Cross-community Working Group on the use of new gTLD Auction Proceeds

Status Update
Auctions are the mechanism of last resort to resolve string contention within the New gTLD Program.

Significant funding has accrued as a result of several auctions – currently $233 million USD.

Community started discussion on how to deal with funds at ICANN 52. Proposed charter for a CCWG submitted to all ICANN SO/ACs prior to ICANN57 and adopted by all subsequently.

CCWG commenced deliberations in January 2017 and has been tasked with developing proposal(s) on mechanism to be developed in order to allocate new gTLD Auction Proceeds.
Goals & Objectives of CCWG

- CCWG tasked with developing proposal(s) for consideration by Chartering Organizations on mechanism to be developed in order to allocate new gTLD Auction Proceeds.

- CCWG also expected to consider the scope of fund allocation, necessary conditions to preserve ICANN’s tax status and how to deal with potential or actual conflicts of interest.

- The CCWG will not make recommendations or determinations with regards to specific funding decisions (i.e. which specific organizations or projects are to be funded or not).
Creation CCWG: milestones

- **March 2015**: GNSO reaches out to discuss a possible CCWG
- **June 2015**: ICANN53: SO/AC Panel High Interest Session and Community Workshop
- **Sept 2015**: Publication of Staff Discussion Paper for Public Comment
- **Feb 2016**: Formation of Drafting Team tasked to develop a proposed charter for a CCWG
- **Nov 2016-Jan 2017**: Adoption of Charter by ASO, ALAC, ccNSO, GAC, GNSO, RSSAC, SSAC
- **Jan 2017**: First meeting of new gTLD Auction Proceeds CCWG
Activity to date

- Review CCWG expertise
- Review draft work plan
- High level review charter questions and order to be addressed

- Briefing on legal and fiduciary constraints
- Briefing on ICANN’s mission
- Review draft work plan

Initial run through charter questions 1, 3, 5, 7
Initial run through charter questions 11, 2, 4, 6, 8
Initial run through charter questions 9, 10
Briefing on audit requirements

Xavier Calvez

Address any charter questions that have been identified requiring a response before commencing the next phase
Deliverables and Reporting

1. Work Plan
   As a first step, CCWG will develop and adopt a work plan and an associated schedule of activity.

2. Initial Report
   The CCWG is expected, at a minimum to publish and Initial Report for public comment.
   Aim: to be published by end 2017

3. Final Report
   The Final Report is to be submitted to the Chartering Organizations for their consideration.

4. Board Consideration
   The Board will consider the Final Report, following adoption by the Chartering Organizations.

5. Reporting
   The Chair(s) of the CCWG shall ensure regular updating of the Chartering Organizations on the progress made.
Development Work Plan

- Reviewing charter questions
- Identifying whether any are gating questions
- Whether any (sub)questions are missing
- Whether any external expertise may be needed to address the charter question
- Mapping out possible timeline for deliberations & delivery of Initial Report
CCWG has broken down its work in 6 phases

1. Initial Run through of all Charter Questions
2. Address any charter questions that need addressing prior to next phase
3. Compile list of possible mechanisms
4. Determine which mechanism(s) demonstrates most potential
5. Answer charter questions for mechanism(s) that demonstrated the most potential.
6. Following consensus on mechanism and responses to charter questions, meeting legal, fiduciary and audit constraints, publish Initial Report for public comment.
Expected Next Steps

**CCWG on New gTLD Auction Proceeds**
Develops initial work plan for CCWG-AP.

Develops proposal(s) within the legal and financial scope:
- Consideration to best practices and evaluation
- Mechanisms of allocation
- Additional Conflict of Interest Considerations

**Publishes Initial Report for Public Comment**

**ICANN Board**
Reviews proposal(s) and considerations of future oversight, including reporting compliance

**Chartering Organizations**
Consider Final Report for adoption

CCWG considers input received in response and updates report accordingly

Submits Final Report to Chartering Organizations for Consideration

**Eventual Mechanism(s)**
Including:
- Evaluation on funding applications
- Publication of results/decision-making
- Decisions on allocation of proceeds

Chartering Organizations Consider Final Report for adoption

Submits Final Report to Chartering Organizations for Consideration
## Further Information

**CCWG CHARTER**: [https://community.icann.org/x/mRuOAw](https://community.icann.org/x/mRuOAw)

**CCWG Workspace**: [https://community.icann.org/x/yJXDAw](https://community.icann.org/x/yJXDAw)

**Review Templates from phase 1**: [https://community.icann.org/x/DJjDAw](https://community.icann.org/x/DJjDAw)

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<tr>
<th>From/To</th>
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<tr>
<td>From ICANN Board</td>
<td>Letter from Steve Crocker (09/03/2017)</td>
<td>Response to ICANN Board from the CCWG (17/04/2017)</td>
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<tr>
<td>To chartering organisations</td>
<td>Work plan (05/06/2017)</td>
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Thank you!

Co-chairs: Erika Mann, Ching Chiao

ccNSO appointed member: Peter Vergote