ICANN75 | Prep Week – Planning and Finance Update
Friday, September 9, 2022 – 04:00 to 05:30 KUL

MARGARET BENAVIDES:     Hello, everyone, and welcome to the Planning and Finance update. My name is Margaret Benavides from the ICANN Org planning team and I am the remote participation manager for this session. Please note that this session is being recorded and is governed by the ICANN expected standards of behavior. The session duration is 90 minutes, and the presentation can be found on the Files tab of the prep week page. A link has been posted in the chat.

During this session, questions or comments submitted in the chat will be read aloud. If put in the proper format, as noted in the chat, I will read the questions and comments out loud on behalf of the participants and there will be questions and answers during and at the end of the presentation. If you would like to ask a question or make a comment verbally, please feel free to raise your hand. We will have Q&A at the end of each section as noted in the agenda, as well as at the end of the presentation to make sure all questions are addressed in a timely manner. When called upon, please kindly unmute yourself and take the floor. Please state your name for the record and speak clearly at a reasonable pace and mute your microphone when you're done speaking.

To ensure transparency of participation and ICANN's multi-stakeholder model, we ask that you sign into the Zoom sessions with your full name. For example, first name and last name or surname. You may be removed from the session if you do not sign in using your full name. With that, let's take a look through the agenda. Next slide, please. Thank you.

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*Note: The following is the output resulting from transcribing an audio file into a word/text document. Although the transcription is largely accurate, in some cases may be incomplete or inaccurate due to inaudible passages and grammatical corrections. It is posted as an aid to the original audio file, but should not be treated as an authoritative record.*

So for today's agenda, we are going to start with an update from Finance on the FY 22 financial update. Following that, we will celebrate the success of the FY 23 adopted operating plan and budget. And then we will review an overview of the FY 24 planning process including the strategic planning, operating planning, and prioritization processes. We'll close with Q&A. Next slide, please.

The Planning and Finance teams consist of seven members currently: Becky Nash, Victoria Yang and myself for Planning, and Shani, Alex, Kirsten and Ted for Finance. Unless there are any other questions, I will now pass the microphone to Alex who will review the FY 22 financial updates. Alex, the floor is yours. Thank you.

ALEX MORSHED: Thank you, Margaret. We wanted to start this presentation with a financial overview of FY 22, which is ICANN's fiscal year that began 1st of July 2021 and recently ended on 30 June, 2022. Next slide, please.

Before diving into the numbers, I wanted to review this slide which features some financial reporting, highlighting our commitment to accountability and transparency. Periodically, we release the reports in the blue column, including quarterly financial reports, and the CEO report to the Board ahead of Board workshops.

Then in the green column, we release several reports on an annual cadence. By next week, we'll be posting an announcement highlighting

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the FY 22 results—which I'm about to share—and several of the other reports listed here. Next slide, please.

This chart shows total ICANN funds under management, which include all cash on hand and investments by fund with actual balances as of the 30th of June. Funds under management totaled $506 million by the end of the fiscal year, a decrease of $14 million since the beginning of the fiscal year 2022.

The decrease was driven by investment declines in the reserve fund and operational expenses for the New gTLD Program 2012 round. As many of us know, the financial markets were quite volatile in FY 22. Please note that conservative investment policies are in place to ensure that the extent of the reserve fund decline is lower than the declines of the overall financial markets while at the same time allowing to maximize the reserve fund's growth when the markets increase. Next slide, please.

This slide focuses on ICANN operations, which excludes the New gTLD Program. ICANN operations funding was $5 million higher than budget, which was driven by higher than planned transaction fees from legacy and new gTLDs, and higher than planned registry fixed fees and registrar accreditation fees due to a higher than budgeted number of contracted parties. Expenses were $18 million lower than budget, primarily due to holding two ICANN meetings virtually, savings from other travel which did not happen, lower than planned headcount, and lower SSR expenses incurred than we had planned to. Next slide, please.

