

1159 **P1.III.A.iv. Other**

1160 **ccTLD Delegation Appeals**

The CWG-Stewardship recommends not including any appeal mechanism that would apply to ccTLD delegations and redelegations in the IANA Stewardship Transition proposal. For further information, see Annex O.

1161 **IANA Budget<sup>74</sup>**

1162 In order for the multistakeholder community to steward the IANA Functions, the CWG-Stewardship recommends that:<sup>75</sup>

- 1) The IFO's comprehensive costs should be transparent for any future state of the IANA Function.
- 2) Future Fiscal Year (FY) ICANN Operating Plans & Budgets, and if possible even the FY16 ICANN Operating Plan & Budget, include at a minimum itemization of all IANA operations costs in the FY ICANN Operating Plan & Budget to the project level and below as needed.

1163 Further details on the expected detail, based on the information provided in relation to the FY15 budget, can be found in Annex P. Furthermore, the CWG-Stewardship has identified a number of items for future work that can be found in Annex Q. In relation to PTI, the CWG-Stewardship recommends that PTI should develop and annually update a four-year strategic plan, which should outline strategic priorities, while PTI should also have a yearly budget that is reviewed by the ICANN community. A fully approved budget should be developed on an annual basis. PTI should submit a budget<sup>76</sup> to ICANN at least nine months in advance of the fiscal year to ensure the stability of the IANA services. It is the view of the CWG-Stewardship that the IANA budget should be approved by the ICANN Board in a much earlier timeframe than the overall ICANN Budget. PTI's actual financial performance should be measured monthly against the PTI budget, and should be reported to the PTI Board. In addition to any statutory requirements, it is the view of the CWG that an independent financial audit of PTI's financial statements must also be required.

1164 **Regulatory and Legal Obligations**

1165 The handling of requests for statutory waivers or licenses relating to its IFO's legal obligations in its legal domicile (e.g., from the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC)) is a generally-applicable legal obligation regardless of who is serving as the IANA Functions Operator. ICANN already has a process in place for seeking any necessary licenses, and will continue to work with contacts at relevant authorities to identify ways to streamline those requests. A statutory waiver of OFAC requirements may be possible if a new statute authorizes the transition. Such a statutory waiver could provide that the President of the United States may not use trade sanctions

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<sup>74</sup> CCWG-Accountability Dependency – see <http://forum.icann.org/lists/comments-ccwg-accountability-draft-proposal-04may15/msg00033.html>

<sup>75</sup> The names registries have long requested budget transparency and detail. See for example the work of the ccNSO Statement of Policy.

<sup>76</sup> In developing its budget, the CWG-Stewardship recommends that PTI review best practices of other similar organizations.