

DRAFT TEXT

PROPOSED **Statement of the At Large Advisory Committee (ALAC)**

Advice to the ICANN Board regarding the proposed revisions to the Conflicts of Interest Policy and Bylaws, set forth in the call for Public Comment here:

<http://www.icann.org/en/announcements/announcement-01sep11-en.htm>

The ALAC advises the ICANN Board to PROCEED with the proposed revisions of the Conflicts of Interest Policy and associated revision(s) of the ICANN ByLaws to facilitate and implement an appropriate compensation scheme for voting Board Directors as outlined in the December 2011 Accountability and Transparency Review Team (ATRT) recommendation #5.

“The Board should expeditiously implement the compensation scheme for voting Directors as recommended by the Boston Consulting Group adjusted as necessary to address international payment issues, if any”¹

Detailed in further discussion in the report on the ATRT's WG #1

“Compensation of directors is an issue closely associated with the theme of developing the ICANN Boards’ experience and collective skill-set and has been the subject of independent review, Board Governance Committee discussion and ongoing Board consideration. To date, only compensation for the Board Chair has been decided. In order to help guide and structure the future process for improving the Board’s operations, it is critical that the matter of remuneration be resolved promptly.”²

ALAC also notes that the ATRT-final-recommendations report states that in their public consultations “Recommendation 5 was also widely supported but this has been slightly reworded to take into account comment received both from Board members and the community.”

And echoes the sentiments outlined in the ATRT's Final Report “Compensation of directors is an issue closely associated with the theme of developing the ICANN Boards’ experience and collective skill-set and has been the subject of independent review, Board Governance Committee discussion and ongoing Board consideration. To date, only compensation for the Board Chair has been decided. In order to help guide and structure the future process for improving the Board’s operations, it is critical that the matter of remuneration be resolved promptly.” page 18

Finally we note that these proposed revisions to the Conflicts of Interest Policy and ByLaws (as proposed) is in keeping with the original recommendations made in the independent Review of the ICANN Board in 2008 by the Boston Consulting Group/Colin Carter & Associates in November 2008³ As well as the final report of the Board review Working Group was released in January 2010⁴ Which states “The WG acknowledges the general support from independent consultants and the community for the proposal of compensating Directors for their services, with the Chair being compensated at some multiple of the standard Directors’ amount.” pages 18-19

¹<http://www.icann.org/en/reviews/affirmation/atrt-final-recommendations-31dec10-en.pdf>, p 2.

²<http://www.icann.org/en/reviews/affirmation/atrt-final-recommendations-31dec10-en.pdf>, p 19.

³<http://www.icann.org/en/reviews/board/report-02nov08-en.pdf>

⁴<http://www.icann.org/en/reviews/board/board-review-final-26jan10-en.pdf>