

## ICANN's three types of accountability

ICANN is accountable in three ways:

1. Public sphere accountability which deals with mechanisms for assuring stakeholders that ICANN has behaved responsibly;
2. Corporate and legal accountability which covers the obligations that ICANN has through the legal system and under its bylaws; and
3. Participating community accountability that ensures that the Board and executive perform functions in line with the wishes and expectations of the ICANN community.

ICANN is accountable to the global community; however, the nature of ICANN's unique mission does not permit members of the organization that could exert undue influence and control over ICANN's activities. Thus by not having any statutory members, ICANN is accountable to the public at-large rather than to any specific member or group of members. This construct helps eliminate the specter of antitrust violations by allowing ICANN to operate in the best interests of the public at large rather than in the individual interests of certain members. This construct also allows ICANN to work collaboratively, rather than compete, with the various constituents of the Internet community.

Under ICANN's corporate structure, supporting organizations and other bodies within ICANN representing certain sectors of the participating community are entitled to elect directors to ICANN's Board. These directors, in turn, owe all of the duties of a director to ICANN in their roles as members of the Board. These duties for a director of care, inquiry, loyalty and prudent investment to the corporation and its constituencies take supremacy over the interests of the electing organization. Each member of ICANN's board is accountable to the participating community as a whole through his or her fiduciary duties and is required to make decisions that are in the best interests of the corporation and community at large.

The ultimate legal accountability of the organization lies with the Board, not with the individuals and entities that make up the ICANN community. Under California corporate law, ICANN's Board of Directors is charged with overall responsibility for the management of the business and affairs of the corporation. The general legal duties of an ICANN director are owed to the corporation itself, and the public at large, not to individual interests within the ICANN community. The directors may therefore on occasion have to make decisions that run counter to the interests of individuals or groups in the community in order to properly address the directors' broader fiduciary duties or to comply with other legal obligations.

## 1. Accountability in the Public Sphere

Public sphere accountability is one important aspect of ICANN accountability, and is relevant to the extent that ICANN performs a public trust function. This form of accountability is similar in some ways to that which would apply to governments and government officials. The salient aspects of public sphere accountability for ICANN are that its processes are transparent, that it discloses information to its community, that there are mechanisms for the reconsideration of decisions and that there is a process of audit or evaluation to check that procedures have been followed and that standards have been upheld.

This accountability is supported by various means:

- A. The ICANN bylaw requirements for transparency;
- B. An Information Disclosure Policy that guides the provision of information concerning ICANN's operational activity to the public;
- C. A Dispute Resolution Framework that outlines the mechanisms available for individuals who believe that they have not been treated fairly in their dealings with ICANN;
- D. A statement of Financial Accountability that outlines the monitoring of financial viability and governance during the budget cycle; and the reporting mechanisms that ensure transparency of ICANN financial matters.

### A. Commitments to Transparency in the ICANN Bylaws

ICANN's bylaws are very clear about the need for ICANN to uphold the standards of transparency appropriate for an organization that operates in an environment of public trust. Indeed, ICANN's bylaws (<http://www.icann.org/general/bylaws.htm#I>) state that:

*ICANN and its constituent bodies shall operate to the maximum extent feasible in an open and transparent manner and consistent with procedures designed to ensure fairness.*

(Article III, Section 1)

The bylaws also state that in performing its mission, a set of core values should guide the decisions and actions of ICANN. These include:

7. *Employing open and transparent policy development mechanisms that (i) promote well-informed decisions based on expert advice, and (ii) ensure that those entities most affected can assist in the policy development process.*
8. *Making decisions by applying documented policies neutrally and objectively, with integrity and fairness.*
9. *Acting with a speed that is responsive to the needs of the Internet while, as part of the decision-making process, obtaining informed input from those entities most affected.*
10. *Remaining accountable to the Internet community through mechanisms that enhance ICANN's effectiveness.*

(Article I, Section 2)

In addition, under the bylaws if the Board is considering policies for adoption that substantially affect the operation of the Internet or third parties, including the imposition of any fees or charges, ICANN must:

- Provide public notice on its website explaining what policies are being considered for adoption and why, at least 21 days (and if practical, earlier) prior to any action by the Board.
- Provide a reasonable opportunity for parties to comment on the adoption of the proposed policies, to see the comments of others, and to reply to those comments prior to any action by the Board.
- In those cases where the policy affects public policy concerns, request the opinion of the Governmental Advisory Committee (GAC) and take into account any advice presented by the GAC on its own initiative or at the Board's request.
- Where it is both practically feasible and consistent with the relevant policy development process, an in-person public forum also must be held for discussion of any proposed policies prior to any final Board action.
- After taking action on any policy subject undertaken through this process, the Board must publish in the meeting minutes the reasons for any action taken, the vote of each Director voting on the action, and the separate statement of any Director who chooses to publish such a statement.

## **B. ICANN Documentary Information Disclosure Policy**

ICANN's Documentary Information Disclosure Policy is intended to ensure that information contained in documents concerning ICANN's operational activities, and within ICANN's possession, custody, or control, is made available to the public unless there is a compelling reason for confidentiality.

A principal element of ICANN's approach to transparency and information disclosure is the identification of a comprehensive set of materials that ICANN makes available on its website as a matter of course.

Specifically, ICANN has:

- Identified many of the categories of documents that are already made public as a matter of due course
- Developed a time frame for responding to requests for information not already publicly available
- Identified specific conditions for nondisclosure of information
- Described the mechanism under which requestors may appeal a denial of disclosure

### *Documents Made Public in Due Course*

ICANN posts on its website at [www.icann.org](http://www.icann.org), numerous categories of documents in due course. A list of those categories follows:

- Annual Reports – <http://www.icann.org/annualreport>
- Articles of Incorporation – <http://www.icann.org/general/articles.htm>
- Board Meeting Transcripts, Minutes and Resolutions – <http://www.icann.org/minutes/>
- Budget – <http://www.icann.org/general/financial.html>
- Bylaws (current) – <http://www.icann.org/general/bylaws.htm>
- Bylaws (archives) – <http://www.icann.org/general/archive-bylaws>
- Correspondence – <http://www.icann.org/correspondence/>
- Financial Information – <http://www.icann.org/general/financial.html>
- Litigation documents – <http://www.icann.org/general/litigation.htm>
- Major agreements – <http://www.icann.org/general/agreements.htm>
- Monthly Registry reports – <http://www.icann.org/tlds/monthly-reports/>
- Operating Plan – <http://www.icann.org/planning>
- Policy documents – <http://www.icann.org/general/policy.html>
- Speeches, Presentations and Publications – <http://www.icann.org/presentations/>
- Strategic Plan – <http://www.icann.org/planning>
- Material information relating to the Address Supporting Organization (ASO) – <http://aso.icann.org/docs/index.html> including ASO policy documents, Regional Internet Registry (RIR) policy documents, guidelines and procedures, meeting agendas and minutes, presentations, routing statistics, and information regarding the RIRs
- Material information relating to the Generic Names Supporting Organization (GNSO) – <http://gns0.icann.org/> – including correspondence and presentations, council resolutions, requests for comments, draft documents, policies, reference documents (see <http://gns0.icann.org/reference-documents.htm>), and council administration documents (see <http://gns0.icann.org/council/docs.shtml>)
- Material information relating to the Country Code Names Supporting Organization (ccNSO) – <http://ccnso.icann.org> – including meeting agendas, minutes, reports, and presentations
- Material information relating to the At Large Advisory Committee (ALAC) – <http://alac.icann.org> – including correspondence, statements, and meeting minutes
- Material information relating to the Governmental Advisory Committee (GAC) – <http://gac.icann.org/web/index.shtml> – including operating principles, gTLD principles,

ccTLD principles, principles regarding gTLD Whois issues, communiqués, and meeting transcripts, and agendas

- Material information relating to the Root Server Advisory Committee (RSSAC) – <http://www.icann.org/committees/dns-root/> – including meeting minutes and information surrounding ongoing projects
- Material information relating to the Security and Stability Advisory Committee (SSAC) – <http://www.icann.org/committees/security/> – including its charter, various presentations, work plans, reports, and advisories

#### *Responding to Information Requests*

If a member of the public requests information not already publicly available, ICANN will respond, to the extent feasible, to reasonable requests within 30 calendar days of receipt of the request. If that time frame will not be met, ICANN will inform the requester in writing as to when a response will be provided, setting forth the reasons necessary for the extension of time to respond. If ICANN denies the information request, it will provide a written statement to the requestor identifying the reasons for the denial.

