ICANN Transcription
New gTLD Auction Proceeds Cross Community Working Group
Thursday, 27 April 2017 at 14:00 UTC
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proceeds-27apr17-en.mp3 AND https://participate.icann.org/p5274mpyls7/

Attendance may be found at:

https://community.icann.org/x/atLRAw

Michelle DeSmyter: Good evening. Welcome to the New gTLD Auction Proceeds Cross Community Working Group call on the 27th of April 2017 at 1400 UTC. In the interest of time today there will be no roll call as we have quite a few participants online. But for reference we currently have ten participants online. Attendance will be taken via the Adobe Connect room. So if you're only on the audio bridge would you please let yourself be known now.

Okay thank you so much. And as a reminder to all participants please big state your name before speaking for transcription purposes and please keep your phones and microphones on mute when not speaking. I'd like to turn the call over to Erika Mann.

Erika Mann: Michelle thank you so much. Erika Mann on the call. Hello to everybody. We have a pretty tight schedule today because many of us would love to join another I can call about a gTLD if I'm not mistaken in about an hour. So let's try hard to see if we can manage to get this done within an hour. With this I

moved to point two on the agenda which is follows the welcome the update to the situation of interest. Anybody would love to mention something? No?

And seriously anytime you have a topic which comes to your mind feel free either to mention it to us by email or just update the declaration of interest. Point 3 on the agenda is the highly debated response to the ICANN board letter. Now you have seen that we had many exchanges and it would be great if we could get a board letter so that everybody can see it please. Yes thank you so much. So we – this was already debated highly by email and they are practically on the topic whether we should mention the kind of framing about the amount which shall be spent in the future for administration and administration related work.

There are practically two philosophies in our group. So one is arguing the pick up the 5% which was mentioned in the board letter. But then we mentioned that in our internal short discussion which we had about it a few colleagues mentioned 10% or 12%. This was the basic idea was just to indicate to the board that we have to be careful with complete numbers because we don't have yet a concrete understanding how this future mechanism will evolve and kind of institution and framework we will set up. Some of us are involved and in different funding environments and typically their work is much higher numbers.

And keep in mind as well we don't know how long this project will run. It could be one year. It could be three years. It could be five years. It can be much longer and depending on this of course the amount of money for administration site will be much higher. But then there's the other side who argued 5% is sufficient and we shouldn't go beyond.

Now I'd like to hear from you again because it is such a – it was such a highly debated topic. We had one proposal from Marika already and she's always so fantastic in coming up with new conclusions quickly. Marika would you be

so kind and just to read your compromise language? Could you just read this quickly? I can't see this here on the screen?

Marika Konings: Thank you Erika. Hi. This is Marika. There's actually some language I had sent to you as chair so that the rest of the group actually hasn't seen that yet but the idea behind this is really to...

Erika Mann: Fine but just read it.

Marika Konings: Yes. So…

Erika Mann: For me it's fine but please read it that everybody can have it.

Marika Konings: Yes. So the objective of the language is to kind of combine. And as you noted there the concerned that some have expressed in relation to the percentage given by the board but also the notion that it's maybe too early to decide on a number so post modification of that specific sentence it would read something like several CCWG members/participants did point out however that the overhead costs will depend on the actual mechanism recommended and may therefore vary from the 5% recommended by the ICANN board. And that would leave it there. So basically it would leave it open whether, you know, it could be higher, it could be lower but at this stage it will be dependent on the mechanism chosen and will require further consideration.

Elliot Noss: Yes thank you so much Marika. Maybe if you have it ready maybe you could post it as well so that everybody can see it. And then I see a hand raised by Alan Greenberg and by Elliot Noss. Alan please.

Alan Greenberg: Thank you very much. I think Elliot Noss is just a check at this point. I strongly support keeping in some other number and I like the 10%. And the reason why is we are bothering to respond in writing here. We have two excellent liaisons from the board but we're not presuming that they will carry back all of our messages. And I think it's really if we're rejecting the 5% which effectively

we are it - we may end up being five but we're not giving any guarantees certifications at this point than I think have to propose some other number we think might be reasonable otherwise it's not – would not be unreasonable for the board to think maybe our target is 25% which is a number that's often used in charitable exercises to say whether their administration costs are too high or not. And I think we want to set expectations at a more reasonable level.

One of the reasons that I'm concerned about the 5% is partly as you said this exercise may go on for quite a long time. And some of the costs associated with it are going to be proportionate to the length of time which, you know, which changes the dynamic. The other thing is if we end up deciding that we will be funding certain major classes of functions – classes of projects, you know, ones that have a well into the seven digits there's going to be significant costs associated with that because there are usually things like field visits and checking up on the group and making sure the money's being used properly that can end up, you know, it's not going to use 1/3 third of the money but it certainly can end up using more than 5% of the money. So I think we need to set expectations properly and say our targets are not very high but we don't think that 5% might be sufficient as we go forward. Thank you.

