

## Preliminary Comments of Commercial Stakeholder Group

May 31, 2013

The GNSO Commercial Stakeholder Group (CSG) appreciates this opportunity to comment on ICANN's FY14 Draft Operating Plan and Budget ("Draft Budget"). The CSG consists of the Business, Intellectual Property, and ISP constituencies of the GNSO.

These are preliminary comments only and address just one aspect of the Draft Budget. CSG reserves the right to provide more comprehensive comments during the reply round of this public comment period. Individual constituencies within CSG may also file individual comments.

The Draft Budget indicates that \$280,000 in community support requests were approved during the so-called "fast track" process, leaving a balance of only \$320,000 to be allocated in the final budget. CSG asks that this balance be increased to at least \$560,000 in order to preserve the integrity of the community support request process.

The "fast track" was presented as a channel for seeking ICANN support solely of activities that would be concluded during the first trimester of FY 14, i.e., by October 31, 2013. CSG representatives were specifically advised by the CFO that support requests for activities that would extend throughout the entire fiscal year should be submitted during the "regular" process.<sup>1</sup> Now we learn that 47% of the entire "placeholder" figure of \$600,000 has been allocated during the fast track. (We also note that not a single "fast track" request from a constituency participating in CSG was approved.)

Common-sense budgeting concepts require that no more than one-third of community support funding should be allocated to activities that will terminate in the first third of the fiscal year. This necessitates an increase in the "placeholder" figure to at least \$840,000, so that the amount allocated during fast track is reduced to one-third of the total. In fact, since the CFO advised that support for all full-year activities should be channeled through the regular process, not the fast track, an even higher "placeholder" figure would be justified. At a minimum, \$560,000 should be made available for allocation during the regular process now underway.

Thank you for considering these preliminary views of the CSG.

Submitted on behalf of CSG by Steve Metalitz, IPC representative to CSG

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<sup>1</sup> See

<https://community.icann.org/download/attachments/39421288/transcript+FY14+Budget+Process+and+SO+AC+Re+quests+30+Jan+2013.pdf?version=1&modificationDate=1359670801000>, at 11-12.