

Tabular Summary of comments received at ICANN56 (ordered in accordance with corresponding sections of Draft Cross Community Working Group (CCWG) on new gTLD Auction Proceeds) – updated 19 July 2016

Section II: Problem Statement, Goals & Objectives, and Scope				
Sub-Section: Scope (Legal and Fiduciary)				
	Public Comment	Source	DT View	Action taken
1.	Prohibition on using auction proceeds for governments - why is that not included? This is a very high level summary, if you review the memo there is a further discussion of other types of organisations. There is not necessary exclusion, but there is some guidance that the CCWG may want to consider as part of its deliberations. Limitation of certain organisations may have undesired effect - what for example about public-private partnerships. This is for CCWG to consider.	Helsinki Public Comment	No prohibition currently included because: 1) that is a CCWG decision (who is eligible to apply), 2) may be difficult to distinguish between where governments are involved, in smaller countries, governments may be active at many different levels so this could create a unintended consequences.	No changes needed – is for CCWG to consider.
2.	How broadly defined is lobbying? Some NGOs would advocate as part of their activities. Would that be considered lobbying? Some examples have been included in the memo that may provide some further insight.	Helsinki Public Comment	Funds cannot be allocated to lobbying – if this means that an organization cannot have any lobbying activities, consider making this clear in the charter? Leave it up to the CCWG to figure out what could potentially affect ICANN’s tax status and make this clear in the requirements. Rules shouldn’t be US centric, so	Charter specifies that lobbying must be prohibited to the extent that it protects the tax status of ICANN. Such a prohibition should be applied uniformly and not be US centric. That work is done by the CCWG – charter to provide direction at the high level in relation to
3.	Grants to organisation - how can you ensure that US governments cannot block granting on the basis of linking it to 501(3)C requirement that may not exist in a similar way abroad.	Helsinki Public Comment		
4.	Concern about political and lobbying activities restrictions - restricted to any country or not. May provide challenges to implement. Expect that CCWG	Helsinki Public Comment		

	would go into further details on this.			
5.	Difference in definition and understanding of the term lobbying. Need for precision of what level of lobbying that is allowed to be done.	Helsinki Public Comment	there may be a need to expand the definition as it currently focuses on a US definition of lobbying. CCWG will need to understand the scope of prohibitions that are made applicable across the board so there is a clear line of what is permissible and what is not permissible with regards to activities. As this has a potential impact on ICANN's tax status, it is important that this is carefully considered by the CCWG.	this topic – check charter and confirm whether further direction is needed in the charter on this topic.
6.	How tightly does the charter restrict fund allocation in relation to the mission? May need a conversation about the new ICANN mission statement within the DT to determine what it means for the charter especially with regards to scoping.	Helsinki Public Comment	DT shall and will consider as it moves through the charter. However, this is a philosophical (how broad or narrow do you go) but also legal question that will need to be addressed in the CCWG.	DT will further consideration to this point as it reviews the charter.
7.	Not clear in the charter, when can these funds be used for activities within ICANN itself, for example, funds for a CCWG? Could chartering organisations request funding for CCWG or other activities within ICANN? Is this possible and if so, what would be the process? ICANN	Helsinki Public Comment	AG: I don't think anything precludes the funds being used within the organization presuming it is a decision of the	

	should continue these efforts as part of its normal budget.		community (Rec of the CCWG) or as part of a process defined by the CCWG (both has adopted by the Board) JR: Agree with Alan but expect that this will / may impact on the COI provisions	
8.	Funding should not be allowed for anything that distorts competition within the ICANN organisation. .	Helsinki Public Comment	AG: This is potentially at odds with the previous one, but I am not sure I understand the expression “competition within the organization”.	
9.	I do not agree with the use of the words “non inconsistent” when referring to ICANN’s mission. Fund allocations must be in line with ICANN’s mission as that is key not only to preserve the tax status, but also to support communities that can hardly access other sources of funding (like traditional donors) as they do not understand the nature of the technical challenges those projects or organizations are trying to solve/address. For example, it is very hard for organization maintaining root-servers, IXPs, developing standards (just as an example) to apply for traditional funding. The auction proceeds provide a unique opportunity to support the stability of the Internet not only at the infrastructure level. Projects/organizations applying for funds should be able to articulate how their	Sylvia Cadena Comment	AG: I would prefer the DT to give the widest possible interpretation and leave it to the CCWG to narrow (in accordance with what will be accepted by the Board). JR: Personally, I can see the concern here i.e. that the use of “not inconsistent with” is the broadest and “consistent with”. It will be helpful to get the whole DT’s current views on this. LC: If “not inconsistent with” were the only	