This slide shows ICANN operations funding trends over the past few years. Funding remains stable with modest growth with FY 22 being higher due to SSR contribution funding. Next slide, please.

This slide shows ICANN operations expense trends over the past few years. Expenses in recent years have been impacted by the Pandemic, travel restrictions, and careful spending measures in place. Expenses in FY 22 were higher than the prior year primarily due to inflationary personnel costs and holding ICANN74 as a face-to-face meeting, whereas all FY 21 ICANN meetings were virtual. Next slide, please.

Here we see a multi-year summary of the New gTLD Program 2012 round. To process the remaining 2012 new gTLD applications in FY 22, we incurred $5 million in operating expenses, which consisted of risk costs, evaluation processing, and program administration expenses which include ICANN staff support. ICANN Org is keeping the projected full program costs at $262 million. Next slide, please.

We also wanted to highlight that the new gTLD subsequent procedures AKA SubPro Operational Design Phase AKA ODP—so the SubPro ODP—kicked off in January 2022. Expenses consisted primarily of personnel expenses and shared service support allocations for the ODP. We are still in the initial stages of the ODP and expect costs to rise in the coming months. More comprehensive reporting for the SubPro ODP can be found at the link shown here.

That's it for the FY 22 financial update. If there are no questions, I'll pass it over to Victoria for our next topic.

VICTORIA YANG:            Thank you very much, Alex. I'm going to defer to Margaret if there's any questions or hands in the room.

MARGARET BENAVIDES:       We're all clear, Victoria. Thank you.

VICTORIA YANG:            Perfect. Thank you. Hello, everyone. As mentioned, my name is Victoria. I'm also a member of the Planning team from ICANN Org. So very happy to be here having this conversation. So in the next section, I'm going to first provide you a very quick update/reminder about the fiscal year '23's operating plan and budget. And the main discussion will be on the fiscal year '24's process, particularly on the strategic planning process.

So here quickly on the fiscal year '23, as Alex mentioned, our planning cycle is by fiscal year. So that's from July to June. So now we are in September, so technically we are in the first quarter of fiscal year '23. And just a quick reminder, for those who are interested, the fiscal year '23's planning documents are all published - available on ICANN.org on our website, under the planning and financial page.

And, again, just to highlight that each year, we produce several planning-related documents and it's all listed here. As you can see, we do have a highlighted document. For those who just want to have a quick summary of the key highlights of fiscal year '23's operating plan and budget, this is a perfect document to go through. Following that, we do have a detailed operating plan for both five-year and one-year and a detailed fiscal year '23 budget.

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And finally, each year we also publish IANA Operating Plan and budget on the website as well. So we are happy to paste a link here for your convenience. For those of you who are interested, I highly encourage you to download a copy and read through the sections that you're interested.

All right. So in the next session, I'm going to cover the fiscal year '24's planning process. On these slides, I highlight that this is how, in general, ICANN's overarching planning process is set up. So we do usually start with the strategic planning process. This is the process where we define the organization's mission, vision, strategic objective, and strategic goal.

With that set in place, we then move on to the operating planning process. And this is the process where we define the key initiative. We call them "operating initiative" and what each function will plan to do to achieve the strategic plan. And for that reason, this is also how the operating plan is structured to highlight these two components of the activities, which my team is going to cover later on, and to show you some details of how the operating plan is structured and to highlight the activities that we plan to do each year.

Once we plan for the activity and we move to the budgeting process, which is the process to allocate resources to the activity that we plan. And where needed, prioritization on the activities will be needed, again, to make sure that we don't spend more than what we have. And this is one of the planning assumption and principle we have in place as well.

And finally, we have progress reporting. For now, ICANN Org has the CEO report, which Alex mentioned earlier on his very first slides. The CEO report is one of the reporting mechanisms and annually we have our

annual report to report out on key achievements against the operating plan and the strategic plan.

So the CEO report is three times a year and the annual report, obviously, once a year. And as part of the planning at ICANN operating initiative, planning is in the process to do analysis on the gaps that we can further improve transparency and report out on our activities against the operating plan and strategic plan. So more work to come on that progress measurement.

