Questions / Approach for addressing input received on Charter Question #7 / Guidance for the Implementation Phase in relation to charter question #7

Charter Question #7: Should ICANN oversee the solicitation and evaluation of proposals, or delegate to or coordinate with another entity, including, for example, a foundation created for this purpose?

OVERARCHING QUESTION:

As a result of the input provided during the public comment period, should the CCWG reconsider its recommendation that:

N/A

If yes, why?
If no, why not?
If it is not possible to make this determination at this stage, what input, or information would be necessary to make this determination?

Comment #1 (ICANN Board)	
Suggestion from Commenter	CCWG to re-review previous Board communications on the use of an independent panel as a means of best practices for evaluating applications.
Leadership recommendation	• Check: How shall "independence of panel" be defined? (while the Board has the right for approval of the slate of successful applicants) • Check: Are the comments made by other SO/AC support such Board understanding of 'independence' or not?
CCWG Team discussion / agreement	

Comment #2 (Judith Hellerstein and Maureen Hilyard)	
Suggestion from Commenter	CCWG to consider independent panel or organization to select / review applications.
Leadership recommendation	Covered in comment 1

CCWG Team discussion / agreement	

Comment #3 (Anne Aikman-Scalese)	
Suggestion from Commenter	CCWG to consider possible conflict of interest or appearance thereof if ICANN Org is involved in administering applications and grants of funds.
Leadership recommendation	Topic already covered
CCWG Team discussion / agreement	

Comment #4 (BC)	
Suggestion from Commenter	CCWG to consider requirements in allocation of the auction proceeds put forward (fully independent process, operates independent of ICANN, staff with required expertise, ICANN's status as nonprofit corporation, reasonable compensation, focus on single-purpose entity, role of ICANN Board/Org, composition)
Leadership recommendation	• Notes most topics are already covered in other comments. • Check: The Board clearly indicated they don't want to intervene in the allocation process. Do we really want to recommend that the Board gets involved? "8. deliberate as to whether the ICANN Board or ICANN org should have any role in determining or guiding or influencing the allocation of the proceeds and management of the funds." • Check: Do we need to define the number, or shall we not leave this to the next phase (implementation) to decide upon? "9. be composed of at least seven, but no more than fifteen members, seeking to ensure required expertise and sufficient understanding of the varied kinds of proposals and their applicability but also to enable the inclusion of external expertise as well as community members." • Question: what is "reasonable compensation" for the evaluation panelists / members, and provided by whom – or is this an implementation question?
CCWG Team discussion / agreement	

Comment #5 (RrSG)	
Suggestion from Commenter	CCWG to consider ICANN community to review grants and make decisions about grant awards. CCWG to consider the role of ICANN Org in any of the approaches should be limited to oversight of the grant-making process in order to ensure compliance with laws and with ICANN's mission.
Leadership recommendation	Topic is already covered in other comments
CCWG Team discussion / agreement	

Comment #6 (NCSG)	
Suggestion from Commenter	CCWG to consider having proposals reviewed by individuals representing different stakeholder groups.
Leadership recommendation	Topic is in principle already covered
CCWG Team discussion / agreement	

Comment #7 (ISPCP)	
Suggestion from Commenter	CCWG to consider review of applications for funding by panel of experts from the ICANN community.
Leadership recommendation	Topic is already covered in other comments
CCWG Team discussion / agreement	

Comment #8 (Access Now)	
Suggestion from Commenter	CCWG to consider having civil society play a key role in all steps of the design and implementation process of disbursing funds.
Leadership recommendation	
CCWG Team discussion / agreement	

Comment #9 (Mary Uduma)	
Suggestion from Commenter	CCWG to consider establishment of advisory committee from the community.
Leadership recommendation	• Notes: topic already covered in principle, • Check: in case a community advisory committee is established, clear rules, time limitations and guidelines need to be established. • Question: Is this something this group should do or should this be left to the next phase (implementation)?
CCWG Team discussion / agreement	

Comment #10 (BC)	
Suggestion from Commenter	CCWG to consider, if an advisory entity is established, that it should be primarily composed of members with circumscribed interest in, or affiliation with ICANN outside of this role. Also, as needed, consider use of expert advisors in relevant areas, which may be in the evaluation of certain kinds of projects.
Leadership recommendation	
CCWG Team discussion / agreement	