	<p>proposal is actually in line with ICANN’s mission. The previous word in use was “furtherance”, which was already wide enough. By changing it to “non consistent” the text has an even weaker approach to support ICANN’s mission.</p>		<p>criterion, the concern about growing corn would be valid—but it’s not. It is one of several criteria, and in context simply adds to the other criteria the requirement that whatever else a project might be it should not be actively inconsistent with ICANN’s mission.</p>	
10.	<p>(submitted by email) The use of "not inconsistent" with ICANN's mission is a clear departure from the original intent to do something "good for the Internet" aligned with ICANN's principles ("support directly" was the original terms used). Anything that doesn't hurt the Internet would be OK by this weak requirement, such as growing corn with no water or developing clean energy sources. Although there are good projects, they won't help the Internet or the Web reach their full potential.</p>	Helsinki Email Comment	<p>AG: I agree that growing corn is not a fundable project, but I don’t think that was the intent of “not inconsistent”. Not sure how to word it better but leave latitude. JR: Personally, I can see the concern here i.e. that the use of “not inconsistent with” is the broadest and “consistent with”. It will be helpful to get the whole DT’s current views on this. LC: If “not inconsistent with” were the only criterion, the concern about growing corn would be valid—but it’s not. It is one</p>	

			of several criteria, and in context simply adds to the other criteria the requirement that whatever else a project might be it should not be actively inconsistent with ICANN's mission.	
11.	The Board recommends that the DT add a new guiding principle that the recommendations should be designed in a manner to support ICANN's nonprofit status and financial and operational stability. This primary guiding principle is implicitly stated through the limitations and considerations identified in the Charter, but an explicit statement of this key tenet is important.	Board comments	AG: to "support" nonprofit status, or not endanger it? JR: Agree with not endanger / compromise. LC: Agree with not endanger / compromise, both for nonprofit status and for financial and operational stability.	
12.	(Board comments) The Board confirms that the auction proceeds shall be used consistently with ICANN's mission. It will be important that any proposed uses for the proceeds be tested against ICANN's mission.	Board comments	AG: Does this not limit the funds being used for only things that ICANN itself would/could do if it had access to the money? That is far narrower than some of us envision. LC: Agree with Alan.	
13.	The text about diversity was modified, and the mention to the 3 communities that ICANN serves was removed. I do not support that change. It is very important that the	Sylvia Cadena Comment	AG: Would need to go back and find the context... JR: Agree	

	diversity focus also applies to the communities ICANN serves.			
14.	The Board recommends that the language be removed from diversity section that touches upon diversity of the ultimate recipients of the proceeds. This language appears to be out of scope for the Draft Charter, in that it suggests limitations for the design and recipients that should be left to the determination of the CCWG.	Board comments	AG: Agree. JR: Agree LC: Agree.	
15.	The Board recommends to the DT that the Charter should include specific direction to the CCWG to develop or identify a Governance Policy to be used to guide the distribution of the proceeds. The Board also recommends that specific measures of success should be considered for the reporting on the use of the proceeds.	Board comments	AG: Generally agree. Not sure that we want “specific” measures of success as that may preclude innovation. But we definitely need to measure (at least on a spot-check basis” success, and certainly on major projects. That is part of any funding agency agenda.	
<i>Section II: Problem Statement, Goals & Objectives, and Scope</i>				
<i>Sub-Section: Scope (Conflict of Interest)</i>				
	Public Comment	Source	DT View	Action taken
16.	How to avoid conflict of interest? Is SOI sufficient?	Helsinki Public Comment	JR: It really is vital to get to the bottom of this COI issue. In particular do the same provisions apply throughout the process or do they vary from DT to CWG to eventual disbursement entity.	