Erika Mann: Elliot Noss do you want to say something are you crossed out?

Elliot Noss: No. You know, I put up – I put up the first time that, you know, I put my comment to the chat. I agreed with Marika's language. I disagree with Alan Greenberg's statements in the sense that I, you know, in my mind I think, you know, talking about percentages is what (artifis) here I think they – it is real dollars. And, you know, I - again as I've put in the chat 1% is $1.4 million. That's a lot of site visits. That's a lot of fees. That's a lot of efforts and that's 1%.

You know, when we're talking about a 25% threshold for charity we're talking about charities where they have professional fundraisers that they're paying where they have managing directors that are making well into the six figures sometimes mid six figures. But, you know, it's just so away from what we're doing here. So again I like Marika's language. And, you know, the rest of the comments in the chat.

Erika Mann: Yes thank you Alan. Becky Burr. Becky Burr can you hear?

Becky Burr: Sorry. Sorry coming off mute. I just want to assure people that often I of course will provide the board with, you know, sort of information that conveys the nuance. With respect to the 5%, you know, Asha Hemrajani no doubt also has the views on this. But I think the point is not a specific percentage but an understanding that, you know, the goal is to use the funding for to accomplish, you know, goals, specific goals not, you know, to sort of perpetuate a machine that spends a lot of money and but that really what the board is heartened to understand is that the group is very conscious of the need to depending on the mechanism identify a- an appropriate target for administrative costs that reasonably reflects, you know, a lien administrative process but obviously adequate to ensure that the money is being spent for the appropriate purposes but, you know, it's just not an open ended, you know, spend anything. It is that as this perceived the group understands that it's important to identify a reasonable target based on all of those things and to stick with it.

So and as Elliot Noss mentioned depending on the mechanism it could require quite a lot. So I think that the board is perfectly capable of understanding that, you know, it might be more than 5%, it might be less than 5%. But the critical message is that as we move forward we will keep in mind the sort of impact that our choices have on costs and make appropriate decisions based on the desire to allocate the money to the charitable purposes and not to administration.

Erika Mann: Thank you Becky Burr. I think this is a good point and I think this is well understood. It's just we have to keep in mind we – none of us – some of us might not be there anymore when everything starts working and memory is towards the memory in particular since you have received this letter from the board which meant 5% it is good to respond to it. But I agree there's an understanding it can be less, it can be more depending on the structure which will be set up and the year it will run. I have Asha Hemrajani and (Ching) on the list. And (Nadera) she pointed out in the chat room that she rather prefer the language without mentioning any numbers.

(Nadera) Just keep in mind because the board members mentioned the 5% it might be good to indicate something not as a fixed number but as an indication. Please think about it. And I take now Asha Hemrajani and (Ching). Asha Hemrajani please.

Asha Hemrajani: Thank you Erika. So I just want to echo what Becky Burr said because she put up very eloquently. And I want to add one more point which is referring back to what I think it was (John) - no, was it (John) or was it Elliot Noss, pardon me? It was what Elliot Noss mentioned. And that is regarding the absolute numbers. If we're talking about if the fund is $100 million and we're talking about 10% that is $10 million to spend on dispersing the funds. So I'm not going to comment on whether 5% is too much or too little I'm just going – I just want to bring up this figure that Elliot Noss mentioned to put things in perspective because we need to seriously think about whether we want to spend $10 million to disperse $19 million. That's the first point I wanted to make.

And the second point I wanted to make was that we - you know, you have the option the CCWG has the option of looking around and soliciting help from external experts and you may wish to - that's one idea. The other suggestion is the other possibility or other is to look at what other foundations like the Date Foundation and many other foundations that are – and what are their typical ratios for dispersing funds? What is a typical overhead ratio?

So this is not in direct relation to the comment, to the response back to the board letter but these are just ideas I want to put out there that you may – that the CCWG may wish to consider in terms of what is an appropriate figure. And I agree wholeheartedly that with a comment that was made earlier which is it really very much depends on what is the disbursement mechanisms that are finally selected because the overhead will very much depend on that. So I would actually just bear that in mind and instead of locking yourselves to a particular figure.

The 5% I have to say came – this came from very early days. This came from when we were doing the charter. And the idea of bringing that figure in is just to throw - put the idea out there that we have to be efficient as possible when we're dispersing the funds. We don't want to waste money dispersing funds. You want to be as efficient as possible because this is very hard earned money. Thank you.

Erika Mann: Thank you Asha Hemrajani. (James) please. You're on mute maybe? (James)? Okay then I take Manal Ismail or are you – have you delivered yourself? Manal Ismail? Do you want to say something?

