

ICANN Transcription
CCWG Auction Proceeds Working Group
Thursday 26 July 2018 at 1400 UTC

Note: The following is the output of transcribing from an audio recording of the CCWG Auction Proceeds Working Group call on the Thursday 26 July 2018 at 14:00 UTC. Although the transcription is largely accurate, in some cases it is incomplete or inaccurate due to inaudible passages or transcription errors. It is posted as an aid to understanding the proceedings at the meeting, but should not be treated as an authoritative record. The audio is also available at: <https://audio.icann.org/gns0/gns0-new-gtld-auction-proceeds-26jul18-en.mp3>

Adobe Connect Recording: <https://participate.icann.org/p5g0tph2q3h/>

Attendance is on the wiki page: <https://community.icann.org/x/oltHBQ>

The recordings and transcriptions of the calls are posted on the GNSO Master Calendar page: <https://gns0.icann.org/en/group-activities/calendar>

Woman: Recordings have started.

Julie: Great thank you. Good morning, good afternoon, good evening, everyone. Welcome to the CCWG Auction Proceeds Call, held on Thursday the 26 of July, 2018. In the interest of time there will be no roll call. Attendance will be taken by the Adobe Connect Room. And I know we have nobody only on the audio bridge so I'd like to remind all to please state your name before speaking for transcription purposes and please keep your phones and

microphones on mute when not speaking to avoid any background noise.
And with that I'll turn it over to Erika Mann. You may begin.

Erika Mann: Sounds good. Thank you so much (Judy) and welcome to everyone. I hope you're still enjoying the summer time wherever you are and hopefully you're not suffering as much as many of us are doing in the moment in Europe. It's extremely hot that's why I'm saying that.

I have one point for ICANN to the second point and this is concerning (Wanda). You know well (Wanda's) son and (Unintelligible) son died recently, actually last week. And I was wondering if from this group if you would agree if we would send them together -- we don't need to collect the names I will just do it on behalf of our group -- send a card and some flowers to them. In case flowers are not appropriate in the Latin American context I would love to hear this from colleagues from this group who are from Latin America but otherwise I would just love to send both something from our side. I'm pretty sure you all agree but I just wanted to hear if you are fine with it.

I'm seeing (Shou) in the chatroom and we don't have to wait. I don't have to wait to hear back from you now but just put it in the chat room and I will watch it and in case you believe it's not appropriate just please let me know but otherwise I would love to do this.

Okay, so then let's come to point two and just continue in the chat room. Point two, do we have any updates concerning the conflict up in (unintelligible)? Anybody who wants to make a comment please feel free to do so now. Okay, that's not the case then let's move to point three.

This is the discussion of next step of outstanding (questions). And the last call we had a discussion about how we can approach the outstanding (questions) -- which we still have to find a good approach and find a good solution and then we discussed and decided to create a very small sub group. I couldn't be on the sub group because the (call) was arranged on days where I

couldn't join the calls so I'm not able to summarize the questions which were forwarded to you and (imported) so you have seen them already by email. And I would love to ask Emily if she would be so kind just to explain briefly the (unintelligible) selected by this small group and the topics which we will have to discuss in our group and the best solution (forward) to it.

(Maria) can't be with us today. She's on holiday and I'm very grateful for actually for Emily to step into this and to take this on. Emily please be so kind and just introduce the topics and explain the documents which were sent to us by emails and how we shall take this – the group is considering how to take this forward, please.

Emily Barabas: Thank you Erika, this is Emily Barabas from Staff. So, just to take one step back to cover what we did on the last call with respect to this. So, from a number of different channels it's become clear that there are still some questions that this group has that could use some additional (faults) some additional expertise and input and stuff. On the last call mentioned that it began consolidating some of these questions that came up both when we were trying to come up with answers to the charter question. The perspective of the (deter) mechanisms as well as looking at any gaps in the input that we received from experts and also some follow up questions that arose out of (Sarah Burks) original input when she produced that document with sort of an over view of each of the mechanisms from her perspective -- some of the different elements of that.

On that last call we determined that there was some additional work to do to look at those questions, to sort them, to think about who might be the appropriate person to answer those questions. And we got a small group of people together to look at that side of questions and think about possible next steps should they be things that are just discussed in the group, should they be things that are referred for external expertise, should they be questions that ICANN Org might be able to provide additional insight on. And so that was the task of the small group was just to think through some of that.

So, we started to just do that sorting exercise and then Staff sort of took a next step after that in trying to refine the questions a bit. So, what we discovered is that a lot of these questions have different elements and different expertise might be appropriate to address different elements of those. So, we tried to break the questions down a little bit and think about the target audiences and how to frame them so we can get the most out of the responses from external resources from ICANN Org, from the board and so forth. And also think about, you know, what is the right level of specificity to be asking these questions so that we can reach the end goals of the CCWG and kind of get to that report that we're trying to reach.

So, this document you see now -- which was shared on Tuesday -- is the latest (iteration) of that with Staff's attempt to sort of sift through those questions a little bit more. We've done a little bit more work trying to identify the sort of primary targets. And we also discovered that one of the things that might be useful to do is to sort of do this in waves. So, we have a couple of resources that are initially on hand for us and that's ICANN Org and (Sarah Burk) who's you sort of already engaged.

And so, one of the proposals that we have is to kind of take a look at three initial chunks of questions. The first would be ones that the CCWG might immediately have input on or my fields answered already. The second chunk is questions for the ICANN Org to potentially provide input on. And then the third chunk of questions -- potentially if the group agrees with this approach -- is questions that need expertise. The ideas that maybe we initially send them to (Sarah Burk), see what she comes back with - and actually I'll (un-sync) the documents so you can all scroll through. And then to the extent that additional expertise be it legal or other consulting expertise is needed beyond that that then we'd have a more targeted list and sort of understand a little bit better where the additional gaps are.

So, that's the suggested approach. And I think on the call today, you know, we can go through those first questions for CCWG discussion and see if there might be volunteers who might be able to take a stab at drafting responses or if those are things we should just discuss with the group a bit. And then if there's time we can go through some of those questions that we want to work (out) or we can just give people a little bit more time to look at those offline and then ideally, we can get some initial responses before the next call so we can discuss from those responses.

