

**Cross Community Working Group (CWG) to Develop an IANA Stewardship Transition Proposal  
on Naming Related Functions  
Specifying Requirements to the CCWG on ICANN Accountability**

In accordance with the request of the CCWG Chairs as part of their update to the CWG on 13 April as well a result of the CWG conversations that took place on 13 and 14 April, the CWG Chairs hereby would like to convey further details concerning the list of interdependent items as identified as part of the recent meetings in Istanbul (<https://community.icann.org/x/yx4nAw>)

- **ICANN budget** (in particular, the requirement for transparency around cost allocation in relation to the IANA functions)

**Response:** The CCWG has proposed a budget veto tool, where the community has the option to reject an ICANN budget and send it back for further consideration and revision. The CWG supports this remedy if necessary obtain the required accountability and transparency and the CWG expects the CCWG to deliver on this ability for the community to veto the budget. Full transparency of the ICANN budget in relation to the IANA function is a necessary requirement for the CWG to ensure that the IANA function is stable, resilient and generally an operation of excellence. Moreover, that it follows best practice in terms of operations and the relevant introduction of innovation in both technology and service delivery. The CWG therefore decided to recommend as part of its transition plan that:

1. The IANA Function's comprehensive costs should be transparent for any future state of the IANA Function.
2. Future 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.

An itemization of IANA cost includes "Direct Costs for the IANA department", "Direct Costs for Shared resources" and "Support functions allocation". Furthermore the aim is to have these cost itemized into more specific costs related to each specific function. While recognizing that an itemization might not be possible for the FY 2016, it is the CWGs expectation that this will be in place for FY 2017.

The CWG refers ICANN to the appendix to the document entitled “IANA Operations Cost analysis” (dated 13<sup>th</sup> of April 2015) in order to see the level of detail that is required. The aim is to have costs specified in more detail including both direct costs and indirect costs i.e. those incurred through functions performed by and dependencies on the other ICANN departments.

- **Community empowerment mechanisms** (in particular, relating to a confidence vote option)

**Response:** As part of the structure that the CWG is currently considering the model that is described as the “Internal accountability hybrid model with legal separation”. The CWG will be relying on the community empowerment and accountability mechanisms that the CCWG is currently considering and developing being in place at the time of the stewardship transition . In particular, mechanisms such as: the ability to review ICANN Board decisions relating to periodic or ad-hoc reviews of the IANA function undertake through the IANA review function (PRF or possibly IRF); the ability to approve or reject board decisions on PRF as well as the related creation of a stakeholder community / member group in order ensure the ability to trigger these kinds of abilities. As such the CWG wants to emphasize again the interlinkage and interdependence between the two groups and the need to continue close co-operation and regular information sharing.

- **Review and redress mechanisms** (in particular, relating to a 'fundamental bylaw' mechanism)

**Response:** The CWG is recommending that a periodic review of the IANA functions be scheduled to take place no later than every 5 years and to operate in a manner analogous to an AoC review. As the CWG understands that the CCWG is working on incorporating other periodic reviews as mandated by the AoC, the CWG would like to have the assurance that an IANA Periodic Review (or related ad-hoc review) could be incorporated as part of those efforts. Further details on the mechanics of such a review are available and can be shared with the CCWG as necessary. For the avoidance of doubt, the CWG recommends that the (IANA Performance) reviews are incorporated as a part of the fundamental bylaws.

Furthermore, the CWG recommends that the CSC and/or the PRF are capable, under certain specific circumstances, to initiate ad hoc reviews where they are deemed to be necessary. These also need to be an essential part of the mechanisms to be established by the CCWG in order to ensure that the ICANN board deal with IANA reviews through agreed procedures.

- **Appeal mechanisms** (especially with regard to ccTLD related issues)

**Response:** The CWG recommends that the CCWG should be mindful of the recommendations of the CWG in relation to an appeals mechanism for ccTLDs in delegation and re-delegation. The CWG has conducted a survey among the ccTLDs as part of the work of our Design Team B, and the results led to a recommendation which notes that ccTLDs may decide to develop their own appeals mechanism regarding re/delegation at a later date (post-transition). As such, any appeal mechanism developed by the CCWG should not cover ccTLD delegation / re-delegation issues as these are expected to be developed by the ccTLD community through the appropriate processes. However, the CWG does want to emphasize the importance and need for an appeal mechanism to cover any other issues that may involve IANA and notes that this is option is expected to be specifically called out as one of the possible escalation mechanisms<sup>1</sup> in the draft transition proposal.

---

<sup>1</sup> As a note of clarification, the CWG has been referring previously to this appeals mechanism as IAP (Independent Appeals Panel) but understands that the CCWG is referring to this mechanism as Independent Review Mechanism (IRP) which would also include the option for appeal. As such the CWG will be updating its references.