Finance and Planning Update

Presented by ICANN Planning and Finance Team

Webinar Information

This session is recorded

This session is scheduled to last 1 hour

Presentation is published on ICANN84 Prep week web page and ICANN Finance and Planning Community Wiki page

Q&A will be during and at the end of the presentation

Agenda

1. ICANN Planning Process Overview
2. ICANN FY27 Operating Plan Development
3. ICANN FY25 Financial Results
4. ICANN FY26 Adopted Budget and Financial Update
5. Other Planning and Finance Updates
6. Q&A

ICANN Planning Process Overview

ICANN's Planning Process Overview

Strategic Planning Process

The process of defining ICANN's strategic direction, including its mission, vision, strategic objectives and goals.

Operating Planning Process

The process of evaluating key initiatives (Strategic Initiatives) and what each functional area plans to do (Functional Activities).

Budgeting Process

The process of allocating resources to planned activities and prioritize activities as needed.

Progress Reporting process

The process of explaining the achievement via a series of mechanisms.

Aligning Mission, Strategy, and Execution

ICANN's Strategic Plan for FY26-30

Vision and Strategic Objectives

ICANN's 2030 Vision: As the trusted steward of the Internet's unique identifier systems, ICANN is dedicated to strengthening the single, globally interoperable Internet for all.

1
Evolve and Promote ICANN's Multistakeholder Model to Sustain Its Inclusive Approach to Internet Governance

2
Enhance Organizational Excellence

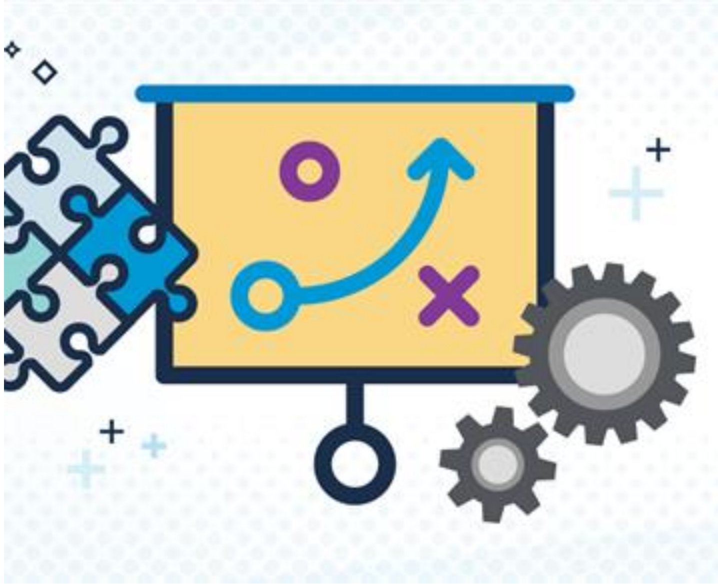
3
Collaborate with Relevant Stakeholders to Evolve the Internet's Unique Identifier Systems

4
Strengthen the Stability and Security of the Internet's Unique Identifier Systems

Link to Strategic Plan

ICANN's Strategic Plan for FY26-30

- Since ICANN's Strategic Plan is for five years, and to ensure that the Strategic Plan is on track and remains relevant, the ICANN Board reviews and evaluates the strategies, where applicable
- The strategy review program will enable ICANN to evaluate its progress towards achievement of the Strategic Plan and to adjust the plan in response to macro or internal environment trends
- This process may also impact the annual Operating Plan and Budget process, if any strategic adjustments are necessary



ICANN FY27 Operating Plan Development

FY27 OP Development and Prioritization Process

FY27 Nominations to Planning Prioritization Group Completed → Planning Prioritization Group Meetings → Receive output of FY27 Plannin Prioritization Group

May 2025 | June 2025 | July 2025

Members and Secondary Members are nominated by the SO/AC Leaders

Affiliation*	Member	Secondary Member
At-Large - ALAC	Claire Craig	Avri Doria
ccNSO	Irina Danelia	Chris Disspain
GAC	Aderonke Sola-Ogunsola	-
GNSO - CPH	Jothan Frakes	-
GNSO - CSG	Santanu Acharya	Segun Olajide
GNSO - NCSG	Peter Akinremi	Amin Hacha
RSSAC	Erum Welling	Daniel Migault
SSAC	Jeffrey Bedser	-

ICANN Board Liaison: Sajid Rahman

* ASO elected not to participate

ICANN FY27–31 Operating and Financial Plan and FY27 Operating Plan and Budget

The ICANN FY27–31 Operating and Financial Plan includes descriptions of the activities ICANN will undertake to achieve its Strategic Plan, operate the organization, and implement its mission and mandate

Total ICANN

Strategic Initiatives:

- 35 Strategic Initiatives describe the activities and projects to implement the Strategic Objectives, Goals and Strategies in the ICANN FY26–30 Strategic Plan
- This list will allow ICANN to track progress against the Strategic Plan

Functional Activities:

- 33 Functional Activities in five service groups describe ICANN's continuing operations
- To implement ICANN's mission and mandate, such as *Contractual Compliance* or *IANA*
- To operate or support the organization, such as *Human Resources or Finance*

FY27 Planning Key Dates and Timeline

#	Key Step	Dates
1	✓ FY27 Planning Prioritization Process	May – July 2025
2	Community Webinar: Planning Updates on Drafts and Timeline	ICANN 84 Prep Week
3	Public Comment Proceeding (60 days) Draft ICANN FY27 Operating Plan and Budget, Draft IANA FY27 OP&B and Draft PTI OP& B	16 December 2025 – February 2026
4	Community Webinars: Launch of Public Comment Proceeding	16 December 2025 & January 2026
5	ICANN Summary Report on Public Comment	March 2026
6	BFC Recommends ICANN and IANA FY27 Plans Approval	April 2026
7	ICANN Board Reviews for Plan adoption of ICANN and IANA plans	April/May 2026
8	Empowered Community Period	May–June 2026 (28 days)
9	FY27 Fiscal Year Starts	1 July 2026

ICANN FY25 Financial Results

Financial Publications

ICANN publishes quarterly financial reporting on ICANN.org

ICANN Financial and Planning Information

Adopted FY26 Plans and Report (to go into effect 1 July 2025)

FY26 – FY30 Planning Documents

- Highlights of ICANN FY26–30 Operating and Financial Plan and FY26 Operating Plan and Budget
- ICANN FY26–30 Operating and Financial Plan and FY26 Operating Plan
- ICANN FY26 Budget
- IANA FY26 Operating Plan and Budget