This is the slide where we want to highlight that our planning activity each year is mandated by the organization's bylaw. So on these slides, you can see that for a strategic plan, both the ICANN Bylaw and the PTI Bylaw require the organization to deliver a strategic plan. The ICANN's Strategic Plan is developed every five years and the PTI Strategic Plan is every four years as of now. Then the ICANN Bylaw also require the organization to deliver a five-year operating plan every year, followed by an operating plan each year and accompanied by the budget.

So as you can see in the budget section, so there are three budgets that we actually deliver each year. There's the ICANN annual operating planning budget, the IANA budget and operating plan, and the PTI budget and operating plan. So all these activities are required and mandated by our bylaw, and that includes the planning process which determine the timeline of how the process is mapped up. And I can show you in the next slides here.

In general, we do start our planning process in January each year. So now we are in September. So by looking at the first row, the last water drop, you can see that right now we are in the process of doing our impact

assessment, which is the strategic outlook trend impact assessment. We are in the process of working with the community on the planning prioritization process. My team, later on, is going to provide a more detailed update on the planning prioritization process, which is a new process that we just implemented and started—next year and this is the first year we actually implement it in the annual planning process.

The ICANN Org cross-functional teams is in the process of developing the draft operating plan and also the draft budget. And we are wrapping up our draft plan for the IANA and PTI, and we are getting ready to publish that around September 15th timeline, which, again, we have a timeline towards the end of this presentation to highlight some of the key milestones and timelines so that the community can be prepared for the upcoming collaboration on the planning process.

So in the next three slides, I'm going to dive a little bit into the detail of the strategic planning process. As I mentioned on slide 16, the four key components of our overarching planning process that we start with the strategic planning process, and here I want to provide an update. The process that we have in place is usually we do start with the—give the opportunity for both the Org, Board, and community to get together and do a brainstorming session where we highlight trends that we notice and we observe. So this is a very bottom-up process where we want everyone to be involved.

As you know that the strategic plan, as highlighted earlier, is a five-year strategic plan. So we do want to make sure that once the strategic plan is developed and adopted by the Board, we have a process in place that we can monitor, evaluate, and keep a pulse on the strategic plan so that we

make sure the strategic plan stays relevant and we are on top of the targeted outcome and monitoring the strategic risk, which is identified in the plan. So to do that, this is the place we have set in the process. That is a very bottom-up process.

Once the trend identification session are held, we collect data from each session and the data then is captured in the database where ICANN Org planning team together with cross-functional representatives within the Org will analyze the data to see if there's any new trend or if there's any shift of the trend from year to year.

With that, we produce a trend analysis report. This report is used for the third step, which is the impact assessment. This is where we look at the shift of the trend to determine whether or not there is an impact on ICANN. And when we say "impact," we are talking about the impact to the strategic plan and the impact to the operating plan. As you know that the strategic plan includes targeted outcome and also a strategic risk, so we want to see if any of these trends is impacting the content in the strategic plan and whether or not—which is the last step—we should revise or update the strategic plan. So this is the process we have in place to make sure that we are monitoring the strategic plan and make sure that the strategic plan is still relevant.

Here on these slides, you can say that we have completed the trend identification session from January to April. We have 13 sessions in total with the community, Org, and Board. We collected more than 1,000 data points during these 13 outlook sessions. Between May to July, we captured this data in the database. We did analysis. We produced the

analysis report. We are now in the process of evaluating the impact of this trend to the strategic plan and the operating plan.

ICANN Org will make a recommendation to the Board Strategic Planning Committee in October. The SPC will evaluate and discuss and make a recommendation to the ICANN Board, and from there, we'll have a resolution whether or not the trend is going to trigger a change or update to the strategic plan.

And finally, just as a reminder, ICANN's current strategic plan is the strategic plan for fiscal year '21-'25. And the five objectives in the strategic plan include: security, governance, unique identifier system, geopolitical issues, and finally ICANN's long-term financial stability. This strategic plan is published on our website. We are happy to drop a link in the chat later on.

