

ICANN Grant Program



Status Update & Next Steps

1 December 2022

Webinar Objectives

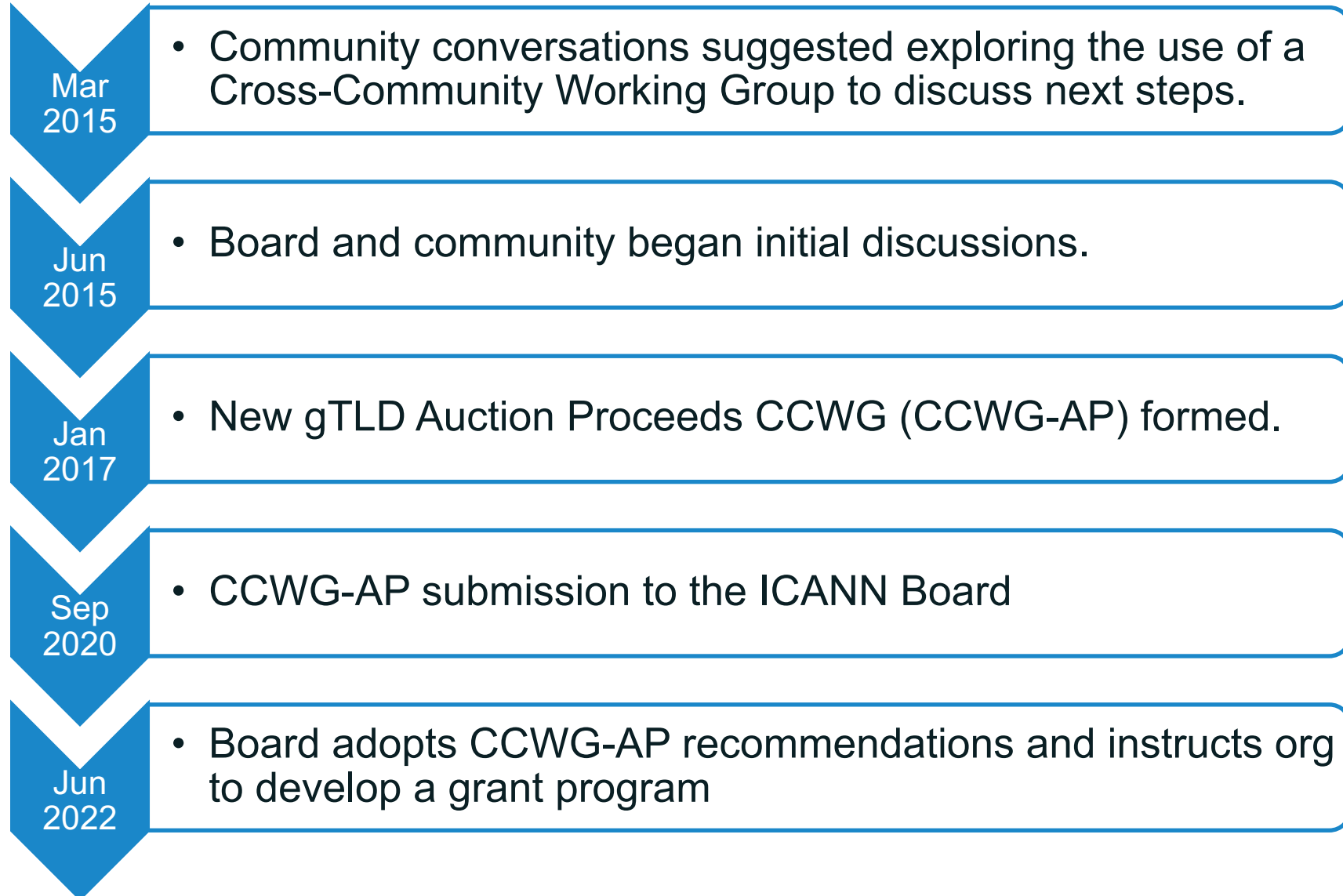
- Background on the ICANN Grant Program
- Grant Program Preliminary Design and Key Elements
- First Grant Cycle and Tentative Timeline
- Next steps

Background

New gTLD Auctions of Last Resort

- The New gTLD Program received 1,930 applications, resulting in 234 string contentions where two or more applicants applied for the same or similar top-level domains.
- To date, 16 of the 234 contentions resolved using a "Last Resort Auction" conducted by ICANN's authorized auction service provider.
- The proceeds generated from these auctions are referred to as the "New gTLD Auctions Proceeds" or "Auction Proceeds".
- As outlined in the Applicant Guidebook, "proceeds from auctions will be reserved and earmarked until the uses of funds are determined. Funds must be used in a manner that directly supports ICANN's Mission and Core Values and also allows ICANN to maintain its not for profit status."