#### *Defined Conditions for Nondisclosure*

ICANN has identified the following set of conditions for the nondisclosure of information:

- Information provided by or to a government or international organization, or any form of recitation of such information, in the expectation that the information will be kept confidential or would or likely would materially prejudice ICANN's relationship with that party.
- Internal information that, if disclosed, would or would be likely to compromise the integrity of ICANN's deliberative and decision-making process by inhibiting the candid exchange of ideas and communications, including internal documents, memoranda, and other similar communications to or from ICANN directors, ICANN directors' advisors, ICANN staff, ICANN consultants, ICANN contractors, and ICANN agents.
- Information exchanged, prepared for, or derived from the deliberative and decision-making process between ICANN, its constituents, or other entities with which ICANN cooperates that, if disclosed, would or would be likely to compromise the integrity of the deliberative and decision-making process between and among ICANN, its constituents, or other entities with which ICANN cooperates by inhibiting the candid exchange of ideas and communications.
- Personnel, medical, contractual, remuneration, and similar records relating to an individual's personal information, when the disclosure of such information would or likely would constitute an invasion of personal privacy, as well as proceedings of internal appeal mechanisms and investigations.
- Information provided to ICANN by a party that, if disclosed, would or would be likely to materially prejudice the commercial interests, financial interests, or competitive position of such

party or was provided to ICANN pursuant to a nondisclosure agreement or nondisclosure provision within an agreement.

- Confidential business information or internal policies and procedures.
- Information that, if disclosed, would or would be likely to endanger the life, health, or safety of any individual or materially prejudice the administration of justice.
- Information subject to the attorney-client, attorney work product privilege, or any other applicable privilege, or disclosure of which might prejudice any internal, governmental, or legal investigation.
- Drafts of all correspondence, reports, documents, agreements, contracts, emails, or any other forms of communication.
- Information that relates in any way to the security and stability of the Internet, including the operation of the L Root or any changes, modifications, or additions to the root zone.
- Trade secrets and commercial and financial information not publicly disclosed by ICANN.
- Information requests (1) which are not reasonable, (2) which are excessive or overly burdensome, (3) complying with which is not feasible, or (4) are made with an abusive or vexatious purpose or by a vexatious or querulous individual.

Information that falls within any of the conditions set forth above may still be made public if ICANN determines, under the particular circumstances, that the public interest in disclosing the information outweighs the harm that may be caused by such disclosure. Further, ICANN reserves the right to deny disclosure of information under conditions not designated above if ICANN determines that the harm in disclosing the information outweighs the public interest in disclosing the information. ICANN shall not be required to create or compile summaries of any documented information, and shall not be required to respond to requests seeking information that is already publicly available.

#### *Appeal of Denials*

To the extent a requestor chooses to appeal a denial of information from ICANN, the requestor may follow the Reconsideration Request procedures or Independent Review procedures, to the extent either is applicable, as set forth in Article IV, Sections 2 and 3 of the ICANN bylaws, which can be found at <http://www.icann.org/general/bylaws.htm>.

#### **C. Dispute Resolution Mechanisms at ICANN**

There are two areas where ICANN has need for dispute resolution mechanisms.

- Parties may be in dispute with ICANN because they believe that due process has not been followed in arriving at a Board decision or because they believe that they have not been treated fairly in an ICANN process. The three part dispute resolution process that is available to members of the community is described in detail below in the section "Disputes about process and fair treatment."

- Parties may be in dispute with ICANN because they disagree not with the process but with the outcome of an ICANN decision process. The current method for dealing with disputes such as this is through the court system or via arbitration if provided for under the terms of ICANN's agreements. This approach is described in the section "Disputes about outcomes of a decision process".

#### *Disputes about process and fair treatment*

ICANN has a three-part dispute resolution process available to members of the community who feel that they have not been dealt with fairly or who believe that due process has not been followed in a Board decision making process.

Members of the community may choose whichever of these schemes is most appropriate to their needs. Alternative dispute resolution approaches are provided and preferred because these are accountable, transparent and flexible methods for resolving disputes.

#### Board Reconsideration Committee

The Reconsideration Committee is the first formal appeal or dispute resolution channel. It is a permanent committee of the ICANN Board of Directors. The Reconsideration Committee may hear a demand for the reconsideration of any decision made by the Board or the organization at no cost to the complainant. The purpose of a Reconsideration Committee review is to check that the correct process has been followed by the Board in reaching its decision. It has the power to recommend to the Board appropriate changes, and may amend or overturn decisions that were not made by a vote of the Board as a whole. The activities and decisions of the committee are posted on the ICANN website.

The Reconsideration Committee consists of three members of the Board and it has the authority to:

- Evaluate requests for review or reconsideration.
- Determine whether a stay of the contested action pending resolution of the request is appropriate.
- Conduct whatever factual investigation is deemed appropriate.
- Request additional written submissions from the affected party, or from other parties.
- Make a recommendation to the ICANN Board of Directors on the merits of the request.

#### Independent Review Panel (IRP)

The IRP is the second formal dispute resolution mechanism. It is established in the ICANN bylaws, and ICANN must cooperate with the IRP in providing documents or information. The IRP promotes accountability and transparency by allowing any person who is materially affected by an ICANN decision to access an outside third party who will review that act or decision. The IRP's mandate is to review the actions, decisions, and inactions of the Board to determine whether they were consistent with the Articles of Incorporation and the bylaws.

The IRP has the authority to:

- Request additional written submissions from the party seeking review, the Board, the supporting organizations, or from other parties.
- Declare whether an action or inaction of the Board was inconsistent with the Articles of Incorporation or bylaws.
- Recommend that the Board stay any action or decision, or that the Board take any interim action, until such time as the Board reviews and acts upon the opinion of the IRP.

The IRP is operated by an international arbitration provider, the International Centre for Dispute Resolution (see <http://www.adr.org/icdr>). The steps for requesting an Independent Review Panel review have been set out simply and clearly on the ICANN website. The forms to initiate an IRP review can be found at [http://www.icann.org/general/accountability\\_review.html](http://www.icann.org/general/accountability_review.html). The IRP conducts much of its work online or by telephone to reduce costs and to make the process efficient and flexible to the complainant.

The ICANN Ombudsman

The Office of the Ombudsman is created in the ICANN bylaws. The Ombudsman is an independent, impartial resource that allows community members an informal, cost-free mechanism to deal with perceived unfair decisions, actions, or inactions by the organization. Any person affected by an ICANN action, decision, or inaction may request an Ombudsman's review. The Ombudsman has the power to investigate, and to make recommendations to the Board to improve or change policies, procedures, or actions; the Ombudsman does not have the power to order changes. The Ombudsman has the discretion to publish or not to publish findings and recommendations. Each year the Ombudsman produces an Annual Report that outlines the activities of the Office of the Ombudsman for that year. That report is published for distribution to interested parties and is also available on the ICANN website.