So, I hope that's helpful background. And I think we also wanted to talk a little bit about one of the top issues that's been coming up on the mailing list -- which is related to (sanctions). And I know that there's been some pretty heated discussion on that topic. And we were hoping to have (Sam Eisner) from ICANN Staff on the call to speak a bit more about regulations and laws impacting sanctions and decisions related to that. Unfortunately, she has a conflict for this call and would love to do that on the next call. So, if there's an opportunity to have those conversations on the next call that would be ideal so that she can speak to some of the work that's already been done and some of the research that's already been done specifically with respect to some of the conversations that are work stream to jurisdiction group had.

So, Erika I know you wanted to talk a little bit more about that so maybe I'll pass it back to you to touch on that. Thanks.

Erika Mann: Thank you so much for the introduction Emily. And I see that some of the members of the small group have joined now. I wonder will you have to maybe mention something and talk about the group you have done or if the - I'm sure that Emily (unintelligible) will work but maybe there's something you would love to add and say in addition to what Emily just covered? Just watching if somebody is raising their hands or is making a comment. I'm also seeing he made the comment -- a generally comment. I will look at this Kavouss.

I just returned from a long trip I had and I had to look into family matters so I was a little bit disconnect from our connection and from the emails coming in but I couldn't really respond to it but I had to (unintelligible) from family matter to care about. So, apologies for this. I will look into the emails and if I find it appropriate to answer at a late stage, I will do. And I will come back to the point Emily where you said the last one concerning the sanctions but I just want to hear first if there's something the group members from the small group who worked on the document -- which I find by the way excellent done and really extremely helpful. Anybody who wants to make additional comment or raise an additional question.

Okay, this seems to be not the case then let's look at the way - before we come to the complicated topic about sanctions. And I agree by the way with Emily. I believe we should discuss this when (Summer was up) but we might want to have a first discussion because I know that for some of our members it's a burning topic so it would be good to have short exchange so that everybody can raise their concerns and then we have a better understanding between your group what the discussion is actually about and then we can actually wait to find a solution to it once we have someone on our call which will be hopefully (unintelligible) expert. But so, the point is what the document is and the way - just give me a second I have somebody coming in the room. Do you have to change something?

(Man 1): No, just (unintelligible).

Erika Mann: Oh okay. That's fine. So, the point is that the sub group recommends to have questions which are answered either by us and we should do this today so that we have this (from the table) -- which are questions from the CCWG2 to answer and there are only four questions so I believe we are probably able to answer these questions today and then there's a long list of questions which are recommended to be sent to ICANN Org -- which primarily will go to the legal department and to some degree will have to be answered by finance.

There's one question which goes to the board and then there's a long list which the group is recommending to be sent first to (Sarah Burk) because she's now was working this (unintelligible) and she understands pretty well our environment since she's advising as an independent advisor. ICANN supports her as well so if we go first to her and then if I understood this right, the recommendation is that afterward, after we receive her reply we will evaluate the reply and if we then have further since we believe these are (so) questions that we want to have further information they will then go to other external experts or to outside legal counsel. So, that's the basic idea. And I just get a quick understanding from all of you that you're fine with this idea and can you support it.

Emily just a quick question. Did you discuss as well how much time we will need for the whole group now to evaluate the (methodology) and the way you have targeted different groups with different questions or have you discussed this or can we assume we can do this already today or do we want to leave the replies we can receive from members do we want to leave the window open for another week or for another two weeks? Have you discussed it?

Emily Barabas: Thanks Erika. This is Emily Barabas from Staff. We haven't yet discussed it. I think it partly depends on the initial response of the group if we feel like it's something that we're generally comfortable with and feel comfortable sending it out relatively soon. The advantage of that - so for example if we left it open until this time on Monday we could potentially get responses pretty quickly from (Sarah) and ICANN Org as an initial sort of wave of responses and then potentially go over that on the next call.

If everyone feels that they need more time to think about this approach, to think about the questions, to think about the sorting then obviously that would push us back a bit further. So, it's somewhat up to the group, you know, their level of comfort and how much time people need to review. But, you know, if we want to move quickly I would recommend giving a few more days for

people to take a look at this and then seeing if we might be able to get some initial feedback to help us move forward by the next call. Thanks.

Erika Mann: This is Erika. Thank you so much Emily. I would actually appreciate it if we can move fast because our deadline if we want to come out three weeks ahead of (Barcelona) ICANN meeting. It's pretty tight and we don't want to wait too long. And these are questions so we are able to send them to (cross represent) the questions and the answers we receive after we have received a reply so it's not like the (story) is over once we have received a reply from a particular Organization or person.

So, can I just get a general okay from the group that in principle that some of the topics which we will discuss today that we can wait until Monday until we all have a bit more time to review the document which we have received which was sent to us by Emily and which the small group worked on and then on Monday or latest on Tuesday the leadership will confirm with Emily that we move forward and we (send) this to the group identify and the people identify on this list. Can we agree on this? Perfect. I don't see anybody rejecting it.

So, then before we come to the to the sanction topic I would love just have a quick view about the first question and the first four questions which are the group recommends that the CCWG actually that we do answer them. And Emily can you maybe just guide us through these four questions and maybe read them as well so that everybody can hear it? And if you allow us to use it in the meantime. So, you are in the meantime you're hopefully all are able to screen where you can see the text. I wasn't able to do it until now. Thank you for whoever changed it. Emily, please.

Emily Barabas: Thanks Erika. This is Emily Barabas from Staff again. And just to note that for those who are more comfortable working with Google Docs you can find in the agenda pod the link to the Google Docs version of this document. And you're welcome to insert comments if you'd prefer to comment in that way or you can just follow along in the room here.

So, these are four questions that came up through the different sort of channels that I mentioned earlier. And there are questions that seem like, you know, we can have some initial discussion on now and might be able to come up with some draft answers for. And the first one I think is maybe a good one for us to discuss as we work towards the initial report. And this is a question about what are we aiming at ideally. Are we hoping to get things down where we agree on a single mechanism to recommend in the initial report is it better for all of the mechanisms to be represented with either a ranking system or just pros and cons for additional community input?

So, I don't know if there are initial thoughts on that but maybe we can have a short discussion about that and what the group things. Thanks.