Cross Community Working Group on Auction Proceeds



CCWG-AP Requirements

CCWG-AP requirements for recommendations:



Consistency with ICANN’s Mission as set out in Bylaws:

The recommendations must support ICANN in adhering to its Mission and act exclusively in service to its charitable purpose. The Board remains responsible for determining consistency with ICANN’s mission.



Private benefit concern:

ICANN cannot provide its funds towards the private benefit of individuals.



Must not be used for political activity:

ICANN is barred from engaging in any activity (or funding any activity) that intervenes in a political campaign for a candidate for public office.



Should not be used for lobbying activities:

ICANN has limits on the amount of its budget that can be used for lobbying purposes (attempts to influence legislation). The auction proceeds should not be used for these lobbying purposes.

CCWG-AP Requirements



Conflict of interest considerations:

The CCWG-AP has been advised to document how it takes conflicts of interest into consideration in its deliberations. The Board's fiduciary duty requires it to make decisions without conflicts of interest.



Accountability:

Throughout all phases of the disbursement process, ICANN must ensure it remains fully accountable for the proceeds, and to the purpose that has been assigned to them. ICANN's accountability to the public will therefore require implementing thorough mechanisms of evaluation, monitoring, and oversight before, during, and after disbursement.



Financial and fiduciary concerns

The Board and Officers of ICANN hold fiduciary duties to the organization that cross many concerns.

CCWG-AP Final Report

- 14 September 2020 - [CCWG Final Report](#) submitted to the ICANN Board for review and consideration.
- 12 recommendations along with implementation guidance and related materials for future parties involved in the process.
- The recommendations cover the following areas:
 - Mechanism*
 - Application Tranches*
 - Independent Project Applications Evaluation Panel*
 - Objectives of Proceeds Allocation*
 - Safeguards*
 - Conflict of Interest Provisions*
 - Governance Framework and Audit Requirements*
 - ICANN Accountability Mechanisms, Appeals, and ICANN Bylaw Change*
 - Reviews (Mechanisms and Overall Program)*
 - ICANN org / Constituent Parts Applying for Proceeds*

From Board Approval to Implementation Design

- At the Board's request, ICANN org assessed the CCWG-AP recommendations.
- On 12 June 2022 ICANN Board [adopted](#) the [Final Report](#) and requested ICANN org to produce the Preliminary Design and Implementation Plan for the Grant Program within 120 days.
- The plan was delivered on 10 October 2022.
- The implementation of the Grant Program is a top priority for ICANN org and the Board, as recently confirmed by the community prioritization process.

Preliminary design and key elements

Objectives Statement

Through this Program, ICANN supports creativity and innovation that furthers our vision of a single, open, and globally interoperable Internet.

