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Governmental Advisory Committee

20 January 2025

Tripti Sinha Chair, ICANN Board of Directors

<u>Subject: GAC Response to Proposed Update to Recommendation 7 from the New gTLD</u> Auction Proceeds Cross-Community Working Group

Dear Tripti,

Thank you very much for your 23 December 2024 Letter regarding the proposed update to recommendation 7 from the new gTLD Auction Proceeds CCWG. The GAC thanks the ICANN org and Board for their continued engagement and discussion with the broader ICANN community on how to maintain effective Accountability Mechanisms via the ICANN Bylaws and related Mechanisms. The GAC thanks the Board for its careful review of community input to potential amendments of section 4.1 of the ICANN Bylaws, and for its creative approach to implement the ICANN Grant Program without impacting Accountability Mechanisms within ICANN.

The GAC notes the Board resolutions from 10 November 2024 which were formally approved by the Empowered Community Administration and which are designed as a more narrowly tailored solution, addressing the GAC's stated concerns that the reliance on a general process "creates broader loopholes to fundamental ICANN community expectations regarding the independent review of other ICANN actions that may range beyond the ICANN Grant Program".

The GAC understands that the Board resolutions represent a path to closure of the conversation about the Cross-Community Working Group on New gTLD Auction Proceeds (CCWG-AP) Recommendation 7, and that with this amendment, ICANN's Reconsideration and Independent Review processes will not be available for challenges to decisions to approve or not approve an application to the ICANN Grant Program. The GAC further understands that those exclusions will be formally built into the ICANN Bylaws, without any other modification to either accountability mechanism.

¹ Empowered Community Approval Notice (9 January 2025): https://www.icann.org/en/system/files/correspondence/eca-to-jeffrey-09ian25-en.pdf

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As such, the GAC has no objection to the proposed updated language to the Recommendation 7 from the New gTLD Auction Proceeds Cross-Community Working Group as denoted in the 10 November Board Resolution.

The GAC looks forward to continued discussions with the Board on this topic as needed.

Sincerely,

Nicolas G. Caballero

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Chair, Governmental Advisory Committee (GAC)

Internet Corporation for Assigned Names and Numbers (ICANN)