Manal Ismail: (Unintelligible).

((Crosstalk))

Erika Mann: Please.

Manal Ismail: Actually am fine with the current language but I'm just wondering whether having something along the lines that at the end this seems to be determined by the (closer). Does this address all concerns? I mean to resolve the (unintelligible)? But for me I'm fine with the language as it stands. I'm just wondering whether adding this sentence what address the concerns that Alan Greenberg raised earlier. Thank you.

Erika Mann: Yes and this is similar to what Marika is recommending. Let me read Marika's proposal again. Several CCWG members participants did point out however that the overhead cost will depend on the action maintenance recommended and made therefore very from the 5% recommended by the ICANN board. It's so that what you are saying Manal Ismail yes? Maybe we can - he can type this again in so that you can see it.

((Crosstalk))

Erika Mann: (Ching) are you there now? Can you see it Manal Ismail?

Manal Ismail: Yes I can see it. I was just putting more stress that we are presenting both sides but at the end the process is going to the (unintelligible) so that we're clear that we're not through the five yet nor through the ten yet. But as I said I'm happy with the language as it stands. Thank you.

Erika Mann: Okay thank you so much. Marika I'm pretty sure...

((Crosstalk))

Erika Mann: Yes you're back (Ching)? Marika I'm sure you took the - had a slight disruption when Manal Ismail were talking. I'm sure you understood what she was referring to so that maybe you can at the end read again the complete proposal again. (Ching) please.

(Ching):   Thank you. Erika I'm sorry I pushed the wrong button but I like to and put it as very short - shorty. So I think the – I mean the conversation is very good to have and I think people I mean agree here also in the chat room that so for Marika's proposed text meets the purpose of the – I mean the flexibility. So I think we - we're all just sharing the thoughts here not really putting a fixed number you know in stone. But and I also like to add maybe just more thought is that initially the cost may go high. The first few years the, you

know, the percentage may go out because of the initial operation setting things up, doing due diligence, all the activities may lead the number, you know, higher than, I mean than the other years.

But overall in the five or even longer terms that we see the operation phase it - I mean we - so within a percentage I think that's the overall purpose that we are actually talking about here so I'd just like to add to that point. Thank you.

Erika Mann: Okay. I think we can conclude the discussion. I see Elliot Noss goes back to his point of 1%. Elliot Noss I don't know if you want funds but I did this for and I evaluated big funds bigger than $100 million. But I know what – and they have portions of $100 million included. If imagine we don't know how this structure will look like. We have no idea how long it will run. We have no idea if there will be a fund manager which will have a – $100 million is a lot of money.

And you have to structure you have to set up. Will we higher people? Who – will there be a full fund manager which we have to hire. Will this be outsourced? I just - 1% I don't think so you can run a structure like this over many years for this 1% I mean just with my little experience in this field so I would caution there. But can you all please give us show the – Elliot Noss do you want to say something?

Elliot Noss: Yes.

Erika Mann: Elliot Noss please.

Elliot Noss: Briefly if I could. I completely agree with what you said Erika. You know, I want you to understand that where I'm coming from is, you know, first of all I'm in favor or I'm strongly opposed to this being something that goes on for years. I am strongly in favor of this being a one of project to give away the sum of money full stop, to not have a foundation to not institutionalize it. And all I'm saying is that's a possibility too. And in that possibility 1% is a lot.

So I agree completely that those questions are open, that we as a group are the ones who are going to answer those questions. I think there's good arguments on both sides. And, you know, the point I only want to get out there is not to argue for 1% in the letter. Remember I've said, you know, multiple times now I'm completely in favor of Marika's language. But to say that there was a very real set of outcomes where that would indeed be a lot of money.

Erika Mann: (Unintelligible) fully understood. Good point Elliot Noss. And it's an alternative which might come out. You're absolutely right. So let's do the following. Marika please read the language again and then I recommend to you that we resend the letter to you with this new language Marika is reading so you have a chance to read it again. But then I would love and that we can conclude within the next week or maximum next two weeks or (unintelligible) reserve in the next week we can send out the letter. And Marika please would you be so kind to read it again?

Marika Konings: Yes thank you Erika. So this is Marika. I did suggest on the right-hand side a small addition based on Manal Ismail's input so that's edited. The sentence would read several CCWG members/participants did point out however that the overhead costs will depend on the actual mechanism recommended as a result of the CCWG deliberations and may therefore vary from the 5% recommended by the ICANN board.

Erika Mann: As this troubling or concern like the one Elliot Noss raised from the 1% to those who would love to see a higher number mentioned? Is this sufficient flexible for all of you? Asha Hemrajani do you want to make a comment on this one?

