Board Response (for full letter, please see here)	CCWG Current Position	CCWG Notes/Discussion	Proposed resolution
Regarding the Proposed Preamble as well as the Proposed Objectives, the Board has concerns about the potential focus on the concept of the "open and interoperable Internet," while not being clear on how the other guidelines laid out in the Preamble should be viewed and how the concept is to be applied. The Preamble also creates potential inconsistencies with the Objectives and ICANN's mission. Because of these potential inconsistencies, there is the possibility that the Preamble presents more questions than it answers, and could result in confusion during the application and selection phase, ultimately resulting in challenges against selection process. Anything that reduces potential vagueness and inconsistency should be done, and we are happy to help as desired.	The objective of the Preamble is to offer overarching guidance for the review and selection of projects to which auction proceeds from the ICANN new gTLD program may be allocated.		
Some examples of areas of vagueness or inconsistency between and among the Preamble and Objectives include:	Funded projects are required to be in alignment with ICANN's		

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• Is "benefit[ing] the open an interoperable Internet" to be considered only through the lens of whether there is a "creat[ion of] social and economic values . . . that will create benefits for the Internet community."? • Is there a test that something serves the "open and interoperable Internet" only if it provides "opportunities [] to participate, innovate and compete without impediments"? How is "compet[ition] without impediments" to be considered when the Bylaws state that one of ICANN's core values is "[i]ntroducing and promoting competition in the registration of domain names where practicable and beneficial to the public interest as identified through the bottom-up, multistakeholder policy development process"? Is	mission statement1 and core principles, which are the basis for ICANN's U.S. tax-exempt status, and therefore must be in areas that are relevant to and support ICANN's mission statement and core principles. ICANN's Mission Statement will therefore set the key parameters for the auction proceeds application and selection process. Members and participants of the Cross Community Working Group Auction Proceeds (CCWG AP) believe nevertheless that it is helpful to put the broader Internet context into consideration. The auction proceeds from the new gTLD program shall be used to support projects that are consistent with an "open and interoperable Internet2". The concept of "open and interoperable Internet" can be described from many angles: technological, business, political, social and cultural and may have		

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[1] "The mission of the Internet Corporation for Assigned Names and Numbers ("**ICANN**") is to ensure the stable and secure operation of the Internet's unique identifier systems as described in this Section 1.1(a) (the "**Mission**")." https://www.icann.org/resources/pages/governance/bylaws-en/#article1

[2] The use of this terminology does not imply any support to any other standing use of this terminology.

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this inserting a new test for how ICANN would enhance and promote competition? • Must all of the qualifiers placed into the guideline that selected applications "support an Internet that is stable, scalable, agile, secure, sustainable and ultimately equitably supports open access, future oriented developments, innovation and open standards, for the benefit of the Internet community" be met for each application? • What is the intention of the guideline "Consistent with ICANN's community activities and consensus-building processes"? Does the application need to support activities that are "consistent"? How is this determined? • Must an applicant meet each of the Proposed Objectives, or any one plus consistency with ICANN's mission? Is there any prioritization of the objectives?	different meanings in different communities. This preamble does not provide a definitive description, as the Internet continues to evolve at every level. However, the CCWG believes that, at a technical level, the IP routing and numbering systems, the Domain Name System, the root server system, as well as the development of open standards, have historically served an open and interoperable Internet because of the opportunities they have provided to participate, innovate and compete without impediments. Therefore, the CCWG considers the following to be important guidelines for the review and selection of applications seeking auction proceeds funding: - The purpose of an application must be aligned with ICANN's mission and core principles - Consistent with ICANN's community activities and consensus-building		

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• As "benefiting the open and interoperable Internet" is a broader scope than the ICANN Mission is, isn't there a risk to confuse applicants on what the requests should contribute to?	processes3 - Create social and economic values for an "open and interoperable Internet" that will create benefits for the Internet community. - Support an Internet that is stable, scalable, agile, secure, sustainable and ultimately equitably supports open access, future oriented developments, innovation and open standards, for the benefit of the Internet community.		
We support the development of examples for the purpose of furthering deliberations or for the demonstration of principles. There is a risk, however, in creating a list of examples that will become the list of projects, or the samples within which applicants try to shoe-horn their projects. For instance, the publication of an example of whether a specific organization seeking funds for a specific purpose is within ICANN's			

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3 Note, ICANN's community activities and consensus-building processes that are already funded by ICANN's operating budget are not considered within scope for auction proceeds fund allocation.

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mission could lead that organization to a conclusion that it is entitled to funds if it applies. That is not the role of the CCWG-AP. We see a good value in using examples to help demonstrating a specific point relative to an objective, as an illustrative contribution to the description of an objective. But if examples are provided in a general fashion, they may be taken as directional guidance for applicants, which may create challenges in the evaluation of applications, should decisions appear contradictory with the examples provided. In an ideal world CCWG-AP would use this list of examples as input for the generation of some general guidelines that may be useful in the ultimate mechanism, but would not present the list as a "consensus list of examples" in order to: 1. Be able to fully benefit from the lessons learned from the example projects; 2. Not raise false expectations or pre-emption of funding for specific proposals that may			

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be presented to reflect the example projects.			
The Board also encourages the CCWG-AP, if examples are to be provided for illustrative purposes, to provide additional "negative" examples of projects that would likely not be proper for distribution. Some considerations could include the use of additional qualifiers and explanation, such as whether funds should be available for use to support work that is already being done by other entities.	Small and medium enterprises owned or led by women and youth, indigenous and other excluded communities can be effectively enabled to participate in the global economic community by "demand aggregators" and "supply aggregators" and other "economic-connectors". Examples are Siam Organic and Cambodian - Color Silk.