Erika Mann: Yes, thank you Emily. This is Erika. I believe you received one reply from (Wanda Witten) replied where say's saying -- and I might be wrong but this is I remember she said -- so, she's in favor of a ranking indication. I see Marilyn waving her hand. Marilyn, please.

Marilyn Cade: Thanks. I am in favor of a ranking but I think we really need to eliminate Option 4. Everything I've seen including in the retained consultants indicate that that's not really a feasible approach. My only (concern) with working with such entities -- they have their own board, they have their own missions -- modifying it to incorporate it the requirements we're posing does not seem feasible. So, I'd prefer myself, I'd strong prefer Option 2 and 3 but I could support examining Options 1, 2 and 3. Thanks.

Erika Mann: Thank you Marilyn. This is Erika. Somebody else who wants to make a comment concerning this point? Again, we are talking about the question one which is addressed to our group -- the smaller group -- which worked on this recommend that we are approaching and reaching a recommendation concerning the question one single mechanism which we are recommending in the initial report or ranking indication. And Marilyn does not think - her

recommendation to eliminate 4 which would be externalize the (funds) to an outside entity.

So, can I please get some more replies just to have a first indication.

Marilyn Cade: Sorry Erika but it's Marilyn. Can I just be clear? I didn't oppose an outside entity -- which is 3. I oppose an outside entity with preexisting mission and requirements. I just wanted to be clear what my concern was.

Erika Mann: Yes, on the third. Thank you so much. Apologies for not being very clear. Totally agree. So, I'm watching the chat room. (Caroline) is saying that the (salary) recommendation was that the mechanism 4 would be variation of mechanism 2. Okay we don't - not viable. We should at least do a ranking. (John) is saying that - Hadia, I'm not totally sure what you are saying. You may want to modify or explain your point. I don't understand this completely. (John) is supporting Marilyn.

Okay fine, so we all -- I believe -- and I want you to all agree on a ranking -- which would indicate that we favor Number 1 as the strongest support we give and then the second would be the second option and the third would be the third option. And the only things we know we have to talk about is do we exclude the fourth option? I would be fine with this too. We don't have to do it today. We can do this and keep this question open until Monday. But it would be nice if we have an understanding between how we want to deal with the fourth mechanism.

Kavouss is the only one answered at the moment that - Kavouss is saying ranking would be difficult. Kavouss you may want to explain this either now in the chat room or you - oh I see you. You're waiving your hand in the comments you can send to us until next week. (Caroline) is recommending a survey. Yes, we can do a survey too but I believe we have a pretty good understanding already now.

So, let me go to Hadia and then to Kavouss. Hadia, please.

Hadia Elminiawi: I actually don't know why we should actually eliminate the Options even if we find that we (won't) actually go with it because if we do that and we all agree that Number 4 is not the way to go it will be ranked with (this priority). And it won't be considered anyways. So, why do we need to eliminate it from the very beginning? Why don't we just rank our preferences as 1, 2, 3, 4 and definitely the one with the least priority won't be considered. So, I don't know what the advantage is of eliminating this from the very beginning. We'll reach the same conclusion anyway.

Erika Mann: Yes. I mean, Marilyn can talk about it. This is Erika herself, but my point would be if you have something included which you definitely don't consider it is always difficult for public comments than (showing) why do you still have it there if you don't even consider it as a serious Option any longer. We can of course make the point and should do so because we had this debate so we should make the point during the public common period and in the recommendation, we should talk about it that we have it in our list of mechanisms but then we came to the conclusion to eliminate it as a serious Option.

So, there are different ways in doing it. I'm fine with both but I want to have your answers to it. Kavouss, please.

Kavouss Arasteh: Yes, I'm sorry. I don't know what you want to get from the (advantage). For something among the four Options and have these (unintelligible) which we base yourself on the advantage and this advantage. It's a very difficult job. I have been involved in this issue in other matter and always difficult to make a judgement (unintelligible) advantage and there is advantage (unintelligible). It is one hand and the other hand is not (unintelligible) ever having Options but sometimes you have to decide.

This (unintelligible) or this (unintelligible) is now (unintelligible) continues until (unintelligible). We are (giving) too much details. You are asking (unintelligible) which is not (unintelligible) to go too much (unintelligible) on this situation. In the new (unintelligible) we are (unintelligible) that how we use the amount of the (unintelligible) that we go to any time of auction (unintelligible) to the minimum because we are going to eliminate (unintelligible) are the (unintelligible) of this auction. I don't know how much (detail) you want to go.

So, I suggest that perhaps we try to shorten all of these (discussions) and all of these details. (Unintelligible) people wants to talk to each other. There's no problem we want to talk but you want to effectively (unintelligible) views amount of all of these details and could go to some sort of (unintelligible) which is decide on something as soon as possible but not continue. Thank you.

Erika Mann: Thank you Kavouss. I've seen Marilyn here. Marilyn you've withdrawn from your - you raised your hand and then it was gone?

Marilyn Cade: No, (I'm sorry). Thanks, it's Marilyn. I just wanted to clarify -- sorry if I might -- I just wanted to clarify. You know, we need to remember that at least for those of us who are appointed as members we're expected to dwindle down the choices, examine the expert advice, raise expert questions and put forward something that is understandable because when we go out for public comment we have to be clear about what we're proposing and if we're just open ended I will just say I don't feel like the CCWG is doing our jobs. So, the reason I proposed that we move Option 4 to the side is because of the discussion we've had so far and the recognition also by the independent consultant that independent groups would have to make major changes in order to become the distribution mechanism.

I understand that others may want to keep everything open but I just do appeal to us to remember we're supposed to be putting something out from

the CCWG that others can understand without devoting a huge amount of hours we have and to the discussion, the investigation and the examination.

Thanks.

Erika Mann: Thank you Marilyn. Hadia do you want to come back? Was it your hand or an old hand?

((Crosstalk))

Hadia Elminiawi: Yes, I just wanted to say that I personally don't support option number four, and it's actually for most of this group or no one in this group really supports option number four. If there is no one to defend it, then yes; there's no reason to have it. I thought only keep it if some people within our group actually want it and can defend it. But if this is not the case, then yes; let's go and eliminate it.

