

Strategic Outlook

FY23 Trends Identification

ccNSO Trend Session Summary

Session date & location: 1 March 2021; Virtual session

Number of participants: 15

Session facilitators: Nathalie Vergnolle, Becky Nash, Victoria Yang (Planning team)

Points of contact: Bart Boswinkel (Org) / Kim Carlson (Org) / Katrina Sasaki (ccNSO chair)

Description of the session:

Participants were divided into two subgroups and engaged in a brainstorming exercise to:

- Identify and track the evolution of trends that may affect ICANN.
- Evaluate the impacts that these trends pose to ICANN, either in terms of threats or in terms of opportunities.

Subgroups shared their ideas with the larger group, and additional discussions followed, allowing participants to dive deeper into areas of interest.

At the end of the session, participants were invited to vote for their top-three highest priorities that ICANN should be focusing on, (each individual participant could select up to three from all trends, risks and opportunities identified by any subgroup during the session).

This year, same as last year, the brainstorming exercise was structured around the five areas of focus of ICANN's new strategic plan for fiscal years 2021 to 2025. The elements collected in previous years have helped identify these different focus areas:

- **Security** – relating to cybersecurity, Internet of Things vulnerabilities, DNS security, root service reliability, resilience and interoperability, DNS abuse.
- **ICANN's Governance** – referring to ICANN's governance rather than Internet governance in general, ICANN's multistakeholder model of governance, efficiency and effectiveness, transparency and accountability, inclusiveness and openness.
- **Unique Identifiers System** – evolution of the unique identifiers system in the context of the evolution of its uses and its user base, considering external technology advancement (such as blockchain, IoT, rise of artificial intelligence etc.), alternate roots, alternative infrastructures, universal acceptance, and IDNs.
- **Geopolitics** – including effects on ICANN of legislation and regulation, and other globalization topics such as the global reliance on the Internet, or the Internet fragmentation.
- **Financials** – including financial sustainability, financial responsiveness to changing industry economics, funding strategies, and cost management.

Top priorities from session

Top priorities from sessions are based upon the number of participant votes received, indicated by the number in parentheses.

Security:

- **DNS abuse** (12 votes): Remains a significant concern. Scale and diversity increase. Increasing pressure from governments to actively (help) fight abuse. Opportunity for ICANN to take the lead in acting. Opportunity to balance governmental pressure against the real DNS abuse levels.

Geopolitics:

- **Legislation & regulation** (10 votes): Increased legislation on registries and registrars in some regions. Opportunity to strengthen educational actions towards institutional stakeholders on the roles of registries and registrars.

ICANN's Governance:

- **Engagement and participation** (4 votes): prolonged absence of face-to-face meeting raising concerns about community engagement and participation. Recommendation to boost engagement programs such as the Fellowship program

Unique Identifiers System:

- **New gTLD program** (3 votes): Pressure to have "discreet windows" of new TLDs. Risks associated with a new round. Need to assess carefully the way new gTLDs are introduced.

Transcription of Session's outputs:

The elements collected during the session are presented in the next pages. The results have been regrouped by focus areas and topics discussed (by staff).

Bullet points are a direct transcription of inputs collected during the session. Repetitions or duplications have not been removed, as the intent here is to reflect the full information received.

The number of votes for high-priority that each statement received is indicated in parenthesis after that statement.

Security

FY23 Trends	Risks or Threats associated with these trends for ICANN?	Opportunities or Suggested Actions?
<p>DNS Abuse</p> <ul style="list-style-type: none"> ● DNS Abuse remains a significant concern, with increasing community efforts to tackle it, but still no clarity on what ICANN's role should be. ● DNS abuse - scale and diversity increases. Potential harm from those who misbehave. New phishing methods. What we used to do years ago, does not work anymore. Need to deal with that. 	<ul style="list-style-type: none"> ● Lack of voluntary efforts on DNS abuse inspires governments to intervene (badly), through treaties? ● ICANN is blamed for every bump Eco-system will be weakened by the lack of action to stop DNS abuse 	<ul style="list-style-type: none"> ● Value based/responsible internet (1) ● Act fast and you can lead! (4) ● Balance governmental pressure to increase actions in the DNS abuse area against the real DNS abuse levels (4)
<p>DNS Ecosystem Security</p> <ul style="list-style-type: none"> ● Increasing and more complex security threats: a cc is a SPOF (Single Point of Failure) (2) 		