FY25 Plans and Reports

FY25 – FY29 Planning Documents

- Highlights of ICANN FY25-29 Operating and Financial Plan and FY25 Operating Plan and Budget
- ICANN FY25-29 Operating and Financial Plan and FY25 Operating Plan
- ICANN FY25 Budget
- IANA FY25 Operating Plan and Budget

FY25 Financial Reports

- Quarterly Reports
  - FY25 Q1 Management Financials
  - FY25 Q2 Management Financials
  - FY25 Q3 Management Financials

FY25 Financial Overview

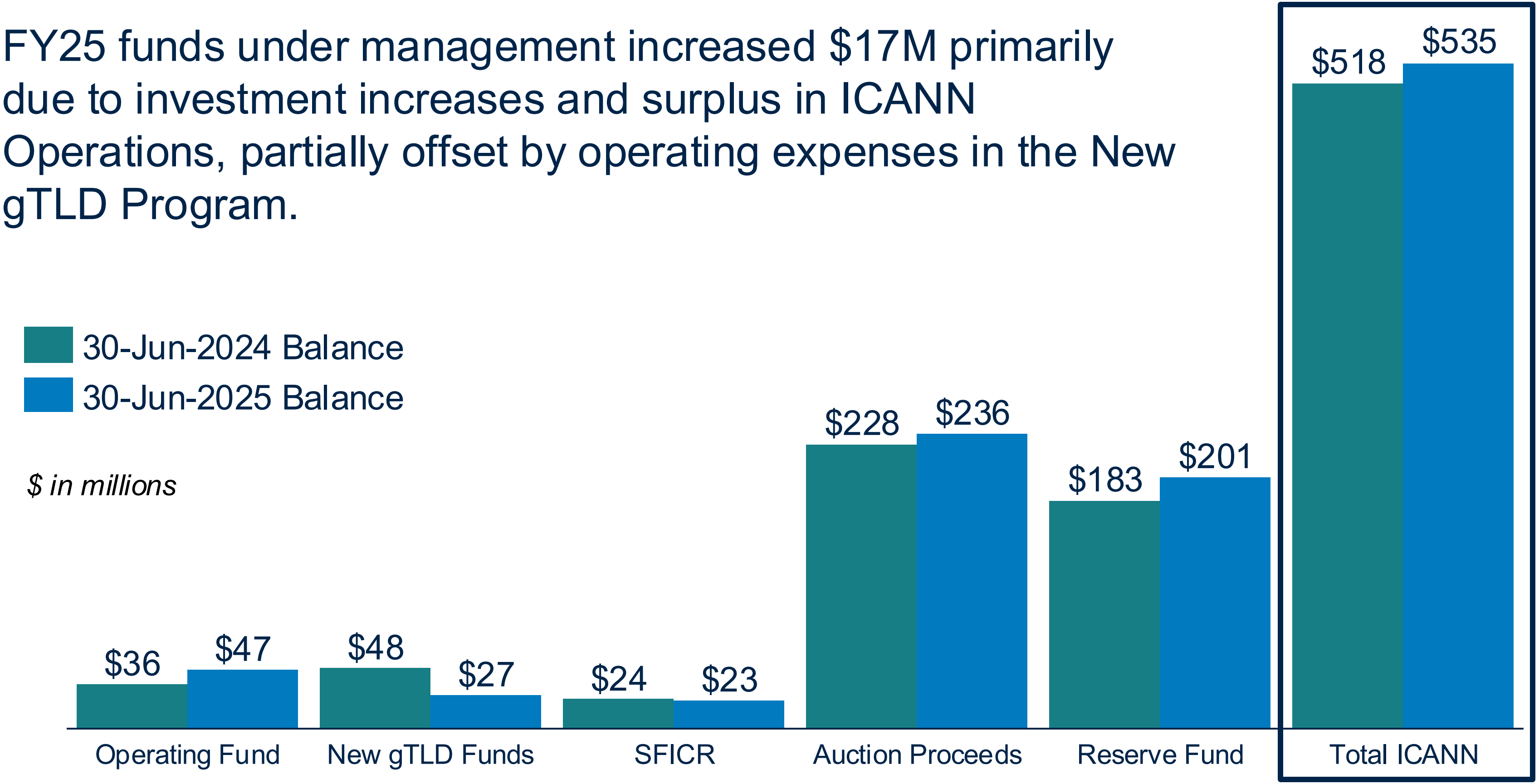
- FY25 financials (July 2024 – June 2025) were strong compared to both budget and prior year.
- ICANN Operations ended the fiscal year with a surplus of $14M.

1. Funding was $155M, reflecting a six-month impact of Registry fee increases ($1M), as well as higher than planned domain registrations and contracted parties ($9M).
2. Expenses were $141M, which was $14M lower than FY24*.
    - Savings have been achieved primarily due to lower staffing levels and cost saving efficiencies across ICANN including reductions to travel and external vendor costs.

* Aligns to May 2024 Board Resolution, leading to balanced budget in future years

