ICANN|ISPCP

Internet Service Providers & Connectivity Providers

Comments on the Initial Report of the New gTLD Auction Proceeds Cross-Community Working Group

Tuesday, 11 December 2018

Of the two preferred mechanisms, the Internet Service Providers and Connectivity Providers Constituency (ISPCP) would support mechanism A, with the following conditions:

- Review of applications for funding to be reviewed by a panel of experts from the ICANN community – one panel member from each of the SO/ACs who did not participate in the Working Group (WG) . There must be new faces, and we should not carry over ex-WG participants. The ICANN Board must also designate two members for this panel. The Review Panel is to receive support from relevant ICANN Org staff. Once program is launched and applications begin to arrive, the Review Panel members receive a monthly stipend to ensure time dedication and fair compensation for their time.

- A professional Project Manager should be assigned by ICANN (with approval of the review panel members) to oversee the implementation of awarded funded initiatives and lead the ICANN Org department dedicated to the administration of allocating funding.

- The ISPCP considers this proposed arrangement as one that preserves all proceedings within the ICANN environment, and avoids the complexities of working with an outside entity.

Concerning other issues, we would comment as follows:

As recommended by the ICANN Board, funds should be allocated in tranches, and not all at once.

Extreme due diligence must be undertaken with every applicant approved for funding, no matter how small the grant may be. Similarly, all funded projects must be closely

audited until completion and verification of results. ICANN may wish to consider evaluation methods to be used for all funded projects thereby ensuring goals for each project were met.

We note that mechanisms A and B are being focused on by the Cross-Community Working Group on Auction Proceeds (CCWG-AP) as preferred options for the operational organization that will undertake management of the Auction Proceeds initiative. Whichever is selected, we would recommend the following be taken into account:

- Extreme care should be taken to ensure adequate oversight is in place, and to ensure that ICANN's fiduciary, tax and legal status are preserved.
- The implementation of the program and subsequent disbursement of funds is conducted in such a manner that ICANN's reputation is not put at risk. This would require very thorough due diligence to be performed on all recipients of auction funds.
- The ISPCP also expresses support for the Board preference calling for the funds to be disbursed in tranches, and not all at a go.
- We also would stress the importance of due oversight of all allocated funds and reporting mechanisms once a project ends, no matter how small the grant may be.

Thank you for the opportunity to participate in this public comment process, and the ISPCP remains available to answer any questions you may have.

Sincerely,

The ISPCP Constituency