*Disputes about outcomes of a decision process*

The dispute resolution mechanisms described above have been designed to provide efficient and cost effective means by which members of the ICANN community can have complaints dealt with and have issues resolved. As described in greater detail in the sections below on the legal accountability, parties in dispute with ICANN may choose to use the court system to resolve their dispute or in extreme cases may use the mechanisms provided by the State of California for the resolution of issues with nonprofit public benefit corporations.

*Ongoing review of dispute resolution mechanisms*

ICANN strives to maintain the highest standards of accountability and transparency. An important aspect of this is the continuous improvement of the mechanisms for dealing with complaints and resolving issues within the ICANN community. As part of the regular round of reviews of all aspects of ICANN's operations, the Board Governance Committee will implement reviews of the ICANN's dispute resolution mechanisms to ensure that they



meet the needs of the all members of the community to have complaints dealt with efficiently and effectively.

## **D. Financial Accountability**

Once the budget is approved by the Board, there are several checks and balances built into the ICANN financial accountability framework. The ICANN financial accounts are audited every year by an external auditor in compliance with the ICANN bylaws. In addition, the ICANN Board has two committees that review ICANN's financial affairs, the Finance Committee and the Audit Committee.

### *Independent External Audit*

Each year the ICANN accounts are audited by an independent external auditor. This is a bylaws requirement which ICANN believes is good practice to ensure that financial management and governance are of the highest standard. The auditor reports to the Board Audit committee and report is made available for the community.

### *Finance Committee*

The Finance Committee of the ICANN Board is responsible for consulting with the President on the annual budget process of the corporation; for reviewing and making recommendations on the annual budget submitted by the President; and for developing and recommending long-range financial objectives for the corporation. In consultation with the President, the Finance Committee may establish such budget tracking and reporting standards as are appropriate to the needs of the committee and the Board.

### *Audit Committee*

The Audit Committee of the ICANN Board is responsible for recommending the selection of an independent external auditor each year to conduct a thorough audit of ICANN's financial affairs; for receiving, reviewing, and forwarding to the Board the annual financial report of the independent external auditors; for publishing that report for public consumption; and for such other matters as may warrant its attention.

These committees meet regularly throughout the year to monitor the financial health of the organization and to check that high standards of financial accountability are being upheld.

## **Reporting**

There are two elements of reporting in the ICANN financial accountability framework: the audited financial accounts and the Annual Report.

### *Financial Accounts*

Within 120 days of the end of the fiscal year, the Audit Committee presents to the Board a final audited set of accounts for the year, along with an audit report that examines the standard of compliance with accounting standards.

The final accounts are posted on the ICANN website for the information of the ICANN community.

## *Annual Report*

ICANN also publishes an Annual Report that details progress on the initiatives identified in the Strategic and Operating Plans and in the budget.

It provides feedback to the community on achievements during the year.

## **2. Legal and Corporate accountability**

A second important aspect of ICANN's accountability is the legal and corporate accountability that comes about through the organization's bylaws and through the state and national laws that govern ICANN's behavior. The bylaws underpin the operations of ICANN and in particular set out the procedures for the appointment of Directors and for the running of ICANN's core governance process, the Board. As such, they are a critical component of ICANN's accountability framework.

ICANN is a California nonprofit public benefit corporation, and is subject to both the state laws of California and to United States federal laws. One of the reasons that ICANN was constituted as a California nonprofit public benefit corporation is that the state of California provides a rigorous framework of legal accountabilities for organizations of this type. The responsibilities that have been put in place through ICANN's bylaws and its corporate structure should give stakeholders certainty that ICANN operates to the highest standards of accountability.

This accountability is supported by:

- A. The ICANN bylaw requirements for corporate responsibility;
- B. The jurisdictional legal obligations ICANN has as a California nonprofit public benefit corporation.

### **A. Bylaw Requirements**

ICANN's bylaws are the internal rules by which the corporation operates.

The bylaws state that the powers of ICANN and all property and business and affairs are to be conducted by or under the direction of the Board. The Board may act only by a majority vote of all members of the Board at any annual, regular, or special meeting of the Board, or by unanimous written consent of all voting members.

The bylaws also require ICANN to have in place a process by which any person or entity may request review or reconsideration of actions by the Board that materially impact an individual or entity. This is outlined further in the framework for dispute resolution at ICANN.

The bylaws can only be altered and new bylaws adopted by a two-thirds (2/3) vote of all members of the Board.

### **B. Jurisdictional Legal Obligations**

As a California nonprofit public benefit corporation, ICANN is subject to both the state laws of California and to United States federal laws. Laws generally applicable to ICANN and

its operations include laws relating to tortious behavior, laws applicable to contracting activities of corporations, and laws prohibiting monopolistic behavior. As a corporation, ICANN is a legal entity and has the ability to sue and be sued for its actions, and to be held responsible in a court of proper jurisdiction for its business dealings with the global community. Accordingly, ICANN's activities in the global community are conducted under awareness and appreciation of the laws applicable to it as an organization.

Under its articles of incorporation:

- ICANN is a nonprofit public benefit corporation
- It is not organized for the private gain of any person

The law that organizes ICANN is called the California Nonprofit Public Benefit Corporation Law for charitable and public purposes. ICANN has been granted tax-exempt status by the United States federal and California state governments. Tax-exempt status was conferred upon ICANN based on its mission of providing technical coordination for the Internet, and the resulting benefits to the public community at large. ICANN's status as a tax-exempt organization carries with it certain responsibilities to federal and state authorities which are different than those associated with taxable, for-profit entities. Specifically, ICANN's operating activities and organizational decision-making are guided by requirements incorporated into ICANN's charter for continuing eligibility for tax-exempt status. The California attorney general is the legal overseer of California nonpublic benefit corporations such as ICANN. As such, the attorney general works to protect the interest of all public beneficiaries within his or her jurisdiction. The attorney general, acting on behalf of the public, may conduct investigations and bring legal actions to ensure that ICANN does not stray from its public charitable purpose. For corporate behavior that has otherwise gone uncured and uncorrected, members of the public are also able to petition the attorney general to conduct these investigations.

ICANN is recognized as a public charitable organization described in Internal Revenue Code (IRC) § 501(c)(3). This recognition carries with it several benefits, namely, exemption from federal taxation and the ability to receive tax-deductible charitable contributions. Being an IRC § 501(c)(3) organization, however, also imposes special responsibilities on ICANN. Among those responsibilities is that ICANN's directors must ensure that ICANN operates exclusively in furtherance of its public charitable and scientific purposes and avoids transactions that may confer excessive economic benefit on corporate insiders, others closely affiliated with ICANN or private parties who contract with ICANN.

#### *Fiduciary obligations of directors*

Under California corporate law, ICANN's Board of Directors is charged with overall responsibility for the management of the business and affairs of the corporation. The general legal duties of an ICANN director are owed to the corporation itself and to the public at large.

Generally, a director of a nonprofit public benefit corporation shall perform his/her duties in good faith, in the best interests of the organization and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

That is generally understood to embrace four duties, which directors owe to the organization and its constituencies: (1) a duty of care, (2) a duty of inquiry, (3) a duty of loyalty, and (4) a duty of prudent investment.

#### Duty of Care

The duty of care is best expressed as the seriousness that each director brings to his or her responsibilities such as gaining and maintaining familiarity with the business objectives of the organization. It also includes important business considerations and industry information relevant to the organization's activities, and serving on the same basis on committees to which the director may be appointed. The duty of care also requires that the director take reasonable measures to ensure that the organization is managed and directed in a manner that is consistent with its mission. Further, the duty of care requires the directors to be attentive to the concerns expressed by the organization's counsel and follow directives concerning the confidentiality of advice and overall legal strategy approved by the Board of Directors or the officers for dealing with particular problems or issues that may arise.