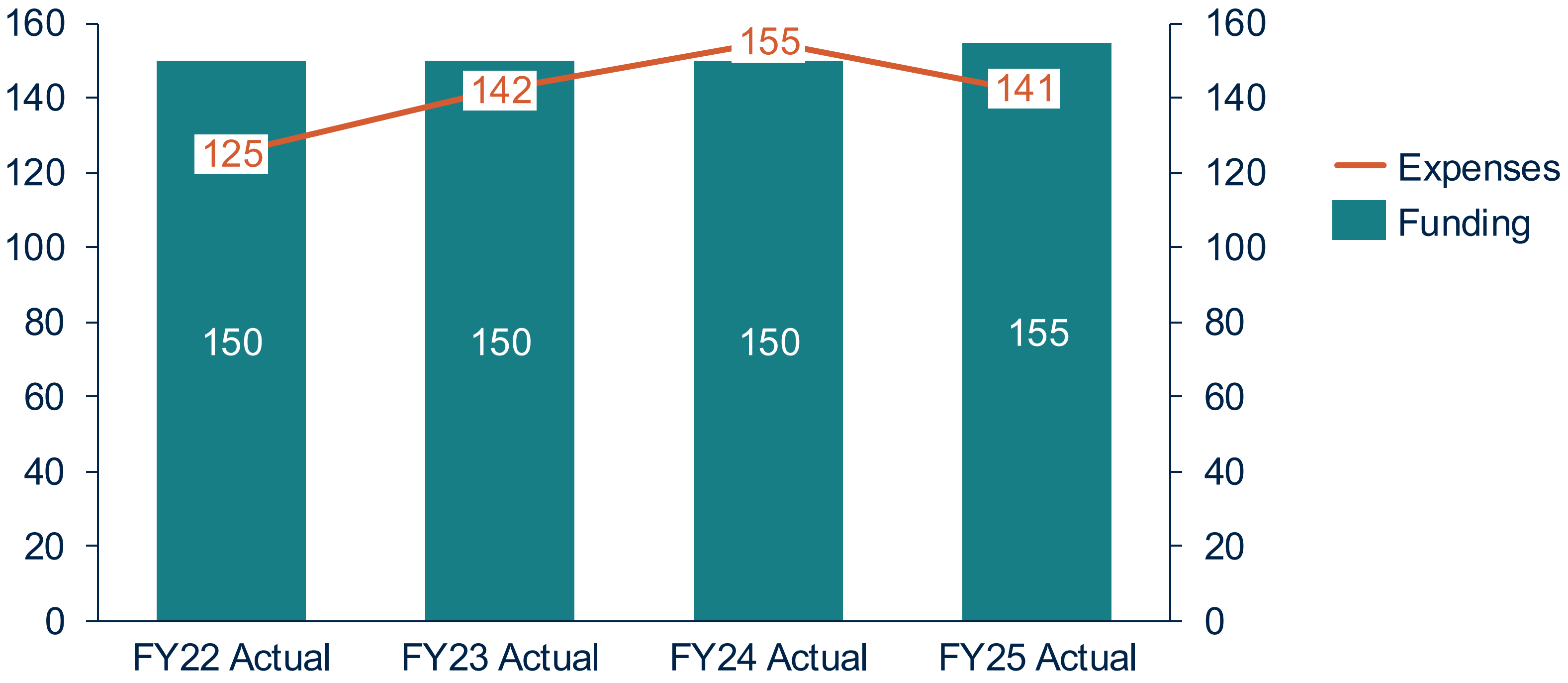
Funds Under Management

- FY25 funds under management increased $17M primarily due to investment increases and surplus in ICANN Operations, partially offset by operating expenses in the New gTLD Program.



Annual Operations Funding and Expense Trends

$ in millions

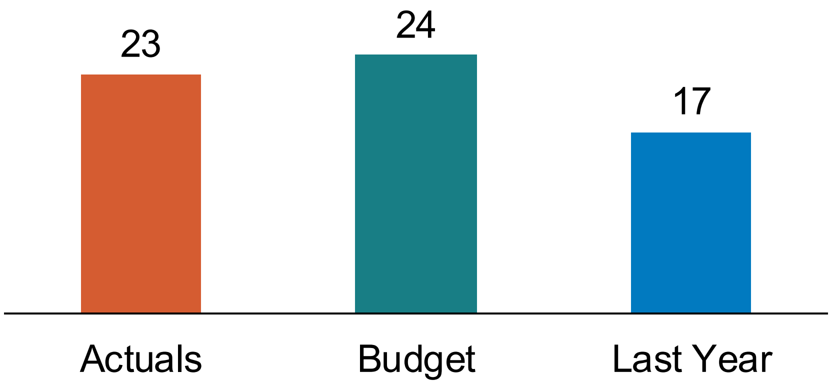


New gTLD Program: Next Round Implementation

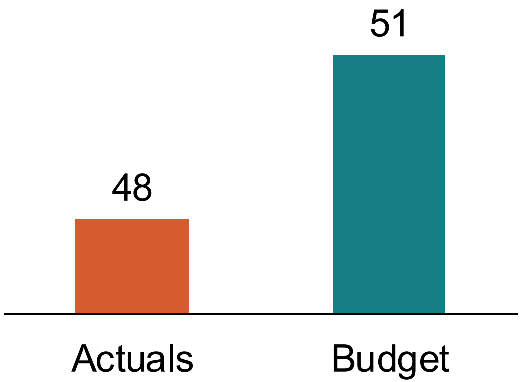
- Program to date, expenses are $3.0 million under budget due primarily to delays in hiring of staff, lower travel and administration than planned, and timing of system development capital expenses
- External costs have been incurred for services such as staff augmentation, program design, communications and outreach, research studies, infrastructure development, and legal services