Response to Charter Question #7/ Guidance for the Implementation Phase in relation to charter question #7

#	Comment	Contributor	Type of change suggested by commenter / Possible action and/or question for CCWG	CCWG Response / Action Taken
Section Summary: <u>Charter Question #7</u>: Should ICANN oversee the solicitation and evaluation of proposals, or delegate to or coordinate with another entity, including, for example, a foundation created for this purpose? **Overview of Comments:** Some of the comments in this section emphasize the importance of independence in the evaluation of grant proposals. Other comments focus on the role of the ICANN community. Of the comments focused on the ICANN community, some support a mechanism in which community representatives directly evaluate applications, while others favor an advisory or oversight role for the community.				
1.	The Board will not be making determinations on preferences with respect to mechanism(s) for evaluating grant applications (e.g., an independent panel) and/or administering the program at this time; however, echoing the discussion at the ICANN62 session with the community, the Board would like to highlight its previous communications on the use of an independent panel as a means of best practices for evaluating applications: 30 May 2018: *"We also suggest that the CCWG-AP might wish to consider the importance of independence in evaluations, such as through the use of an independent panel."* 5 October 2018: *"Regarding the evaluation of the applications, the Board notes that an independent panel is an important aspect that should be considered in the CCWG's recommendations. This panel should be independent and should have appropriate conflict of interest protections built in, in support of the fiduciary duties of ICANN's directors and officers. The independent panel would assess applications and decide which applications will be successful in securing funding for that year's tranche. The*	ICANN Board	CCWG to re-review previous Board communications on the use of an independent panel as a means of best practices for evaluating applications. <u>Leadership recommendation:</u> -Check: How shall "independence of panel" be defined? (while the Board has the right for approval of the slate of successful applicants) -Check: Are the comments made by other SO/AC support such Board understanding of 'independence' or not?	<mark>Concerns</mark> **CCWG Response:** **Action Taken:** [**COMPLETED / NOT COMPLETED**] – [Instruction of what was done.]

	independent character of the panel would need to be defined and proper controls will need to be put in place to guide the work of the panel (see below for some considerations). The panel's recommendations would be provided to the ICANN Board for approval of the slate of successful applicants for that year, and the approved slate would then be provided to the persons/entity responsible for distribution. As previously communicated, the Board will not be taking decisions on individual applications but will instead focus its consideration of the slate on whether the rules of the process were followed by the independent panel. The principles supporting the independent panel should also include consistency over time (i.e., the composition of the panel should always include some panelists of the previous year to build on their experience); and cost-effectiveness (i.e., to focus on the use of auction proceeds to support desired activities and goals, as opposed to administrative costs)." See full comment: https://mm.icann.org/pipermail/comments-new-gtld-auction-proceeds-initial-08oct18/2018q4/000024.html		- Check: can a "community driven panel model" even ensure sufficient independence? -Check: how shall "consistency over time" be defined for the panel work?	
2.	We, the authors of this comment, share the same concerns as the ICANN Board in that the lack of an independent panel or organization to select the applicants who will receive monetary awards, could put these awards at risk and delay the whole program. *We strongly agree and support the response from the ICANN Board regarding the evaluation of the applications. As the Board rightfully notes, "an independent panel is an important aspect that should be considered in the CCWG's recommendations …. The independent panel would assess applications and decide which applications will be successful in securing funding for that year's tranche. The independent character of the panel would need to be defined and proper controls will need to be put in place to guide the work of the panel."*	Judith Hellerstein and Maureen Hilyard	CCWG to consider independent panel or organization to select / review applications. Leadership recommendation Covered in point 1)	Concerns **CCWG Response:** **Action Taken:** [COMPLETED / NOT COMPLETED] – [Instruction of what was done.]