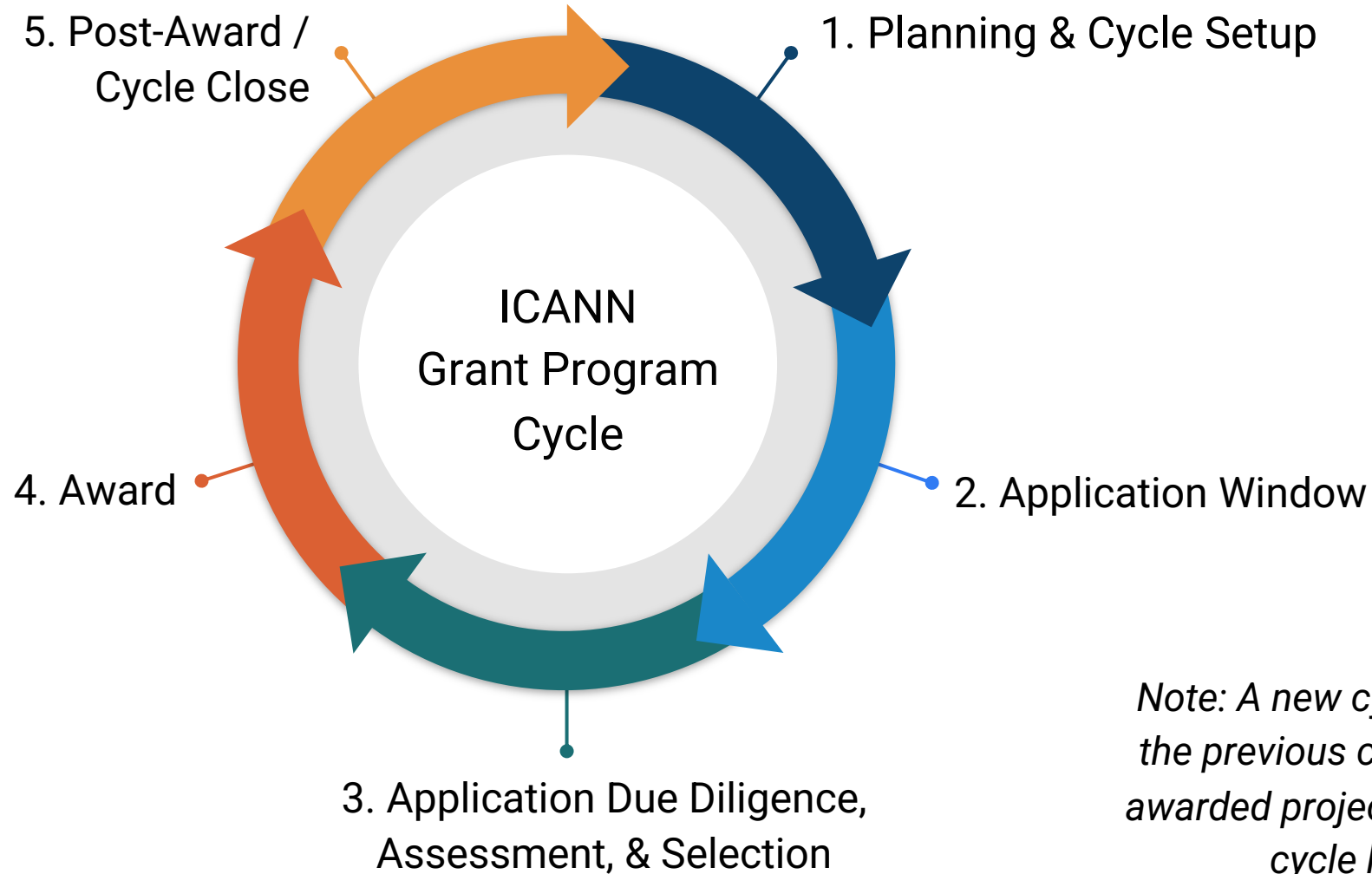
The types of efforts that ICANN will encourage and fund through the Grant Program include those that support the ICANN mission by:

- *Benefitting the development, distribution, evolution of the structures that support the Internet's unique identifier systems*
- *Providing underserved populations with capacity development and infrastructure support*
- *Advancing work related to open access, future-oriented developments, innovation and open standards for the benefit of the Internet community*
- *Addressing diversity, participation and inclusion across developing regions, under-represented communities and all stakeholders.*

Administration

- Program will be administered by a new department under the authority of the Senior Vice President, Planning and Chief Financial Officer.
- Outsourcing of certain Program elements is expected.
- The Program will operate in a series of grant-making cycles until the proceeds are depleted.
- Key considerations in the design of each cycle and the Program overall:
 - Transparency
 - Safeguards against conflicts of interest
 - Diversity elements with reference to the Independent Panel composition and the geographic distribution of the grants.

Program Cycle Overview



Note: A new cycle may start before the previous cycle closes or before awarded projects from the previous cycle have fully completed.

Phase 1. Planning and Cycle Setup

- Implementation design of all the Program elements, including the Grant Program department and the first cycle, which ICANN has already started working on.
- Beginning of outreach and awareness activities, which ICANN has already started working on.
- Development of Program materials (for internal operations, for applicants, and for the assessment panel).
- Independent Application Assessment Panel setup and onboarding.

Phase 2. Application Window

- Launch of the call for proposals.
- Open window for application submissions.
- Continuation of outreach activities.
- Final preparation of evaluation activities.

Phase 3. Application Due Diligence, Assessment & Selection

- **Eligibility Reviews** (based on eligibility requirements):

 - Administrative review,

 - Applicant eligibility review,

 - Application eligibility review.

- **Independent Panel Assessment & Recommendation:**

 - Assessment of applications according to the program goals, assessment criteria and guidelines,

 - Consolidation of the applications recommended to be funded.

