ISPCP input into ICANN's FY19 Budget process

Having actively engaged in the FY19 budget process and being aware of the many responses submitted during the public comment period that ended on March 8th and the revised timeline from 12 to 24 April to publish the ICANN.Org report, the ISPCP submits the following observations for your consideration.

We list those aspects that we believe deserve further specific and detailed consideration as ICANN look to progress on this matter at a time when the projected future budget is no longer showing year on year increase.

In terms of high-level priorities, ISPCP consider that ICANN's overall budgetary effort should be focused on two critical areas a) policy development as the core of ICANN's mission and b) participation of the volunteer community to that mission. For this and in the context of reduced revenues and need for "fiscal prudence", the ISPCP call for cost reduction decisions in other areas be based on identifiable and measurable criteria, indicators and metrics, that those be communicated to the community with a transparent cost/benefit analysis of each of the budget segments subject to those cuts, and monitored year on year for adjustment. Examples of areas where such an approach is necessary as opposed to using anecdotal evidence include NextGen and the Academy programs.

The ISPCP also stresses the importance of ICANN continuing to update and assess their projected figures, taking full account of market dynamics, which currently only indicate a downward trend. The pace of change may well prove a critical element in ICANN's future budget considerations.

- The ISPCP has major concerns over the proposed growth in staff and costs at a time when revenue projections are indicating lower growth. Urgent consideration should be given to freezing staff numbers and even reducing numbers when some current activities are concluded. It is imperative the overall cost envelope does not increase further.
- Staffing costs including, the level of remuneration, continue to be a major concern, particularly at a time when travel budgets and operational cuts are being considered that will have a direct major impact on the ICANN community. At such a time, there can be no justification for salaries and bonuses exceeding the norm for an equivalent role in the public sector.
- Major concern exists over the scale of planned cuts that directly impact the ability of the volunteer community to actively support ICANN as a bottom-up, consensus driven organisation.
- Policy development must remain a focal point for the organisation and should not be subject to budget reduction as this aspect represents the core of ICANN's activities. Those functions have to be the last to be considered for any potential cuts. The ISPCP also considers the implementation of GDPR and Work Stream 2 as key priorities that must be funded.

- The ISPCP is strongly opposed to any cuts in the CROP (Community Regional Outreach Program). This program has proved to be an excellent tool for facilitating outreach and growing the ICANN community. It should be retained in its current form, judged against an agreed set of metrics that will assist in ensuring it continues in that vein.
- It remains unclear how and where cuts in the travel budget will be implemented. The ISPCP believes that more flexibility within the existing travel rules could result in substantial savings. Such flexibility, underpinned by clear rules, need to be developed with input sought from the communities impacted.
- The ISPCP are also opposed to the elimination of the ICANNWiki that provides a wealth of information to the community.
- The ISPCP supports the replenishment of ICANN's reserve funds with an absolute minimum of twelve (12) months across the next five (5) years. This has to remain a priority across that period.
- The ISPCP notes that other commentators on the budget proposals have suggested that the NCPH Intercessional meetings could be held every other year as opposed to the current yearly schedule. The ISPCP also supports that proposal.
- The combined expenditure of the Fellowship Program, the NEXTGen program, and the ICANN Academy is far too high. Whilst the Fellowship program has a proven track record, the NEXTGen and Academy programs have not delivered the same level of benefit and their future-in view of the financial constraints being experienced- must be questioned. At a minimum, the travel costs associated with these programs must be considered before any cuts are considered that directly impact the policy development process within ICANNs SOs and ACs.