#### Duty of Inquiry

The duty of inquiry generally requires that a director take such steps as are necessary to be sufficiently informed to make decisions on behalf of the organization and participate in the Board of Directors' activities. In satisfying this duty, directors must balance against competing considerations, such as the organization's obligations relating to confidentiality of information received from third parties, privacy rights of employees and others who deal with the organization, attorney-client privilege relating to legal proceedings or legal advice to the organization, and protection against disclosures of information which may damage the organization's business, property, or other interests.

#### Duty of Loyalty

The duty of loyalty generally involves the protection of the organization's interests in its business, properties, assets, employees, and legal rights, avoidance of conflicts of interest or self-dealing on the part of directors, and serving the interests of the organization and not the interests of any other person or group, including a constituency of the organization which caused the director to be selected.

#### Duty of Prudent Investment

Directors of a nonprofit corporation are required, in the management of the organization's investments, to avoid speculation and to comply with any applicable standards in the organization's articles, bylaws, or the terms of any gift or grant of funds to the corporation.

In addition, due to the tax-exempt status of ICANN, its directors and officers owe a duty to avoid excess benefit transactions and those that inure to the benefit of any insider (i.e., an officer or director of ICANN) or confer a benefit on a private party which is not an insider. Further, directors of a California nonpublic public benefit corporation may, under certain circumstances, be subjected to personal liability for uninsured damages resulting from acts or omissions not within the scope of the director's duties; that are not performed in good faith; or that are reckless, wanton, intentional or grossly negligent. Similar standards of legal accountability apply if the corporation opens international offices. There has been some discussion among the ICANN community about potential review of ICANN's legal status in the context of its further internationalization. Whatever may emerge out of these discussions, if anything, ICANN is committed to maintaining the same standards of external accountability to those outlined above.

#### *Accountability of Senior Staff*

The senior staff of ICANN serve as officers of the organization and are elected annually by the Board. The bylaws require the designation of the president, secretary, and chief financial officer. The Board appoints the president and CEO and permits the Board to designate other officers on an annual basis. The Board also has the ability to remove any officer by a two-thirds vote of the Board and each officer is subject to ICANN's conflict of interest policies. Like Board members, these officers have fiduciary responsibilities to the corporation and are also accountable under state and federal laws.

### **3. Accountability to the Participating Community**

ICANN operates on a multi-stakeholder model that brings together a wide range of relevant parties to develop policy to promote the stability and integrity of the Internet. As a private-public partnership, ICANN is dedicated to preserving the operational stability of the Internet; to promoting competition; to achieving broad representation of global Internet communities; and to developing policy appropriate to its mission through bottom-up, consensus-based processes. Within ICANN's structure, governments and international treaty organizations work in partnership with businesses, organizations, and skilled individuals involved in building and sustaining the global Internet. Innovation and continuing growth of the Internet bring forth new challenges for maintaining stability. Working collectively, ICANN's participants address those issues that directly concern ICANN's mission of technical coordination. Consistent with the principle of maximum self-regulation in the high-tech economy, ICANN is perhaps the foremost example of collaboration by the various constituents of the Internet community. ICANN is accountable to the global community, however the nature of ICANN's unique mission does not permit members of the organization that could exert undue influence and control over ICANN's activities. Thus by not having any statutory members, ICANN is accountable to the public at-large rather than to any specific member or group of members.

This construct helps eliminate the specter of antitrust violations by allowing ICANN to operate in the best interests of the public at large rather than in the individual interests of certain members. This construct also allows ICANN to work collaboratively, rather than compete, with the various constituents of the Internet community. This section sets out the mechanisms by which ICANN makes itself accountable to its participating community. The major aspects are:

- A. The representative composition of the Board which allows all parts of the ICANN community to participate in ICANN Board process;
- B. The consultative planning process by the ICANN community sets strategic direction and determines operational priorities and budgets;
- C. The ongoing schedule of reviews of ICANN's structure according to Article IV, Section 4 of the ICANN bylaws;
- D. Translation principles that guide the translation of documents within the ICANN community;
- E. Consultation principles that guide the consultation processes that are used to generate community input on ICANN issues;
- F. A statement of expected standards of behavior which outlines the standards of behavior expected of those who participate in the ICANN process.

#### **A. The Representative Composition of the ICANN Board**

Although the powers of the Board are clearly set out in the bylaws, the Board derives an important aspect of its validity from the diverse and global nature of its membership. The ICANN Board draws its membership from community selection and through a Nominating Committee. The Nominating Committee membership is also drawn from amongst the community.

The Board is constituted as follows:

- Six members of the Board (directors) are elected from the ICANN supporting organizations (two each from the Address Supporting Organization (ASO), the Country Code Names Supporting Organization (ccNSO), and the Generic Names Supporting Organization (GNSO)).
- The President is a voting member of the Board.
- Eight members are selected by the Nominating Committee. (A description of the Nominating Committee composition and process follows.) These Nominating Committee appointees are selected on strict criteria including intelligence and integrity, a broad experience of the Internet community, and an understanding of ICANN's mission. The Nominating Committee also is required to select candidates in such a way as to maintain the geographical diversity of the ICANN Board. In addition, there are six non-voting liaisons, one each from:
  - The Governmental Advisory Committee
  - The Root Server System Advisory Committee

- The Security and Stability Advisory Committee
- The Technical Liaison Group (which represents the European Telecommunications Standards Institute, The International Telecommunication Union's Telecommunications Standardisation Sector, the World Wide Web Consortium)
- The At-Large Advisory Committee
- The Internet Engineering Task Force

The liaisons participate in Board discussions and bring the views of their respective groups to the Board table.

The bylaws lay out the term for each director and the process for removing a director from office, if necessary (see Article VI, Section 11).

The Board meets regularly throughout the year, usually by telephone conference. These are called special board meetings. Regular Board meetings are held three times per year (including the annual meeting), and these meetings are open to the public (either in person or through streaming media). A detailed preliminary report of each Board meeting is posted on the ICANN website shortly following each meeting. That report then forms the minutes subject to approval by the Board.

Apart from the Nominating Committee appointments, the other positions on the Board are derived from a bottom-up selection process. Under ICANN's corporate structure, supporting organizations and other bodies within ICANN representing certain sectors of the participating community are entitled to elect directors to ICANN's Board. These directors, in turn, owe all of the duties of a director to ICANN in their roles as members of the Board. These duties for a director of care, inquiry, loyalty and prudent investment to the corporation and its constituencies take supremacy over the interests of the electing organization. Each member of ICANN's Board is accountable to the participating community as a whole through his or her fiduciary duties and is required to make decisions that are in the best interests of the corporation and community at large.

#### *The Nominating Committee*

The Nominating Committee is responsible for the selection of eight of the voting members of the Board. Its membership is drawn from the community. The chair of the Nominating Committee is appointed by the Board and is responsible for the smooth running of the committee process. However, the chair of the Nominating Committee cannot vote. The immediately previous Nominating Committee chair acts as a non-voting advisor. The committee is made up of 18 volunteers including the chairman. It is composed of voting members from:

- The At-Large Advisory Committee (5 members)
- The Business Users Constituency of the GNSO (2 members, one representing small business users and one representing large business users)
- The gTLD Registry Constituency of the GNSO
- The gTLD Registrar Constituency of the GNSO

- The Internet Service Providers Constituency of the GNSO
- The Intellectual Property Constituency of the GNSO
- The Council of the ccNSO
- The Council of the ASO
- An entity designated by the Board to represent academic and similar organizations
- Representatives of consumer and civil society groups selected by the Non-commercial Users Constituency of the GNSO
- The Internet Engineering Task Force
- The Technical Liaison Group

The Nominating Committee also has 3 non-voting liaison representatives, one each from:

- The Root Server Advisory Committee
- The Security and Stability Advisory Committee
- The Governmental Advisory Committee

With this membership, the Nominating Committee is extremely representative of the ICANN community and well placed to select appropriate members for the ICANN Board. The size of the committee and the breadth of representation ensure that it is not able to be captured by one interest group and that it is not possible for any individual to force their ideas onto others.