$ in millions

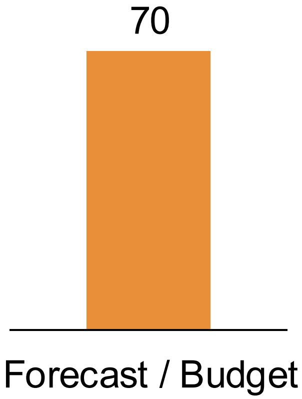
FY25 Actuals



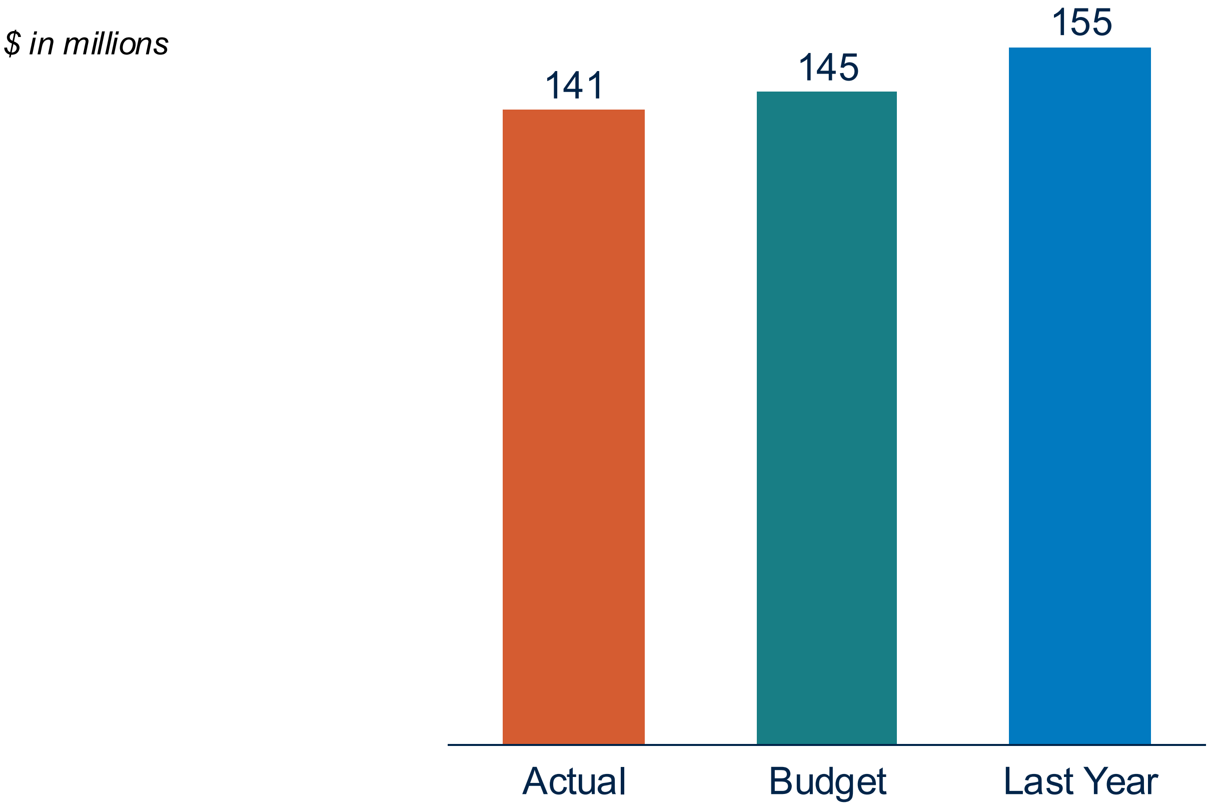
Program to Date as of August 2025



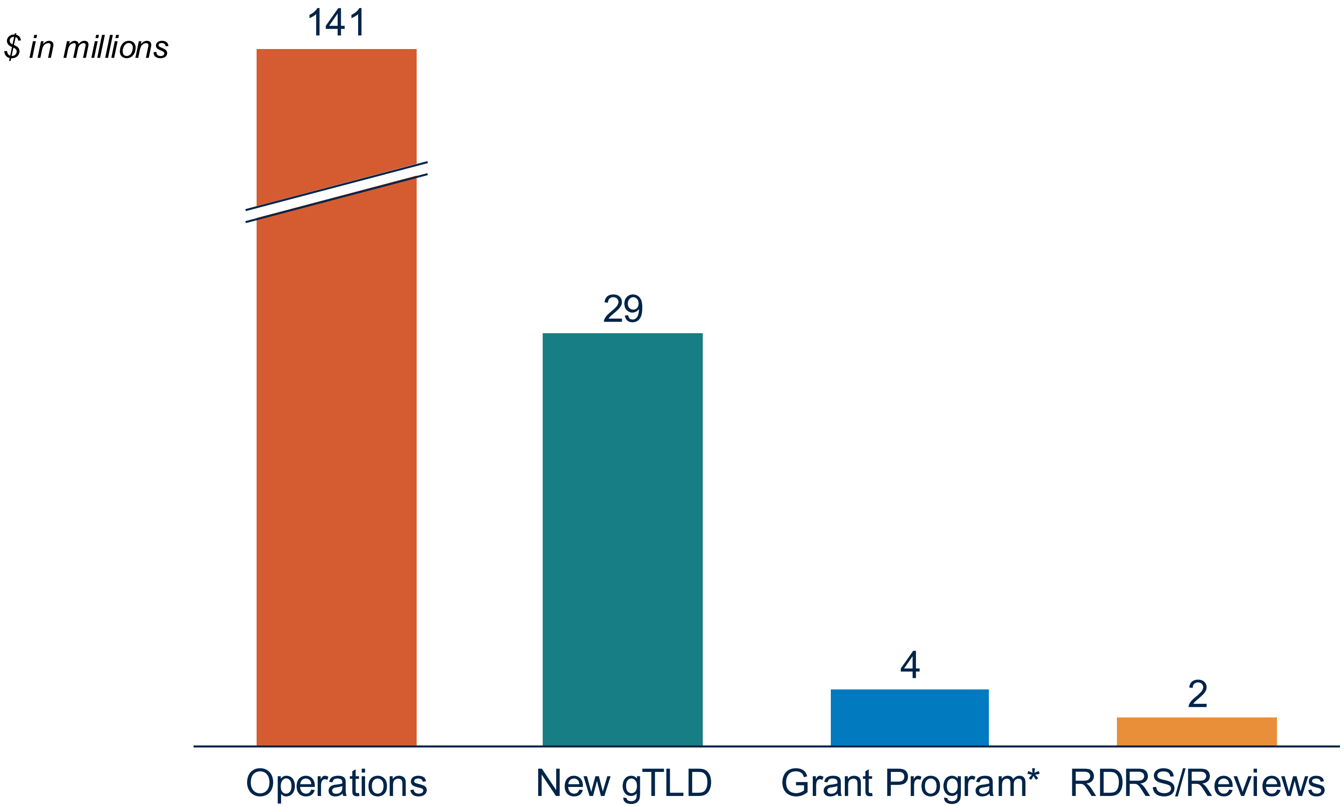
Full Program Forecast



FY25 Operations Expenses



FY25 Expenses by Segment – Full Year Actuals



Total:

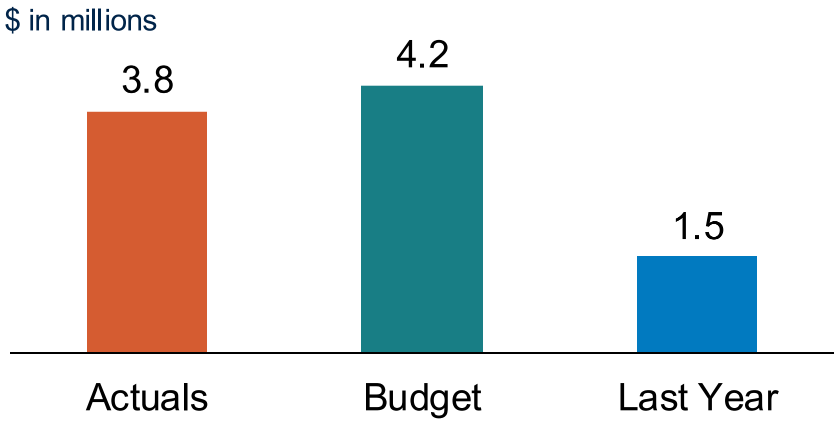
$176M

*Includes $2.3M in grantee disbursements

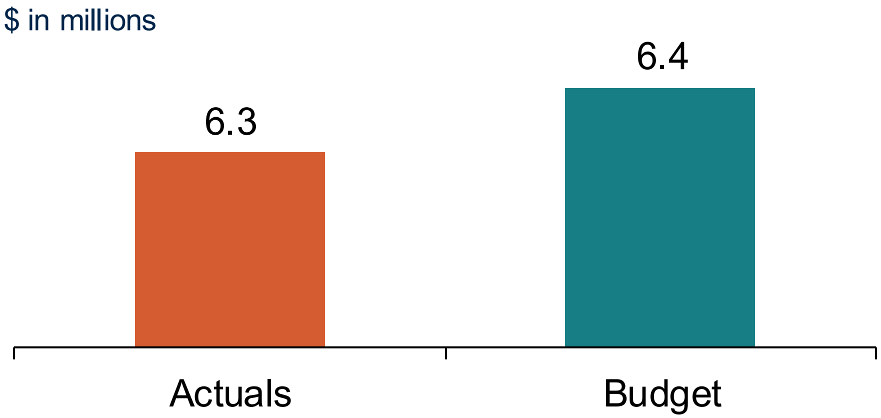
Grant Program - FY25 Expenses and Program to Date