Erika Mann: Thank you so much. So I do have a feeling that most agree that we should eliminate option four. We still will have to talk about it because it played a role in our discussion, so once we come to implementation we will have to mention it somewhere.

I'm not recommending we make a determination today, but to give us all time to reflect upon it. Shall we eliminate it and shall we not discuss it any further, it would definitely lighten our consideration and discussions which we will have to - and (unintelligible) we need to get from internal and from external experts. So it will make the work a bit easier.

I would agree upon this. I think it's a good idea to eliminate whatever is possible. But I understand if some others want to (unintelligible) keep number four in the list of mechanisms and would then rank it and keep it as number four in the list and would give the explanation once we make the public recommendation of why we keep it as number four. So we have two options to either eliminate it now or keep it in the ranking.

So Emily, the first understanding has (unintelligible) discussions is that definitely the option ranking is the first. And the second is that we have a discussion about (unintelligible) number four. It's a very likely hope that we will already eliminate the point four.

To Kavouss' point, Kavouss, we need to have this discussion. I understand there comes a time when we need to eliminate as much as possible topics from our discussion. And we are very close as you can see from this debate today. So I hope you will be able to support us here.

And moving to the next question then if there's no other topic related to this one. Emily, please; the second question which is recommended to be dealt with by the CCWG group.

Emily Barabas: Thanks Erika; this is Emily Barabas from Staff. And I just wanted to note on that first question and that's really helpful input and that helps us think about where we're headed a bit.

And the idea of potentially identifying some pros and cons is not mutually exclusive with the idea of ranking. So it may be the case that as input comes in from experts and from ICANN Org and so forth that it might be helpful to use that input to identify some pros and cons of the different models so that they're easier to compare as we go through the ranking exercise.

So that's just something to think about a bit more. We don't need to answer that now just as we don't need to eliminate any options now, but it does help us target the next steps.

So the second question on this was to discuss is whether any additional work is needed with respect to charter question five which focuses on defining goals and objectives for the (unintelligible) support.

So noting that quite a lot of work has already been done here and quite a lot of discussion has taken place, for example, the development of the preamble, the list of examples that members spend quite a lot of time working on as well as Preliminary Agreement B -- which was about objectives.

The question here is at this point is there additional work that's needed or have we wrapped up and completed that work for the purposes for the initial report? I'll pass it back you Erika. Thanks.

Erika Mann: Thank you so much, Emily. So what do you believe? Do we need to do some more work here or are we fine with the work that we have done so far?

Keep in mind the preamble is a good document. It has some vagueness and we have a long discussion about it, so there might be some further work needed when we come and actually draft the recommendation. Or we keep it as it is, give it to public comment, and then see what kind of response we receive.

The list of examples is the list. I don't believe there's anything we need to do any further. And please remind me, Emily, about the Preliminary Agreement concerning we and Point B. Would you please be so kind just to remind me about this one, what this was?

Emily Barabas: Sure Erika; this is Emily from Staff. So on the Wiki we have a series of preliminary recommendations related to the charter questions, and just pulling up now the exact language. But we have a couple of preliminary agreements there and one of them is specifically about high-level objectives for the group.

So here it is. The Preliminary Agreement reads, "Specific objectives of new gTLD Auction Proceeds Fund allocation are; benefit the development, distribution, evolution and structures/projects that support the Internet's unique identifier system; benefit capacity building and underserved

populations and benefit the open Internet noting that the definition of open Internet is subject to a separate conversation; new gTLD Auction Proceeds are expected to be allocated in a manner consistent with ICANN's mission. And I'm going to just drop the link to that page so that people can read that as well.

Erika Mann: This is Erika. Thank you, Emily. I give us a few minutes maybe to open the link and to have a quick look at it. I believe that is actually a discussion which we might want to postpone because we already need a little bit more time really to reflect upon this and just to get a better understand.

Are there additional points between what you capture in defining goals and objectives or have we captured them all? So we will need a little bit more time. I hope we can do this -- everybody has the time to do this -- maybe until Monday next week as well just to review in the Wiki. I don't think so. There's a lot of work needed, but I must admit myself. I would love to have some time myself to review it, and I'm pretty sure this is true for all of you.

So can we have an initial discussion about Question 2 or shall we postpone the question and deal with it later? Silvia is saying it's a way to wrap up the work on those two points. It may not be perfect but it really captures the spirit of these long deliberations. Hadia and (Catarina) are typing. Hadia, postpone; (Catarina) is supporting Sylvia.

So I recommending we all review this and we take time until next week -- Monday -- and we weigh what we receive from you. But it's sensible; I agree with Sylvia. It would be good to wrap up this work on the points second so that we can conclude this as well and then we still have time once we draft a recommendation. And when we receive comments back from the public, we will have to review them all again.

Okay, so Emily, I recommend that we send the email out. We are still trying to point out that we will have all this time until next week Monday to send

comments in. And if you would be so kind to put a link in the email as well so that everybody can review the preliminary agreement which John mentioned here and a second point in the list.

Can you do this?

Emily Barabas: Hi Erika, this is Emily Barabas from Staff. We can definitely do that. And if people need more time to think about these four questions, that's okay. So the Monday deadline we were talking about is really just to get the questions out to other groups so that we can get a response quickly. But if people want till, you know, mid-week next week to think about this more or longer, that's okay too.

And it might also be helpful if we have volunteers who might be wanting to step forward and take a stab at looking at the comments that we receive and maybe drafting up a response of whether this is something we need more work on or not. I don't know if we have any volunteers up front. If not, we can just go with the comments approach. But it's always helpful to have a point person who is particularly excited about this question and might want to attempt to answer it. Thanks.

Erika Mann: Thank you so much Emily for the recommendation. My understanding is that, we -- over summer time -- we are all a little bit overburdened with work. And many colleagues in this group are engaged in many different ICANN discussions which are quite complex and complicated sometimes. So I don't want to burden people more than necessary.

So let's take the mid-week next week just to get an understanding between us and then hopefully we can, in our next call, we can come to a conclusion concerning this topic and take point one and two from our agenda.

Question three, Emily, back to you.

Emily Barabas: Thanks Erika; this is Emily Barabas from Staff.

So the third question that we might discuss a little bit today and might want to comment on the list with as well is what does success look like for this program. Is it helpful to answer that to help us sort of get to where we want to be for the initial report?

