
ICANN Transcription
GNSO New gTLD Subsequent Procedures Working Group
Thursday, 26 March 2020 at 03:00 UTC

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JULIE BISLAND:

Good morning, good afternoon, good evening. Welcome to the new gTLD Subsequent Procedures Working Group call on Thursday the 26th of March 2020. In the interest of time, there'll be no roll call. Attendance will be taken by the Zoom room. If you're only on the audio bridge, could you please let yourself be known now?

All right. I would like to remind everyone to please state your name before speaking for the transcription and please keep your phones and microphones on mute when not speaking to avoid background noise. With this, I'll turn it back over to Jeff Neuman. You can begin, Jeff.

JEFF NEUMAN:

Thank you very much. Welcome, everyone. I feel like we just talked yesterday. So it's good to be on the call with you all, and hopefully, everyone is staying safe where they are, and hopefully this situation will pass soon.

Note: The following is the output resulting from transcribing an audio file into a word/text document. Although the transcription is largely accurate, in some cases may be incomplete or inaccurate due to inaudible passages and grammatical corrections. It is posted as an aid to the original audio file, but should not be treated as an authoritative record.

That said, let me just start by seeing if there are any updates to any statements of interest since the last time. Okay, not seeing any hands raised or anything in the chat. Today we're going to talk about applicant support, which means we're going to continue the conversations that we had at ICANN67 on this topic. And I think we had some really good conversations, especially with the GAC on this topic, and it seems like we are aligned very much with the governments and so hopefully this conversation will just be kind of confirming all of the things that we talked about at that meeting. And then if there's time, we'll move on to a fairly difficult topic, I think, applicant freedom of expression. I know it was difficult for us to just work on that section given how—well, when we get to that section, we'll talk about it.

With that said, any questions? I do have one Any Other Business item just to add about future scheduling and the workplan, so if we can just put that under Any Other Business. Is there anything anyone else wants to add under Any Other Business? Okay, I'll ask again around that time, but for now, let's jump into applicant support. You can see the link on the document, and I'm sure one of our policy staff will put it into the chat as well as we put it up.

Now, just a reminder that because this was one of the topics that we discussed at the ICANN meeting, we're generally working off of the PDF document, I believe. It looks like we're in the Google doc, which, either one is fine, but let's stay on the PDF one because the redlines might be confusing. Steve put the redline in the chat.

I think let's stay with the clean version because the redlines may also include some of the other redlines from before the last draft

and so it may get a little confusing, unlike the last topic that we talked about. I don't believe there were any last-minute things that were put into the draft, so working off the clean one should be good.

Okay. So the first item, the first section is just an affirmation with a modification because we just added some italicized text to the end of implementation guideline B from the 2007 policy. So it now reads, "Application fees will be designed to ensure that adequate resources exist to cover the total cost to administer the new gTLD process. Application fees may differ for applicants that qualify for applicant support."

So the reason we added that italicized language is because in previous discussions about fees, we had decided that application fees really would not differ between applicants, except this one circumstance where applicants qualify for applicant support. Okay, any questions on that? I think that's fairly straight forward.

Then the first recommendation is an addition to language that we have for implementation guideline N from the 2007 policy. So the language at the time in 2007 stated that ICANN may put in place a fee reduction scheme for gTLD applicants from economies classified by the UN as least developed. Since then, and even in the 2000 round, our thinking has evolved to not generally be based on geography.

So we'd like to change that to, "The working group recommends that, as was the case in the 2012 round, fee reduction must be available for select applicants who meet evaluation criteria through the applicant support program. In addition, the working

group also recommends that ICANN continue to facilitate nonfinancial assistance, including the provision of pro bono assistance to applicants in need, and then there's a footnote that talks a little bit or references that nonfinancial support.”

So this last sentence that I read is new to the version from what we discussed at ICANN, because what we had at ICANN was just a reference to nonfinancial assistance without the explanatory language of pro bono assistance to applicants in need and without the full footnote.

So I hope this helps explain and clarify what we talked about at the ICANN meeting as far as the nonfinancial support. So I'm going to stop there even though there's more to this paragraph just to make sure that everyone's comfortable with the clarification language we put in.

And then while everyone is thinking, let me just look. Jim has put in the chat, “It's too late now but I'd suggest that if we're to discuss scheduling and other working methods for the working group, those should be at the beginning of a call as opposed to be in Any Other Business, especially if proposed by one of the co-chairs.

Okay, that's good thinking. You know what? If we get through this applicant support and get to go on to the next subject, then we will put it in there for today. So between subjects as opposed to at the very end of the meeting, if that's a little bit better. But I think that, Jim, your suggestion makes a lot of sense.

Okay, so I'm not seeing any questions on the clarification we put in there. So I'm going to continue on with the next sentence. “The

working group believes that the high-level goals and eligibility requirements for the applicant support program remain appropriate. The working group notes however that the applicant support program was not limited to least developed countries in the 2012 round and believes that the program should continue to be open to applicants regardless of their location as long as they meet other program criteria.”

So that’s a long way to coming around to changing the wording of guideline N, which should now state, “ICANN must retain the applicant support program which includes the fee reduction for eligible applicants and facilitate the provision of pro bono, nonfinancial assistance to applicants in need. The revised language updates the original implementation guideline to acknowledge that the applicant support program was in place in the 2012 round.” Second bullet, “Include reference to pro bono nonfinancial assistance in addition to fee reduction.” Then the third bullet, “Eliminate the reference to economies classified by the UN as least developed, as the program is not limited to these applicants.”

So if you're looking at the redline as opposed to the clean version, you'll see that we added the bullet points in there from the last version that you saw. This again really reflects the discussion we had at ICANN67.