- The recurring program operational costs include ICANN staff support, awareness and outreach communication campaigns, and outsourced services from an independent evaluation panel
- Applications will be accepted and processed in cycles
- The first instalment of grant disbursements were made between May and August 2025

FY25 Actuals



Program to Date as of August 2025



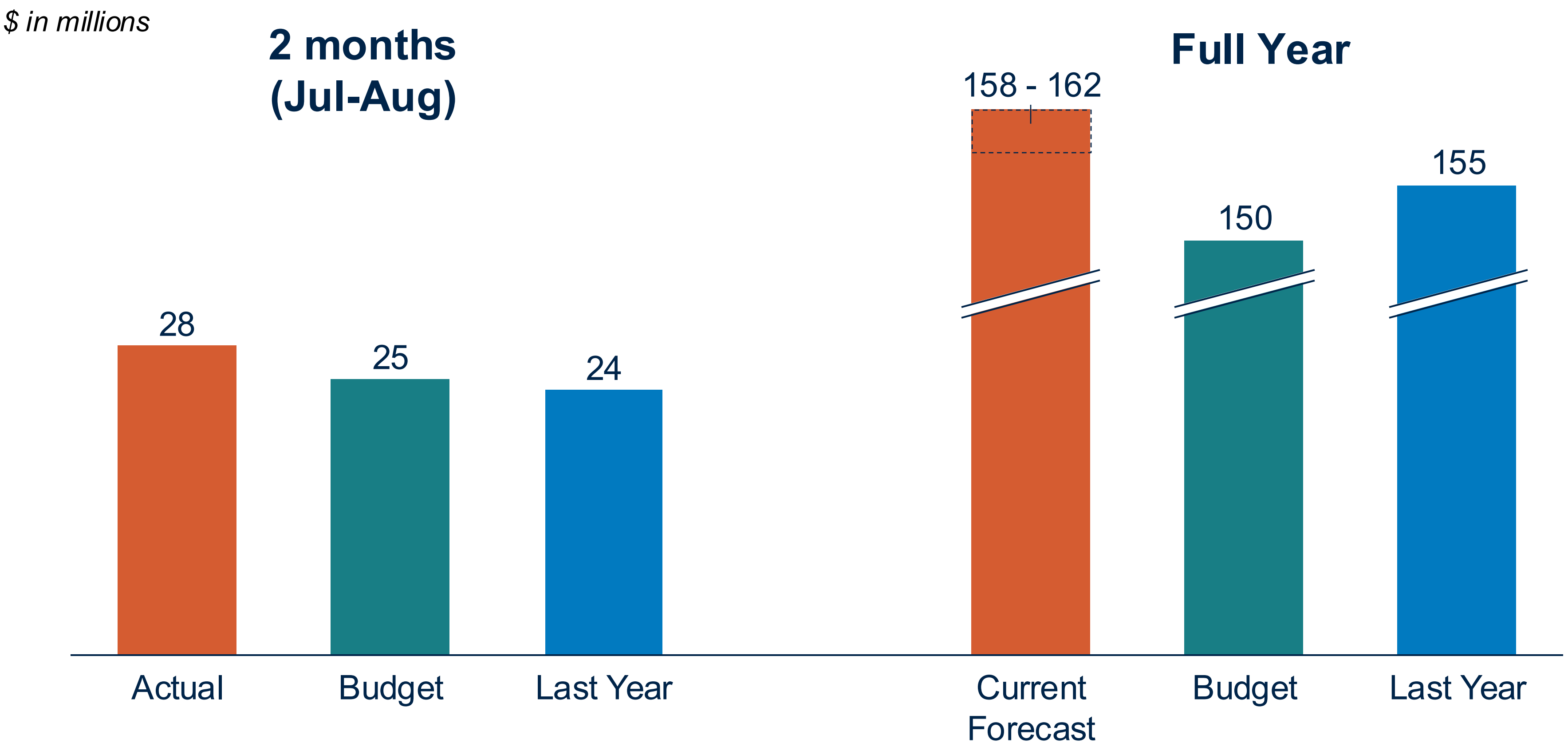
* Actuals include $2.3M of grantee disbursements in FY25 and $0.3M of additional grant disbursements in FY26.