And a slightly more specific question, are there metrics that should be tracked and reported upon on a regular basis possibly as part of a regular review as a mechanism?

And noting that (Bend) has submitted some comments in response to that question where she works on a few of the program elements that we might want to think about as we develop metrics. So I encourage everyone. I won't read it out loud fully, but I encourage everyone to take a look at that comment.

And I'll turn it back over to you, Erika.

Erika Mann: Thank you Emily. Anybody who wants to make a recommendation concerning this topic?

If you remember, it was particular the external expert -- which we have on our call -- and I remember in particular, but (unintelligible) from the European Investment Bank as well and probably others too have made the point strong that it's extremely important not just to define goals, but to define as well the understanding about how we would define success.

Now since our mission statement is framing to a large degree the funding environment and what can be funded and can't be funded, success might be limited in some degree -- at least in my understanding -- and it will be extremely maybe difficult to define what success means.

Take one example which I'm sure you all approached about as well; I'm approached about it all the time. One example which is pretty easy, let's assume a group defines a concern concerning the room server update and they would come to us. And the outcome of the work would be successful and would ensure that there's even a more stable and even more secure and stable zone environment. Probably the group would call this a success, and the expert who would evaluate the project would probably support their understanding about what success means.

But I would assume it's a quite long time until such a (unintelligible) build and the (unintelligible) updates are done. I don't know how many years they would need but it's probably not a short process.

But certainly success will be defined. If you look into different other examples which we have identified -- training purposes -- success might be hard to define -- definable.

So I wonder how we want to approach this question. I just gave you two examples but there are of course many more. So how do we want to define success, and do we want to define it?

Marilyn, please. Marilyn, you may be on mute.

Marilyn Cade: Okay, thank you Erika; it's Marilyn. I appreciate this question and I appreciate your two examples.

I think that the answer to the question is we may want to provide a requirement that metrics be established and tracked but recognize that different metrics would be needed based on the kinds of grants awarded. So I'm going to add a third example to the two excellent examples you provided.

Hypothetically, if we provided some small grants for engagement by participants from different parts of the stakeholder community to engage in

the ITF, ISOC meetings, the RER meetings, ICANN meetings themselves, those metrics might be based on existing of metrics that the entity has already established.

So just to give an example, ISOC probably has metrics for its ambassador program -- as an example. IGF supporting association has metrics for the small grants to the NRI. So it could be that the metrics - yes we record metrics, but if it's a small grant of under say \$10,000 or something of that nature, the metrics are commiserate with the limited amount of funding that's being given versus when the grant is a couple of hundred thousand or more and it extends over multiple years and has multiple moving parts.

Erika Mann: Thank you Marilyn; it's Erika on the call. I agree with you. I will approach the topic in a similar way. And this house does already, I believe -- the discussion we are having here.

So the first approach would be in saying different sizes of projects and the nature of how projects are defined would determine in some degree the definition of success. It's basically a tangible outcome which is needed -- like in the case of the Root Zone -- several updates as would be tangible either the experts and those who are delivering the (unintelligible) can judge it is a success or it isn't a success. And even failure might be in some cases a success. If you can't -- in certain environment -- if you can't - if you're goal is not always (unintelligible), so one has to be careful.

But yes, in small grants -- which are giving to less tangible outcomes -- it will be much harder and we need to find a pointed way in defining success and then, of course, in defining the matrix which then will support and take on the project. So they probably go hand in hand.

Sylvia, please. I see you are raising your hand.

Sylvia Cadena: Thank you Erika. I hope you can hear me; Sylvia here for the record.

From experience, I guess I will make two comments. First is that being immune to (unintelligible) mechanism, one of the measures of success that could be considered is how the number of applications received, how aligned are those with the objectives initially planned so that means the mechanism is actually responding to what the community was needing in some way. So that can be done through the analysis of the application process. And for that the metrics can be very simple. Or asking in the application process (unintelligible) as complicated as the application process itself.

Then when projects are implemented, I think that what Marilyn was mentioning is very, very important. Also not only in terms of the size or the amount of the grants received, but also in terms of how long the implementation period is. There could be projects that are achieved or extensive but that are manageable and done in six months. And you can review in six months later and you can see what they achieved. In all it might take three or five or even more -- even longer.

So I think it's important to consider that, but at the same time, it's also important to consider that the program we need to have some core and really basic metrics where projects that are apples can be compared with projects that are about pears. Those comparisons can be done basically on, you know, if they, as Nadira mentioned on the Chat. Like if the deliverables match the objectives that they present, if they complete it on time and on budget, you know, things like that, and then based on that, start to capture the story or the lessons or the experiences from the people that were behind the projects. More and more to grant, you know, investment and grant mechanisms, what you see is that what people are valuing more is the (unintelligible) experiences.

So I think that like different spaces for the collection of that data to define what success will look like, and have periods of reflection to actually check on

those and see how the reality of the operations of the program match that initial measure of success. Thank you.

Erika Mann: Thank you so much Sylvia; it's Erika on the call. Nadira is adding that to implementation, there's a need to check the project against the project deliverables; yes. And it depends on the timing. There's a lot of support for what Sylvia just said.

So I think we have an understanding and an agreement how we want to deal with this question. So first we agree that it depends on the project type and then the matrix need to reflect upon the project time, the site and the timing, et cetera.

I don't believe we are required to set up the matrix itself. The only thing they have to make recommendation how such a matrix, what kind of topics shall we include in such a matrix, and how success shall be defined. So I think we have already some good points.

But again, we have time until - I would like us to really follow these questions which are related to us thinking about. Let us give time until maybe Friday next week and really then still have time and in the leadership group to review this and be prepared for our next week's call. So let us give a whole week and receiving comments back. Otherwise we already have some good points which we can embed in our work for next week.

So let us move to the last question which is the question for Emily. Please.

Emily Barabas: Thanks Erika. This is Emily Barabas from Staff. And the final question for us to discuss today and to reflect on is about overhead. And this was Charter Question Eight that specifically speaks to this.

And as Staff tried to do an initial draft of responding to this Charter question from the perspective of the different mechanisms, we noted that there were

quite a lot of views expressed about some of the specifics of overhead and percentages mentioned and so forth -- which is potentially a bit more specifically and a bit more implementation oriented than we need to be initially.

