

isms for further consideration – 13 November 2017

Information below has been derived from the brainstorming session that took place at ICANN60 in Abu Dhabi. To review the full feed see <https://docs.google.com/document/d/1lilXNBowHooDiR1AyxF9ckA8ZRO1Gphx9rQLBZcXgMo/edit>. The below represents a finalized version with further analysis conducted on the questions that need to be addressed by experts and/or the CCWG.

<p>What would be the most important criteria for you to consider when selecting a mechanism (e.g. cost, level of complexity)?</p>	<p>Criteria related to creation / set up of mechanism</p>	<p>Questions (for experts / CCWG)</p>
	<ul style="list-style-type: none"> • Cost of setting up / implementing mechanism • Ease of implementation • One-off mechanism (when auction proceeds have run out, the mechanism is able to sunset) • Knowledge of ICANN’s mission • Engagement of stakeholders • Meeting fiduciary requirements <p>Running of the mechanism</p> <ul style="list-style-type: none"> • Administrative complexity • Transparency & Accountability 	<ul style="list-style-type: none"> • What are the expected costs for setting up each of the mechanisms? These may need to be specifically defined, but could be in a comparative form (e.g. most expensive / least expensive)? • What is the expected ease of setting up a mechanism? It may not be possible to specifically define this, but could be in a comparative form (e.g. easiest to implement / most difficult to implement)? • What is needed to ensure mechanism can be exercised? • How is knowledge of ICANN’s mission expected to be determined / measured? • What level of engagement is desirable? • Which mechanism meets fiduciary requirements best? • What is the expected administrative complexity of each mechanism? It may not be possible to specifically define this, but could be in a comparative form (e.g. most administratively complex, least administratively complex) • What are the criteria for measuring

	<ul style="list-style-type: none"> • Ensure appropriate balance of control (e.g. between ICANN and external entity) • Oversight and decision-making dependency • Cost of running the mechanism (e.g. overhead, operating costs) <p>Fund allocation</p> <ul style="list-style-type: none"> • Efficiency of grant allocation • Ensure that applications can be received and considered from different communities and parts of the world 	<p>transparency & accountability?</p> <ul style="list-style-type: none"> • What is considered the appropriate balance? • What is considered appropriate oversight and decision-making dependency? • What are the expected costs of running the mechanism? It may not be possible to specifically define this, but could be in comparative form (most expensive, least expensive)? • What are considered criteria to measure efficiency of grant allocation? • What requirements need to be in place to ensure that applications can be received and considered from different communities and parts of the world?
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mechanism #1	<i>New ICANN Proceeds Allocation Department Created as part of ICANN Org</i>	
description	This department would be part of ICANN Org and take full responsibility for solicitation and evaluation proposals, and disbursement process, in accordance with the recommendations of the CCWG	
Key questions and/or concerns for experts	<p>Budget / Costs</p> <ol style="list-style-type: none"> 1. What mechanisms must be in place to separate budget management, as the auction proceeds are supposed to be separated from the operational budget? 2. Will department staff be paid by ICANN or by proceeds fund? 3. How much would it cost to set up this mechanism? 	<p>Responses</p>

- Role of the Community**
4. How does community come into these?
 5. What input would community have in staffing?
- Set up**
6. Since it is a temporary usage, must it really be a formal department?
 7. What separation would be in place? Similar to that how the IANA Department has now been set up?
 8. What mechanisms need to be in place to ensure external oversight / governance? E.g. Require external governance / non-exec directors / trustees in majority?
- Staffing**
9. Would department employees be considered ICANN employees and have similar working conditions / salaries?
 10. What are average fund manager / grant officer salaries in the industry?
 11. How many people needed for an effort of this nature?

What are the general pros of this mechanism?

[These are verbatim from the input received during the F2F session. The idea is that once above questions answered, these pros will be updated to reflect facts and figures obtained]

Easier incorporation into ICANN community processes/meetings, coordination with other units/departments of ICANN. Maybe will be a good thing in terms of logistics/finance/legal/comms support but not sure about the management of the costs associated with that support as that is supposed to be separated from the operational budget

Keep the department internal and controlled under ICANN Bylaws

Less costly

Long term resource capital

Experience in the industry and possible application of funds

Knows how ICANN works

	<p>An in-house situation if it is accessible and transparent</p> <p>This supports better resource management</p> <p>Cheap</p> <p>Retains communities involvement</p> <p>Fine control over project work plan</p> <p>Less new infrastructure needed</p> <p>Reduces oversight costs</p> <p>Minimize costs / overhead</p>
<p>What are the general cons of this mechanism?</p>	<p><i>[These are verbatim from the input received during the F2F session. The idea is that once above question answered, these cons will be updated to reflect facts and figures obtained]</i></p> <p>Starting everything from scratch might be costly and require a lot of effort</p> <p>Cost</p> <p>Resources</p> <p>I like the internal idea but not necessarily a department as I don't think that is necessary</p> <p>Permanent department for temporary tasks</p> <p>I do not support this mechanism - cost implication may be too high and the fund may be unnecessarily on overhead</p> <p>Hiring new staff training of staff, lack of independence, not supporting it</p> <p>ICANN would become a giant</p> <p>ICANN would become a big organization</p> <p>Costly</p> <p>Take time to set up</p> <p>Learning curve for grant-making</p> <p>Don't create a permanent department for a one-time situation</p> <p>Not benefiting of external expertise</p> <p>Less accountable as the process is fully internal</p> <p>Perceptions of this being less transparent or undue influence</p> <p>Costing of staff</p> <p>Too complex a set-up for a one-time exercise. people will have to be "let go" eventually.</p> <p>Beneficiaries become / see themselves as dependent on ICANN; become "client" supporters for ICANN politically.</p> <p>Issues of trust (can be mitigated with external directors or oversight)</p> <p>Expensive</p> <p>Inefficient</p>

