Introduction
On 23 December 2019, Public Comment opened for Proposed Final Report of the New gTLD Auction Proceeds Cross Community Working Group. On the same day, an At-Large workspace was created for the statement. The At-Large Consolidated Policy Working Group (CPWG) decided it would be in the interest of end users to develop an ALAC statement on the Public Comment. Judith Hellerstein, member of the North American Regional At-Large Organization (NARALO) volunteered as penholder for the ALAC statement.

On 20 January 2020, a Google Doc was created by staff for the draft ALAC statement on the Public Comment. ICANN policy staff in support of the At-Large community sent a call for comments to the CPWG mailing list. Judith Hellerstein presented on the topic during the weekly CPWG meeting.

On 29 January 2020, after extensive community comment on the initial draft and continued CPWG discussion, Alan Greenberg, former ALAC Chair and member of the North American Regional At-Large Organization (NARALO) presented on the topic. Maureen Hilyard, ALAC Chair determined consensus on the options after discussions with the ALAC.

On 09 February 2020, Maureen Hilyard drafted a statement regarding the ALAC's consensus, and Alan Greenberg shared an updated draft to the ALAC and CPWG mailing lists.

On 11 February 2020, the co-penholders requested final feedback from the community during the monthly At-Large Leadership Team (ALT-PLUS) meeting.

On 12 February 2020, the co-penholders finalized the ALAC statement.

On 12 February 2020, the ALAC Chair, Maureen Hilyard, requested that the statement be transmitted to the ICANN Public Comment process, copying the ICANN staff member responsible for this topic, with a note that the statement is pending ALAC ratification.

On 19 February 2020, staff confirmed the online vote resulted in the ALAC endorsing the statement with 15 votes in favor, 0 votes against, and 0 abstentions. Please note 100% (15) of the 15 ALAC Members participated in the poll. The ALAC Members who participated in the poll are (alphabetical order by first name): Abdulkarim Oloyede, Bastiaan Goslings, Carlos Raul Gutierrez, Dave Kissoondoyal, Holly Raiche, Humberto Carrasco, Javier Rua-Jovet, Joanna Kulesza, Jonathan Zuck, Justine Chew, Marita Moll, Matthias Hudobnik, Maureen Hilyard, Sylvia Herlein Leite and Tijani Ben Jemaa. You may view the result independently under: https://www.bigpulse.com/pollresults?code=1338457cHfDaTr7sSGZSXpDWvVR
ALAC Statement on Proposed Final Report of the New gTLD Auction Proceeds Cross Community Working Group

The ALAC appreciates the opportunity to comment on the second report on the gTLD Auction Proceeds. ALAC participants have been following this issue closely and have discussed these issues internally prior to the issuance of this report. We discussed each of these mechanisms among the participants and member of this working group resulting in the following positions.

- Do you support the CCWG's recommendation in relation to the preferred mechanism(s)? If no, please provide your rationale for why not.

Discussion

During much of the CCWG Auction Proceeds duration, the ALAC Members and Participants have taken widely disparate positions on which mechanism to select, with support for Mechanisms A, B and C. Ultimately, those in favor of Mechanism C shifted to Mechanism B.

There was significant debate on which to finally select. Among the issues noted were:

- Mechanism B required outsourcing but did not specify exactly what functions would be outsourced (over and above the requirement for all Mechanisms to utilize an independent Evaluation Panel). Moreover over the course of the CCWG discussions, different Members had expressed varying beliefs as to what functions would be outsourced.
- Mechanism A allows outsourcing if viewed as advantageous, and in fact ICANN often outsources parts of its responsibilities which are not core to overseeing its Bylaw-mandated responsibilities. Thus Mechanism A could end up being comparable to Mechanism B, but provided more management flexibility in deciding how the varying aspects of the project would be carried out.

ALAC Decision

While several Members of the ALAC Auction Proceeds team originally preferred Mechanism B where ICANN worked with a non-profit organisation already adept in the evaluation, selection and the allocation and distribution of grant funds, CONSENSUS WAS ARRIVED AT FOR Mechanism A. The ALAC notes that presumption of the independent panel, with no connection to or control by either ICANN Org or the ICANN Board (preferably contracted to a suitable non-profit or a set of experts in the field of grant selection and allocation) is a CRITICAL part of this decision and the ALAC would strongly object and withdraw support if that condition changes.

- Do you have any concerns about the updates the CCWG has made, as listed above, in response to the Public Comment forum? If yes, please specify what changes concern you and why?

At Large agrees with the CCWG-Auction Proceeds decision on Recommendation #2. As we strongly believe that there needs to be an Independent Project Applications Evaluation Panel to review and evaluate all proposals. The Panel’s responsibility will be to evaluate and select project applications. We are in strong agreement that neither the Board nor Staff will be making decisions on individual applications. Members of the Independent Project Applications Evaluation Panel will not be selected based on their affiliation or representation but will be selected based on their grant-making expertise, ability to demonstrate independence over time, and relevant knowledge.
We are also in support of Recommendation #3 and agree with how the CCWG-Auction Proceeds has defined the objectives of new gTLD Auction Proceeds fund allocation.

- Benefit the development, distribution, evolution and structures/projects that support the Internet’s unique identifier systems;
- Benefit capacity building and underserved populations, or;
- Benefit the open and interoperable Internet (see Annex C of the report for the complete definition of this statement)

At Large also supports recommendations 4 through 6 and recommendations 9-12.

On recommendation 7, we believe it should read “Must not have access” instead of “should not have access” we are requesting this change because, in practice, ICANN ORG generally adheres to IETF RFC 2119 which states that the word “Must” or the terms "Required" or "Shall", mean that the definition is an absolute requirement of the specification. However, “Should” or the adjective “Recommended”, mean that there may exist valid reasons to ignore a particular item, but the full implications must be understood and carefully weighed before choosing a different course.

On Recommendation 8, we do not believe that ICANN ORG should be able to participate in Auction Proceeds but we are not as clear on whether one of the representative bodies within one of the ICANN Constituencies, if they are legal entities in their own right, or whether an ALS which exists in its own right as a legal entity can submit a request provided that all applications meet the stipulated conditions and requirements, including legal and fiduciary requirements.

- Is there any further information you think the CCWG should consider, that it hasn't considered previously, in order to finalize its report for submission to the Chartering Organizations?

None.