify the process and synchronize the timing of the public comments to enhance community engagement, transparency, and accountability.

So now if we go to the next slide, just a quick overview of the public comment proceeding. Just would like to highlight that the bylaw amendment proposals for PTI are currently open for public comment. That public comment started on the 16th of May. The public comment period will close for submissions on the 5th of July 2023. We on purpose extended this public comment to ensure that we would have the opportunity to engage with the community during ICANN 77 here and also we had a separate webinar which is also available on the public comment page. Following the closure of the public comment, we will have a summary report issued on the 15th of August. I'm going to pass the microphone now to Sam Eisner. Thank you.

SAM EISNER:

Hi everyone. I'm Samantha Eisner. I'm both deputy general counsel to ICANN as well as the secretary to the PTI Board. And particularly because this is the first time that we've had a PTI bylaws change, we wanted to explain to the community and we've taken some time to learn amongst ourselves what the correct process for this is.

To recall, PTI is a fully owned affiliate of ICANN and ICANN serves as its sole member. So we have interaction between the two entities to make sure that governance changes are taken appropriately both with the appropriate community comment as well as the appropriate relationship between the entities.

And so here you'll see that there are some steps listed out on the slide. The PTI board initiated the bylaws amendment process and open public comment that's very similar to how you see bylaws amendments happening within the ICANN bylaws as well.

Then because this is the first time and this is also part of a really important planning process, we had a community webinar to make sure that we were able to engage with the community and discuss the purposes for which we were seeking this bylaws change. And then of course, we have the community engagement that we're doing here today.

And then after the public comment proceeding ends, as Becky indicated, we'll be publishing a public comment summary report. These are very similar steps to what you see happening when we have ICANN bylaws changes. So after that public comment summary is completed, from the staff side, we'll work with the PTI board to make sure they have visibility into all the comments taken in. And assuming that there aren't comments that call for significant changes to the bylaws as proposed, the PTI board would then consider the bylaws amendment alongside public comments that were received. And then once the PTI board adopts those—so this this is identifying the best possible scenario. We hope that there is not a lot of controversy about those bylaws changes.

This is a different step than what we see with the ICANN bylaws. We then actually go to the ICANN board that has responsibility to approve the changes to the governance documents of PTI after the PTI board has weighed in on those. And so the PTI board as a sole member of PTI would consider the approval of the bylaws amendments. And then assuming the ICANN board is supportive of those and the ICANN board also will of course look at the public comments received and make sure that there is community support for these changes as well, the amendment would then go into effect upon ICANN board approval.

We anticipate the best possible calendar for this would be closing this around September 2023. And one of the benefits of taking on this bylaws change on this planning item is that we now will walk out of this with a documented process for how PTI and ICANN will work together on these in the future. So this was a good learning step for us.

One of the other things that's different about this bylaws change than we have on the ICANN side is this is a bylaws change that does not require the consideration by the ICANN empowered community. There are particular portions of the PTI bylaws that would require empowered community consideration, but this is not one of them. So in the future if we have other portions of the PTI bylaws that are subject to change, you might see an empowered community process but you won't see one at this time. Thank you.

BECKY NASH:

Thank you very much, Sam. If we go to the next slide, we are now at the time for questions and answers. So we welcome comments and we're here to answer any questions.

JAMES GANNON: just maybe briefly before we go into the Q&A. So obviously I'm sitting here as the PTI chair, but I'm also somebody that was very involved in the transition and the design of a lot of this work. And one key thing that I think is important for everybody to know is that this process has been largely driven by the independent members of the Board, under Lise and under myself, and it's been something that we've done in conjunction with a lot of the stakeholders from the time of the transition to make sure that we've got the balance on this correctly and also we've worked obviously with the ICANN Board, particularly Danko, but also Matt, and Avri are here in the room as well. It's been a lot of back and forth in consideration of you know making these changes while ensuring that we respect the controls, let's say, that we created during the transition. That's something that's been very clear to us as a driving force when we've been considering all of these changes. So just maybe from a transition perspective, I see a lot of transition people in the room. You know that has been a core consideration of how we've constructed this proposed change. So back to Q&A.

BECKY NASH: we welcome comments from Danko.