## **B. Planning**

One of the most important ways that the community participates in ICANN is through the planning element that encompasses strategic planning, operational planning, and budgeting. Members of the ICANN community are able to contribute through a multi-phase consultation process to the strategic direction of the organization and to its operating and budget prioritization.

Using these devices, ICANN staff produce goals and business objectives from which a performance matrix, is built and shared with the Board. This assists in the building of a results-based budgeting process.

During the first six months of each fiscal year, ICANN develops its three-year strategic plan. During the second six months of each fiscal year, ICANN develops the operating plan and the budget for the next fiscal year. Each of these elements of the planning phase is developed through a thorough, multiphase process of consultation with the ICANN community.

### *Strategic Plan*

The Strategic Plan outlines the strategic priorities for ICANN over a three-year period. It is updated annually to reflect changes in the environment in which ICANN operates and the changing needs of the ICANN community. The strategic planning process begins with consultation with the ICANN community to gain initial input to the plan. This usually takes place at an ICANN meeting where sessions are conducted in several languages and also through online forums or similar tools.



Based on this input, an issues paper is compiled that summarizes the main opportunities and challenges for ICANN over the coming three years, and a list of key priorities to address those opportunities and challenges. Consultation is undertaken on this issues paper by posting it for comment on the ICANN website.

Based on this feedback, a draft plan is developed and posted for comment. Consultation is undertaken with the community on the draft plan through online forums and at the ICANN meeting held in the last quarter of the calendar year with sessions conducted in multiple languages. The plan is refined to reflect comments from the community, with each draft being posted for consultation.

The final version of the plan is submitted to the Board for approval at its December meeting. The approved plan is posted on the ICANN website and previous plans are also available.

#### *Operating Plan*

The Operating Plan is a one-year plan that turns the priorities identified in the Strategic Plan into action. An initial draft of the Operating Plan is prepared by ICANN staff in the first two months of the calendar year. The Operating Plan draft contains details of ongoing operations and special projects developed to address strategic priorities. This draft plan is posted for community comment and consultation sessions are conducted at the first ICANN meeting of the calendar year.

The plan is redrafted based on the feedback received and posted for further comment. Another round of consultation is conducted at the second meeting of the calendar year. After any necessary redrafting, the Operating Plan is submitted to the Board. The current Operating Plan and previous plans are available on the ICANN website.

#### *ICANN Budget*

The ICANN Budget is developed in parallel with the Operating Plan. Initial consultation on the Budget takes place at the first ICANN meeting of the year. All of ICANN's supporting organizations, advisory groups and constituency groups are consulted and general consultation sessions are conducted in multiple languages.

The budget is adjusted in line with comments received during consultation about the Operating Plan and a draft budget is posted for community comment in May. Based on feedback received, a further draft is prepared and posted. Community consultation, including consultation with all of ICANN's supporting organizations, advisory groups and constituency groups, is undertaken at the second ICANN meeting of the calendar year with sessions conducted in multiple languages.

The budget is fine-tuned on the basis of comments received and the final version of the budget is presented to the Board for approval in June. The approved version of the budget is posted on the ICANN website. As a final step in the consultation process, the registrar fee structure contained in the Budget must be approved by two-thirds of the gTLD registrars using the methodology contained in the Registrar Accreditation Agreement.

## **C. Ongoing Review of Structures**

Another way in which ICANN maintains and strengthens accountability to the participating community is through an ongoing schedule of reviews of its structure. A regular review of performance is an important aspect of seeking continuous improvement in effectiveness and accountability. The ICANN bylaws stipulate that an independent review of each of the key parts of the ICANN structure should take place no less frequently than every three years. "The goal of the review, to be undertaken pursuant to such criteria and standards as the Board shall direct, shall be to determine (1) whether that organization has a continuing purpose in the ICANN structure, and (2) if so, whether any change in structure or operations is desirable to improve its effectiveness." (ICANN bylaws Article IV, Section 4) These reviews examine the effectiveness of ICANN's community structures and identify improvements that help the ICANN community and the ICANN model work more effectively.

This is the ICANN community's way of maintaining a flexible organization that is responsive to participant concerns. Reviews under way or completed this year include:

Generic Names Supporting Organization

ICANN Board

At-Large Advisory Committee

Security and Stability Advisory Committee

Root Server System Advisory Committee

Reviews of the Address Supporting Organization and the Country Code Names Supporting Organization will commence in the near future.

The overarching objective of ICANN's remuneration framework is to ensure remuneration provided is competitive globally and that it provides staff with appropriate motivation for high performance towards agreed objectives. The remuneration philosophy aims to:

- Attract and retain high caliber staff
- Ensure it is competitive
- Ensure it is transparent

The framework is described in this appendix.

## **Role of the Board of Directors in Overseeing Compensation for ICANN Staff**

The Board of Directors of ICANN provides the overarching compensation philosophy for ICANN management and staff. The Compensation Committee, a Board committee composed of independent members of the Board of Directors, provides approved direction for the compensation of senior staff, the Ombudsman, and the President and CEO in conjunction with the full Board of Directors. The Compensation Committee meets regularly, and records their minutes to the Board secretary.

## **Compensation Components**

ICANN is a global organization and compensation for staff is designed to be consistent with local practices where staff members are located. As such, not all components listed below apply to all staff members:

- Base salary
- At risk (bonus) eligibility based on position and achievement of goals and objectives
- Time off benefits (vacation, holiday, sick time, bereavement, jury service, and the like)
- Health and welfare benefits (medical, dental, vision, life insurance, accidental and dismemberment, and the like)
- Retirement benefits
- Housing allowance

## **Compensation Philosophy and Base Salary**

The goal of the ICANN compensation program is to pay salaries that are competitive for comparable positions at organizations similar to ICANN in activities, scope, complexity and responsibility for the purpose of attracting and retaining the necessary talents and skills to execute ICANN's mission. Frederic W. Cook & Co., the noted compensation consultant, was asked in 2004 to conduct a review of the executive compensation program at ICANN as objective third-party experts and issue recommendations with respect to the program going forward. This was consistent with the undertaking in the U.S. Department of Commerce memorandum of understanding with ICANN dated 17 September 2003 (see <http://www.icann.org/en/general/amend6-jpamou-17sep03.htm>), for ICANN to conduct a review of the executive compensation program.

The report, having analyzed data for about 1,000 similarly sized for-profit and nonprofit enterprises, found, inter alia, that:

*ICANN has no direct peers in the high technology industry; however, its closest labor market counterparts are for-profit technology companies of similar size.*

*Based on our experience, these technology companies have different compensation structures than non-profit organizations.*

*Both for-profit and non-profit companies have base salaries, annual performance bonuses, and basic employee benefit programs. However, for-profit companies also have lucrative long-term incentives, most often in the form of stock options or real/phantom equity that cannot be matched in the non-profit sector...*

*(ICANN does not seek to match these long-term incentives in its compensation program.)*

*There are no real direct peers in the non-profit industry due to the unique nature of ICANN's business.*

Implementation of the program was not acted upon at that time due to ICANN's financial position. But in July 2005, the ICANN Board passed a resolution establishing the ICANN Board Remuneration Committee (later renamed the Board Compensation Committee). The following year, following stabilization of ICANN's financial position, the Board of Directors, at the recommendation of the Board Compensation Committee, considered a revised report of the Frederic W. Cook & Co., the compensation consultant, and as a result of a market study undertaken by Frederic W. Cook & Co. (using data from Watson Wyatt and Radford), the Board determined the appropriate comparator for ICANN staff compensation is the for-profit marketplace of companies of a similar size and complexity.