	See full comment: https://mm.icann.org/pipermail/comments-new-gtld-auction-proceeds-initial-08oct18/2018q4/000027.html			
3.	. . . While suggestions of an independent Panel are helpful, these would not remedy the appearance of conflict if an award is made to a member of a stakeholder group or constituency when ICANN staff itself is involved in administering applications and grants of funds. Therefore, the only means of ensuring that grants may safely be awarded to a member of a stakeholder group would be to place the grant-making process outside the ICANN organization. . . See full comment: https://mm.icann.org/pipermail/comments-new-gtld-auction-proceeds-initial-08oct18/2018q4/000035.html	Anne-Aikman Scalese	CCWG to consider possible conflict of interest or appearance thereof if ICANN Org is involved in administering applications and grants of funds. Leadership recommendation -topic already covered	Concerns **CCWG Response:** **Action Taken:** [COMPLETED / NOT COMPLETED] – [Instruction of what was done.]
4.	Additionally, the BC supports requirements in allocation of the Auction Proceeds that include: 1. A mechanism that provides a fully independent process, which might include a panel of evaluators, or advisors to the independent panel of evaluators 2. operates independent of ICANN, with such independence maintained through rigorous controls or structural means 3. understand that its staff must have required expertise in grants award/management, be knowledgeable, and of well-regarded reputation, and be able to work well with an advisory committee drawn from the ICANN community 4. understand that ICANN's continuing status as a nonprofit public benefit corporation may be reliant on its independence . . . . . . 6. Provide reasonable compensation for members of the entity for time and/or expenses associated with services provided for management of the Fund. Other examples exist where an honorarium plus reasonable expenses are provided, helping to ensure stronger independence of the Advisory entity members.	BC	CCWG to consider requirements in allocation of the auction proceeds put forward (fully independent process, operates independent of ICANN, staff with required expertise, ICANN's status as nonprofit corporation, reasonable compensation, focus on single-purpose entity, role of ICANN Board/Org, composition) Leadership recommendation -Notes most topics are already covered in other comments. -Check: The Board clearly indicated they don't want to intervene in the allocation	Concerns **CCWG Response:** **Action Taken:** [COMPLETED / NOT COMPLETED] – [Instruction of what was done.]

	7. focus on the requirement that it be a single-purpose entity that strives to eliminate any actual or perceived conflicts of interest [staff note: text from the original comment contained between the ellipses is included elsewhere in this summary document] See full comment: https://mm.icann.org/pipermail/comments-new-gtld-auction-proceeds-initial-08oct18/2018q4/000031.html		<mark>process. Do we really want to recommend that the Board gets involved?</mark> "8. deliberate as to whether the ICANN Board or ICANN org should have any role in determining or guiding or influencing the allocation of the proceeds and management of the funds." <mark>-Check: Do we need to define the number, or shall we not leave this to the next phase (implementation) to decide upon?</mark> "9. be composed of at least seven, but no more than fifteen members, seeking to ensure required expertise and sufficient understanding of the varied kinds of proposals and their applicability but also to enable the inclusion of external expertise as well as community members." -Question: what is "reasonable compensation" for the evaluation panelists / members, and provided by whom – or is this an implementation question?	
5.	**Need for the CCWG to ensure the role of the community** We view the CCWG charter as necessarily dealing with who should be reviewing grants and who should be choosing which projects to fund. As noted above, this is implied, but not express, in the initial report.	RrSG	CCWG to consider ICANN community to review grants and make decisions about grant awards.	<mark style="background-color:cyan">New Idea</mark> **CCWG Response:** **Action Taken:**

	We feel strongly that this should be the ICANN community. This is a significant omission in the initial report. We believe this should either be made clear in a subsequent draft or, if there is not clarity on this point, then the existing CCWG should reconstitute for a brief period, we suggest no less than three and no more than six months, to settle this matter. It is the most important element of the whole project in our view. . . **. . . Community Involvement** The role of the community in the disposition of new gTLD proceeds is only implied in this document and is a significant missing element. We strongly believe that a representative group from the ICANN community should be the group responsible for reviewing and approving grants under this program and should also play a significant role in the follow-up review of the program. Further, the role of ICANN Org in any of the approaches should be limited to oversight of the grant-making process in order to ensure compliance with laws and with ICANN's mission. [staff note: text from the original comment contained between the ellipses is included elsewhere in this summary document] See full comment: https://mm.icann.org/pipermail/comments-new-gtld-auction-proceeds-initial-08oct18/2018q4/000030.html		CCWG to consider the role of ICANN Org in any of the approaches should be limited to oversight of the grant-making process in order to ensure compliance with laws and with ICANN's mission. ==Leadership recommendation== ==Topic is already covered in other comments==	[==**COMPLETED / NOT COMPLETED**==] – [Instruction of what was done.]
6.	Proposals should be reviewed by multiple qualified individuals, representing different stakeholder groups and backgrounds, for example, making up a diverse, multistakeholder Grant Review Committee. Such a Committee could have access to	NCSG	CCWG to consider having proposals reviewed by individuals representing different stakeholder groups.	<mark>New Idea</mark> **CCWG Response:** **Action Taken:**