So taking a step back and hoping to get some feedback on higher level principles or guiding ideas that can help determine the appropriate level of overhead under each of the mechanisms.

So if people have initial thoughts that would be great. If people feel like this is something that we need additional input on before we can talk about further, that's also fine. But input on either side is helpful. Thanks.

Erika Mann: Hadia, do you want to comment on this question or is this an old hand?

Hadia Elminiawi: Yes I would like to comment. I just think that (unintelligible) up to the (unintelligible) (unintelligible) mechanism because, definitely and without (unintelligible), overhead (unintelligible) mechanism is (unintelligible). So I don't see how we can (unintelligible) without actually defining the mechanism. Thank you.

Erika Mann: This is Erika. I think we - yes. Only the question is only - I was like you; I was responding internally like you. We can't do this. But actually, remember; we had discussion about this before. So this is only to determine the principles. And it's only (unintelligible) are actually principles where it can apply in determining the level of overhead.

Again, take for example, you have a \$200 million and you only grant money to small projects. Then, of course, automatically, I would assume the overhead -- the administrative overhead -- will increase drastically.

So if you have smaller, yes, you have - and smaller but bigger and longer one in project with a more stable environment, yes. There needs to be more

evaluation if the projects are on time, et cetera, et cetera. But it's a much more predictable and stable environment you can deal with.

So there are certain principles which we might be able to recommend like you could say, for example, we like to limit - I don't know. I'm trying to find an example which is working for a principle. I mean a principle could be, for example, if we would say in general terms, it shall be cost effective. It doesn't say much but at least it's an indication for future evaluators what we mean or what we might mean. So we could say it shall be cost effective, it should allow, should be concluded, but then the given or in the estimated time period. So there may be certain - we can find. But if you believe it's not needed -- and think about it -- we can drop this point if you believe it's not actually justifiable, this fourth point. Okay?

Hadia Elminiawi: Erika, I've asked to (know), cost effective (has put us within) estimated time frame as these things go actually without saying.

And - but the two most important elements here -- which are the mechanisms and also the process -- those are the ones that could guide to principles. Or - and both of these are not actually possible for us, you know, to - because actually we don't say for example that we are only going to fund big projects or small projects or projects that come to us within certain time frame.

So it's -- in my opinion -- it's very different to put principles now. And if we do put some principles those are the principles that actually go without saying. That's my opinion.

Erika Mann: Yes. This is Erika. I'm - I - in principle I agree with you. But I have some thinking about it. And I mean I worked in many funds. So big and large and small and not for profit and professional. Actually they (are) corrective and the - timely. It's -- in each project -- was always a concern.

Of course you have to define then on the limitation of what cost effectiveness actually means in practical terms. But you always have projects which are over - under-estimating the cost or over-estimating and they're creating difficulties for the Administration therefore. But I agree with you.

I am happy to drop it. I mean I have no stake in this. So we can - let's all take a little bit of time on this one. We agree to have time definitely until next week. And then we will conclude the discussion about this topic at our next call in two weeks' time. I think we can get this from our agenda and have it done. But Sylvia, please. I see you here.

Sylvia Cadena: Thank you Erika. I think at your point on the overhead, it's important that as the (group would lean) towards -- if I remember correctly -- the scenario Number One, I think it's very important to keep that percentage.

Or an indication that the group should put that the bigger amount or the larger amount of funds is (related) to the community and not spent on operational and administration issues. So cost effective could be 50 50 let's say. But then I don't know, \$100 million to run \$100 million might be too much.

So in making some comments that we made in the past where we discussed the issues around overhead and talked about how a bank -- if I'm not mistaken -- was talking about just 1% overhead. But it was a very, very large amount that they were managing. So it kind of all depends.

But to just have an indication that it is the desire or the interest of this group to recommend that the larger amount -- portion of the funds -- gets - is diluted out of their auction pool and not spend in overhead as a matter of supporting (unintelligible) development across the world. And the (objectivity) of that as discussed before. Thank you.

Erika Mann: Thank you so much Sylvia. This is Erika. You actually raise a good point, which makes - maybe we need to maybe reflect upon this point in different

ways. Because it's true, Point Four will apply totally different depending on the mechanism.

So for - if you have it - if the future mechanism will be in house in ICANN, the question of course of accountability and (quest) financing between different units might become an issue. So we just maybe should keep this in your mind, that this question becomes more complete once we've start talking about a concrete mechanism instead of an abstract way.

So we leave this open until next week -- Friday -- as well. And hopefully then -- in two weeks' time -- we can conclude the discussion about these four points.

So I would love to come now to the discussion which we -- Emily -- indicated at the beginning about the question what is actually how can we finance -- and can we - our project possibility be financed-- in case sanctions -- government sanctions -- apply to the country of either of our project shall be executed, or somebody from this country is requesting support.

And we had a quite lively discussion by email. I don't think that we want to have this discussion when (Sam) is there. We just want to have a short exchange now so that everybody who maybe was not able to watch email and wasn't able to understand completely the context where the different people who were - argued differently were coming from.

I just want to have a short exchange here. I think we can limit it maybe to 10 minutes. Because we still have to look at the work plan. So - and just one thing I just want to raise here briefly before we come to this point.

And this is just an indication because I see (Becky) and (Martin) are on our roll call. (Becky) and (Martin), please be so kind when you review the - this document, which was sent to you as well. There's a question on Page Three. You see it under "See question for ICANN Board Liaison", so please be so

kind, have a look at this. And if you can come back to us we would appreciate it.

So the discussion which we had -- thank you so much (Martin) -- so the discussion which we had was would it - would there be an option or a model possible that indicates sanctions applied to operators from a particular country who all fall under the list of sanctions. And they're - want to run a project or a project which shall be executed in a country which falls under the list of sanctions. Shall there be a search for a solution?

So I don't know who wants to introduce the topic briefly and then we can maybe have a quick exchange here. And otherwise we have to come back to this question again when (Sam) is with us. So who would want to raise the question and want to make an argument? Hadia followed by Sylvia, please.

