
Agenda Item 2: CCWG Auction Proceeds

Issues

1. Publication of the Initial Report of the [Cross Community Working Group \(CCWG\) on New gTLD Auction Proceeds](#).
2. Consideration of a possible GAC submission to the Public Comment process on the Initial Report.
3. Development, in due course, of a GAC position as a CCWG Chartering Organisation.

GAC Action Required

Publication of Initial Report

The CCWG is considering mechanisms that could be used to distribute funds from auctions of new gTLDs where there has been contention among parties.

At the time of preparing this brief, the Initial Report was due to be published no later than 8 October 2018. There will be a period for Public Comment.

The CCWG leadership will conduct a session at ICANN 63 to present the report to the community and seek input.

The Report is likely to focus on two possible mechanisms for funds distribution:

1. A new ICANN Proceeds Allocation Department created as part of ICANN Org.
2. A new ICANN Proceeds Allocation Department created as part of ICANN Org which would work in collaboration with an existing charitable organisation.

Other mechanisms may be noted but not proposed for further consideration. These include a new structure (for example an ICANN Foundation) and an established entity with ICANN oversight.

The ICANN Board has recently [provided input](#) to the CCWG stating that:

- ICANN Org does not anticipate applying for funds itself.
- “SO/AC structures that are not legal entities in their own right, independent of the multistakeholder ICANN structure, would be unable to apply for proceeds as they likely do not meet due diligence requirements...”
- “This would not preclude consideration of applications from participants in an SO/AC structure that are also established legal entities outside the multistakeholder model provided:
 - (i) The request does not include an activity or project that is or should be covered by ICANN’s operational budget.
 - (ii) Conflict of interest considerations are met, including but not limited to ensuring that those applying are not part of the evaluation process.
 - (iii) All other application criteria are met.”

Possible GAC submission to Public comment process

The GAC has not yet had substantive discussions on the work of this CCWG.

The GAC may wish to consider working with its appointed members of the CCWG (*Argentina, Iran, India*) to coordinate GAC input.

GAC position as a Chartering Organisation

The precise timeframe within which the GAC will need to consider its position as a Chartering Organisation is not yet clear.

Current Position

The GAC is a Chartering Organisation of this CCWG since its formation in 2016.

Nominated members are *Argentina, India and Iran*. Participants are *Cook Islands*. Observers are *Egypt, CTU and the United States*.

The auction proceeds in question are from contested string sets for new gTLDs conducted by ICANN. Total proceeds to date are \$US233.5 million. The CCWG is considering mechanisms for how to allocate these funds for the benefit of the community.

Further Information

[CCWG wiki space](#)

Document Administration

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