DANKO JEVTOVIC: Thank you for mentioning me. I am by the way not only the board vice chair but also chair of the board finance committee. So in the regular process of approval of all the plans and budget that goes to the ICANN Board, we are preparing those decisions in the finance committee and

then in our regular work, we go through the budgets for ICANN, then we approve budgets for PTI and the budgets for IANA and caretaker budgets. And it's a yearly process cycle.

So we, in our discussions with the finance team, try to understand reasons why those things are not aligned. And it seems that is one of the consequences of how transition happened. And you were there much more. I was on the CC side of things at that time. And there was no fundamental reason why those planning cycles should not be aligned.

So we first discussed them in the finance committee from the operational side of financial planning. And so that it will be beneficial for the effectiveness to align it. Then we understood it's more of a governance issue and understood the importance of that governance issue, because this is the first time we are going through this cycle that is a bit more complicated because it's relations with the governance of PTI and governance of ICANN and the whole process is aligned here.

So from the ICANN's board's perspective and the financial committee perspective, this is something that should be done. And we are grateful to the PTI board for leading on this and very supportive of the process. So the outline is there. I think we are good. And of course we are waiting for the feedback from the community. These sessions are very important. And also for the PTI board to finalize its process and then the ICANN board, I expect, will do its step as planned. Thank you.

JAMES GANNON:

I appreciate the comments. We have a big queue forming in the Zoom room at least. So I see Brett first. Yes.

BRETT CARR:

Hi, yes. Good afternoon, everybody, from a very sunny United Kingdom. I have two questions. It seems that proposal one and two are about aligning timing between the PTI and ICANN, which seems sensible to me, but I'd like to understand why those timings were not originally aligned and whether that was a conscious decision and what the reason was behind that. Are we undoing something we did on purpose previously? Secondly, with respect to proposal three, does integrating the IANA operating plan and the ICANN operating plan make them any more difficult to separate in the future should the community decide that that's necessary for some reason?

JAMES GANNON:

Thanks, Brett. I'll take both of those. On the first one, this was actually subject to a lot of research by us on what was the genesis for that misalignment, let's say. So I'll break it up into two parts. The lack of alignment on the four- versus five-year strategic plan, we found no evidence of it being an intentional decision. I think it was just a point in time decision that was made. We see it on the archives from the CWG and it was just a number that was picked. So there was no intentional design around the four-year strategic plan that we can find at least.

On the budget cycle, there is more evidence of historical discussions around that. The core thing that precipitated this kind of PTI budget cycle being before the ICANN budget cycle was due to some of the controls that we built in, the caretaker budgets that Danko spoke about, the ability for the community to interact with the PTI budget itself.

So there was this concept of it needs to be earlier than the ICANN budget, which we are still maintaining for the record. The figure that was chosen of the nine months, again, it was not based on a backwards planning that we can find. It wasn't based on an analytical exercise to choose a date. It was chosen, again, as this feels like a number that might work.

Now that we've had a number of years of operating both of these budget cycles, we are still preserving those controls and those safeguards that we designed during the transition, but we're just bringing them closer together to make it, to be honest, more easy for the community to interact with these budget cycles. We've found that due to the lag time between the two, there's often a big disconnect on, what does this mean in the context of either the ICANN to PTI direction or the PTI to ICANN direction. So part of the driver for this is to actually make it more accessible for the community to interact with these budgets and to understand them in the context of each other, because they're very distinct and separate in one way, but they're very interlinked in another way. So it really is trying to make things easier, both from an operational point of view for the board, for the team, and also for the community. It's really driven by that goal.

And then, Brett, your second question was around the IANA budget. Can I give that to Becky?

BECKY NASH:

Thank you very much. This is Becky Nash. Thank you for the question as it relates to the IANA operating plan and budget. The bylaws do require a separate and distinct plan for IANA's operating plan and budget. And

again, IANA is comprised, as per the definitions in ICANN's bylaws, of the budget for PTI plus ICANN-funded expenses as it relates to IANA functions. And that will remain a separate document, and the integration is more pertaining to just the ease of timing, alignment for timing, and the development process, so that we are able to make sure that we develop the overall operating plan and budget at the same time we're developing the ICANN total operating plan and budget.