Hadia Elminiawi: Hadia. I (will leave) to Sylvia the introduction. But I just want to state my point on this. Definitely solutions are applied for organizations or communities that are subject to some sanctions.

And their (enticement) to solutions. And they might be able to get solutions. However, I think that our role in this group is only that - does not fall within our scope to try to find these solutions now. And the reason I'm saying this for, is this was entitled either, you know, going around a certain hole. Or finding some holes in - so that they can go through.

And actually I don't think that this is our responsibility within this group. Whatever solution we choose -- whether One, Two, Three, or Four -- definitely there were - there will be jurisdictions or laws or something constraining this. Something (unintelligible) controlling this. And I think that we are -- we as a group -- are not entitled to find any solutions not for that.

But afterwards, (unintelligible). So it depends on the case itself, but solution could be found. But for us, from now to determine okay how we are going to go around this, I don't see it, that this falls within our scope. Thank you.

Erika Mann: Thank you Hadia. I don't believe -- it's Erika -- what I have read from the email that somebody was recommending that solutions shall be found. I think there was more a concern and a question was raised. I don't think so somebody was recommending that solutions must be found.

And let's be clear. If you're on a list of US sanctions the - and if it's not clear, the sanction environment only targets particular military or other environments and are excluding certain environments. They're not called - there is no circumvention possible anyhow.

It's just as straightforward as it is. But Sylvia, I see you next on the list.

Sylvia Cadena: Thank you Erika. And thanks. It's Sylvia here for the record. And thank you for clarifying that the comment that I made on the mailing list is not about finding a solution. It's about if this group is going to write a recommendation that backs 100% the mechanism Number One.

And ICANN is in charge of managing this funding. This issue will raise - will be raised by the committee at the Community Information Sessions or when the application process opens. And there are (legality) issues that were probably - or not probably discussed at this point. And that might actually blow in the face of the Board if we don't request an external legal opinion.

I understand that the ICANN staff is very knowledgeable on the way that ICANN manages its own budget. But let's be clear that this is a whole different thing that ICANN has never done before, with budget coming from a different source.

That is (abstain) - put in one different pocket, in one different bucket, that is going to be used in a different way. To the same way that we have request external opinions for a bunch of other issues.

I don't really see the point of not dealing that - the benefit of an external opinion on how -- for example -- the Ford Foundation or the Rockefeller Foundation or larger, bigger, big 501(c)(3) organizations registered in the US manage this issue. And maybe (Samoverg) has some information on it and it's not actually a legal opinion but more around how this is managed in the US.

Of course, sanctions applied. I provided an example based on one of the arguments around sanctions that Australia applied. That those sanctions -- as Erika mentioned -- apply only to military - the military industry in that particular country, in Myanmar.

So Australia candidates in capacity leading in internet development in access, in interconnection, in towers, in gender empowerment projects, all sorts of different things. So sanctions are important to take a look at because those are part of (unintelligible) criteria. And that is part of the objective.

And if having a second opinion that is attached to a recommendation -- if we chose to support and the group recommends scenario Number One -- I think it's our responsibility to offer to the Board also information that might actually put them in a complicated position with the community. And give them some of the answers of how they are going to deliver that.

And it's not about finding a solution. It's about preparing the ground for this mechanism to be well accepted. That was my point. Thank you Erika.

((Crosstalk))

Erika Mann: Thank you so much for....

Woman: Exactly (Julie). And we (unintelligible) to Myanmar. Yes.

Erika Mann: Thank you so much for clarifying the points that really are sometimes very difficult by email actually to have such kind of discussion. And the likelihood that certain points are misunderstood are very, very high.

(John), I'm wondering would you want to make a comment? Because I saw you replying in - by email. So is this a point where you would want to make a comment? Or do you rather prefer until we have another discussion than some is around?

Sorry for putting you on the spot. But I always like doing it so we can have an informed debate. No? Okay. Then Hadia, do you want to add something?

Hadia Elminiawi: I had a quick question just - yes. I had a quick question to Sylvia. So why does she only tie this to mechanism Number One? So what about Two, Three, and Four? Because also such problems could arise from the other mechanisms as well.

We don't know yet. The only thing that we don't know yet. But why is she tying this only to mechanism Number One? How is it - how are the others different? Yes.

Erika Mann: Understood. You want to answer, Sylvia?

Sylvia Cadena: Thank you Erika. Well I guess that even really enforces the idea of having an external legal opinion for the other mechanisms as well. They are all linked to ICANN in some way, because ICANN will be the responsible agent for the management of the funds.

But there are different ways in which each organization -- particularly in different jurisdictions -- manages that. So that is something for consideration,

how you manage that. The point that I made came after (Carolina) made the point about the new or recently announced sanctions to Venezuela, for example.

The list of US sanctioned countries is growing in a very complicated and fast manner, so dealing with this with an organization registered in the US in such a volatile environment, it is important to understand. So that's why I'm asking for an external opinion. Because I don't think that the ICANN staff is in a good place if they are the only ones giving the advice.

The community will ask for an external one at some point. So better to give it now. Thank you.

Erika Mann: Thank you Sylvia. This is Erika. So I have great sympathy for this, because I think we have two points which are really definitely on the list where we need further legal advice.

Not questioning the US law. We all understand the - but there are certain topics one needs to look into. So this would be one, and the other one would be concerning the human rights issue which came up, where I believe there might be particular small legal advice.

I don't think that we are asking for a big opinion. Just a standard practice for law firms. So it's not something complicated or expensive we are asking for. But I recommend the following so that we have an understanding between us. So again, we have time until next week Friday. Send us your comments.

And in the meantime the leadership I believe we will have a quick chat with some. And we will - we'll get an understanding how we can do this. And then we have -- on the next call hopefully -- some can be with us and we can have a more-informed discussion about this topic.

And everything which we - (Sam) can send us in writing ahead of the time and how she - or recommends from the legal team how to approach this topic. It would be good if we can receive this from her ahead of time. Is this an approach we can agree upon?

I would like to - if there's not a new topic raised or somebody wants to raise I'd love to conclude the discussion here. Because I still want to give Emily a little bit of time to summarize the key points which we decided upon today. And then to move to the last item, which is the review of the work plan so that we at least have a few minutes left here.