	appropriate and effective training to support its work and fill any gap in term of expertise. See full comment: https://mm.icann.org/pipermail/comments-new-gtld-auction-proceeds-initial-08oct18/2018q4/000034.html		==Leadership recommendation== ==- Notes: Topic is in principle already covered==	[**COMPLETED / NOT COMPLETED**] – [Instruction of what was done.]
7.	Of the two preferred mechanisms, the Internet Service Providers and Connectivity Providers Constituency (ISPCP) would support mechanism A, with the following conditions: • Review of applications for funding to be reviewed by a panel of experts from the ICANN community – one panel member from each of the SO/ACs who did not participate in the Working Group (WG) . There must be new faces, and we should not carry over ex-WG participants. The ICANN Board must also designate two members for this panel. The Review Panel is to receive support from relevant ICANN Org staff. Once program is launched and applications begin to arrive, the Review Panel members receive a monthly stipend to ensure time dedication and fair compensation for their time. . . See full comment: https://mm.icann.org/pipermail/comments-new-gtld-auction-proceeds-initial-08oct18/2018q4/000029.html	ISPCP	CCWG to consider review of applications for funding by panel of experts from the ICANN community. ==Leadership recommendation== ==Notes: topic is already covered in other comments==	==New Idea== **CCWG Response:** **Action Taken:** [**COMPLETED / NOT COMPLETED**] – [Instruction of what was done.]
8.	Regardless of which mechanism is chosen, civil society must play a key role in all steps of the design and implementation process of disbursing funds. Access Now promotes an inclusive and multi-stakeholder approach to developing public policy for the internet. We therefore believe that the new mechanism should support broad and open participation in internet policymaking fora and convenings, consistent with ICANN's mission.	Access Now	CCWG to consider having civil society play a key role in all steps of the design and implementation process of disbursing funds.	==New Idea== **CCWG Response:** **Action Taken:** [**COMPLETED / NOT COMPLETED**] – [Instruction of what was done.]

	See full comment: https://mm.icann.org/pipermail/comments-new-gtld-auction-proceeds-initial-08oct18/2018q4/000037.html			
9.	In addition, considering the external approach in options B or C, I suggest the establishment of an advisory committee from the community with term limits, it could be two year terms/with one renewal of one year, thus, creating opportunities that bring understanding and expertise from the ICANN community, at the same time avoiding any kind of risks that would put ICANN's not for profit status at risk. Guidelines would be established that are consistent with the core values of ICANN in support of the Independent Fund Management Approach. See full comment: https://mm.icann.org/pipermail/comments-new-gtld-auction-proceeds-initial-08oct18/2018q4/000025.html	Mary Uduma	CCWG to consider establishment of advisory committee from the community. Leadership recommendation -Notes: topic already covered in principle, -Check: in case a community advisory committee is established, clear rules, time limitations and guidelines need to be established. Question: Is this something this group should do or should this be left to the next phase (implementation)?	New Idea **CCWG Response:** **Action Taken:** [**COMPLETED / NOT COMPLETED**] – [Instruction of what was done.]
10.	Additionally, the BC supports requirements in allocation of the Auction Proceeds that include: . . . . . . 5. If an advisory entity is established, it should be primarily composed of members with circumscribed interest in, or affiliation with ICANN outside of this role. Much stronger safeguards would be needed than what is reflected in ICANN's present Statement of Interest (SOI) approach. In addition, an advisory entity should include external experts from the grants/management community. . . . . . 10. Allow, as needed, use of expert advisors in relevant areas, which may be in the evaluation of certain kinds of projects.	BC	CCWG to consider, if an advisory entity is established, that it should be primarily composed of members with circumscribed interest in, or affiliation with ICANN outside of this role. Also, as needed, consider use of expert advisors in relevant areas, which may be in the evaluation of certain kinds of projects.	Concerns **CCWG Response:** **Action Taken:** [**COMPLETED / NOT COMPLETED**] – [Instruction of what was done.]

[staff note: text from the original comment contained between the ellipses is included elsewhere in this summary document] See full comment: https://mm.icann.org/pipermail/comments-new-gtld-auction-proceeds-initial-08oct18/2018q4/000031.html			