President’s Report

Rod Beckstrom
President and CEO
7–12 March 2010
2010 – 2013 Strategic Plan

ICANN is a global multi-stakeholder organization that coordinates the Internet domain name system (DNS) and addressing for the benefit of Internet users worldwide, enabling a single, interoperable Internet. ICANN’s community-developed policies govern over 180 million domain names, the allocation of one billion network addresses, and support a trillion daily DNS look-ups across 240 countries and territories, connecting billions of computers, phones, and other devices, across the Internet. DNS cybersecurity is a top priority. ICANN also administers the networks protocol and parameter registries for the IETF that support the operation and orderly evolution of the Internet. ICANN’s leadership and credibility derives from collaborating with thousands of companies, individuals and government participants in global Internet governance and policy development. Working largely in the background, ICANN’s centralized coordination mission is fundamental to the continued success of the Internet.

ICANN is a non-profit organization with 140 employees and annual funding of $64 million.

One World. One Internet. Everyone Connected.

ICANN Strategic Plan 2010 to 2013
Four Strategic Focus Areas

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<thead>
<tr>
<th>DNS stability and security</th>
<th>Consumer choice, competition &amp; innovation</th>
<th>IANA &amp; core operations</th>
<th>A healthy Internet eco-system</th>
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<tr>
<td>• 100% DNS uptime</td>
<td>• Everyone connected</td>
<td>• Flawless IANA operations</td>
<td>• One unified, global Internet</td>
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<td>• Lower DNS abuse</td>
<td>• Increased TLD options in more languages</td>
<td>• Improved resilience</td>
<td>• All stakeholders have a voice</td>
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<td>• More secure top level domain (TLD) operations</td>
<td>• Lower registration abuse</td>
<td>• Enter into a long term IANA functions contract</td>
<td>• Improved accountability and transparency</td>
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<td>• Improved DNS resilience to attacks</td>
<td>• Increased industry competition</td>
<td>• Stable TLD processes</td>
<td>• Enhanced trust in ICANN’s stewardship</td>
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<td></td>
<td>• Increase valid registrations</td>
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<td>• Robust compliance</td>
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Transparency

- Current Executive salaries published online
- Denise Michel – new Advisor to the President and CEO
- Publishing critical information to community swiftly online via Twitter and on ICANN website, etc.
Introducing . . .

Jamie Hedlund
Vice President of Government Affairs - Americas

Barbara Clay
Vice President of Marketing and Communications

David Olive
Vice President, Policy Development Support
Internationalized Domains

- IDN ccTLD fast track process launched
- Variant TLD solutions under discussion
- Model for relaxing gTLD 3-character requirement
- IDN guidelines revision initiated
- IDNA protocol revision completed in IETF

icann.org/en/topics/idn/
New gTLD Program

- Expression of Interest model under Board consideration
  - Trademark protections based on STI and IRT work
- Published Guidebook v3, EOI comment analysis, Explanatory Memoranda
- Guidebook v4 expected for Brussels
- No final program launch timeline

Panel on EOI
Room: Tsavo A
Mon, 08 March/11:00 - 13:00

Zone File Access
Room: Impala
Wed, 10 March/14:00 - 15:30

High Security Zone
Room: Tsavo A
Thurs, 11 March/14:00 - 15:30

Trademark - STI
Room: Tsavo A
Mon, 08 March/16:00 - 17:30

icann.org/en/topics/new-gtld-program.htm
Affirmation of Commitments

- Affirmation elements to become part of ICANN’s core fabric
- Draft process for reviews posted 26 December
- Call for volunteers for review team process posted 13 January
- ICANN and GAC Chair will be selecting participants for the accountability and transparency review

icann.org/en/announcements/announcement-2-21jan10-en.htm
DNSSEC Implementation

- December 2009 – root zone signed for internal use by VeriSign and ICANN
- January 2010 – first root server (L-root) begins serving the signed root in the form of the DURZ
- Root-DNSSEC.org launched
- DNSSEC progress joint effort of ICANN, NTIA, VeriSign, root server operators, RSSAC, SSAC, and many others