(Carolina), is this a new topic you want to touch on? Or can we agree upon this? Oh, I see your Yes. Thank you so much. And Kavouss dropped off the list. I assume -- Kavouss -- you're supporting this as well. If you don't, just come back again and then I give you the floor. Otherwise thank you so much. Okay, Emily, back to you.

Emily Barabas: Thanks Erika. This is Emily Barabas from staff. So just to sum up where we are on these questions and next steps.

So for the first few questions -- that are discussion questions for the CCWG -- we're asking everyone to review those questions, share any additional thoughts and reflections by Friday of next week. So a full week to think about that some more.

And then the leadership team will go back with those responses and try to just draft a summary of where we seem to stand. And everyone will have a chance to review that. For the additional questions -- so that's in this document Part B, C, and D, Questions for ICANN Org Input, Questions for Board Input, and Questions for External Expert Input -- we're asking for a slightly quicker turnaround.

So that we can get those questions out and hopefully get responses relatively quickly before - ideally before the next call. So we're asking if you have any comments about those questions - so you don't need to respond to those questions. Just Are they the right questions to ask? Is it okay that they're going to the folks that we're targeting? And we're asking for responses on that on Monday. So that'll be included in the notes.

And we don't - we didn't have time today and it probably would have been quite tedious to go through each and every one of those questions we're suggesting to submit outwards. But there should be an opportunity for everyone to review on their own time and provide input. So I think that's the summary of where we are there.

And just -- as Erika said -- for the sanctions issue, we will have more time to talk about that on the next call. So for the moment, we won't submit any questions externally. We'll have some time to talk about it, to refine what we want to ask and how we want to ask it. And then we'll be able to submit after that.

So I think -- unless anyone has questions or comments about that -- we'll wrap up this item and move on to the next one. I'll just pause for a moment. Okay. This is Emily Barabas from Staff again. And I'm not seeing any comments or questions.

So - although there's still some discussion going on about the sanctions issue. So that's good that people are getting some initial thoughts and ideas out. And we'll make sure also that (Sam) is caught up with everything so that she can get a - hit the ground running on the next call and engage with all of us.

So I'm going to now just bring up the work plan briefly. And this is the proposed timeline that we shared last month. And the main thing to highlight here is that we're going to need to make some adjustments to the work plan,

noting that we're seeking external expertise and ICANN Ord expertise and Board expertise and potentially additional expertise.

And that will obviously push our timelines out a little bit. But noting that that input will help us to rank the mechanism, will help us to identify pros and cons, and finally answer the charter question. So the leadership team will be working on revising that timeline.

And - oh. I just see a comment from (Nadira) who says "Can we consider if some of the proceeds deposited in another country where ICANN has offices, then this would be a way to get around the sanctions for humanitarian reasons?" And (Nadira), I think to be honest my - I am not an attorney and not able to respond to that specific suggestion.

But I think that that's something we can bring up again on the next call. And something that (Sam) can hopefully speak to a bit more. And hopefully we can use that suggestion as well to craft what additional feedback and input we need. But really appreciate the input. And it's helpful that everyone's sort of thinking and brainstorming a bit.

So coming back to the work plan. Yes, essentially we'll be working on revising that. And thinking about how we can still meet our goals, get the work done that we need to get done, and also accommodate the time that it's going to take to get the input we need to have informed answers to some of these questions.

So are there any additional questions about the proposed timeline and work plan?

Erika Mann: Thank you so much Emily for presenting this. I think what we have to do on the leadership team -- and then we need the support of this (group) on our next week call -- when we review it we will have to look at it from the end goal.

So the end goal is to present an initial report three weeks ahead of Barcelona. We shouldn't move away from this deadline. I'm really keen that we keep the deadline. So this means that we then have to add either another call or we just - I find (unintelligible) quite efficient today.

We just push through the agendas and put more into - in our calls. So we just are clear, this is what we want to achieve. So we set ourselves goals, this is what we want to achieve during this call. And we just ensure that we really do it. And only in the worst case scenario we push an item within our next time.

So if we just keep this in mind, that we don't forget this when we have our call -- the leadership call -- we may want to - I don't know when Marika is coming back. So we may have to schedule a call once she is back. All of us together. And then we can do the review of the work plan. If you just put it on our action items so that we don't forget it. Okay.

There are no comments coming in concerning the work plan. I believe we have support. Great. And then we only have to make one announcement, and this is the next call.

Emily, I can't read this small. I know it's in two weeks' time. But if you would be so kind just to read the date and the time. I know it's never changing. But please be so kind to read it.

Emily Barabas: Thanks Erika. This is Emily from Staff. And I'm just looking for it myself. Let's see. It should be - (Julie) do you have that handy? Am I...

((Crosstalk))

Erika Mann: ...in two weeks.

Emily Barabas: ...not looking in the right place?

Erika Mann: Yes.

Emily Barabas: It's - should be two weeks from today. So that's the - that is Thursday the 9th. And we don't rotate times for this group, correct?

Erika Mann: We don't change. It's 14 UTC.

Emily Barabas: So it's the 9th at 14 UTC. Thursday.

Erika Mann: Okay. Okay. Thank you so much Emily. And she - thanks so much for all the great help. And well done Emily for your first time. So was really well executed. Thank you so much. There's one hand raised. Hadia, you have a point?

Hadia Elminiawi: Sorry, the sound break and I didn't hear it. You said the 9th?

((Crosstalk))

Emily Barabas: Hi Hadia...

Erika Mann: Yes. Emily said the 9th. Next...

Emily Barabas: ...Emily from Staff. Yes, that's Thursday the 9th. It's two weeks from today. At the same time, so 14 UTC.

Hadia Elminiawi: Well I just wanted to note my apologies then, because I will be travelling to APRIGF in Vanuatu. So you won't catch me on a plane more likely or sort of I will see if I can join. But will complete my reviews and send information by email if I can't join anything. Thank you.

Erika Mann: Sure. Thank you so much for letting us know. Great. Then I wish everybody have a good time, have a good weekend, and enjoy the summertime as long as it lasts wherever you are. And we back to (Julie). Are you concluding to our - today's call, (Julie)?

(Julie): Yes, thank you very much Erika...

((Crosstalk))

Erika Mann: Thank you so much.

(Julie): So today's call has -- yes -- today's call...

END