Asha Hemrajani: Yes please. I just wanted to make it very clear that the 5% was not to really recommended by the ICANN board but that was because we never intended to say that it should be 5%. It could very well be less than that. So I just want

to make that very clear unless it's misunderstood. That was just a figure. The 5% came from...

Erika Mann: (Unintelligible).

((Crosstalk))

Asha Hemrajani: ...is a typical figured that I have seen in other large foundations and that's where it came from. And it's not really meant to be a recommendation as such as in it has to be that figure. Thank you.

Erika Mann: No that's understood. That's well understood Asha Hemrajani but thank you for mentioning. Elliot Noss is this an old hand?

Elliot Noss: No that's my agree again. It's not a hand.

Erika Mann: Thank you. Oh I didn't see this one. Thank you. And this is the same then for (Marine) and the same for (Peter)? Okay thank you so much.

So then what we will do Marika we will put this in the draft letter and we will resend the letter again to everybody and give us some time. Will a week will this be fine for you? I know many – you have many calls in the moment everybody. Do you think you can manage to come back to us within a week? Okay let's do this. Is there any other point you would love to raise in relation to this letter? If not I saw you took it away your hand. Okay fine.

Okay let's move on to the next point then. Can we get this up? Okay Marika be so kind and give us a quick overview about this agenda point please.

Marika Konings: Yes thank you very much Erika. This is Marika. So this is a graphic you've already seen in previous meetings. We've made a small update based on the conversations during the last call. And this is now also the basis for the updated workplan which we'll go to next which we basically you see here the

numbers which the title is phase is for now which are different steps within the process of dealing with the charter questions that has been discussed and is proposed. So we're currently in phase one doing the initial run through of the charter question to have an initial assessment of, you know, what our, you know potential viewpoints on this question.

And, you know, are these daily questions? Are these questions that need to be addressed before we can actually go into a Phase 3? Is there any clarifications required and what kind of expertise is potentially needed to address or deliberate on the questions?

And one of the additional steps that was added based on our recent conversations is step two through the initial run through there may be a determination that there are certain charter questions that may need to be dealt with before we can actually start compiling the different mechanisms or may actually inform step three if there's a clearer idea of where the group stands in relation to some questions. And I think one question that has already been flagged is in relation to, you know, an overall objective or purpose of the - of this effort.

Then we would go into Step three which would be actually compiling the list of possible mechanisms that could be considered for each of those mechanisms then having the characteristics strengths weaknesses and also reviewing those from the perspective of legal fiduciary and audit constraints. And then one additional step that you can see in the workplan here is that has been suggested as a result of leadership conversations so at the end of that phase it might be helpful to involve some of the experts that we have already identified or that may need to be identified and that are actually working in these mechanisms or in examples of these mechanisms that are identified so that a conversation can take place and a confirmation as well that the information that the CCWG has compiled especially as well with regards to the strengths and weaknesses is accurate and can then hopefully inform the deliberations as part of Step 4.

So in Step 4 the CCWG would then review the mechanisms that happen are gathered and make a determinations, their determination which of those deemed to be most suitable to further explore also in view of the initial deliberations that took place in Step 1 and 2 and would take those mechanisms and then do a more deep dive as part of Step 5 answering the different charter questions from the perspective of that specific mechanism or mechanisms that have been selected at that stage because we noted before as well that it's likely going to be an iterative process because it's a very or it's a very possible that as part of that deeper dive into charter questions there may be a realization that, you know, certain mechanisms may not be suitable or not as suitable as was originally determined and there may be a need to review some of the other mechanisms identified in further detail.

When we get to the end of that process hopefully there will be a clear front runner and consensus around what mechanism should be recommended as well as detailed responses to each of the charter questions and meeting the legal and fiduciary and no other constraints have been identified. And that would then be published for public comment as part of an initial report.

So if I can add and briefly pull up the related workplan I'm just trying to see where that is. Here we go. So basically the workplan and you see highlighted in bold language there the timeframe currently set aside for the different phases. Have to note here and it's also of course noted in the status and noted of course a lot of it this is dependent on how quickly or how slowly the CCWG goes through these different phases. So there were definitely be a need to adjust and update the workplan as work progresses.

I also made a note for example on the Phase 3 and Phase 2. Maybe there's a possibility there to have some of that overlap or run in parallel. May be some work on mapping different mechanisms and just listing characteristics could already be done well the CCWG is addressing some of the questions that have been identified as needing a response and before we can usually really

deep dive into the different mechanisms and evaluate them on which ones are most suitable for further consideration.