			LC: Maybe do some research on how other orgs have handled this—it's a problem that must have been "solved" by many others before us.	
17.	Should there be mandatory disclosures? Members of CCWG should not be related to any prospective applicants of proceeds - would help to avoid any kind of conflict of interest. DT asked to look into this possible requirement. What about indirect benefit for example universal access - does that mean that registrars / registries would not be able to participate. Special disclosure should be enough, not exclude people.	Helsinki Public Comment	JR: Personally agree. I am in favour of mandatory and standard disclosure by all members and participants in the CWG. This would set a new bar for ICANN WGs.	
18.	If you apply too strict COI, no one will basically participate. Need specific criteria and consensus around those criteria.	Helsinki Public Comment	JR: I have a similar concern LC: Consult examples of the way in which other orgs have handled this.	
19.	Work was done on funding allocation as a result of auctions on single character letters - concerns: should not use SOI approach, need to develop new and improved requirement for declaration of conflict of interest and expertise.	Helsinki Public Comment	JR: Agree that new and improved approach is (uniquely) desirable or even necessary in this case. SOI may be sufficient. Other mechanisms may be possible	
20.	COI could happen at different levels - CCWG members/participants, those who will make decisions and those who will use the funds.	Helsinki Public Comment	JR: Agree. This seems sensible.	
21.	The Board reconfirms that conflict of interest concerns,	Board comments	JR: This is a key issue that	

	<p>and appropriate identification and management of conflicts, is paramount at all levels of the DT, CCWG and ultimate proceed distribution process.</p> <p>The Board strongly recommends that the following language be reflected in the Charter in order to adhere to high ethical standards and support arms-length transactions in the distribution of the proceeds: No member of the CCWG may be related in any way to prospective applicants for proceeds, and the administrative mechanism for processing applications must include strong rules and enforcement of conflict of interest. Individuals involved in the CCWG and in the subsequent administrative mechanism must execute a conflict of interest declaration documenting their existing potential involvements and agreement not to be involved in application or direction of the proceeds.</p>		<p>may need a specific, focused discussion to deal with in order to address concerns in both directions i.e. being too strict and being not strict enough LC: At DT stage we should not be too strict with respect to details—don't want to preclude CCWG discovering and adopting a good model for COI in the experience of some other organisation.</p>	
Section IV: Membership, Staffing, and Organization				
Sub-Section: Membership Criteria				
	Public Comment	Source	DT View	Action taken
22.	Many outside of ICANN have experience with allocation of funds - CCWG may benefit from that expertise. The charter deals with this issue, incl. possible expert participation.	Helsinki Public Comment	JR: Agree this will be welcome and should be encouraged.	
23.	CCWG members/participants need good understanding of ICANN eco-system.	Helsinki Public Comment	JR: Agree. We may want to make suggestions as to appropriate knowledge and expertise that will be desirable from members / participants in the CCWG	

			LC: We should keep in mind that this may very well run directly counter to COI concerns wrt “insiders.”	
24.	Number of seats allocated is too limited - not even 1 per SG/C in the GNSO. Expertise and knowledge are important - think flexibly about the number of members. Are we clear about the self-dealing aspects and the risks?	Helsinki Public Comment	JR: To be discussed	
25.	The Board recommends that the language relating to specific Board Committee Chairs be removed. The Board will appoint general liaison(s), which may or may not be the identified Chairs, and have the prerogative to alternate a liaison where necessary. In determining its participation on the DT, the Board identified the Chairs of the Audit Committee and Finance Committee to serve as liaisons due to the particular issues raised at the drafting stage.	Board comments	JR: Seems reasonable LC: Agree with JR	
26.	Given the Board’s role in considering the CCWG recommendations, it agrees with the DT that it does not need to affirm the Charter.	Board comments	JR: Seems reasonable BUT it will be helpful to receive a greater statement of intent / commitment from the board as to its response to the work of the CWG	
Section N/A				
Sub-Section: N/A (Issues for consideration by the CCWG)				
	Public Comment	Source	DT View	Action taken
27.	What is the criteria you are going to use to rank the	Helsinki Public		