	<p>Lack of expertise</p> <p>The risk might probably be less strategic capabilities be ?</p> <p>Danger of too much of the funds or an ever expanding portion of the funds needed for admin. This needs to be controlled.</p> <p>Community concerns about ICANN vs. community priorities would be an issue.</p> <p>Title problems for IPAD</p> <p>CCWG Team must be in charge with ICANN staff support</p>
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mechanism #2	<i>New ICANN Proceeds Allocation Department Created as part of ICANN Org which would work in collaboration with an existing charitable organization(s).</i>
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description	Responsibilities for solicitation and evaluation of proposals, and disbursement process would be split between the newly created department and the existing charitable organization(s).
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Key questions and/or issues for experts	<ol style="list-style-type: none"> 1. What mechanisms would need to be in place to ensure coordination between ICANN Org Department and existing charitable organization(s)? 2. What would be the benefits to working in collaboration with other organisations, if any? 3. Are there examples of this type of hybrid model that have been used in other contexts? 	Responses

What are the general pros of this mechanism?	<p><i>[These are verbatim from the input received during the F2F session. The idea is that once above questions answered, these pros will be updated to reflect facts and figures obtained]</i></p> <p>this could be a display of multistakeholderism in action. Collaboration is not easy, but it is the spirit of the community and how the Internet was built. Community consultation, community engagement.</p> <p>Independence from ICANN constituencies</p> <p>Can have more control</p> <p>ICANN can steer Org away from wrong decisions</p> <p>ICANN can build partnership with other organisation: networking</p> <p>Existing non-profits have experience to help getting started</p> <p>Benefiting of external expertise</p>
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What are the general cons of this mechanism?	<p><i>[These are verbatim from the input received during the F2F session. The idea is that once above questions answered, these cons will be updated to reflect facts and figures obtained]</i></p>
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	<p>Collaboration and coordination take time and effort, as trust gets built</p> <p>Do not do this. It created unnecessary overhead. Keep it simple</p> <p>Why creating a permanent department for a temporary structure?</p> <p>TM problem with iPad</p> <p>ICANN might over-influence Org in decisions</p> <p>Split decisions and multi-org priorities may cause delays and blocks to get projects underway</p> <p>Permanent org for a temporary task?</p> <p>I do not support: easy of implementation</p> <p>Over-influence of ICANN</p> <p>Possibly means extra staff costs</p> <p>Over influence of ICANN</p> <p>Lack of sufficient coordination between the 2 parts</p> <p>Extra ICANN org staffing costs (where is the money coming from?)</p> <p>Work duplication</p> <p>Costs</p> <p>Multi-layer, too many departments</p>
<p>ould be the role of the charitable organization(s) in this ism?</p>	<p><i>[To be further considered by the CCWG]</i></p> <p>Depending on experience and capacity, an assessment of what can an organization can bring to the table could be implemented. Clear roles and deliverables will be needed.</p> <p>Do the actual selection of who gets funds</p> <p>Central organisations that know how to do this</p> <p>Decide which people and organisations get their projects funded</p> <p>Everything that ICANN does not know how to do: application process, provide application platform, due diligence and contract signing</p> <p>Oversee reporting</p> <p>None, it will create overcharge</p>
<p>ould be the role of the .NN Proceeds on Department created of ICANN Org</p>	<p><i>[To be further considered by the CCWG]</i></p> <p>I think the role should be on legal/contracts with recipients, financial management and support for disbursements mostly and to coordinate with the implementation partners.</p> <p>New ICANN CCW team with staff (ICANN) support working with existing charitable organisation</p> <p>Support the org in the selection process</p> <p>Inefficient. Should leverage the existing 3rd party expertise</p> <p>Selecting appropriate organisations + monitoring, selecting, operating</p> <p>ICANN is free at doing things that are not within its area of expertise (grant-making)</p>