DNSSEC Session
Room: Aberdere
Wed, 10 March/09:00 - 12:00

root-dnssec.org/
Enhancing Security, Stability and Resiliency

- Strategic Initiatives paper
- Conficker botnet and ccTLD Incident Response
- DNS abuse and mitigation
- IANA Continuity Exercise
- Enhanced ICANN meeting security
- Improvements to ICANN security and contingency efforts

icann.org/en/security/

SSR Initiatives session
Room: Impala
Wed, 10 March/16:00 - 17:00
Global Engagement

- New Accountability Frameworks and Exchange of Letters signed
- Increased GAC participation
- Participation in International forums, including IGF regional meetings and preparations for IGF 2010
- Participated in regional meetings and discussions on ICANN
Accountability Frameworks and Exchange of Letters

- .sg – Singapore – Accountability Framework
- .pg – Papua New Guinea – Accountability Framework
- .ge – Georgia - Accountability Framework
Members to the ccNSO

- .fm - Federated States of Micronesia
- .zm - Zambia
- .mz - Mozambique
- .my - Malaysia
- .co - Columbia
- .bz - Belize
New GAC members

- 9 new full members and one new observer have joined the GAC since the last part of 2009

- **Full members:**
  - Burkina Faso
  - China
  - Cook Island
  - Cyprus
  - Kyrgyz Republic
  - former Yugoslav Republic of Macedonia
  - Mali
  - Russia
  - Seychelles
  - Ukraine

- **Observer:** the Inter-American Telecommunication Commission (CITEL) of the Organization of American States
ICANN Finances – Fiscal Year 10

- Over last years, have run an increasingly accurate budget process
  - Operating very close to planned revenue and expense

- Some significant unanticipated cost items in Fiscal 10 plan
  - legal, facilities, other

- Management reporting to Board mid-year, and on an ongoing basis:
  - Will appropriately use expense contingency
  - Significant management focus on expense reduction, working to stay within existing budget
  - May ultimately cause growth in reserve less than budget
Expense Area Group Reporting

YTD Expenses as a Portion of the FY10 Budget

- FY10 Annual Budget
- Actual Spent YTD

icann.org/en/planning/
FY11 Operating Plan – Budget Development

Process

- 4 February – Board approves Strategic Plan
- Nairobi – FY11 Ops/Budget Framework; starts the process
- Now through 17 May – Community calls and meetings
- 17 May – Post FY11 Draft Ops Plan and Budget
- Further consultation
- Brussels – Board adopts final Budget based on reports and public comment

icann.org/en/planning/
FY11 Operating Plan – Budget Development

Key Points

- Integrate with Strategic Plan
- Reconsider appropriate reserve fund sizing
- More quantity/quality of community feedback and synthesis
- Little revenue growth
- Ongoing demand for new initiatives
- Need to balance competing community requests

Framework for FY11 Operating Plan and Budget
Room: Tsavo A
Wed, 10 March/14:00 - 15:00

icann.org/en/planning/
GNSO – gTLD Policy and Issues

- New GNSO Council structure launched in Seoul
- Wide-ranging improvement efforts to enhance policy development are advancing
- Addressing record number of issues to improve gTLD space – 21 substantial ongoing projects
- Significant collaboration with other groups on IDNs, Registrant Rights, and stability concerns
ccNSO – ccTLD Policy and Issues

- More than 100 members now
- Continuing IDN ccTLD policy work
- Identifying issues about delegation, redelegation, and retirement policies
- Survey on ICANN’s Strategic Plan
- Addressing ccTLD-related issues

icann.org/en/topics/policy/update-oct09/en.htm
ASO – Regional Internet Registries

- Proposals for global policy:
  - Handling IPv4 address space from RIRs to IANA
  - New date for 32-bit Autonomous System Numbers
At Large – Individual Internet User Community Activities

- ICANN global participation growing in numbers and diversity
  - up 10% in 2009 – more than 120 user groups

- At-Large policy input is robust
  - Advisories in 2009 increased nearly 200% over 2008

- Anticipating a Board seat, considering methods for selection

- At-Large improvement initiative

icann.org/en/topics/policy/update-oct09/en.htm
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Thank You

Rod Beckstrom
President and CEO