	grant requests? Failure on consumer awareness on new gTLDs, which are the source of these funds. Timing is an issue as the completion of this process which may take years. Not to be debated as part of the DT - will be for the CCWG to consider.	Comment		
28.	Sequence - how are applicants expected to report back? Measurement of results. This is for CCWG to consider.	Helsinki Public Comment		
29.	Missing from goals & objectives: CCWG will choose specific objectives, put shape on it.	Helsinki Public Comment		
30.	One time funding not necessarily one-time disbursement	Helsinki Public Comment		
31.	CCWG should not be involved at all in anything related to funds disbursement - the CCWG should propose mechanisms and/or structures that would be independent of the CCWG (in other words once established the CCWG should be dissolved so as to avoid any conflict of interest)	Helsinki Email Comment		
32.	In the discussion, one participant recommended that the CCWG have a finite life, and that distribution decisions not be made in such a way that the distributions be strung out over time. A second speaker suggested that principle should not preclude distribution to recipients/programs that seek long-term goals and funding mechanisms that foster lasting impact for the Internet community. This speaker also noted that these principles need not be mutually exclusive. The Internet Society agrees with both recommendations to the Charter Drafting Committee. It would be a monumental task to marshal the tens of millions of dollars in the New gTLD Auction Proceeds over any short-term period.	Helsinki Email Comment		

	(note this is an abstract)			
	Section N/A			
	Sub-Section: N/A (For possible inclusion in the charter and/or further consideration)			
	Public Comment	Source	DT View	Action taken
33.	A lot of guidelines about what not to do - what do we want to do with this? There is a sequence that will be followed in this process (see slide 4). Where in the sequence is there any establishment of guidelines and expectations? DT sets out the constraints, CCWG will be doing the heavy lifting.	Helsinki Public Comment		
34.	Consider providing criteria about the expected results / outcome of funding provided?	Helsinki Public Comment		
35.	Diversity - if that is a requirement for disbursement, that may be counter to specific objectives.	Helsinki Public Comment		
36.	Needs to call out that it is a one-off process in the charter otherwise the CCWG will spin on this. Couple of examples provided in the chat. Evergreen mechanism - should it be required for something else in the future, it should be possible.	Helsinki Public Comment		
37.	Include in the scope the notion of reconsideration - needs to be able to adjust its scope based on new information, for example in relation to legal and fiduciary requirements.	Helsinki Public Comment		
38.	Individuals participating in the CCWG should not be able to apply for funding as it would be a direct conflict of interest.	Helsinki Public Comment		
39.	Build on best practices and consider patterning with other institutions that are doing the same. More efficient and of value if it could be explored to add it to	Helsinki Public Comment		

	existing pool. Consider adding to the charter.			
40.	What about the new gTLD application funds that are remaining - could that be added? Consider adding those funds to reserve fund and move those over to the auction proceeds mechanism as the reserve funds are built up.	Helsinki Public Comment		
41.	<p>(submitted by email): The Internet being implemented as a stack of layers of technologies:</p> <ul style="list-style-type: none"> • physical layer (e.g. optic cable, wifi, dsl), • logical/software (ip, dns, http, etc), • application (search, social platform, content), <p>it would be useful for someone, the drafting team, or the CCWG, to explore the funding priorities along those lines. We think the focus should be on the middleware layers: from managing IP network, DNS, to improving the http/Web layers since these are the closest technologies in support of the Internet as seen by ICANN. Funding physical layers work for instance might very well be used by a competitor network to IP, and funding pure content runs the same risks (of attracting users to another network than IP).</p>	Helsinki Email Comment		
42.	The drafting team has done a good job at describing what would not be OK to fund from a procedural point	Helsinki Email Comment		

	<p>of view (such as funding individuals, lobbying groups, inconsistent with ICANN's tax rules, etc), but so far has not clearly establish what should be the criteria the CCWG should use to further develop the grant instrument itself.</p>			
43.	<p>Think that it should be made clear in the charter that:</p> <ul style="list-style-type: none"> • funding will only go to Internet related projects, which are by nature technical, and not to anything marginally related to the Internet (everything is nowadays) and that doesn't hurt the Internet: • it has to do good for the Internet, its shared infrastructure, it's users (as Internet users, not just as regular citizen) • use of funding should be in support of the main goals of ICANN: to improve the stability, security, and global interoperability of the Internet. • it should consider criteria of global benefits vs. local benefits (e.g. is this funding going to help all Internet users or just a limited population?) • it should consider criteria of long terms benefits vs. short terms results (hence the importance of funding infrastructure oriented things) • it should consider criteria of scaling effects: will a relatively small funding (e.g. 1M USD over the 100 available) have rippling benefits saving Internet users and the community much more than that in the end? • it should consider additional criteria such as difficulty to be funded by usual granters (such as 	Helsinki Email Comment		

	gov, large foundations).			
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