Your question specifically was whether or not it makes it easier or harder, should there be a requirement for a change or a separation. All of the proposals that have been presented here today do preserve the distinct and separate nature of PTI, IANA, and ICANN. And just noting that the IANA budget also is subject to the empowered community process. So that is a separate process from ICANN's overall operating plan and budget empowered community process as well. So hopefully that answers your question.

BRETT CARR:

I think just to come back on that a little bit, Becky, but thanks for your answer, but just to come back a little bit, I think one of the slides, the slides had like a blue line in the middle with clearly what the recommendation was. And one of the slides clearly says, "Recommendation, integrate the IANA operating plan and budget into the ICANN operating plan and budget."

And that in itself, you read that line on its own, that sounds more like you're making one report and you're merging them together than you're just doing timing. So I'm not sure the message is coming across exactly how you want it to.

BECKY NASH:

Thank you for your feedback. And definitely it is integrating the process for timing, but not the actual publication and output of the operating plan and budget. So it will be very distinct because it is also subject to separate draft, public comment, adoption by the ICANN board and subject to empowered community. But thank you for your feedback and we will look at rewording some of that. And we have a comment from Xavier.

XAVIER CALVEZ:

Yeah, thank you. Xavier Calvez, CFO of ICANN. I'm also a PTI board member and completely agree with the comment that was just made. Literally speaking, it could be understood that it's the whole documents that are integrated. So we will change that language and thank you for flagging that and agree with the potential confusion that this would lead to. I had the same reaction when I saw the slide, even though I saw the slides before.

Just to add one point to what James was explaining with respect to the nine months publication of the PTI budget, is that when that was designed, the ICANN process had a different timing and the ICANN plans were published a few weeks before the beginning of the fiscal year to which they apply.

Since then, those plans are now produced a few months before the fiscal year to which they apply for, which is about seven months. And it's actually therefore very close to the nine months of the PTI plan. So the setting the PTI at nine months when it was done was enabling the

point that James was making to ensure that there is sufficient time between the publication of those plans in the beginning of the fiscal year, notably because of the ICANN plans were coming more significantly later.

Now that the ICANN plans are at seven months, it's actually more or less in the same timing, except that it's still this thing by two months, therefore creating two processes at two different times, creating more confusion and complexities than are necessary. And the synchronization of those processes, we are hoping will reduce the confusion, will make it easier for the community to see, understand and be able to comment on those plans at the same time. Also because they do relate to each other and looking at them at the same time should make it easier to comment on them both. So we're hoping that that will increase understanding, reduce confusion and at the end of the day, increase transparency of those processes. Thank you.

JAMES GANNON:

Thanks, Xavier. And just if I can make a personal comment. So Brett knows this already. I'm a transition process nerd. So if we actually look at it, from Brett's topic about separation, so like our two main mechanisms, the SIFR or the Specialized IANA Functions Review and the SCWG, the Separation Community Working Group, the powers and processes of those two separation processes that we created in the transitions are entirely unimpacted by this in any way. So like from the pure separability concern, the process has not changed in any way by this proposal that we're making. Irina is next in the queue.

IRINA DANELIA:

Thank you very much. This is Irina Danelia for the record. I'm a member of ccNSO Council and also Vice Chair of the ccNSO Strategic and Operating Planning Committee, which is tasked with reviewing and commenting on the ICANN and PTI Operating and Strategic Plans and Budget.

And first of all, thank you very much to IANA team and board for the effort to make this process duly run and to attempt to set a high standard for such type of amendments. And secondly, I realized that when these amendments to the bylaws go into force, we at SOPC as a Christmas gift will receive not two documents to review, which were ICANN's strategic plan and ICANN's yearly plan, but four documents instead of these, but really hope that such integration and synchronization of the process will probably give the planning team the ability to submit such plans maybe a week or two earlier to give us more time before the Christmas and holiday break.

And my minor question relates to the proposed change in the section 9.2 of the bylaws, which says that the PTI performance will be measured on the quarterly basis against the annual budget. And my understanding is that it is about the financial reporting, not about the monthly reports on the PTI performance, which are currently delivered every month to the Customer Stating Committee and the community. Is that correct?

JAMES GANNON:

Yes, I was going to give it to Becky, but I can confirm that that is the case. This is purely talking about financial reporting. There will be no impact

on the CSC reporting or the SLA metrics processes, etc. I see Stephen next in the queue.