And you'll note here as well that we have added an additional meeting to our usual schedule. We do need to confirm with (Xavier) that he is available but we had earlier on identified that it would be helpful to have a briefing on audit requirements. So there's a proposal here to add an additional meeting on 15 June for that specific briefing to have it focus on that topic. So we're awaiting a confirmation from (Xavier) but we're hoping that that is something that will work with everyone's schedule but of course it will also be recorded and transcribed for those may not be able to be at the meeting.

So working through the different phases and again I've developed the work plan again on the notion that or may be a desire or objective to have an initial report by the end of the year. Again this is an artificial deadline. There is no external deadline or no guidance that has been provided by chartering organizations at this stage by when work needs to be completed.

So it is really up to the CCWG to determine whether you think that is a realistic or desirable deadline for publication of initial report.

At some point through your work you may need to have a conversation around whether indeed you need to adjust the end post or whether there is a need for (unintelligible) to change sequence of work. We are currently working on the call every two weeks if the group is determined to meet the end of year deadline.

But you are realizing that more time may be needed for deliberations. There is always the ability of course to increase frequency of calls or explore different mechanisms by which work can be sped up.

So I think this is what is currently on the table for you to review and provide your input on. I think especially comments with regards to overall timing. Are

we allocating too little? Too much time? Is the end of the year goal is that too ambitious? And should it already be pushed further out?

Is it just something that we will monitor on an ongoing basis? And again if there are any steps that need to be taken in between and I already pointed out this initial or this additional stuff at the end of Phase 3 of consultation with experts which has been included here currently slotted for 24 of August.

If there are any other of those kinds of additional steps that should be reflected here of course those are very welcome as well.

So I think I will stop there and if there are any comments or questions happy to take those.

Erika Mann: Thank you Marika. As Marika rightly mentioned that it would be wonderful if you would review this. You don't have to do it today. I mean it would be good if you would send us comments by email.

And if you think it is either too fast or it is a month which is maybe too much burden with meetings. Like August could be a month where many are holiday. It would be good to give us the signal.

And then you see when we have our discussion with Marika and Ching we recommended to include the in Phase 3 the meeting, call meeting with experts. Because I think it would be good to listen to various (unintelligible) managers how they run their organization and what they think about the setup of our potential structure and what they would recommend to us.

This is in a moment schedule for one day we might have to offer one call. This might be not sufficient so we might have to schedule another one. So keep this in mind.

Review the list and let us know first off what you think about the current proposal. And if you already have additional remarks or additional comments you would like to make.

I am checking in a moment. There is nobody who raised their hand. I give you a second and there is no (unintelligible) in the chat room or is there one? Let me check.

No not really. (Abdul) is that a hand or a deleted hand? I somehow can't see on the screen the little remark next to a raised hand. I don't know why it is not showing on my computer.

Okay Marika then let's send this out again by email and we can come back to it in two weeks times again. Depending on the comments we receive from members. Is this going to work for everybody?

Okay then Marika why don't we move to the next charter and question. You still have 20 minutes which is wonderful so maybe we can even finish within the hour so that everybody would love to join the other call is then free.

Can you go to Point 4 and 5 to the two chartering questions?

Marika Konings: Yes so this is Marika. Thank you. I am just putting up the template for Charter Question 5. As you may all recall during the last meeting we spent quite some time on going through the templates for Charter Questions 1 and 3.

Those were also circulated to the list but I didn't see any further input or comments on those. We did post – we have created a separate page on the wiki page where we are posting these templates.

Of course at any point you believe any information is missing there or further details need to be added you are free to suggest that.

The Google Doc is still open as well for those that want to provide initial input on these charter questions. And that is where of course we will take most of the information from. So you also encouraged to go there and any input you want to provide so that it comes up in the template.

As noted before as well we are going through the charter questions and the breakdown that we discussed early on where a set of questions has been identified as being more focused on legal and structure. And then the other set of questions that are more scope related.

So I am just running through these in that order and that is why it is not sequentially but it is basically based on the breakdown that was developed as a result of that.

So Charter Question 5 reads, what conflicts of interest provisions and procedures need to be put in place as part of this framework for fund allocation?

And then here you see captured and again this is a summary you are all encouraged to review the full details of the input that has been provided by CCWG participants and members. So I have aimed here to summarize it to a certain extent and my apologies if I didn't do a good job in that.

But some of the feedback that was provided as well as in response. One person commented, I do not foresee any issue whereby an individual would raise a conflict of interest in their participation and they are advocating a funding priority versus another since the group works on consensus.

And (unintelligible) the person knows there should be very strict provisions in place (unintelligible) fund is considered for a specific organization. In case the process implies and selection of projects or organizations.

People in organizations in charge of the review should be strictly independent from applicants and committed to high standards of ethics to prevent lobbying, et cetera. The scope of external audits of the process should include this aspect of the process.

Someone else noted as well that the conflict of interest might apply at the final stage during the final funding allocations. And for that final process this comment suggests that individuals should not be eligible to apply for funding. Only legal entities.