ICANN FY26 Adopted Budget and Financial Update

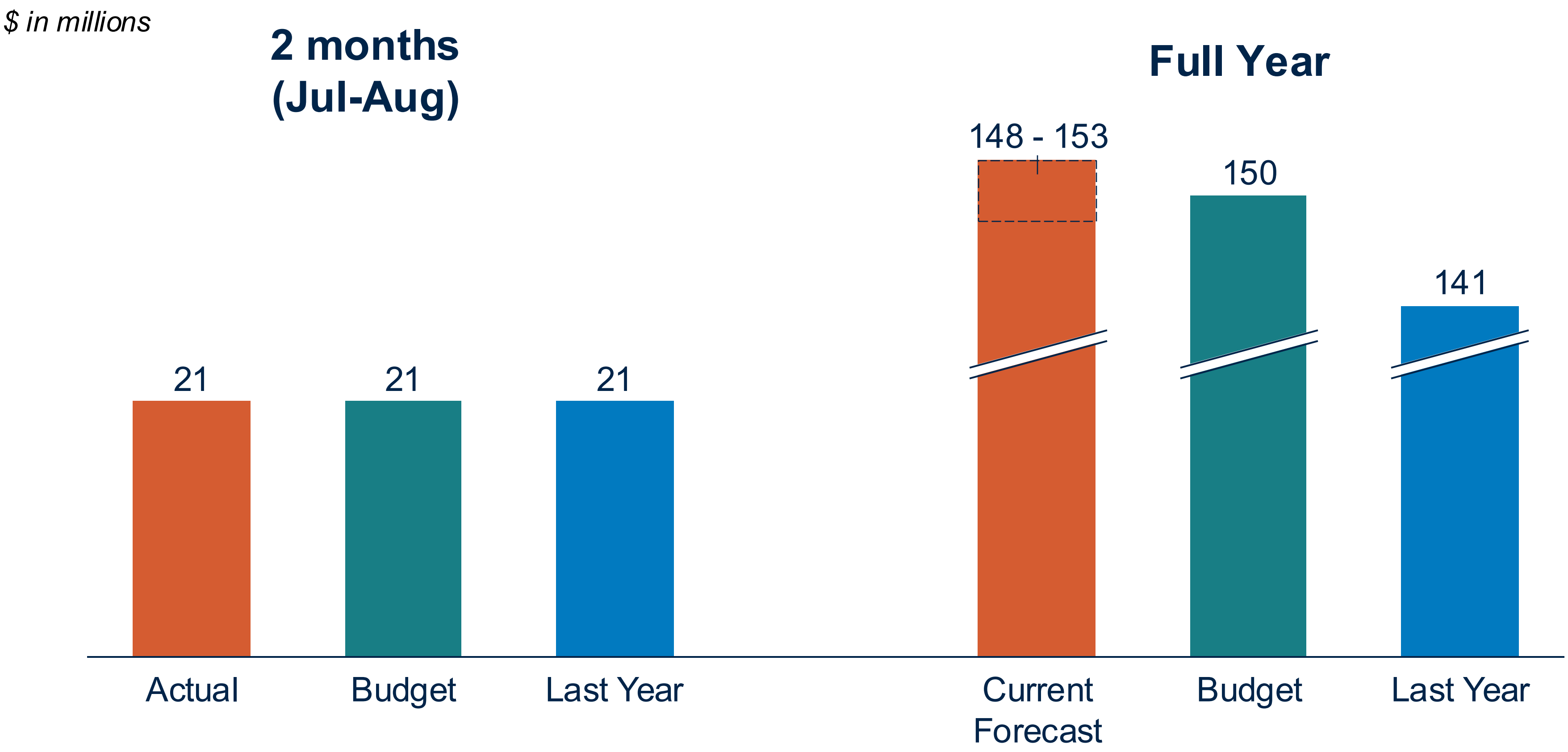
FY26 Forecast – Opening Remarks

- The FY26 Adopted Budget for ICANN Operations planned for balanced Funding and Expenses of $150M each.
- Forecast assumptions continue to be refined as new information is learned; it is still very early in the fiscal year, and the forecast will update accordingly.
- FY26 Funding forecast is projected higher than budget driven by higher than planned domain registrations and number of contracted parties versus the adopted budget assumptions.
- FY26 Expenses forecast is aligned to FY26 Adopted Budget.

FY26 Funding Status



FY26 Operations Expenses Status



Other Planning and Finance Updates

Draft Framework for Revisions to the Operating Plan and Budget

- ICANN's annual planning process initiates several months prior to the start of the fiscal year and includes stakeholder engagement and a Public Comment proceeding
- ICANN is committed to transparency and accountability throughout its planning process
- Throughout the planning process, ICANN may periodically evaluate whether any of the assumptions included in the Plans should be updated
- This is important given how far in advance of adoption the detailed plans are developed
- In some cases, the latest information available may result in updates to either the funding and/or expenses set out in the Plans that are presented to the Board for adoption
- With this draft framework, ICANN is committed to ensuring that all revisions are communicated in a transparent manner

Link to Draft Framework for Revisions to the Operating Plan & Budget

Questions and Answers

- Please raise your hand in zoom if you want to ask a question
- Unmute your microphone to ask questions when it is your turn
- Mute your microphone when not speaking

- Type your questions in the chat

For questions or information, email the planning team ▶ **planning@icann.org**

How to Participate in ICANN's Planning

Subscribe to the **ICANN Public Comment page** to receive notifications of upcoming activities/ proceedings

Visit the Finance and Planning Community Group Workspace for recorded webinars and project Updates **Wiki page**

Send an email to **community-finance@icann.org** to subscribe to regular updates on planning and finance activities

Appendix

Planning Related Bylaw Requirements

Strategic Plan

ICANN Bylaws Section Article 22.5.(b)
ICANN Strategic Plan is developed every five years with annual update (as needed)

PTI Bylaws Section Article 9.3.(a)
PTI Strategic Plan is developed every five years with annual update (as needed)

Five Year Operating Plan

ICANN Bylaws Section Article 22.5.(a)
ICANN Operating Plan is developed every year for the period of next five years