And also, just as a reminder, each year at the end of the strategic outlook process, we publish the impact assessment and we also publish a report which includes the trend analysis, the impact assessment result, and also with the link to the Board resolution as the outcome of this program. So we will share a link. So feel free to take a look for fiscal year '23 and '22's report, which is available on the website.

With that, I'm happy to answer any questions, and if not, I'm happy to pass the floor to Margaret to touch base on the operating plan update. Thank you.

MARGARET BENAVIDES: Thank you, Victoria. For the record, this is Margaret Benavides again from the Planning team. I don't see any questions in the chat at this moment. But if you have any questions, please feel free to drop them in the chat or raise your hands and we'd be happy to call on you or address them during the presentation. So for now, let's move on to the operating plan process for FY 24. Next slide, please.

The strategic planning process feeds into the operating planning process. As Victoria described, the impact assessment is the conclusion of the annual strategic outlook program [inaudible] and it basically assesses whether or not there is an impact to ICANN's current strategic objectives and if there is a need to update our strategic plan. Secondly, it allows us to begin reviewing if there aren't any impacts or operational adjustments that need to be made or new activities that need to be considered for the upcoming planning cycle of the operating planning and budget process. We are currently in this stage to assess this impact and receive recommendations from the ICANN Executive Team and the BSPC. Following this, we move into the discuss and prioritization phase, step two.

As you may be aware, part of the improvement and one of the operating initiatives associated with the strategic plan is the planning at ICANN operating initiative. And under the scope of this operating initiative is to work with the Org, Board, and community on the prioritization framework. We have developed and revised the planning prioritization framework and conducted a planning prioritization pilot in the spring and will be working on the FY 24 planning prioritization process this fall. Becky will share more details later in the presentation.

From there, we move to develop a high-level plan and milestone phase. This step of the process is the development of the draft operating plan. It involves all functions from the organization. We look at the high-level targets, the measurement, and activities, progress reporting, and assign detailed resources when it comes to the one-year plan.

And lastly, it's to refine the plan with details. This is twofold. Within the organization, we have several reviews before the draft is published in December. Externally, we also have the public comment process, which will also be in mid-December. Once the public comment is closed, we look at the community feedback and will modify targets and progress, and budget as needed. This is the high-level overview of how the operating planning process works every year. Next slide, please.

This further shows the connections between the strategic plan and the operating plan. As Victoria mentioned, besides the mission and vision that are very important to the strategic plan, there are the five strategic objectives. These five strategic objectives also have strategic goals that are assigned to them. And under each strategic goal, there are targeted outcomes that are associated. The operating plan supports the strategic plan by highlighting the operating initiatives and functional activities that support the strategic goals.

You may or may not be aware, but in the FY 23 operating plans, we created a visualization of the strategic linkage between the strategic plan and operating plan, which is in our Appendix B. And I'll later drop that in the chat if anyone is interested. Next slide, please.

The operating plan structure covers two activities. There's functional activities, which are basically 100 percent of the activities that ICANN's

work is conducted. 80 percent are continuing operations, such as human resources or finance, but there are also some functional activities that directly impact ICANN's mission and mandate, such as contractual compliance or the IANA function. We also have a category called the operating initiatives that I mentioned previously, and we have 15 operating initiatives. So far, there's no change the draft FY 24 plans for the operating initiatives. And they represent most of the work that supports ICANN's strategic plan objectives. They will most likely continue for FY 24. Next slide, please.

This further breaks down the functional activity areas. So we have 34 functional activities. And if you take a look at the appendix, later on, they are all listed there. This is just a summary for our convenience. These functional activities are categorized into five groups, and this helps with breaking down the details and granularity of the operating plan. The intention is to accommodate the Board's diversity and interest among the community, to encourage reading into the operating plan and reading in the highlight document, and then going to the area you're most interested in. Next slide, please.