Independent selection committees that represent different stakeholders and regions are an important step to ensuring a neutrality. The ICANN board should focus on ways to ratify decisions made through the selection committees that are independent and not to be part of the selection as processed.

Statement of many possible conflicts related to the project shall be public and part of the project submitted to be funded.

A way forward to both reducing the risk of conflict of interest and getting enough grant in organizations could be the following. CCWG member participants could all nominate one or two capable non-profit charity organizations that could potentially help sub granting.

After that all nominated organizations are invited to issue a proposal how they would sub grant ICANN's funds and what their track record is. And CCWG member participants qualify proposals on capability and nominate a selection of capable sub granting organizations to the board.

And again in looking at the responses here I think you will see very clearly that this also relates to the previous conversation that of course it will depend on the mechanism.

To be able to determine what conflict of interest procedures are maybe necessary, required or nice to have I think several different examples have been suggested here.

So in order which this question to be dealt with. As noted this of course is highly dependent on the mechanism that is to be recommended. So it is likely that depending on the mechanism different requirements need to be put in place.

Although there may be certain baselines that will require for – regardless of what mechanism is chosen. And again it is probably a more detailed conversation the CCWG may need to have.

I didn't see any sub questions or clarifications needed or that were pointed out and I listed here as some of the expertise that may be needed that legal and judiciary requirements. As well as audit requirements that have already been listed here in one of the comments provided.

So this is all the information I was able to capture at this stage. The input has been provided so happy soon to open the floor and have people chime in.

Erika Mann: Thank you Marika. As always excellent work. Ching please.

Ching Chiao: Thank you Erika and thank you as always Marika for putting this together. I just saw in your last point is on the sub question or clarification (unintelligible). So I will probably send no later but I would like to point out the initial response in terms of the decision made through the selection committees.

So I am just probably I am not at least for myself I am not really clear about the selection committee how this gets, you know, portrayed and how at least the working group will see this.

Are we going to work on the rules for the selection committee to set up the rules for selecting those who will be serving the selection council. So I will probably send out a note later and maybe take that as a sub question to this charter question. But like you pointed that out. Thanks.

Erika Mann: Perfect Ching. Thanks so much Ching. I mean keep in mind these are various parameters which were mentioned in this initial response which came to us. So there might be not all coherent. Anybody else who would love to make a comment on this point?

Marika Konings: This is Marika. I could maybe respond to Ching's question. This is Marika.

Erika Mann: Marika go ahead.

Marika Konings: Ching already made the point as well. I think indeed these are of course the response are pulled out to that specific question. But if you actually look at the overall document you see that many actually – there is a story.

So someone initially has recommended that there should be a separate fund created. Their responses then to the other questions are likely in line with that initial recommendation of creating a separate fund for example.

So I think in this specific case and I just quickly looked back. It is (Sylvia) who unfortunately couldn't join us today on the call who spoke about the selection committee.

So it may be worth looking back at the different responses that (Sylvia) has provided in that document to have a better understanding of what she means with the selection committees and how she would see that fitting in.

Or it may be on a specific question to her of course to provide further details on that. But it may already be captured in some of her other responses.

Ching Chiao: Yes got it. Thanks a lot Marika.

Marika Konings: Yes.

Erika Mann: And (unintelligible) for everybody because I mean it is so easy to forget
                   sometimes the purpose of these chartering questions. At the end of this long
                   summary with the various bullet points Marika made. There is one
                   (unintelligible) which is called order in which this question gelled with.

                   Response to this question will be partly dependent on mechanism that is
                   recommended. See also input provided by board and clarifications requested
                   by CCWG.

                   I think we will have to come under Point 5 and chartering question like all the
                   others to and understanding what are the most important priorities for us as
                   we go to this particular topic.

                   And then I think we will have more clarification about how we want to frame it
                   and what we would really love to recommend.

                   I don't see anybody else making comments. Nothing in the chat room
                   neither. Okay Marika this seems to be clear. And we are sending this out
                   again. So let's move to the next item which is the next chartering question.

Marika Konings: Yes this is Marika. So just pulling up the next template. And as I have noted
                   before we have created a separate wiki page in which we are posting all
                   these templates. So at any point you can go back there and find a template.
                   And again if there are any further comments or input that people want to
                   provide.

                   And I think as well like we are currently discussing as well some initial
                   responses. If people have thoughts on that or they believe that certain

approaches or potential responses are not covered here that you do believe are important to have, document it.

So once the group dives into the more in-depth deliberation at least those different options are listed. Please feel free to share that.

So Charter Question 7 asks, should ICANN oversee the qualification and evaluation of proposals or delegate or coordinate with another entity including for example a foundation created for this purpose?