- **Submission of selected applications to the Board.**

- **Board Review:**

 - Consideration whether the rules of the Grant Program were followed,

 - Approval or rejection of the entire slate.

Phase 4. Award

- Informing applicant about the outcome of their application.
- Publishing list of successful applicants, subject to data privacy checks.
- Contracting between ICANN and grantees.
- Disbursement of funds.
- Ensuring compliance with the Program rules.

Phase 5. Post-Award / Cycle Close

- **Project evaluation:**

Evaluating individual project outcomes, grant impact, and lessons learnt.

- **Reporting and Publication Processes:**

Upholding transparency on procedures, results, and usage of proceeds.

- **Verification Processes:**

Ascertaining proceeds have been used consistently with the application. Procedures may be customized according to the nature, size, and complexity of the project.

- **Cycle Review:**

Reviewing each Program cycle to ensure Program is functioning as intended and identify opportunities for improvement.

- **Program Review:**

Occurring between 2 to 5 cycles and ensuring that the goals and impact of the Program are being met. This review is distinct and separate from ICANN's Bylaws-mandated reviews.

First Grant Cycle and Tentative Timeline

First Grant Cycle

- Up to USD 10 million to be awarded overall.
- Awards range: from USD 50,000 up to USD 500,000.
- Award range and available funds are expected to expand in future cycles based on lessons learnt during the first cycle.
- Grantees may apply for additional grants in future cycles.

Tentative Timeline

Phase 1: Planning and Cycle Setup

All activities relating to planning the Program and preparing for the launch of the first cycle, including the implementation design, production of the Program literature and application platform

Phase 2: Application window

Launch of the first Grant Cycle

Phase 3: Application due diligence, Assessment and Selection Process

Evaluation of applications and Board decision

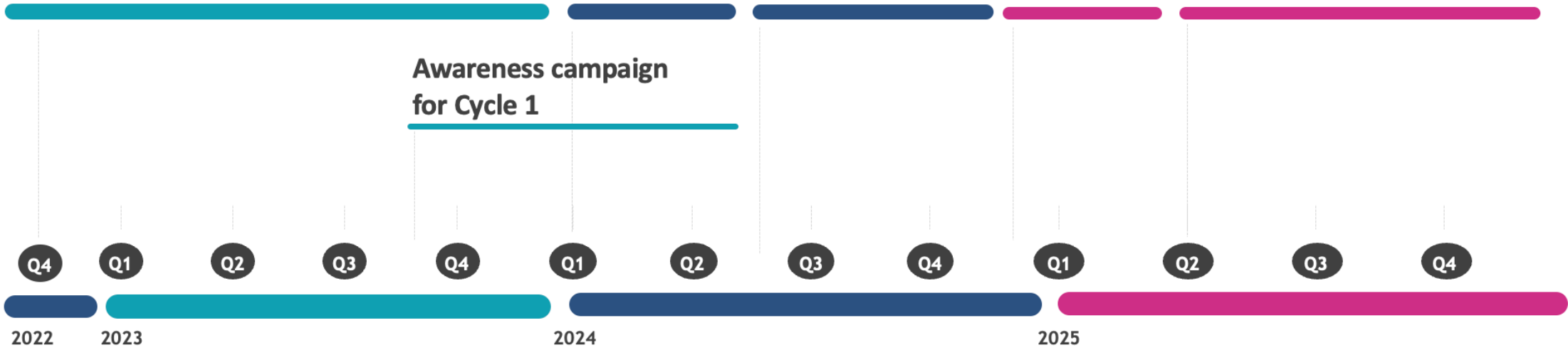
Phase 4: Award

Publication of the applications, grant agreement negotiations

Phase 5: Post-Award

Disbursement of funds, grant monitoring

Awareness campaign for Cycle 1



Next steps

Implementation Design

The Implementation Design has started and is:

- Designing the various activities per each phase of the Program.
- Further investigating good practices to inform possible decisions.
- Determining which activities will be outsourced and therefore, preparing the necessary procedures and RFPs.
- Producing the Program literature.
- Setting up the Grant Program Department.
- Refining the risk assessment at thematic and phase level.
- Producing a precise overview of the resources and ensuring cost-optimization throughout the Program.

Stay Tuned

To learn more about this program and its implementation progress,
keep checking the dedicated wiki page:

<https://community.icann.org/display/GP/ICANN+Grant+Program>