STEPHEN DEERHAKE: Thank you, Stephen Derhake for the record. Also a member of the ccNSO council. This is a question directed to Sam. It's two parts actually. If I understood you correctly, you said that there was no role for the empowered community in this process. Is that correct?

SAM EISNER: Yes, the PTI bylaws specifies specific portions of it, that if those are subject to change, those go through an ICANN empowered community process after the ICANN board vote. This is not within those sections. So all the other portions of the PTI bylaws, when they are amended, unless they're of those specific types, and that goes to major governance changes, unless they're of those specific types, there is no ICANN empowered community process called for.

STEPHEN DEERHAKE: Thank you. My second question also to you is given that at the end of this process, it comes down to ICANN board giving it a thumbs up, is there any means by which the GAC can upset either the timing or the actual decision-making process, for example, via formal GAC advice to the board? Thank you.

SAM EISNER:

Thank you. So the GAC always has the opportunity to weigh in on matters of public policy. And so if the GAC decided to issue GAC advice, a GAC consensus advice on this, then the board would be obligated to take that into consideration within the defined processes within the ICANN bylaws.

And I think it's important to note also that if any member of the community who makes comment within the public comment proceeding raises significant concern, those would also be things that we would expect both the PTI board, and if it were to reach the ICANN board, we'd expect them to take into consideration as well. So we're looking forward to input from all parts of the community. And if the process needs to slow down or change as a result of comment from any part of the community, we'll take that into account.

JAMES GANNON:

Jonathan is next.

JONATHAN ROBINSON:

Thanks, James and colleagues. Jonathan Robinson for the record, a former CWG co-chair and PTI and IANA board member. I think Brett asked and got answered part of my question. I think you've done a very good job in articulating what you intend to do. So that's helpful.

I suppose the only remaining thing from my point of view is you've referenced that this is consistent with the principles of the transition a couple of times, but I'm not sure that you've specifically articulated how, and it might be helpful to either now or as part of the process, just

make it clear why you believe that to be the case. So I think that might be just a helpful additional detail. Thanks.

JAMES GANNON:

Thanks, Jonathan. It's James again. No, I think that's a good point. From our perspective, as we've been proposing this change, creating the change internally, working through the PTI board process on this change, a guiding document has been—the final report on CWG stewardship. That's been, anytime we've looked at specific formulations or how we can do this, that's kind of how we've baselined what we could versus could not do, but you're correct, in our materials there's nothing specifically going out how we have got to that determination that we have. So that's something we can definitely take on board and update. And last in the queue is Jordan.

JORDAN CARTER:

Hi, James. Jordan Carter, .au. A fellow traveler, a transition nerd from many years ago. Maybe I can help with Jonathan's observation because it was the same thing that induced me to put my hand up. One of the principles of the transition was maintaining the separability of IANA from ICANN, should that be required. And this, I accept your advice because I haven't scrutinized the changes that this does that.

Another principle was that the IANA functions are the most important operational task that ICANN as a broader system does. And so that they should have the first call on resources, including financial resources within the ICANN system to be delivered in a manner that is 100% reliable and that has complete community confidence. And so one of

the logics to achieve that was that the PTI would set the budget first and that ICANN would accept that as the definitive judgment on the level of resources that would be needed.

In other words, that the resources to deliver the IANA functions would not be contended or whittled down against other subsequent ICANN priorities. And that was achieved through a timing shift, I think, and also through the decisional process for these things. Not so much in the public comment stuff, but the actual decision-making, who decides what the budget is and so on. So I'm sort of looking to you again, James, if that's all maintained, then going as far as you can to simplify the process, to ease the burden on the community in terms of public comments and so on, simplify documentation, always an ongoing challenge here at ICANN, sounds like good things. So I think I just wanted to put on the record those underlying principles from that work 10 years ago that I think are very important to our policy and in the ccNSO context are absolutely integral to part of our role at ICANN to maintain the system in a way that meets the needs of CCTLD registries. Thanks.

