Board Response (for full letter, please see here)	Preamble – to be revised factoring in Board response
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	The purpose of this preamble is to offer overarching guidance for the review and selection of projects to which auction proceeds from the ICANN new gTLD program[1] may be allocated. Funded projects are required to be in service of ICANN's mission statement[2] 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 important to put the broader Internet context into consideration. In addition to being in service of ICANN's mission, the auction proceeds from the new gTLD program shall be used to support projects that are consistent with an "open and interoperable Internet[3]". The concept of "open and interoperable Internet" can be described from many angles: technological, business, political, social and cultural and may have 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 they have allowed, supported and maintained the universality and global reach of the Internet. The objectives and outcomes of the projects funded under this mechanism, should be in agreement with ICANN's efforts for an Internet that is stable, secure, resilient, scalable, and standards-based. Projects are

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[1] The new generic top level domain (gTLD) Program established auctions as a mechanism of last resort to resolve the competition sets between identical or similar terms (strings) for new gTLDs – known as string contention. Most string contentions (approximately 90% of sets scheduled for auction) have been resolved through other means before reaching an auction conducted using ICANN's authorized auction service provider. Any reference in this document to auction proceeds refers to the proceeds derived from auctions conducted using ICANN's authorized auction service provider.

[2] "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

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

potential vagueness and inconsistency should be done, and we are happy to help as desired.	expected to advance work related to open access, future oriented developments, innovation and open standards, for the benefit of the Internet community. Projects addressing diversity, participation and inclusion should strive to deepen informed engagement and participation from developing countries, under-represented communities and all stakeholders. Therefore, the CCWG considers the following to be important guidelines for the review and selection of applications seeking auction proceeds funding: - The purpose of a grant/application should be in service of ICANN's mission and core principles. This means that the objective(s) and outcome(s) outlined in the grant applications **should** clearly demonstrate how they are contributing to the continued growth and development of an "open and interoperable Internet", that will in turn create benefits for the Internet community. - Supportive of ICANN's communities' activities, and consensus building processes.
Some examples of areas of vagueness or inconsistency between and among the Preamble and Objectives include: ● 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,	Therefore, the CCWG considers the following to be important guidelines for the review and selection of applications seeking auction proceeds funding: 1. The purpose of a grant/application **must** be in service of ICANN's mission and core principles 2. The objectives and outcomes of the projects funded under this mechanism, should be in agreement with ICANN's efforts for an Internet that is stable, secure, resilient, scalable, and standards-based. 3. Projects advancing work related to any of the following topics open access, future oriented developments, innovation and open standards, for the benefit of the Internet community are encouraged. 4. Projects addressing diversity, participation and inclusion should strive to deepen informed engagement and participation from developing countries, under-represented communities and all stakeholders. 5. Projects supportive of ICANN's communities' activities are encouraged.

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multistakeholder policy development process"? Is 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?	

• 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?	