Affirmation of Commitments

Accountability and Transparency Review Team

Proposed Budget

The Accountability and Transparency Review Team (ATRT) is charged to review ICANN's execution of the commitments contained in paragraph 9.1 of the Affirmation of Commitments (AoC). In paragraph 9.1, ICANN commits to maintain and improve robust mechanisms for public input, accountability, and transparency so as to ensure that the outcomes of its decision-making will reflect the public interest and be accountable to all stakeholders. Upon review of ICANN's execution of commitments, the ATRT will make recommendations concerning the maintenance and improvement of public input, accountability and transparency mechanisms. The ATRT is required to make recommendations to the Board, subject to Public Comment, by December 31, 2010.

The ATRT met for the first time in late April 2010 to begin to organize its work. In order to conduct a meaningful review and to provide constructive, timely and actionable recommendations, the ATRT identified the need to conduct regular work meetings including a series of regular calls and intermittent face-to-face meetings at critical junctures. At the end of its 10 month work program, the ATRT will have held: 16 conference calls; three face-to-face meetings (outside regularly scheduled ICANN meetings); numerous interactions with the ICANN Community and ICANN staff; and maintained a public working email list throughout.

The Affirmation and Transparency Review Team (ATRT) proposed budget includes costs for face-to-face meetings of the ATRT, an Independent Expert as well as communications and administrative support. Costs for face-to-face meetings and an Independent Expert, which constitute the lion share of the proposed budget, are described in greater detail below.

Face-to-Face Meetings

Face-to-Face meetings provide the ATRT team members an opportunity to organize and execute the necessary work streams in order to develop recommendations to the ICANN Board. Face-to-Face meetings provide members, who otherwise have professional work or engagements, to dedicate two full workdays back-to-back to significantly advance work items and to resolve any conflicts concerning the work of the team. The ATRT planned three face-to-face meetings (outside of the two general ICANN meetings) at critical junctures of the overall work streams. The two meetings concurrent with ICANN meetings have minimal effect of the ATRT budget since members of the ATRT who might otherwise require travel funding attend the ICANN meetings as a matter of course.

First face-to-face meeting: An initial meeting was held in Marina del Rey, California in April 2010 to meet with ICANN staff and have an initial information exchange and request for documentation. The

ATRT also scoped out, among other administrative items, conflict of interest policy[1], terms of reference and methodologies to be employed in the review[2], framework of review and key performance indicators[3], ATRT working groups[4] and the role of Independent Experts in the ATRT's work.

Second face-to-face meeting: The ATRT held a face-to-face meeting concurrent with the ICANN meeting in Brussels, Belgium. This face-to-face meeting included significant engagement with the ICANN community as part of the ATRT's data gathering phase. The ATRT also heard presentations from five Independent Expert candidates who responded to the ATRT RFP.[5]

Third face-to-face meeting: The ATRT will have a face-to-face meeting in Beijing, China at the end of August 2010. This meeting coincides with the mid-point of the Independent Expert's work. The Independent Expert's mid-term report will be presented to the ATRT and reviewed by the ATRT for quality and for additional direction, if necessary, to the Independent Expert in the final phase of its work. (The Independent Expert team members will not be traveling to Beijing.) The ATRT will also analyze comments from the Community and discuss the outline of possible recommendations resulting from the work to date.

Fourth face-to-face meeting: The ATRT will have a face-to-face meeting in early October, 2010. This face-to-face meeting will coincide with the conclusion of the Independent Experts work and will involve fulsome discussions with the Independent Expert concerning data collection, analysis and recommendations to the ICANN Board. The ATRT had originally planned for a meeting in Cairo, Egypt but with sensitivity to budget constraints is provisionally planning on a meeting in Washington, D.C. as reflected in the draft budget. The ATRT will have to produce draft recommendations that can be put out for public comment, as required by the AoC, shortly after this face-to-face meeting.

