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| **Charter Question #2** | As part of this framework, what will be the limitations of fund allocation, factoring in that the funds need to be used in line with ICANN’s mission while at the same time recognising the diversity of communities that ICANN serves? This should include recommendations on how to assess whether the proposed use is aligned with ICANN’s Mission. Furthermore consideration is expected to be given to what safeguards, if any, need to be in place. |
| **Initial Responses (summary – for full responses, see** [**here**](https://docs.google.com/document/d/1QN7zarCr2c-2BVv3pfa6Z5O10pDcgHSIQ5Q3CBdX2WE/edit)**)** | * CCWG should start by describing the various criteria we collectively have in mind as far as judging if a given project is worth the funding by this new DNS agency. For example:   + benefit for the Internet, its shared infrastructure, its users   + level of support of ICANN's mission: improve the stability, security, and global interoperability of the Internet.   + global benefits vs. local benefits (e.g. is this funding going to help all Internet users or just a limited population?)   + is it work for the Internet "common" (i.e. software or services usable by all free of charge - including not paying with your personal information or your personal time avoiding commercial;   + is the beneficiary population served under-represented on the Internet   + long terms benefits vs. short terms results (hence the importance of funding infrastructure oriented things)   + scaling effects: a relatively small funding having rippling benefits on billions of users   + which layer of the Internet does it cover?     - physical (e.g. optic cable, wifi, dsl, router),     - middleware (ip, dns, http, html, etc - required much more details to analyse potential CoI),     - application (search, social platform, content e.g. wikipedia)   + difficulty to get funded by usual granters (such as gov, large foundations, which don't care about the Internet when it's not their enemy).   Once the CCWG has developed a list of criteria, these could be grouped followed by an evaluation and prioritization effort that would determine the goals of the granting agency.   * If funding was to be allocated to support the 3 communities that ICANN serves (domains, number and standards) some generic criteria might apply, but there should be room to add more requirements that are subject matter specific. Funding should be allocated to benefit the Internet but not in a generic way, but closely aligned with ICANN's mission to improve the stability, security, and global interoperability of the Internet. Emphasis should be placed on the need for strong technical focus and the importance to invest in strong, coherent and localized efforts to build technical capacity. Internet networks are as reliable, secure and stable as the capacity of the engineers that manage them can deliver. Funding to support long term benefits vs. short term results will be important, but the current political/investment environment makes difficult to assess and there might be support required for the now/short term problems that might compromise the possibility of a long term benefit. Criteria should be simple, inclusive and offer enough flexibility, so that innovative ideas can fit in. * Clear criteria are the basis for the selection process of projects. Depending on the criteria, different processes could be used to select among applicants. * Assumption that there would be consensus that funds should be used 'for the sake of the Internet'. Not only would this reasonably fit in ICANN's own mission, but the current Internet is at stake due to explosive growth of cybercrime, cyberwarfare, child-abuse, privacy breach, fake-news, net neutrality risks, government taps and censorship, identity theft, etcetera. There is an urgent need to come up with new solutions, that by-the-way generally can be built for relative modest amounts of money. * Funds should be used to strengthen the Internet as a whole, but especially for the DNS and for a strong awareness program of all TLD's. Awareness programs should start with education, which may include a professorship for DNS, promotion of I+D in the Domain name sector. CCWG should also not forget the multicultural and language diversity, which is always a big handicap and costly.   From 11/5 meeting:   * Need to consider magnitude of grants - how big or small limits? Small grants could increase overall overhead so might be less desirable? Not necessarily - there are examples in which this is not an issue (for example .NL foundation). This topic may also get discussed as part of charter question #4. * Relation between proposed uses of funds and ICANN's mission is important - for example, relationship could be required to be demonstrated as part of fund applications. Objectives shouldn't limit / constrain innovative ideas / projects. Shouldn't be limited to what ICANN currently already does. |
| **Order in which this question should be dealt with** | Question will need to be addressed before commencing on phase 3 (“Compile list of possible mechanisms that could be considered by CCWG) as scope & limitations of funding allocation will likely have a determining impact on the response to other charter questions. |
| **Sub-questions or clarifications needed** | This response to this question should not only address the limitations but also focus on the objective / scope of funding allocation. |
| **(External) Expertise required?** | ICANN’s mission  Legal and fiduciary requirements |