Report of the President's Strategy Committee

ICANN Board Annual Meeting

October 2007

Background

ICANN's President's Strategy Committee was established to provide observations and recommendations concerning issues that contribute to ICANN's strategic planning process. At ICANN's December 2005 meeting, the Board reaffirmed the importance of the bottom-up ICANN processes and noted that the ICANN community could also "benefit from the advice of a group responsible for making observations and recommendations concerning strategic issues facing ICANN." At this same meeting, the Board adopted a resolution that approved the appointment by the President of a President's Strategy Committee to fulfill this purpose.[1]

The Committee's work has included engaging with the community at ICANN's 2006 meeting in Morocco and ICANN's June 2006 workshop on Internet governance. On 21 July 2006, ICANN's President's Strategy Committee conducted on-line and web-enabled consultations to address some questions the Committee identified for further exploration and that relate to ICANN's legal framework, policy making processes, administrative operations, transparency and accountability and also the continued stable growth and operation of the domain name system. On 19 March 2007, the Committee held another web-enabled online consultation to help to finalize the draft recommendations for presentation at the ICANN meeting in Lisbon.[2]

The Committee presented its Final Report to the ICANN Board at its meeting in Lisbon, March 2007.[3] Upon receipt of the Final Report, the ICANN Board passed a resolution requesting "that the Committee provide further detail on aspects arising from the recommendations and conduct in consultation with the community an evaluation and analysis of their implementation and related implications." The full Board resolution reads:

> *Action on President's Strategy Committee Final Report*

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[1] For full resolution see: http://www.icann.org/minutes/minutes-04dec05.htm#psc.

[2] See http://www.icann.org/psc/.

[3] Please see http://www.icann.org/psc/#final.

Whereas, ICANN's mission is to coordinate, at the overall level, the global Internet's systems of unique identifiers, and in particular to ensure the stable and secure operation of the Internet's unique identifier systems.

Whereas, the ICANN Board noted in 2005 that the ICANN community could benefit from the advice of a group responsible for making observations and recommendations concerning strategic issues facing ICANN, and resolved in 2005 to direct the President to appoint the President's Strategy Committee;

Whereas, the President's Strategy Committee conducted its work and consulted with the community on input to its proposed Recommendations;

Whereas, the President's Strategy Committee Recommendations addressing ICANN's status and continued improved responsiveness to an evolving global environment; contributing to capacity development; and participation and role of stakeholders have been presented to the ICANN Board and community;

Resolved (07.20), to recognize the President's Strategy Committee Recommendations and request that the Committee provide further detail on aspects arising from the recommendations and conduct in consultation with the community an evaluation and analysis of their implementation and related implications.

Subsequent to the ICANN Board resolution in Lisbon, the Committee met several times to review material regarding specific jurisdictions, and to discuss and prepare an update to the Board and the Community regarding its recommendations.

The Committee is pleased to note that many of its Final Report recommendations complement the issues identified in ICANN's current strategic planning process and also complement the outcomes achieved in the discussions between ICANN and the US Department of Commerce, which resulted in the Joint Partnership Agreement (JPA) of 29 September 2006.[4] The Committee is also pleased to see many of the recommendations now embedded in the operational plan and ongoing work of the organization.

This update is provided and outlined in relation to the relevant sections of the Committees Final Report.

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[4] Information on ICANN's strategic planning process can be found at: http://www.icann.org/planning/.   The JPA can be found at: http://www.icann.org/announcements/announcement-29sep06.htm

ICANN's status and continued improved responsiveness to an evolving global environment

Legal status and identity

As outlined in the Committee's Final Report to the Board in March 2007, the Committee recognizes ICANN's existing international non-profit character, including operations in multiple countries, staff from multiple countries, and a geographically diverse Board and Council structures. The Committee noted in its report that there are some areas ICANN could continue to work to improve, as well as some areas worthy of exploration with regards to jurisdiction in relation to ICANN's long-term stable operations responsive to its stakeholders.

The Committee, in reviewing legal jurisdictions, specifically focused in on material relevant to the jurisdictions that had experience with international and intergovernmental organizations or offices. Legal counsel was asked to assist by surveying potential structures in the United States and several other countries.

The Committee assumes that ICANN will continue to maintain its current headquarters and an operational presence in the United States, regardless of any change in its corporate organization. However, the Committee is looking into the question of whether the international operations and perception of ICANN would benefit from establishing a secondary or parallel legal presence elsewhere.

The Committee has conducted an initial analysis, and identified criteria and values for further analysis, for example, not threatening ICANN's existing non-profit status; ensuring appropriate labor laws and general business conditions; and ensuring that any new structure allows for and enables the ability to maintain accountability mechanisms. The Committee is still evaluating the applicability of its research and analysis, per the instructions of the Board resolution, as well as addressing the details of any mechanics involved in altering ICANN's structure to any of the alternatives analyzed. The Committee anticipates that this further analysis, together with the impact or mechanics of any implementation, will be completed and the results provided to the community at the ICANN meeting in Paris.

The committee appreciates the role of the United States Government in the creation of the environment for the formation of ICANN. The Committee also appreciates the importance of continued cooperation with all stakeholders that have an interest in the continued stability and security of the operation of the Internet.

Regional presence

With regard to the overall aspects of ICANN strengthening its regional presence, staffing and continued regional outreach and global interface, the Committee is pleased to report that some of the recommendations have been incorporated and imbedded into ICANN's strategic planning process and implemented through ICANN's operational plan as part of its regular and ongoing work.

Root-zone management and transparency

With regard to root zone management and transparency, the Committee believes the situation would require more analysis, and discussions with relevant parties, and has not focused its work to date on this. The Committee would be willing to do so in the future.

Ongoing contingency planning

The Committee discussed its recommendation regarding contingency planning, and noted that this area was an important consideration in the evaluation of the legal identity.

Contributing to capacity development

The Committee continues to believe that capacity development is important, as is the facilitation role in appropriate partnerships on issues both within and deriving from the organizations' mandate, such as security of the Internet's unique identifier system. In particular, capacity building in relation to region specific initiatives addressing specific needs, and in partnership with respective organizations and expertise, are important. ICANN should work closely with respective partners on issues of importance to capacity building, in particular in the technical arena, in particular in developing countries. ICANN's role in capacity development is limited to areas within its mission and mandate, while contributing to the wider benefit of the Internet.

The Committee is pleased to note that much of this work is successfully underway, and emphasized in the strategic planning and reflected in the operational plan for the coming years.

Participation and role of stakeholders

The Committee considers that most of its recommendations under this section of its Final Report have been completed or under consideration by other parts of ICANN.

However, the Committee reminds the Board of its following recommendation from its Final Report:

> *"Building on the existing structure and mechanisms, the Committee encourages the Board to challenge the community to work together to establish a clear typology, including examining roles and responsibilities, of various participants in the ICANN process. In relation to the broad classification of civil society, the respective roles of suppliers, users, non-commercial entities, individuals, and/or At Large would benefit from clarification."*

Conclusion

The members of the Committee trust that the above reporting on the status of the recommendations is useful, and are pleased to see that most of the recommendations of its initial report are part of ICANN's current operations, as reflected in its strategic planning process and implementation through its operational plan. The Committee conveys to the Community and the Board that it believes further analysis and work is needed on the issue of jurisdictions and possible impacts of any implementation. The Committee believes that as ICANN's work with the JPA reaches finalization, the continuing long-term operational stability of the organization is an important part of ensuring its successful global responsibility.