Fifth face-to-face meeting: The ATRT will have a face-to-face meeting concurrent with the ICANN meeting in Cartagena, Colombia. The ATRT will present to the Community and Board its provisional recommendations taking into account public comment received to date. The ATRT will submit final recommendations to the ICANN Board by December 31, 2010 as required by the AoC.

Independent Expert

---

[1] http://mm.icann.org/pipermail/at-review/attachments/20100430/fd8bcd3e/attachment.doc

[2] http://www.icann.org/en/reviews/affirmation/atrt-terms-and-methodology-09jun10-en.pdf

[3] http://www.icann.org/en/reviews/affirmation/atrt-framework-review-11jun10-en.pdf

[4] http://www.icann.org/en/reviews/affirmation/proposed-wg-structure-atrt-06jul10-en.pdf

[5] http://www.icann.org/en/reviews/affirmation/rpf-atrt-02jun10-en.pdf

The ATRT determined that it would engage an independent expert as directed in paragraph 9.1 of the AoC. "The review will be performed by volunteer community members and the review team will be constituted and published for public comment, and will include the following (or their designated nominees): the Chair of the GAC, the Chair of the Board of ICANN, the Assistant Secretary for Communications and Information of the DOC, representatives of the relevant ICANN Advisory Committees and Supporting Organizations *and independent experts*." An important aspect in this decision is the recognition, in the AoC, that the review team is made up of volunteers from the ICANN community. The participation of an Independent Expert brings a third party that has distinct expertise in questions of corporate governance, policy and decision-making processes to bear on the review.

The ATRT published an RfP on June 12, 2010 calling for an Independent Expert to assist the ATRT in its review. In addition to citing the areas of review as identified in paragraph 9.1 of the AoC, the RFP noted, "ICANN is a unique institution, its accountability requirements cannot be captured by reference to familiar types of organizations (e.g., standards body, foundation, international organization, self-regulatory organization, private corporation). This coupled with the tension that naturally can occur between the interests of global Internet users versus those of the stakeholders that participate in ICANN and are directly impacted by its decision-making makes ICANN extremely difficult to benchmark against other entities. In addition, as ICANN has over the years adopted and refined a variety of processes and procedures, the ATRT is not seeking an audit of whether processes and procedures are in place (i.e., a Sarbanes-Oxley audit), but rather a focus on reviewing and assessing the quality of the decision-making as a result of the processes and procedures."

Five candidates were selected from a pool of seven respondents to the RFP. The five candidates made presentations to the ATRT in Brussels and answered questions from the ATRT. The candidates were scored according to a number of criteria with the leading candidate being invited into discussions regarding scope of work and contract negotiations at the end of the Brussels meeting.[6] The leading candidate was asked to reduce its quote and did so by roughly 9%. The Independent Expert will be engaged for a period of six months and will be tasked with data collection (including interviews of key ICANN participants) concerning specific case studies identified by the ICANN Community and selected by the ATRT. The Independent Expert will also be tasked to analyze decisions taken and the processes leading up to decisions as well as other areas covered in paragraph 9.1 of the AoC (e.g. the role of the GAC, public input processes). The Independent Expert will be tasked to identify possible improvements to process and decisional mechanisms based on its data collection and analysis.

Other Budget Items

The ATRT proposed budget includes communications (e.g. conference calls; online conference platforms) and administrative support. Projected costs for these elements are included in the draft budget and more precise estimates are being developed.

---

[6] http://www.icann.org/en/reviews/affirmation/atrt-rfp-respondents-evaluation-19jun10-en.pdf

Approval of Expenditures

All expenditures made by the ATRT will be subject to an approval process. All expenditures of the ATRT must be approved, in writing, by the Chair and Vice Chair and designated as falling within approved items on the adopted Budget. The Chair and Vice Chair will submit approved expenditures to ICANN's Chief Financial Officer (CFO) for review and payment. ICANN's CFO will confirm payment, when made, to the Chair and Vice Chair of the ATRT. Proper records and receipts shall be maintained.