The scope of their 2006 review included:

- Provision of comparable market data in for profit organizations
- Provision of comparable market data in not-for-profit organizations
- Provision of comparable market data used in the United States
- Provision of comparable market data used in Belgium
- Provision of comparable market data on base salaries of like roles
- Provision of comparable market data on bonus payments of like roles
- Provision of comparable market data on employee benefits of like roles
- Provision of comparable market data on other employee incentives of like roles

The survey evaluated remuneration paid by several thousand participating organizations of a similar size to ICANN. The Board approved the recommendation of the Remuneration Committee that ICANN's compensation guiding principles should be:

- a. Market qualified base salaries;
- b. Market qualified benefits;
- c. At risk (bonus) payments based on individual performance outcomes;
- d. Commitment to continued payment in the salary span of 50th to 75th percentile of for-profit market place of companies of a similar size and complexity to ICANN (the actual salary within this band determined by the individual's experience and talent and market position);
- e. Extension of at risk (bonus) opportunities to all employees;
- f. CEO accountability to deliver all principles within the approved ICANN budget. In deciding to remunerate at between the median and 75th percentile of the

distribution of salaries paid by for-profit organizations of a similar size and complexity, the Board sought to ensure that ICANN is competitive for labor when recruiting to its needs, while recognizing that with its role, it would not be appropriate for ICANN to be a leader in salary payments.

ICANN does not meet the compensation levels offered by more than 25 percent of the employers with whom it directly competes for talent. The Board also recognizes that considering the potential future exigencies facing the organization, some flexibility to the principles may be necessary in unusual circumstances. In particular, the Board instructed the CEO to construct policies concerning the payment of at risk payments to protect the organization financially and legally in the event it cannot make payments despite individual performance.

Further, it is recognized that the organization may have to pay outside of these arrangements in the rare circumstances where “the specialized nature of the role, the risk to the organization, the driving market forces or other supportable logic present significant issues to [ICANN’s] on-going performance.”

Fortunately, ICANN has not had to have recourse to these exigency provisions. Each year, the Board reviews compensation for the President and all corporate officers. Compensation of staff is reviewed each year by executive management consistent with the directives from the Board of Directors. This annual compensation review is conducted under the framework established by the Board in 2006. ICANN uses a global compensation consulting firm to provide comprehensive market data for benchmarking (currently Watson Wyatt Worldwide). The market study is conducted each year before the salary review process. Estimates of potential compensation adjustments are made during the budgeting process based on the current market data. The budget is then ratified as part of ICANN’s overall budget planning process.

Compensation is reviewed annually, and adjustments to compensation, if made, are based on the market data as well as individual performance and the approved budget.

### *At Risk Compensation*

ICANN’s at risk (bonus) compensation program is designed to provide incentives to staff for the accomplishment of specific goals and objectives throughout the year that have been identified as being of significant importance or adding value to the overall ICANN effort.

Most staff members participate in the at risk compensation program. Participation, and level of participation, are determined by senior management or the Board of Directors as appropriate. In 2006, the Board approved a framework whereby 10 percent of staff compensation was allocated to at risk payment, 20 percent for managers and specialists and 30 percent for executives. Some executives’ at risk compensation is more than 30 percent. The more senior a staff member is the more of her/his compensation is allocated to the at risk component. It is fair and reasonable to expect employees (especially managers and executives) to deliver on their responsibilities, and where they fail to deliver, not to enjoy the financial benefits.

The annual available at risk compensation is calculated at the level of participation (expressed as a percent) times the base annual

salary at the beginning of the measurement period. Officers' annual basis percentage was set by the Board of Directors, which also authorizes the remaining staff at risk compensation levels to be set upon approval of the CEO or COO. The CEO's at risk compensation by contractual agreement is reviewed once each year by the Board of Directors.

Most participants have an opportunity to earn a portion of their annual at risk compensation three times each year. The plan is built around the milestone management trimester system that is part of the Performance Management Program. Once the level of participation is determined, the at risk compensation for any given trimester period can be determined. The at risk compensation for a trimester is prorated to the length of the trimester.

For example, if an individual is eligible for up to a 10 percent of base pay in at risk compensation, and the annual base pay for the individual is \$50,000 at the beginning of the trimester, the following would apply.

The current trimester is 124 days long, or 124/365ths of a year equal to 34 percent of the annual bonus opportunity. Thus, the at risk compensation available during this period for this individual would be \$50,000 (annual base salary) times 10 percent (the level of participation) times 34 percent (the length of the trimester) -  $\$50,000 \times 10 \text{ percent} = \$5,000 \times 34 \text{ percent} = \$1,700$ . An individual cannot earn more than at risk compensation available for the period. Actual at risk compensation earned and paid is based on the recommendation of the manager. In most cases the recommendation reasonably reflects the score achieved for the trimester in the milestone management process.

At risk compensation is typically paid within 45 days of the end of the trimester. Staff must be employed or on contract on the date the payment is made to receive the payment. Individuals terminated before the payment date are not eligible for payment. Recommendations for at risk compensation payments are approved by either the COO or the CEO before payment, and in the case of the CEO, are separately approved by the Board of Directors. Participants must work at least 35 percent of the trimester period to be eligible for an at risk payment, including employees who are on leave for any portion of a trimester. Any at risk payment recommended is prorated for the length of the trimester period worked.

#### *Time Off Benefits*

Time off benefits include vacation time, public holidays, sick time, bereavement leave and jury service pay. Payments for these benefits are made in lieu of base pay for the benefit day(s) and are reported as part of base compensation.

#### *Health and Welfare Benefits*

Health and welfare benefits include health insurance programs (such as medical, dental or vision plans), life insurance, accidental death and dismemberment insurance, travel accident and other relevant insurances as appropriate. The types and levels of programs provided are based on competitive and regional practices as well as local law. Every effort is made to treat staff equitably based on competitive practices. This includes providing certain staff with benefit compensation in lieu of buying benefits directly for that staff member when such purchases are not practical or available to ICANN.

## *Retirement Benefits*

Retirement benefits are provided to staff based on competitive and regional practices as well as local law. Every effort is made to treat staff equitably based on competitive practices. This includes providing certain staff with compensation directly in lieu of contributing to a retirement scheme where such contributions are not practical or available to ICANN. Where ICANN contributes to a retirement program all contributions are made during the term of the staff member's employment. ICANN does not accrue any liability for retirement benefits to be paid at a staff member's retirement.

## *Housing Allowance*

In some instances, housing allowances may be provided to key staff members when the staff member is asked to work in a location that makes commuting from the staff member's permanent home impractical, or where a staff member is relocated. The housing allowance is negotiated and is not intended to cover the full cost of maintaining two households. Any housing allowance provided is reported as taxable compensation as appropriate.

## *Reporting*

Compensation is reported as required for staff members to the appropriate applicable jurisdiction(s). ICANN is guided in the preparation of its United States annual tax return on Form 990 (the 990).

## **Additional Information**

The following individuals are officers of the corporation. Accordingly, their remuneration is explained in detail here.

