Auction Proceeds

Alan Greenberg

CPWG – 29 Jan 2020

CCWG Auction Proceeds

- Convened in January 2017 – 3 years ago!
- Charged with developing a plan for recommendation to the Board for how to disperse the funds accumulated from auctions for New gTLDs where multiple bidders for specific TLD strings.
- ALAC has 5 Members on the CCWG (Alan, Judith, Maureen, Sebastien, Vanda)
- Currently ~$210,000,000 in the fund.

The "Mechanism"

- For most of the 3 year history, we have been debating the merits of various forms of organization of the group that will distribute the funds for "good things".

- Various options ("Mechanisms") have been discussed ranging from a department within ICANN to a wholly independent and non-connected foundation.

Draft Final Report

Down to 3 Options

A. Internal Department
B. Internal Department subcontracting part of work to a non-profit
C. Wholly controlled Foundation

- C is still listed in the report, but is not strongly supported.
- For ALL options, the actual selection of projects (ie evaluating proposals) will be done by an independent external panel – with no control by ICANN Org or Board.

Current Status

- Sebastien & I favour A
- Judith, Maureen and Vanda favour B.

Characteristics

A: Simplest

A: Most flexible – could be all internal, or could sub-contract any aspects of the work to whoever can do it best.

B: Must subcontract some part of work to a non-profit, but we don't know which part will be sub-contracted. And unclear what non-profits might be able or interested to take this on.

Problems with Draft Comment

- 3/5 is a majority, but it is a VERY poor consensus.

- I do not believe that it properly presents the position held by Sebastian and me.

- It is logically inconsistent which will not reflect well on the ALAC.

Inconsistency

- Significant factor against A is that it cannot be trusted because ICANN Org will be able to influence the external project selection panel and use funds for internal work.

- But in comments on Rec #2, it praises the independence and reliability of the (same) external project selection panel as being completely free of ICANN or Board influence.

Summary

- I cannot support the comment as drafted for the reasons outlined.

- If the ALAC chooses to submit it without remedying these problems, I (and Sebastien last time we discussed this) will be submitting a separate comment.