So some of the responses that were provided were if that is what the board wants then yes. Somehow it will depend on the trust in and (unintelligible) of the strategic plan given to the grand agency, i.e. if the safeguard and criteria are good enough then ICANN may lift with post-funding decisions reporting only.

Second person noted that in order to avoid risk, reputational integrity, legal risk affecting ICANN's operations in the future given that the stability and security are paramount in its mission. Relying on another entity may be preferable.

It will be preferable to limit ICANN's board and staff involvement, avoid undue influence and conflict of interest, integrity issues and other potential legal risks.

Strong criteria, sufficient safeguards and transparent processes that are informed to the community should be in place.

And then lastly, ICANN should not deal with thousands of proposals itself since there is a tremendous effort that requires many new employees that can hardly do the work that will incur huge overhead costs and many months to get started and experience.

ICANN should make use of approximately 25 existing non-profit charity organizations around the globe with the right capabilities and track records.

We have noted in the order in which this question needs to be dealt with that this is possibly a (unintelligible) question as a yes/no answer would determine to a certain extent which mechanism would require further consideration.

So again this is probably a point where it would be helpful to have the members and participants weigh in on. Because it is indeed determined that this is the question would need to be answered before determination can be made of which mechanisms are most promising to meet the objectives.

This may be a question that will need to be dealt with ahead of time.

Erika Mann: Indeed. Thank you so much Marika. Elliot Noss I see your hand is up.

Elliot Noss: Thank you. I feel there is some confusion here on the use of ICANN as we sometimes get. You know some people were making comments in relation to ICANN staff. You know where I feel that this really is about ICANN community.

I would note that most of the ccTLDs who engage in these programs certainly in the (unintelligible) program is using what I would call community volunteers.

You know at a minimum want that contemplated in here. So you know it should be clear that one of the possible outcomes that it is volunteers from the ICANN community.

You know I think that would be relatively easy to find. I think there are lots of people. I would certainly say I would consider myself one of them who would consider it an honor to invest time and effort reviewing proposals.

And there are two other comments I would want to make there. The first is that, you know, I think that we are going to be dealing with here at submission as essentially a gating item in our process here.

You know I think that it is here in submission it will have two implications. I think first it will significantly limit the number of proposals. Maybe not that will get submitted but certainly that will get through a first gate which will naturally be (unintelligible) submission.

So I think that would immediately because of the narrow construction of admission that we are dealing with that will immediately significantly limit the number of proposals that really have to have a lot of time spent on the time and effort.

And the second thing about that (unintelligible) submission is that I also believe that that would virtually preclude using some outside group, you know, here I am thinking about a couple of references.

But the 25 existing non-profit charity organizations around the globe with the right capabilities and track record. You know I think that we are talking about a very narrow set of proposals that really can be considered in the way that the rules are being dictated to us.

And because of that it will be very difficult to go outside the ICANN community and the broad construction of the term because it will be very difficult for people with little or no experience in this community to be able to apply that filter. Thank you.

Erika Mann: Thank you Elliot Noss. Alan Greenberg please next.

Alan Greenberg: Yes two things. On a minor maybe minor nit. The first bullet says if that is what the board wants then yes. But I think the question asked is in either or. So I am not sure yes is an appropriate answer to it.

On the specifics. I don't think the answer is as clear as Elliot Noss is implying. Number one, if you use volunteers there is a really major problem of consistency. We don't know how many applications we are talking about.

Since haven't decided are we only looking at projects, you know, over $5 million in which case we are clearly limiting the number of projects we have. And it may be down to a viable number.

Or if we are looking at smaller projects we can end up with thousands upon thousands of them. And I just don't believe we are going to use volunteer labor and be able to do the job consistently and effectively.

So I think we have a lot of decisions to make before we get to the stage of deciding are we outsourcing or are we building the capacity in-house and whether it is a capacity for a year or for 10 years? It still means billed.

So I think we have a lot of questions to answer and I don't even think we should be having the discussion of the merits of outsourcing versus doing it ourselves until we have some idea of the kinds of things that are within the range that we want to consider. Thank you.

Erika Mann: Yes it is a tough environment. Asha Hemrajani please.

Asha Hemrajani: Thank you Erika. Just a very quick point I want to say I agree with (Allan's) first point on this question. It was an either/or. So it is not what the board wants. Alan Greenberg was spot on. Thank you for spotting that Alan Greenberg. Thanks.

Erika Mann: I think we might have a tiny misunderstanding here. These bullet points reflect different responses we have received from different CCWG participants in this group.

So this is just a loose summary and no coherence in what you see in front of you. Like you rightly pointed out all of you that now we have to make up our mind and we have to work on a kind of understanding.