### *President and Chief Executive Officer*

Dr. Paul Twomey was appointed ICANN's President and Chief Executive Officer, as well as a member of the Board of Directors, effective 27 March 2003. ICANN entered into a consultancy services agreement with Argo P@cific Pty Limited, an Australian Proprietary Company, for the provision of Dr. Twomey's services. There was a 2003 agreement for a term of three years, and a second agreement in July 2006 (2006 agreement). The agreement in 2003 was drafted in US dollars and then converted to Australian dollars at the then-current interbank exchange rate. True to ICANN's policy that staff should not bear the burden of exchange rate fluctuation, this exchange rate has been maintained during the life of the agreement and its renewal.

Under the terms of the initial agreement Argo P@cific was paid a professional services fee at the annual rate of US\$343,200 (consisting of a base fee of US\$260,000 plus an allowance for Argo P@cific to provide all benefits, as described above, to Dr. Twomey). In the 2006 agreement, the professional services fee was adjusted, according to the ICANN compensation philosophy and market-survey process outlined earlier in this appendix, to US\$350,000 per year. At the exchange rate of the agreement, this converted to \$673,200 AUD. The agreement, similar to its predecessor, provided US\$112,000 per year to cover costs of health, retirement savings and welfare. Over the years the declining value of the US dollar has caused the US dollar value of Dr. Twomey's compensation to rise even though it has remained unchanged in Australian dollars. The volatility of the US dollar in Australian dollar terms has been high.

Over each year, Argo Pacific has also been reimbursed for invoiced (with supporting documentation) telecommunications, travel and accommodation, and office expenses incurred to support Dr. Twomey in his role with ICANN. Argo Pacific is eligible for additional at risk compensation each year of up to 30 percent of the professional services fee. This risk compensation each year is determined by the ICANN Board in consideration of the CEO's achievement of agreed performance compensation metrics.

#### *Chief Operating Officer*

Mr. Doug Brent was appointed as Chief Operating Officer on 13 December 2006. Brent's compensation consists of a base salary of US\$270,000 per year, a housing allowance of \$24,000 per year which is tax neutralized, additional at risk compensation of up to 48 percent of base pay each year, and coverage under vacation, health and welfare plans including medical, dental, vision, life insurance and a 401(k) retirement plan as ICANN makes available to its staff.

#### *Executive Officer and Vice President of Corporate Affairs*

Mr. Paul Levins was appointed as Executive Officer and Vice President Corporate Affairs on 17 September 2006. Levins' compensation consists of a base salary of US\$220,000 per year, a housing allowance of \$48,000 per year which is tax neutralized, additional at risk compensation of up to 30 percent of base pay per year, and coverage under vacation, health and welfare plans including medical, dental, vision, life insurance and a 401(k) retirement plan as ICANN makes available to its staff. In the past year, Mr. Levins was also reimbursed for certain other costs associated with his move to Los Angeles, California and also to Washington, DC.

#### *General Counsel and Secretary*

Mr. John Jeffrey was appointed as General Counsel and Secretary on 2 September 2003. Jeffrey's compensation consists of a base salary of US\$230,000 per year, additional at risk compensation of up to 30 percent of base pay per year, and coverage under vacation, health and welfare plans including medical, dental, vision, life insurance and a 401(k) retirement plan as ICANN makes available to its staff.

#### *Senior Vice President, Services*

Mr. Kurt Pritz was appointed as Vice President, Business Operations on 2 September 2003. Pritz was appointed Senior Vice President, Services on 13 December 2006. Pritz' compensation consists of a base salary of US\$245,000 per year, additional at risk compensation of up to 30 percent of base pay per year, and coverage under vacation, health and welfare plans including medical, dental, vision, life insurance and a 401(k) retirement plan as ICANN makes available to its staff.

#### *Chief Financial Officer*

Mr. Kevin Wilson was appointed as Chief Financial Officer on 26 June 2007. Wilson's compensation consists of a base salary of \$150,000 per year, additional at risk compensation of up to 20 percent of base pay per year, and coverage under vacation, health and welfare plans including medical, dental, vision, life insurance and a 401(k) retirement plan as ICANN makes available to its staff.



# GLOSSARY

## A

ACRP	Attack and Contingency Response Planning
AFRALO	African Regional At-Large Organization
AfriNIC	Africa Regional Internet Registry
AfTLD	Africa Top Level Domain
AGP	Add Grace Period
AIPLA	American Intellectual Property Law Association
AKMS	Arab Management and Knowledge Society
ALAC	At-Large Advisory Committee
ALS	At-Large Structure
APEC-TEL	Asia Pacific Economic Cooperation Telecommunications and Information Working Group
APNIC	Asia Pacific Network Information Center
APRALO	Asia-Australia-Pacific Regional At-Large Organization
APRICOT	Asia Pacific Regional Internet Conference on Operational Technologies
APTLD	Asia Pacific Top Level Domain
APWG	Anti-Phishing Working Group
ASIWG	Arab Script IDN Working Group
ASO	Address Supporting Organization
ASO AC	Address Supporting Organization Address Council
ATU	African Telecommunications Organization
AW2I	Arab World Internet Institute

## B

BITS	Financial Services Roundtable
BGC	Board Governance Committee
BSA	Business Software Alliance

## C

CADNA	Coalition Against Domain Name Abuse
CANTO	Caribbean Association of National Telecommunications Operators
ccNSO	Country-Code Names Supporting Organization
ccTLD	country code top level domain
CENTR	Council of European National Top Level Domain Registries
CITEL	Inter-American Telecommunication Commission of the Organization of American States
CITP	Princeton University Center for IT Policy
CIVIC	Caribbean ICT Stakeholders Virtual Community
CTO	Commonwealth Telecommunications Organization
CTU	Caribbean Telecommunications Union

## D

DDoS	distributed denial of service (attacks on DNSO)
DNS	Domain Name System. The DNS makes using the Internet easier by allowing a familiar string of letters (the “domain”) to be used instead of the arcane IP address. So instead of typing 207.151.159.3, you can type www.interNIC.net, which is much easier to remember.
DNSSEC	DNS Security Extensions

## E

ENISA	European Network and Information Security Agency
ENSA	European Council Network Security Administrator
EURALO	European Regional At-Large Organization

## G

GAC	Governmental Advisory Committee
GNSO	Generic Names Supporting Organization
gTLD	generic top level domain

## I

IANA	Internet Assigned Numbers Authority
ICANN	Internet Corporation for Assigned Names and Numbers
IDN	Internationalized Domain Name. IDNs are domain names represented by local language characters. Such domain names could contain letters with diacritics as required by many European languages, or could be made up of non-Latin scripts (for example, Arabic or Chinese).
IDNA protocol	The protocol for deciding which characters can be used in creating Internationalized Domain Names
IDN ccTLD	County code top-level domain written in the languages, scripts, or characters used in Internationalized Domain Names
IDNC working group	A joint working group tasked with developing the IDN ccTLD fast-track process, wherein a limited number of IDN ccTLDs are awarded to regions or areas of greatest need while a more comprehensive, standardized process is being finalized
IETF	Internet Engineering Task Force
IGO	International Governmental Organization
IGF	Internet Governance Forum
IIC	Improving Institutional Confidence initiative, an outgrowth of ICANN's efforts to become an independent private stakeholder entity
IP	Internet Protocol
ISOC	Internet Society
ITIF	Information Technology and Innovation Foundation
ITU	International Telecommunication Union

# GLOSSARY

## J

JPA Joint Project Agreement (succeeds MOU with DoC)

## L

LACNIC Latin American and the Caribbean Internet Addresses Registry  
LAC RALO Latin American and the Caribbean Regional At-Large Organization  
LACTLD Latin America Caribbean Top Level Domains

## M

MARQUES The association of European trademark owners  
MENOG Middle East Network Operators Group  
MII Multilingual Internet Initiative  
MOPs Management Operating Principles  
MSU IISI Moscow State University Institute for Information Security Issues