JAMES GANNON:

Thanks, Jordan. I'll respond to that. And then if Becky and Xavier want to follow up. So James, again, for the record. Entirely, you are a better public speaker than I am. That is exactly how we've designed this. So we haven't even integrated the two processes entirely. So we are still having that period where the PTI budget still does come first. All we're doing is moving that from nine months to 90 days. It still comes first. It still is on the table and comes in before everything else. And really that's

part of my response to Jonathan as well, is we've maintained those principles that we designed during the transition phase. We're just tweaking the timing around it. We're not taking away any of the core concepts of the process that we designed. This is more merely recognizing that over time we have experience doing this now. And we have more evidence on what are realistic operational timelines while maintaining the process rather than actually changing the underlying process itself. And that's entirely how we've designed this. And just on, from a personal perspective, if the proposal here was to integrate all of the planning and budget cycles entirely, it wouldn't have my support. That wouldn't meet with the work that I did with you guys and others during the transition. That wouldn't be acceptable to me personally. Becky or Xavier.

SAM EISNER:

Thanks, James. This is Sam Eisner again. I wanted to confirm there's actually a bit of a nuance through which we're signaling some of this within the bylaws changes. And so while the PTI planning is now set at 90 days before, we really consider that the minimum, right? We're not going to wait until the 90th day before, but here's the nuance. When you compare the same language, because one of the things that we did when we drafted this bylaws changes, we looked at the language within the ICANN bylaws. And the language is mirrored in many ways about the timing before the initiation of the fiscal year. But on the ICANN side, it says 45 days. And so we specifically said in the PTI provisions that it's 90 days. We wanted to maintain a signal that the PTI comes first. And so it's kind of a subtle, but it's there significant observation of the transition principles.

XAVIER CALVEZ:

Thank you. Jonathan's point is important because making that statement that the principles don't change is fundamentally useful to say what they are. And Jordan helped do that. Jordan's first point about the separation. Yeah, I can attest that, and everyone involved can attest that that was a fundamental principle from the get-go of any discussion and design work that occurred to get to this point today, that that was a fundamental principle that everyone wanted to ensure is completely and clearly respected.

The point that you were making, Jordan, about the clarity of funding of the IANA functions and that this necessity was supported by the timing difference. And Sam just indicated that the minimums are embedded in the bylaws in that manner where PTI and IANA come first and before the ICANN plans.

I would like to offer the idea that in practice, now that we have been able to live with those processes, the fact that we have the two plans being offered at the same time actually allows the public to see that the requirements for funding of the IANA plans are actually already in the ICANN plans being offered, and therefore demonstrates immediately to everyone that, yes, ICANN is funding the IANA functions. So I think that that helps as well, if you see my point. But thank you for those comments. And again, that was extremely important for everyone that anything we do is respecting those principles of separation and transparency of the IANA functions operations and funding. Thank you.

KIM DAVIES:

Since I haven't had an opportunity to speak yet, I thought I would just throw a comment on top of that, which is I think above and beyond respecting the separation and the principles thereof to maintain PTI's distinction from the broader ICANN planning and budgeting process, I think one underlying theme that's been hinted at in some of the commentary that has driven this work is our experience in the first years of conducting it according to the current approach, which is that it is very inaccessible to the community to understand this complicated annual budgeting and planning process. And we feel that's a hindrance to transparency and participation by laypersons in the community that don't understand all the nuance and intricacies between the various different formulations that we're required to adhere to. So it's our full belief that not only are we adhering to those principles in making these amendments, it will actually bring greater transparency and greater participation because there'll be less fatigue by the community having all sorts of different outreach on somewhat technical reasons throughout our planning period every year, and can really focus on meaningful engagement in a simplified fashion. So that's certainly underlying a lot of the proposals that we have before you today. Thank you.

XAVIER CALVEZ:

James, just to what Kim just said, maybe we should have said it more or earlier, this was the primary purpose of those changes is to simplify the process for the public, for the community to make things more clear. They're complicated, so trying to make them more clear by process is what we thought was helpful. And that clarity and that simplification hopefully will be seen and will be beneficial. And to Irina's point earlier,

as part of that simplification and illustration of that, she said there's now going to be four documents instead of two. So this case, there was two documents before, and then after that, two other documents that were also relating to the two first ones. Hopefully this is the situation where two plus two is not going to be four, but hopefully more three. And separately, I will guarantee this is not how we do the books at ICANN.

JAMES GANNON: Thanks, Xavier. Eberhard?