Although a noble cause, the CCWG does not consider this type of project consistent with ICANN's mission. | | |
| More specifically to the projects presented as examples, our overall observation is that while we agree that some of these are within ICANN's mission, they are perhaps not a good use of funds. In noting whether any of these items are likely within mission, the Board is not endorsing any example as a good allocation of funds. | | | |

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In Example 4, the direct awarding of individual scholarship grants would impose additional regulatory requirements on ICANN to remain in compliance with applicable laws and regulations. If the recommendation is to develop a specific scholarship or fellowship program through which scholarships could be awarded to individuals, that too would impose additional program development costs. Further work and detail would have to done to assure alignment of a scholarship program with ICANN's mission. Example 17 also poses some of the same concerns.	Example 4: 25 women and 25 men from around the world receive full scholarships at 12 different universities to conduct PhD studies on key technical issues around Internet infrastructure development. (As an example of potential impact/benefit of this project: They participate at ICANN meetings during the course of their studies and volunteer to spread their knowledge across the community. Their research is shared with the community. 3 of them are elected for the ICANN board 10 years later, and 5 of them get to serve at high ranking posts across the government and the private sector. They all support ICANN's growth and development and continue to actively contribute to the community. Example 17: ICANN Scholarship endowment fund. For example, X amount of the AP fund allocated to this fund and the incurred interest to support 100 DNS / IP engineers under 30 years old. These people will propose research topics and approved by		

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	an ICANN-sponsored academic committee. The research result will be shared publicly.		
For Example 7, on supporting Internet infrastructure organizations through the provision of generators, chargers, and equipment to maintain local access to the Internet, while it is a very meaningful goal, is likely outside of ICANN's mission. There may be other forms of assistance or education that could be provided that are appropriately funded in alignment with ICANN's mission.	Example 7: A global program to support disaster preparedness / management for Internet infrastructure organizations is structured with support from international organizations, following best practices and encouraging collaboration among the community. (As an example of potential impact/benefit of this project: A disaster hits 3 African nations. The ccTLD, ISPs, and other technical community organizations in the country have mechanisms in place to manage the disaster. They are well coordinated and able to have the Internet up and running very quickly to support first responders to do their work. There are funds available to provide assistance to technical community organizations (not eligible under humanitarian provisions) to receive generators, chargers, equipment and assistance to keep the Internet running.		

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Examples 8 and 9 name specific entities as part of the examples. The entities may not be only actors or organizations in their field. To the extent that examples name specific entities, there must be mechanisms to allow for fair distribution among similarly situated entities.	Example 8: The IETF endowment fund receives a donation (unrestricted gift) to support standards development. Example 9: ISC to receive a donation from the auction pool (unrestricted gift) to support BIND development and maintenance. Although ISC conducts commercial activities to guarantee the development of BIND, the organization is a non-profit one, and revenue is used for sustainability of BIND.		
For Example 10, on grants to support the development of NGOs and Internet Governance Forums, whereas ICANN participates in an supports wider Internet Governance (IG) development as it relates to our mission, it is well beyond ICANN's mission to heavily invest in IG activities.	Example 10: 5 year grants to support the development of NGOs and Internet Governance forums in 100 locations at local, national, regional and global level increases participation at ICANN processes by 35%.		
For Example 11, on projects to improve ease of registration of generic domain names in developing countries, ICANN's role is to ensure stability and security of the DNS by	Example 11: Projects that can improve ease of registration of generic domain names in developing countries, (registration in their own language, payment in local currency, for example) in view of the scarcity of local ICANN		

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facilitating the allocation of names at the top level and to coordinating policy development and implementation. Registration systems development may well facilitate use of the DNS in developing countries, which is clearly worthwhile, but specific support for this may be beyond our mission. We have similar concerns with Example 12 on the development of IXPs.	accredited registrars in many of these nations.		
For Example 13, specifically regarding supporting the work of the W3C on areas of common interest, there may be projects anticipated that are within ICANN's mission and others that are outside of the mission. The Board also reiterates its note that it is not in a position to consider at this time whether any individual organization may appropriately receive funds in alignment with the legal and fiduciary constraints provided to the CCWG-AP previously.	Example 13: Support work done by W3C on areas of common interest. **Horizontal activities** are broadly recognized as an important part of the value of W3C. The following endeavors could be undertaken with more means: ● enhanced Web security and privacy (in conjunction with IETF), ● work on handling Web related IDN and Universal acceptance issues, ● more guidelines and tools for Web and Internet users, ● better education programs on Open Web Standards, ● more open APIs for mobile apps and social network		

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	platform to ensure a strong hyperlink paradigm, ● more involvement in Open standard advocacy, and in solving IPR issues, ● more resources for testing Web standards - critical to providing an open environment		
In Example 18, long term sustainability of the DNS could be within ICANN's mission, however projects would have to be carefully crafted.	Example 18: Investment in long term sustainability of the DNS. Ensure long-term usability and sustainability of DNS across the globe and various existing and future networks (i.e. IoT, blockchain, inter-planetary network, etc.)		