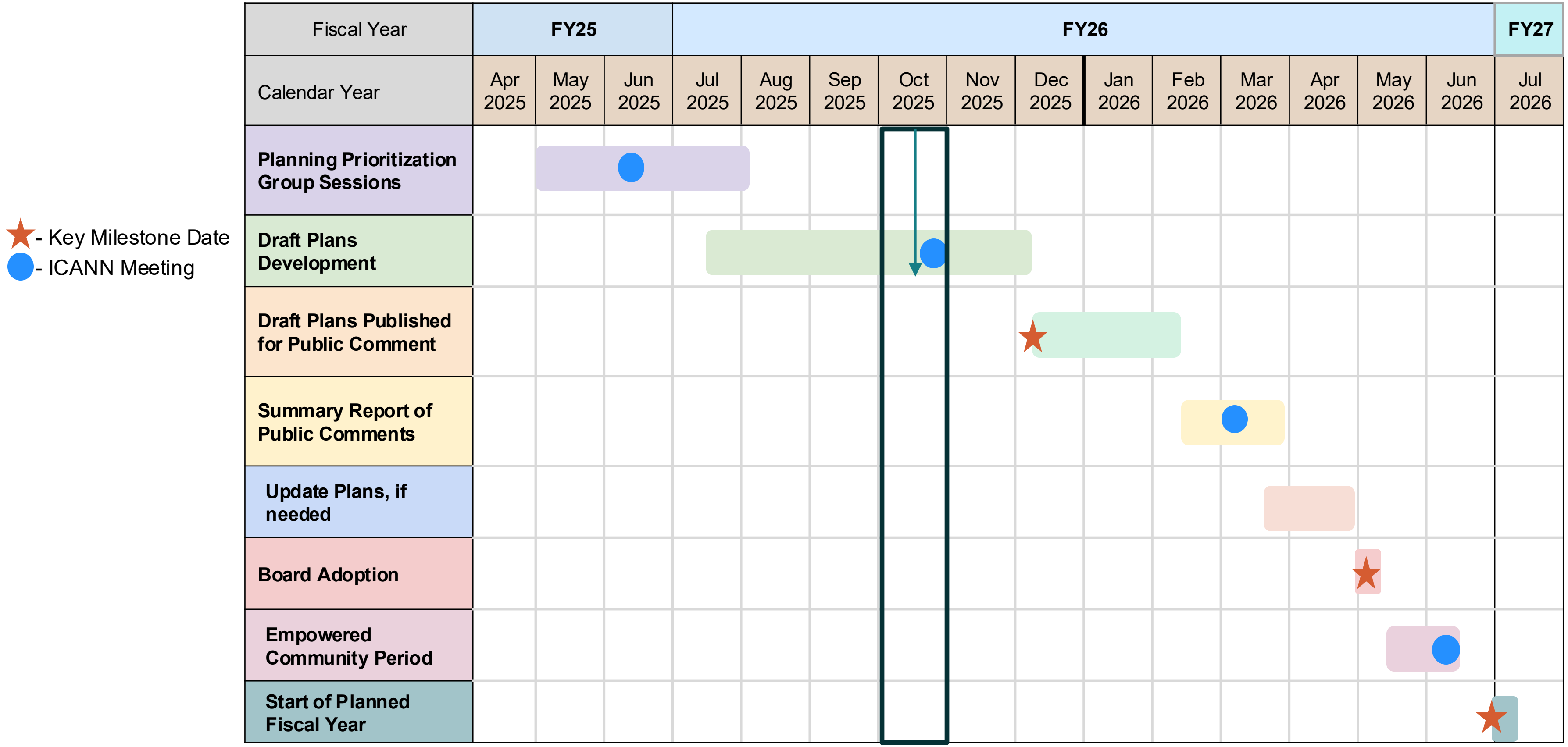
One Year Operating Plan and Budget

ICANN Bylaws Section Article 22.4.(a)
ICANN's Operating Plan and Budget is developed every year

ICANN Bylaws Section Article 22.4.(b)
IANA's Operating Plan and Budget is developed every year

PTI Bylaws Section Article 9.2.(e)
PTI's Operating Plan and Budget is developed every year

FY27 Operating Plan and Budget Timeline Start to Finish



FY27 Prioritization Process

The Planning Prioritization Group reviewed three Board approved recommendations and provided input on the level of prioritization to be considered for the FY27 Operating Plan and Budget.

Meeting recording and final list are posted on the FY27 Planning Prioritization Community Wiki page

Type	Name	Board Adoption	Priority Level Selected by Group
GNSO PDP	Translation and Transliteration of Contact Information	28 September 2015	P1 = Highest Priority
GNSO PDP	EPDP Phase 2A	10 March 2022	P1 = Highest Priority
ccPDP	ccPDP3 Review Mechanism (Part 2)	8 June 2025	P1 = Highest Priority

The FY26–30 Strategic Initiatives

	#	STRATEGIC INITIATIVES TO SUPPORT THE STRATEGIC PLAN
Evolve and promote ICANN's multistakeholder model, to sustain its inclusive approach to Internet governance	1	Pilot Holistic Review
	2	Continuous Improvement Program
	3	Improving Stakeholder Representation
	4	Improve Cross-Community Collaboration
	5	Improving Community Engagement and Retention
	6	Academic Engagement Plan
	7	New Skills and Leadership Training for the Community
	8	Developing Pathways to Community Leadership
	9	Coalition for Digital Africa
	10	Facilitating Consensus in Policy and Advice Development
	11	Improving ICANN Hybrid Meetings
	12	Advice Consideration Process Improvements
	13	Geopolitical Monitoring and Engagement
	14	Policy Development and Implementation Process Improvements
	15	Evolving Communications on ICANN's Multistakeholder Model
	16	WSIS+20 Review Project and Outreach Network
Enhance organizational excellence	17	Improving ICANN org agility
	18	Annual Strategy Review Program
	19	Evaluating ICANN's Funding Structure
	20	Improving Forecasting and Financial Planning
	21	Enhancing ICANN's Fiscal Responsibility
	22	Evolving ICANN's Hybrid Working Model
	23	Ecological Responsibility

The FY26–30 Strategic Initiatives

	#	STRATEGIC INITIATIVES TO SUPPORT THE STRATEGIC PLAN
Collaborate with relevant stakeholders to evolve the Internet's unique identifier systems	24	Universal Acceptance
	25	New gTLD Program
	26	Identify Opportunities to Enhance the Stable and Secure Operations of Unique Identifiers
	27	Evolve Understanding of the Identifier System Landscape
	28	Technological Development Assessment and Responsiveness
	29	Implement an IANA Long-Term Sustainability Plan
Strengthen the stability and security of the Internet's unique identifier systems	30	Regional Events Redesign
	31	Security Risk Identification and Mitigation
	32	Increase ICANN's Coordination and Collaboration with the Numbers Community
	33	Implementation of the Recommendations of the RSS Governance Working Group (RSSGWG)**
	34	Redundancy and Accessibility of Root Zone Generation and Distribution
	35	Support Coordinated Plans to Address DNS Root Server System Attacks

Operating Plan Ongoing Functional Activities

The 33 Functional Activities are grouped into five service groups that represent the broad categories of work that ICANN performs in fulfillment of its Mission

Technical and Domain Name System (DNS) Security

- Office of the Chief Technology Officer
- L-Root
- Universal Acceptance and Internationalized Domain Names (GDS)
- IANA Functions
- Contractual Compliance

Five Functional Activities

Policy Development & Implementation Support

- Policy Development and Advice
- Policy Research & Stakeholder Programs (GDS)
- Technical Services
- Strategic Initiatives (GDS)
- Constituent & Stakeholder Travel (Funded Travel)

Five Functional Activities

Community Engagement & Services

- Global Stakeholder Engagement
- Engagement Programs
- Meetings
- Government and Intergovernmental Organization Engagement (GE)
- Grant Program
- GDD Accounts and Services (GDS)
- Service Delivery, Support, and Vendor Management (GDS)
- Global Communications and Language Services
- Ombuds

Nine Functional Activities

ICANN Org Governance

- Board Activities
- Office of the President and CEO
- Governance Support
- Nominating Committee Support
- Complaints Office

Five Functional Activities

ICANN Org Shared Services

- Planning
- Finance and Procurement
- Risk Management
- Internal Audit
- Implementation Operations
- Engineering and Information Technology
- Global Human Resources
- Security and Administrative Services
- Board Operations

Nine Functional Activities

ICANN Operations – FY25 Full-Year Financials

- FY25 operating surplus is $20M higher than last year due to $14.2M lower expenses and $5.8M higher funding.
  - Lower expenses driven by cost savings in all cost categories other than administrative
  - Higher funding driven by higher domain name registrations