EBERHARD LISSE: I was also on the CCWG accountability working group from the ccNSO, but I wouldn't consider myself a nerd on that. When I hear that we want to make things easier, then I would propose that you make the proposal that you're having before us easier to understand. To be honest, I haven't read this before, and I find it extremely difficult to follow, and I'm deep into the matter.

JAMES GANNON: It's a fair comment, and it's something that we will take back and look to update based on. I see somebody over in the corner being pointed out. Sorry.

ELAINE PRUIS: Thank you. I'm Elaine Pruis, former CSS member and vice chair. I have a couple of questions. The first one is the removal of the mandated

annual update to the PTI strategic plan. Does that eliminate the opportunity for an update to the PTI strategic plan? And the second question is, we've heard of all of the benefits that you've identified of moving forward with this bylaw amendment or bylaw amendments, and a couple of perceived risks. Were there other risks that you identified, and could you discuss this, please?

JAMES GANNON: I'll give Becky the first point.

BECKY NASH: Thank you very much. This is Becky Nash. We are suggesting to align the bylaws for PTI to the bylaws of ICANN, where we have a process in place each year to evaluate whether or not there is a need to consider or to suggest that the board consider a change to the strategic plan.

So just as background, we have a five-year adopted strategic plan, and then each year we run a process to evaluate whether or not there are any significant changes to the environmental scan, which we call the strategic outlook trends identification process. And that is then considered as to whether or not there would be any impact on ICANN's strategic plan. And we are just suggesting, since we run this for all of ICANN, that we also do this at the PTI level to ensure that if there is something that requires attention to potentially result in a change to the strategic plan, that would be evaluated and considered.

JAMES GANNON:

Thanks, Becky. On the second point, I'll go out on a limb here a little bit and say, particularly from my own personal opinion, one of the risks that comes along with making this change, and it's something that we're trying to mitigate through sessions like this, is a perception from the community that we're trying to erode the independence of PTI and that separability. So I'm almost happy that Jonathan and Jordan are asking questions from the community perspective of, is this actually undoing some of the work that we did during the transition? Because without this level of engagement that we're attempting to do, it could be something that could be perceived negatively. And certainly, it's one thing to have me here, somebody who was in the transition, being able to make that point. But this is why we'll also take back the feedback on the understandability maybe of how we're presenting this, because that's an important point for me, and it is an ongoing risk of making sure that while we're trying to make these operational efficiencies and kind of make things easier, that we're not undermining the hopefully ongoing confidence that the community has in the independence of the PTI organization that we created during the transition. If any of the other board members want to weigh in on risk as well, please do.

DANKO JEVTOVIC:

Thank you. Not a direct response to that, but more of a comment from the ICANN board point of view. So first, IANA function is the cornerstone of the internet. So it's a key technical thing in the whole system. So from the ICANN Board's perspective, we see ourselves as the steward of the IANA function and think that we are doing that in the name of the community. So I think this is very important point to make.

And also we very much see the separability as one of the key achievements coming out from the transition. And we are very much committed to preserve that in the letter, in the bylaws, but also in the spirit. So I think this discussion shows it's very much, and it is very good opportunity for those of community, for our understanding to emphasize that and to show our commitment to the principles of transition there. Thank you.

JAMES GANNON: Thanks Danko. I have Avri.

AVRI DORIA: Thanks. Avri Doria, a member of the board. And I just basically wanted to support what Danko said and actually say when we were reviewing this—and I'm sure some of the folks up there know how persistent I was in trying to understand and make sure that this—that was for me, a primary thing. And I can almost see the smiles on their faces of how much we asked about it to make sure and went through it in detail. So I'm really also very happy to see that questioning come up here too. So thanks.

JAMES GANNON: Anybody else in the room? Okay, Bart, do we have any Q&A pod questions?

BART BOSWINKEL: Nope, we haven't identified any.

JAMES GANNON: Okay, so then in that case, I want to again thank the ccNSO and the GNSO for hosting the session. And thank you all for attending and for the really good questions. And Becky for final closing comments.

BECKY NASH: Thank you very much. We would like to just ask the community and specifically everyone that spoke today to please submit public comments for this bylaw amendment proposal. I put a link in the chat, but we do request your feedback and we encourage your comments to the public comment. And with that, I just want to thank all of the community members and all of the speakers today. So thank you very much.

CLAUDIA RUIZ: Thank you all very much. This meeting is adjourned. You can now stop the recording.

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