What is the preference which we have with regard to the various topics either mentioned here on these bullet points or additional points which are coming up like what Elliot Noss recommended?

Concern raised by Alan Greenberg or (Tristy) made a recommendation with regard to a potential foundation. So we will have to get a closer understanding and my preference would be that we take these initial responses and all other recommendations you do have we have to put this all together in a document.

And then we have to discuss it one by one. We have the work plan. Remember what Marika just presented. We have the work plan with the different time tables attached to it. So we will have to give this in particular at this point the Charter Question 7 sufficient time.

And Marika maybe you can reevaluate it again and see that we have enough time to discuss this topic. So then next step – Marika what is the next step? Do we want to receive more input probably from colleagues which mentioned different topics already now?

And if we do so what would be the time table we have available? Can you just touch on this briefly?

Marika Konings: Yes this is Marika. What I can already do is captured on the right side some of the notes and points that were made. So I can already integrate those into the template and then circulate that out again to the group. So you can add any other further points or comments you want to make.

And as I said, we will then post that on the wiki page. If there is a need to come back to it at the next meeting and that is also of course an option. But again I think to the point of the order.

If people believe that this is indeed a question that needs to be dealt with at least preliminary agreement needs to be found on what the response is before we can actually go into Step 3 and 4 is of course a question that will come back as part of Stage 2 and more time will be dedicated to answering that specific question then.

Erika Mann: We then do the following – in the email which we will send to you back after this call we will attach these two charter Questions 5 and 7 and would recommend that in particular with Point 7 any recommendation you want to make in addition to what you see already captured in these bullet points.

So they have this together as a kind of list and then in the next call in two weeks I think we should review Charter Question 7 again and we then can get a clearer understanding between if you want to build the kind of hierarchy.

And then once we have such kind of hierarchy in case we can agree on one. We then can find a way to frame it in a better way so that we know, you know, what is the best solution maybe for this environment.

Alan Greenberg I see your hand. Is this an old hand or a new one?

Alan Greenberg: No that was a new hand. I was just going to point out that when I pointed out that the answer if that is what the board wants and yes does not really make any sense. I understood it was something that someone said. I suggest we go back to them.

They clearly misread the question and to include that as one of the answers I don't think is helpful. They may well have something salient to say if they understand the question was an either/or.

So I think we should either exclude it or make sure that it says what they wanted it to say. Because right now it doesn't make a lot of sense. Thank you.

Erika Mann: Yes you are absolutely right. So Marika we look at this again. We either delete it or if we mention the context probably deleting is not taking anything away from the rest of the text. But we have to check this.

And then Ching is making additional comment about the legal and judiciary constraints which we are certainly (unintelligible) relation to the mission statement.

I mean these are all the guiding principles which we already have in place but it is good to keep this in mind when we talk about Charter Question 7.

So the idea is we sent out an email to you like we do each time afterwards. And then Charter Questions 5 and 7 will be attached. Plus the work plan. Send us all additional comments you want to make in relation to Charter Question 7.

And there is a side debate at the moment about experts. So Marika put in the link to the expert as far as we have kept (unintelligible) already. And I see that some are making comments that not all experts are mentioned in here. Please send us the experts which you have in mind as well so that we can start putting a list together.

If you have their telephone numbers and their contact details it would be great if you put attach them as well. Then it makes it easier for everybody for in particular for Marika to work on this topic.

Any other final comments with regards to Charter Question 7? Marika is there something which I have forgotten to mention?

Marika Konings: No Erika this is Marika. I just wanted to highlight indeed the point you made on the experts. As you may recall in the beginning we started a Google Doc in which working group members and participants were asked to identify potential external experts that could be consulted at some point in time.

And then as you already (unintelligible) pointed out that we also did a survey amongst the membership and participants of the CCWG to assess what expertise is available within the CCWG.

So I will make an effort now to put those two together so we have kind of an inventory of expertise and of course the Google Doc is still open as well. So if there are any other external experts that you think at some point may need to be consulted or specific questions can be asked to.

We at least have already that information available. So I just wanted to make clear where that stands.

Erika Mann: Sorry for hurrying you so much today. But I know that many colleagues have to join another call urgently. Let me remind you just about our next upcoming call if there are no other points you would love to raise. Next call is on May 11th at 14:00 UTC.

Any other point? No? Then thank you all so much. Again apologies for this quick call. Thanks for understanding it and have a good rest of week. Thank you so much Marika in particular for all the great prep work.

Marika Konings: Thank you.

Man: Thank you Erika and thank you Marika.

Woman: Thanks all. Bye.

Man: Thanks bye bye.

Woman: Bye.

Woman: Thank you again the meeting has been adjourned. Operator please stop the recordings for us and disconnect all remaining lines. Have a great day everyone.

END