ICANN's Governance

FY23 Trends	Risks or Threats associated with these trends for ICANN?	Opportunities or Suggested Actions?
<p>Engagement & Participation</p> <ul style="list-style-type: none"> ● Inclusiveness and participatory model compromised due to weakening interest if the Pandemic is still there ● The ICANN system is surviving on the relationships built up from in-person meetings. The longer we go without meetings, the harder it is to engage new participants. ● [evolution of the MSM] Discussed extensively but no clear path forward 	<ul style="list-style-type: none"> ● Scandals and lawsuits across the industry = abuse of MS principles compromises the MS model's fundamentals ● Nobody really cares...Few care about the next generation of ICANN governance 	<ul style="list-style-type: none"> ● Consider a short-term boost to fellowship programmes, after pandemic travel restrictions, to (re)engage a broad set of participants. ● Encourage ICANN participants to mentor new participation from people in their organisation/networks, even in the remote working environment. (1) ● Improve follow up on different programs (e.g. fellowship) (3)
<p>Consensus Challenges</p>		<ul style="list-style-type: none"> ● Develop a fair but productive way to establish consensus in policy-making (2)
<p>Post-transition</p> <ul style="list-style-type: none"> ● The empowered community is still getting its legs post-IANA transition and this could have impact perhaps 	<ul style="list-style-type: none"> ● Regional segmentation getting stronger - ICANN losing its power 	<ul style="list-style-type: none"> ●

Unique Identifiers System

FY23 Trends	Risks or Threats associated with these trends for ICANN?	Opportunities or Suggested Actions?
Internet Fragmentation	<ul style="list-style-type: none"> • "New IPs", DNS4EU= threats of fragmentation 	
New gTLDs Program <ul style="list-style-type: none"> • Pressure to have "discreet windows" of new TLDs. 	<ul style="list-style-type: none"> • Another ngTLD round will decrease intrinsic value of domains, increase speculative financial value and lead to more abuse and reduced trust (1) 	<ul style="list-style-type: none"> • Assess carefully the way new gTLDs are introduced. (2)
Universal Acceptance <ul style="list-style-type: none"> • IDNs uptake still slow and inefficient, sluggish growth, interest lost • In the funding forecasting ICANN foresees new potential markets. However, it does not translate to concrete actions. Actions are weak and unstructured. (1) • Local initiatives are developing. 	<ul style="list-style-type: none"> • Lack of voluntary uptake of IDNs/Universal Acceptance inspires governments to intervene (badly), through treaties? • ICANN is blamed for not supporting competitive market 	<ul style="list-style-type: none"> • Develop broader and more structured actions to address UA.(1) • Support local initiatives!

Geopolitics

FY23 Trends	Risks or Threats associated with these trends for ICANN?	Opportunities or Suggested Actions?
<p>Legislation & Regulations</p> <ul style="list-style-type: none"> • EU's crusade for tougher regulation of the DNS-related actors/ISPs' operation set a global trend, happily borrowed by authoritarian nations regulation (especially in EU) is going to impact DNS (Registries, Registrars) • Increased legislation on registries and registrars in some regions 		<ul style="list-style-type: none"> • Strengthen the educational actions towards institutional stakeholders about the roles of registries and registrars (10)
<p>DNS Abuse/Ecosystem Security</p> <ul style="list-style-type: none"> • Increasing pressure from governments to actively (help) fight abuse in our zones (identification, data quality, notice & takedown, data sharing, data analysis) (3) • Governments using DNS/the internet for cyberwarfare 	<ul style="list-style-type: none"> • Governments claiming UI functions administration/nationalization of ccTLDs 	
<p>Governmental & Stakeholder Pressure</p> <ul style="list-style-type: none"> • Unsophisticated Govt responses to online harms could harm the DNS. • Excessive stakeholder pressure: security/abuse by governments, commercial/pricing by registrars 	<ul style="list-style-type: none"> • Governments becoming more assertive as security issues seem to escalate 	<ul style="list-style-type: none"> • Quality information about the risks to regulating DNS and alternatives for govts to consider? (1)
<p>Globalization (of ICANN)</p> <ul style="list-style-type: none"> • Unintended consequences of the corporate globalization versus regulation 	<ul style="list-style-type: none"> • Undetermined... 	

Financials

FY23 Trends	Risks or Threats associated with these trends for ICANN?	Opportunities or Suggested Actions?
<p>Domain Name Industry Changes</p> <ul style="list-style-type: none"> ● Market consolidation trends on the rise, creating an oligopoly, competition in decline, affecting contracting party's performance ● More and more actors falling under consolidated umbrella. 	<ul style="list-style-type: none"> ● ICANN becomes too dependent on very few players 	
<p>COVID-19</p> <ul style="list-style-type: none"> ● Economic recession due to COVID measures, influencing domain use and sales (1) 		<ul style="list-style-type: none"> ● Continuous digitalization, more businesses online
<p>Prioritization challenges</p> <ul style="list-style-type: none"> ● 2022-2026 - well conceived document. Good analysis of different scenarios. Mention a lot of sources for planning but fail to mention possible talks to registrars (the main sales channel). Registrars should be more involved and heard. (1) 	<ul style="list-style-type: none"> ● ICANN has no money to do everything we suggested 	<ul style="list-style-type: none"> ● Continue the same level of planning. Get registrars more involved.

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