Oversight, extra check to make sure no cannotread

mechanism #3	<i>A new structure would be created (e.g. ICANN foundation)</i>	
description	A new structure would be created separate of ICANN Org which would be responsible for solicitation and evaluation of proposals, and disbursement process, in accordance with the recommendations of the CC	
Key questions and/or issues for experts	<p>Set up</p> <ol style="list-style-type: none">1. How would independence from ICANN be guaranteed while at the same time ensuring that legal and fiduciary constraints are met?2. What criteria would need to be established to guide the selection of location/jurisdiction for a new structure? <p>Costs</p> <ol style="list-style-type: none">3. What costs would be involved in creating such a structure as well as overhead expected to run such a structure? <p>Running of structure</p> <ol style="list-style-type: none">4. Who would oversee and/or control this structure? What would be the role of ICANN management?5. How can responsiveness to stakeholders be ensured?	Responses
What are the general pros of this mechanism?	<p><i>[These are verbatim from the input received during the F2F session. The idea is that once above questions are answered, these pros will be updated to reflect facts and figures obtained]</i></p> <p>Probably only to take full credit of the operation, but as with credit it will also have to take all the responsibility</p> <p>Potential other funding coming in (not from ICANN TLD)</p> <p>Transparency & accountability to ICANN.org</p> <p>Cost effective</p> <p>Can be located in a neutral jurisdiction</p> <p>Benefiting from external expertise</p>	

	<p>Sole focused on funding</p> <p>Experience focus on purpose</p> <p>Simply to oversee. Will follow guiding principles for managing of the funds.</p> <p>Would this be efficient. If so, oversight would be easier.</p>
What are the general cons of this mechanism?	<p><i>[These are verbatim from the input received during the F2F session. The idea is that once above question answered, these cons will be updated to reflect facts and figures obtained]</i></p> <p>Starting everything from scratch might be costly and require a lot of effort</p> <p>Costs. A new body of administrators that need to be paid.</p> <p>Addition of complexity</p> <p>Costly</p> <p>Lack of future involvement of internal management that make ICANN totally dependent to external</p> <p>High overhead: opportunity costs, admin costs, complexity, make work</p> <p>Too complicated</p> <p>Mission creep Kingdom building</p> <p>Not just mission creep, this is mission gallop, extra costs and overhead</p>
Comment	<p>Unless there is a reason to believe that this effort will be recurring, please don't do this</p> <p>An ICANN foundation taking into account the ICANN needs but "put" under an existing foundation who take care of the process. Example AFNIC foundation under foundation de France.</p>

Mechanism #4	<i>An established entity/entities (e.g. foundation or fund) are used (ICANN would organize the oversight of processes to ensure mission and fiduciary duties are met)</i>	
Description	An established entity / entities (e.g. foundation or fund) would be responsible for solicitation and evaluation proposals, and disbursement process, in accordance with the recommendations of the CCWG.	
Key questions and/or issues for experts	<p>Selection</p> <ol style="list-style-type: none"> 1. Which process(es) could be used to determine which entity/entities are suitable? 2. How to ensure that entity/entities goals align with that of ICANN and usage of funds? 3. What criteria should be part of a selection process? E.g. location, access. <p>Oversight / enforcement</p>	

	<p>4. What contractual obligations would need to be established with ICANN to ensure compliance with legal and fiduciary requirements and adherence to other requirements?</p> <p>5. How to avoid duplication of oversight as presumably entity/entities will have their own oversight mechanisms in place?</p> <p>6. What oversight mechanisms need to be in place?</p>	
<p>What are the general pros of this mechanism?</p>	<p><i>[These are verbatim from the input received during the F2F session. The idea is that once above questions answered, these pros will be updated to reflect facts and figures obtained]</i></p> <p>Build on experience, already recognized</p> <p>Most use of \$ for good, least overhead. Leverage existing expertise.</p> <p>Can get to work quickly</p> <p>Does not have high associated cost related to hiring and legal proceeds (as opposed to ICANN foundation)</p> <p>Benefit of established</p> <p>Cheaper settings</p> <p>Faster process</p> <p>Well established external expertise</p> <p>Oversighted by internal expert of ICANN which ensures compliance of proper functioning of the established entity</p> <p>Best by far</p> <p>Could be less expensive and get ? that have IC ? experience</p> <p>Perceptions of higher transparency</p> <p>Expertise of entity/entities in grant-making and grant-making processes</p> <p>Independent</p> <p>Independent of ICANN</p>	
<p>What are the general cons of this mechanism?</p>	<p><i>[These are verbatim from the input received during the F2F session. The idea is that once above questions answered, these pros will be updated to reflect facts and figures obtained]</i></p> <p>Tailoring/adapting to ICANN</p> <p>Lack of knowledge of purpose</p> <p>Not clear how to set and agree on priorities</p> <p>Fiduciary responsibilities will require double oversight +1</p> <p>We will have a very difficult time agreeing on the chosen entity (even with a good RFP)</p> <p>Conflicts of interest with funds ideas for usage</p>	

	<p>ICANN not experienced in monitoring external organization</p> <p>Lose communities input</p> <p>ICANN needs to supervise closely</p> <p>Controlling this entity / oversight etc. might be a challenge</p> <p>Overhead costs, waste extra admin</p> <p>Loss of direction</p> <p>Inefficiency</p> <p>Costly</p> <p>? long term involvement of internal expertise</p> <p>Will add overcosts to the structure</p> <p>Additional cost</p> <p>This creates extra cost, it may not necessarily ensure consistency with ICANN's mission. May result in back and forth in process</p> <p>Could be more expensive</p> <p>Would external entity have its own priorities?</p>
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