## N

NARALO North American Regional At-Large Organization  
NRO Name Resource Organization  
NTIA National Telecommunications and Information Administration

## O

OECD Organisation for Economic Co-operation and Development

## P

PACNOG Pacific Network Operators Group  
PDP policy development process

## R

RAA Registrar Accreditation Agreement  
RALO Regional At-Large Organization  
RANS Russian Association for Network Security  
RDE Registrar Data Escrow  
RFC request for comment (sent to the IETF)  
RIR Regional Internet Registry  
RSEP Registry Services Evaluation Policy  
RSTEP Registry Services Technical Evaluation Panel  
RSSAC Root Server System Advisory Committee  
NRO Number Resource Organization  
RRA registry-registrar agreement

## S

SANOG  
SSAC

South Asia Network Operators Group  
Security and Stability Advisory Committee

## T

TLD  
TLG

top-level domain  
Technical Liaison Group

## U

UNECA  
UNESCO  
UN-ESCWA

United Nations Economic Commission for Africa  
United Nations Educational, Scientific and Cultural Organization  
United Nations Economic and Social Commission for Western Asia

## W

Whois

Database site listing information about all domain name registrars

**“The Internet has changed the world in the last decade. ICANN has played a key role in the development of the Internet by involving all the stakeholders in establishing various technical standards and delivering a safe, secure, and trustworthy domain name system and IP address system.”**

**Shri Jainder Singh  
Secretary of the Department of Information Technology  
Government of India**

**ICANN 31st international meeting, New Delhi, India, 10 February 2008**

**To read the full text of this speech, go to <https://delhi.icann.org/files/Delhi-11-Feb-08-Welcome.txt>.**

**“The functioning of the Internet as we know it would be impossible without the current domain name system. The exceptional social and economic value of the Web is essentially due to the universal nature of this naming and addressing system. That bespeaks the importance of international coordination for the management of these common resources, and, therefore, the considerable responsibility that rests with ICANN as the agency in charge of managing this mission of the public global interest.**

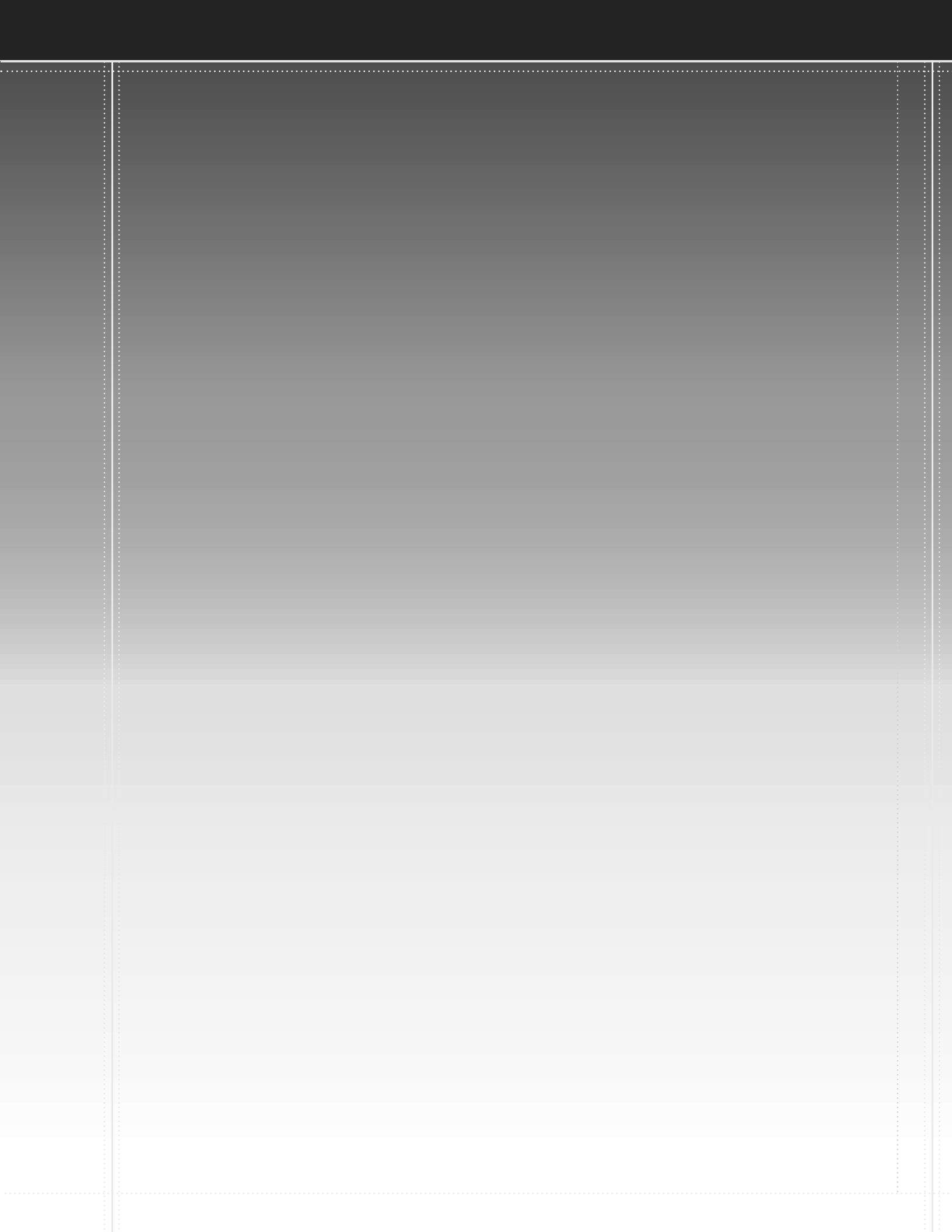
**“ICANN has been around for around ten years, and in that time, the Internet has undergone a major qualitative change. It is now a vital infrastructure for the entire planet, and, therefore, the issues have developed accordingly. Today, the Internet is at a turning point in its history. More than a billion people are connected, and that number will double within the next five years. That growth will only be possible and will only be beneficial to all if the number of available addresses is increased substantially and if other languages are recognized on the Web.**

**“ICANN is an original experience. It’s a pioneer. It’s one of the very first laboratories for this governance known as multi-stakeholder which was mentioned, for example, in the World Summit on the Information Society in Tunis in 2005. In the course of its first ten years, ICANN has gradually set up several structures which organize the participation of various categories of stakeholders. It has created and developed its own processes for consultation and for policy-making.”**

**Eric Besson, State Secretary for Prospectives  
and Evaluation of Public Policies  
Government of France**

**ICANN 32nd international meeting, Paris, France, 22 June 2008**

**To read the full text of this speech, go to [https://par.icann.org/files/paris/ParisWelcomeCeremony\\_23June08.txt](https://par.icann.org/files/paris/ParisWelcomeCeremony_23June08.txt).**





**ICANN**

INTERNET CORPORATION FOR ASSIGNED NAMES AND NUMBERS

Marina del Rey Office  
4676 Admiralty Way, Suite 330  
Marina del Rey, California 90292  
U.S.A.  
tel: +1 310 823 9358  
fax: +1 310 823 4649

Brussels Office  
6 Rond Point Schuman  
Bt. 5, B-1040, Brussels  
Belgium  
tel: +32 2 234 7870  
fax: +32 2 234 7848

Washington, DC Office  
International Square  
1875 I Street, NW, 5th Floor  
Washington, DC 20001  
USA  
tel: +1 202 429 2407  
fax: +1 202 429 2714

Sydney Office  
Level 2, 48 Hunter Street  
Sydney NSW 2000  
Australia  
tel: +61 2 8236 7900  
fax: +61 2 8236 7913