This slide and the slide after this are meant to highlight the progress that we've achieved in the operating initiatives for FY 23. As we mentioned, the operating initiatives represent the major areas of work that support the strategic objectives identified in the strategic plan. We will do something like this for the draft FY 24 plans as well to indicate the key milestones for FY 24. Next slide.

And this is the second set of the 15 so you can kind of see the overview up and all together. Thanks. Let's move on to the FY 24 key planning

assumptions. The first assumption is that the strategic objectives remain unchanged. We are at the impact assessment stage. As of now, no changes to the strategic outlook are anticipated, but it is subject to the BSPC's recommendation which is scheduled for October. But for planning purposes, we will proceed [inaudible] the assumptions that no strategic objectives will change.

The second assumption is the affordability and balanced budget assumption. The plan will be based on base scenario funding projects. A key principle for our budget is that our budget will be balanced budget and resources for the Org will not extend the funding available.

The third assumption is that face-to-face meetings and engagement will resume according to the planning meeting schedule. This is obviously an ever-changing situation but looks like we're doing great and we'll continue monitoring and working with the community on this.

The fourth is that we will be building out the planning prioritization framework. And the last planning assumption is the planning principle. This is a key principle for ICANN Org, and it basically means that we will not design the expected implementation work only as recommendations and policies and reviews move forward and reach the stage of Board approval. It is important to realize that the five-year operating plan is developed annually, as is the one-year operating plan. So there will always be an opportunity for Org to include the most recent activity forecast in the operating plan.

I will now pause for any questions, and if not, Becky can provide a prioritization update. Thank you.

BECKY NASH:

Thank you, Margaret. Will just pause for a moment. This is Becky Nash from ICANN Org Planning. Just to see if there are any questions on any of the material provided. We saw a question in the chat just regarding whether or not PTI activities are included in the overall ICANN operating plan and budget. And yes, they are included. The structure includes IANA department, then PTI with all of its shared support, then the IANA budget, which is the ICANN funded pieces, and they all are included in the ICANN operating plan and budget.

I think there's another question in the chat from Anne Aikman-Scalese. I'll just read it out. Is the SubPro ODP expense to date 1.7 million? Thank you. We've gone back to that slide. And I see that Shani from our ICANN Org Finance has responded that this covers the period of July 1st through 30th of June.

ALEX MORSHED:

Right and I'm sorry, this is Alex Morshed. So the ODP started January 2022. And since this is the FY 22 segment of the presentation, these costs are through June 2022. So just that six-month period were $1.7 million. More updated financials are available at that link. I think they're posted periodically. Thank you.

BECKY NASH:

Thank you, Alex. Okay, I'm going to provide a short update on the FY 24 planning prioritization process. Next slide, please. So as we've indicated in this presentation, the ICANN operating plan has an operating initiative called planning at ICANN. And one of the deliverables of this operating Initiative is a planning prioritization framework. And this framework,

which is a specific project, is intended to serve as a guide to the prioritization process that's included as a step within the annual planning process. The framework, which we do have the documents available on the finance and community wiki website, describes and outlines what activities to prioritize, who will prioritize, when and how to prioritize, and the planning prioritization step is led by community members as input into ICANN org.

The framework has been developed and updated based on input received from numerous webinars and consultations with the SOs and ACs and other stakeholders, and also with a community-led pilot that ran for the FY 23 timeline focused on Board-approved specific review recommendations.

We'd just like to highlight that this guide for a planning prioritization process will continue to evolve as its needs evolve and we receive additional input. The latest framework is available as a version two on the community planning and finance wiki website. Next slide.

A key component of the planning prioritization process as a step within the operating process is to understand the roles and responsibilities and how each of the Board, Org and community play a different role within the planning process.

So we're highlighting on the left side of this slide that the prioritization process which is community-led is intended to be prior to the development of the draft operating plans by Org, and the community is consulted about the process, timeline, assumptions and the prioritization is led by the community.