USD in millions Unaudited	FY25 Actual	FY24 Actual	Favorable/ (Unfavorable) vs. FY24 Actuals
Funding	**$155.4**	**$149.6**	**$5.8**
Personnel	83.4	89.4	6.0
Travel & Meetings	11.9	16.8	4.9
Professional Services	19.9	24.7	4.8
Administration	19.1	18.5	(0.6)
Capital	0.9	1.2	0.2
Contingency	5.3	4.1	(1.2)
Cash Expenses [1]	**$140.6**	**$154.8**	**$14.2**
Operating Excess/(Deficit)	**$14.9**	**-$5.2**	**$20.0**

New gTLD Program: Next Round Implementation – FY25 Results

- Expenses were $5.1 million under budget due primarily to delays in hiring of staff, lower travel and administration than planned, and timing of capital expenses
- External costs have been incurred for services such as staff augmentation, program design, communications and outreach, research studies, infrastructure development, and legal services

New gTLD Program: Next Round: Implementation	Fiscal Year 2025			
Category (USD in millions)	Actuals	Budget	Variance $ (Over) / Under	Variance % (Over) / Under
Personnel	$8.7	$9.4	$0.7	8%
Travel & Meetings	$0.4	$0.5	$0.1	24%
Professional Services	$5.4	$5.4	($0.0)	0%
Administration	$0.5	$0.8	$0.3	38%
Capital	$4.1	$5.2	$1.1	21%
Shared Services & Org Support	$3.5	$3.1	($0.4)	-14%
Total	**$22.6**	**$24.4**	**$1.8**	**8%**
Average Staff - FTE	38.4	43.5	5.1	12%

New gTLD Program: Next Round Processing – FY25 Results

- Expenses were $1.2 million under budget due primarily to personnel expenses and professional services due to timing of evaluations for Applicant Support Program applicants

New gTLD Program: Next Round: Processing	Fiscal Year 2025			
Category (USD in millions)	Actuals	Budget	Variance $ (Over) / Under	Variance % (Over) / Under
Personnel	$1.2	$1.7	$0.5	28%
Travel & Meetings	$0.0	$0.0	($0.0)	0%
Professional Services	$0.4	$1.0	$0.6	62%
Administration	$0.0	$0.0	($0.0)	0%
Capital	$0.0	$0.1	$0.1	100%
Shared Services & Org Support	$0.4	$0.5	$0.1	12%
Total	**$2.1**	**$3.3**	**$1.2**	**36%**
Average Staff - FTE	5.2	7.6	2.5	32%

Grant Program - FY25 and Program to Date

- One-time implementation costs for the Grant Program included creating the Grant Program department, applicant helpdesk, program literature and documentation
- The recurring program operational costs include ICANN staff support, awareness and outreach communication campaigns, and outsourced services from an independent evaluation panel
- Applications will be accepted and processed in cycles
- The first application cycle was open March - May 2024 and resulted in 247 applications
- The first instalment of grant disbursements were made between May and August 2025

Grant Program	Fiscal Year 2025 Jul'24 - Jun'25			Program To Date (Jul'22 - Jun'25)		
Cost Category (USD in Millions)	FY25 Actuals	FY25 Budget	Variance to Budget (Over)/Under	Total Actuals	Total Budget	Variance to Budget (Over)/Under
Personnel	$0.6	$0.6	($0.1)	$1.7	$1.6	($0.1)
T&M	$0.0	$0.1	$0.0	$0.1	$0.1	($0.0)
Prof Svcs	$0.5	$0.5	$0.1	$0.9	$1.0	$0.1
Admin	$0.0	$0.0	($0.0)	$0.0	$0.0	($0.0)
Contingency	$0.0	$0.1	$0.1	$0.0	$0.1	$0.1
Shared Services Support*	$0.3	$0.3	$0.0	$0.7	$0.7	$0.0
Grant Disbursements	$2.3	$2.6	$0.3	$2.3	$2.6	$0.3
Total	**$3.8**	**$4.2**	**$0.4**	**$5.8**	**$6.1**	**$0.3**

** Shared Services Support represents allocated costs from ICANN org for administrative costs.*

ICANN Operations – FY26 Budget

Total ICANN Financials	For the Twelve Months Ending 30 Jun 2026					
In Millions, US dollars	ICANN Operations	New gTLD Program	SFICR Projects	Grant Program	Reserve Fund	Total
Funds Under Management - 30 Jun 2025	**$42**	**$42**	**-**	**$226**	**$184**	**$493**
Funding	150	-	-	-	-	150
Personnel	(89)	(14)	-	(1)	-	(104)
Travel & Meetings	(16)	(1)	-	(0)	-	(17)
Professional Services	(18)	(13)	-	(1)	-	(32)
Administration	(19)	(2)	-	(0)	-	(20)
Capital	(2)	-	-	-	-	(2)
Projected Grants Distributed	-	-	-	(5)		(5)
Contingency	(8)	(5)	-	-	-	(13)
Cost Savings Initiatives	2	-	-	-	-	2
Total Expenses	(150)	(35)	-	(7)	-	(191)
Investment Income/(Decline)	0.4	0.1	-	2.2	1.8	4.6
Funds Under Management - 30 Jun 2026	**$42**	**$7**	**-**	**$221**	**$186**	**$457**

Average FTEs	**403**	**51**	**-**	**3**	**-**	**457**
End of Period FTEs	**402**	**55**	**-**	**3**	**-**	**460**

IANA FY26 Budget

FY26 IANA Budget in Millions, USD	FY26 Budget	FY25 Budget	Under/(Over)		FY24 Actuals	Under/(Over)	
			Total	%		Total	%
PTI Budget	$11.7	$10.9	($0.8)	-7.2%	$10.5	($1.3)	-12.0%
IANA Support Activities (1)	$0.4	$0.6	$0.1	23.1%	$0.6	$0.1	25.0%
TOTAL	**$12.1**	**$11.5**	**($0.7)**	**-5.7%**	**$11.0**	**($1.1)**	**-10.1%**
Average Headcount (FTE) (2)	24.6	25.2	0.6	2.3%	24.4	(0.2)	-1.0%

(1) IANA Support Activities include the Root Zone Maintainer function, Customer Standing Committee, Root Zone Evolution Committee, and IANA Naming Function reviews.
(2) FTE: Full-Time Equivalent

The FY26 IANA Budget of $12.1M is $0.3M higher than the Draft FY26 IANA Budget of $11.7M driven by an increase in professional services to address the Public Technical Identifiers (PTI) work on the Next Round.

ICANN Webpage and Social Media Links

icann.org

@icann

facebook.com/icannorg

youtube.com/icannnews

flickr.com/icann

linkedin.com/company/icann

instagram.com/icannorg