The output of that process is received as input into ICANN Org's step two develop draft plans. It is ICANN's responsibility to develop the plans and then provide them to the community for further input as part of the public comment process.

Following the public comment process, the ICANN Org may revise the plans where applicable based on input received. And it is the ICANN Board that considers to adopt the ICANN plans. That is the function there of oversight and governance to actually adopt the ICANN plans.

And following the Board adoption, there is the empowered community period. And again, we've talked about FY 23, which concluded in June of this calendar year, and we are now planning for FY 24. Next slide.

So we'd like to give an update on the planning prioritization step for the FY 24 process. So we've indicated that we had a pilot that was run, and we want to thank all the community members and SO/AC leadership for their support. That pilot ended in the April-May timeframe.

Then we launched for planning purposes the FY 24 process. And we know that this is not the standard timing for this recurring process. But for this year, for FY 24, we sent out a request to the SO/AC leadership for nominations for members to this community planning prioritization group. And we asked for a member and an alternate member from each of the groups noted on this slide. We want to thank all of the members and alternate members and their leadership from the SOs and ACs for providing their nomination. And we are in the process of finalizing this email listing. And we are sending out a welcome email to schedule the prioritization group meetings that apply for the FY 24 process.

we are expecting that there will be approximately three to four meetings as they're needed in the September and October timeframe—early October. We do realize that there is an ICANN meeting and we're very conscious of that. So we want to thank again all of the SOs and ACs for their support.

Our expectation then is to receive output on the FY 24 activities that are eligible for prioritization in the October timeframe so that we can reference it within the draft FY 24 operating plans and budget, which are expected to be published for public comment in the December timeframe, mid-December. So again, thank you very much to the members that are noted here and their leadership of their affiliation.

I'm now just going to provide a quick update on the overall FY 24 timeline. I know we've had a lot of components of finance and planning today. But for the planning process, we have this webinar today, which we do ask that you share the recording with your SOs and ACs, for those that may be interested and could not make the presentation today. This is an update to the community about the overall timeline process and key assumptions as ICANN org is in the development stage, and then the plans will be subject to the public comment proceeding for ICANN.

But before that, we've talked a little bit in the chat about the draft IANA functions operating plan and budget. That process starts off earlier. And we are approaching a key milestone of publishing the draft IANA and PTI FY 24 operating plan and budget for public comment, which will go out for public comment on the 15th of September.

So then we move into the community steps for public comment which again will be mid-December for the overall total ICANN and we will be

holding a webinar right after the publication and before the year end, end of December timeframe on or around the 15th of December to present the plans to the community that are then under public comment.

The remaining steps are the steps that move towards operating plan and budget adoption. We just want to highlight that for community members, there is a key step related to the additional budget request submission period. And that is during the November and January timeframe. There will be more information coming from Planning and Finance about that.

And then the remaining steps again move towards the late May 2023 ICANN Board adoption, expectations and the empowered community process. I will pause now for additional questions.

MARGARET BENAVIDES:    Hi, Becky, we have a question from Tim Smith about the planning prioritization framework. He said, "I know that the planning prioritization framework work concluded in May. Were any of the priorities budgeted for FY 23? Can you please share some details? Thank you."

VICTORIA YANG:    Becky, I think you are speaking on mute. And I see Xavier, your hand is up, please go ahead.

XAVIER CALVEZ:    Thank you, Victoria. Thank you, Tim, for the question. And thank you for reminding everyone of that step in that process. As you pointed out, just for everyone to understand, the prioritization pilot that occurred in the

month of April and May looked at all the review recommendations from specific reviews and their implementation and prioritized those.

And the team, the Planning team and the Org team took that information as intended at the end of that pilot and has been working since then on developing plans to try to implement as many as possible of those prioritized recommendations, taking them in the order of prioritization that came out of the prioritization pilot, to be able to develop a plan of implementation over the next few weeks and months.

We were not able to conclude that process prior to ICANN 75 that's starting in a week or two. But this is close to the end of our internal planning process. And work has actually been going on already on a number of those recommendations. But the more developed plans for the entirety of those recommendations for both FY 23 as well as FY 24 work is currently being finalized. It should be possible to share in the next few weeks. As soon as it's available, we will share it publicly.

But I just also wanted to confirm to everyone that work has been going on on the implementation of certain of those recommendations in the meantime, in parallel of developing the overall plans. So thank you for that question, Tim. And I'm happy to answer any further questions on this subject. Thank you.

MARGARET BENAVIDES:    If anyone else has any questions or comments, please feel free to raise your hand and unmute yourself and take the floor. Thank you. Looks like Holly. Please feel free to unmute yourself. Thank you.

HOLLY RAICHE: Thank you. Maybe this is part of the presentation and I didn't see it. But when you're talking about the recommendations that come from a range of reviews, is there any relationship between, say, the operating initiatives or not? In other words, when you're looking at the prioritization items, do they relate back to either the strategic objectives or the operating initiatives? It's really just a question. I'm trying to work through the relationship. Thank you.

XAVIER CALVEZ: Xavier, please go ahead.

XAVIER CALVEZ: Thank you. And thank you, Holly, for the question. It's a good question. I don't believe there's necessarily a very systematic connection or dependency between review recommendations and the operating initiatives.

The recommendations, as you know, can be sometimes extremely specific about a very narrow topic. That could be a topic that is also separately the subject of an operating initiative. But we haven't, as far as I can remember off the top of my head, we haven't been confronted with dependencies that created a constraint in being able to plan for the implementation work, at least as far as I can think of at the moment. But will take back your question and reverify what I just said.

My intuition at the moment is that there is not any specific conflict or dependency that creates a challenge for implementation of

recommendations between the recommendations and the operating initiatives. And remember, the operating initiatives can be relatively broad about a general topic. There could be recommendations that are within the scope of that topic without necessarily impacting the ability to carry out those claims. I hope that helps. Again, we'll take that question back and dig further on it beyond my memory.

HOLLY RAICHE: Thank you, Xavier.

MARGARET BENAVIDES: Thank you so much for your question. It looks like we have another question from Anne. Thanks so much for your question. It says, "Does the 2023 contemplate an implementation review team expense budget for the next round of gTLDs? Thanks."

XAVIER CALVEZ: I'll give it a shot, Margaret. Thank you. And I think that—so I'm just thinking out loud with your question that the ODP on the next round is scheduled to close in the course—about in the middle of FY 23 for us, which is December, January time frame, 30 February, I think. And from there, there will be obviously more consideration of what that ODP output will lead to.

I do not believe as a result that the implementation process of the next round, if and when it will be decided by the Board, has led us to anticipate that it would start in FY 23. And as a result of which, we probably have not considered as of yet in FY 23 the cost of an implementation review

team. But I would also want to reconfirm that with the team in charge of planning for the next round of work and expenses, just to make sure that I'm not mistaken in what I just said.

MARGARET BENAVIDES:     If anyone has any questions, please feel free to unmute yourself and raise your hand. Thank you. Oh, it looks like there's a follow-up from Anne. "Is there enough contingency to mount a SubPro IRT in 2023? Thank you."

XAVIER CALVEZ:     Thank you, Anne, for the follow-up question. I do not have visibility as of yet how much the cost of an IRT would be, but I would assume that yes, we would have the flexibility in the budget through contingency or otherwise to be able to fund this type of activity, should it be decided to be started within FY 23.

I think that if the Board would make such a decision, then the funding support to the impacts of that decision, like the creation of the IRT or its funding, would be part of the decision and we would be able to find the ways to fund that activity. So I would be confident on that. Thank you.

MARGARET BENAVIDES:     If anyone else has any questions, please feel free to unmute yourself. Thank you. And with that, I think we can give everyone back some time. So thank you so much for joining us for the Planning and Finance update. We look forward to seeing some of you at ICANN 75 and we wish everyone a good day. Take care. Bye now.

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