Okay, so I just got a note that my microphone is crackling. I think it’s because I’m using the mouse to scroll, so I’m going to turn that off and not do that. Okay, so with that, are there any questions on this first fairly long recommendation? But again, it’s made a little

bit longer because we added that clarification language. Just give a minute for people to digest.

Okay, I'm not seeing any hands raised, so let's go on to recommendation rationale number three. There as only one thing that we need to talk about from this one, which is highlighted. So I'll read it and then we'll talk about that added bracketed language because I don't think we had an extensive conversation about this at ICANN67, although we did mention it.

“The working group recommends expanding scope of financial support provided to applicant support program beneficiaries beyond the application fee to also cover costs such as application writing fees, attorney fees related to the application process.” And this is the part we need to discuss, “And ongoing ICANN registry level fees.”

So there was discussion on this at ICANN67. I believe Kristine had indicated that this was not supported by the Registries Stakeholder Group, if I'm remembering correctly, and then a few people also raised some questions. So I want to open it up to continue that conversation. I don't know if Kristine's on. Okay, Kristine is not on. Audio is still choppy. Okay. Let's just try it. if it gets really bad, I'll switch to phone.

So there's no conversation. Okay. [inaudible] on the phone. I think Justine's asking for the rationale. From my recollection—and someone can jump in if I'm misstating this, but I believe—no, let me not even do that because Donna has her hand raised. Donna, please go ahead.

DONNA AUSTIN: Thanks, Jeff. I think one of the concerns that Kristine had is certainly the Registries Stakeholder Group position was not to support any kind of fee waiver, but I think there was also the view that this seemed to come out of the blue so we weren't really sure how it ended up as a recommendation. So I think that was the concern as well.

I think from a—I can't really speak from a registry perspective, but I think from a Neustar perspective, one of the things that we've always been concerned about is that the ability of anyone that gets support through applicant support must have additional resources so that they can continue to operate the business in a longer term, and fees are part of that. So I don't know if that's helpful to the discussion, but I think that's where Kristine was coming from, that, yes, it was the Registry position that we didn't support it, and also that we thought this would come out of the blue, which is seen to be something new.

JEFF NEUMAN: Yeah. Thanks, Donna. I switched to phone audio, so hopefully that's a little bit better, and you can let me know if it's not. I am not 100% aware where that exactly came from. It must have come from this discussion which is why it's bracketed right now. So I don't think this is something we would have made up, but it seems to—but putting that aside, understand the concerns. And Paul McGrady has done a plus one, having financially dependent registries puts registrants at risk.

Are there any other thoughts? There is ah and raised, I believe. Go ahead.

CHERYL LANGDON-ORR: It's only me, Jeff. It's all right. Yeah, we do note that it's bracketed, and I think it's important that we have this discussion. We did hear [inaudible] during our Work Track work, and I'm disappointed that I don't seem to have any of the leadership team from that Work Track on the call today, so that's an unfortunate amount of timing. Gee, if it may be a matter of allowing a little bit of e-mail traffic if need be.

But when we did it through the Work Track, the discussions there and with the community, which we had quite a lot of community interaction on this topic at several ICANN meetings with several of at least the advisory committees, we did hear that this is kind of—not a deal breaker but [inaudible] point in a few people's minds, but it was not to be scoffed at in terms of the viability, sustainability, etc. of an emerging registry.

Going back in history, the discussion that the regional joint applicant support working group had, we recognized the importance of the financial sustainability here. We heard the same criticisms and concerns when we did that work originally. But what we ended up agreeing with was that whilst a viable and sustainable concern may not have the startup funds, especially in an underserved or emerging area, [community of interest] for example, once it had the TLD more secure—for want of a better word—through the application process, that getting funds and allowing financial backers to come in is more likely to occur.

So at that original work, we had carefully noted that the applicant support itself wasn't a problem but the sustainability and ongoing ability to properly fund at whatever level that was, because not all registries are created equal, was something that should be considered. So that was just a history lesson, I just want to make sure that we sort of knew where it came from and where the pins were originally, which was not to have had this bracketed language as part of a recommendation if we were going to [tether] back to the original discussion. But of course, they're having fresh discussions now. Thank you.

JEFF NEUMAN:

Yeah. Thanks, Cheryl. And Steve did point out that there was language in the initial report that also referred to ICANN registry level fees. The other thing that I do recall from those discussions as well is that we've had several registries that have requested fee reductions in various situations, so I think that was—and in fact, those fee reductions in letters that were submitted had asked especially for smaller registries that didn't rely on a financial model of charging for applications. So I don't think this is really out of the blue in terms of a concept.

Now, that doesn't mean we need to accept it at all, but I take a little bit of issue with the comment that if someone needs support obtaining the ICANN fees, that it necessarily means that they can't run a stable registry. Remember also they may be getting pro bono assistance from a technical provider that has the stability factor. So if there's, let's say one of the existing EBERO providers agree to provide the backend registry services at very little charge, again, they may be doing that. That doesn't necessarily mean that

the registry itself is not stable or secure simply because it's getting some pro bono assistance.

So I think that's, again, not in a way to advocate that we have included, it's just to refresh people's recollection about discussions that were had. So Donna, please go ahead.

DONNA AUSTIN:

Thanks, Jeff. I wonder if we can have some discussion around a comment that Paul made that there's a huge conceptual difference between applicant support and the ongoing ICANN registry fees. And I agree with Paul on that. so it's almost, do we have the ability to make that recommendation? Because what we're talking about here is an applicant support program, but not waiving of registry fees or assistance in registry fees from a philosophy—seems to go beyond what we're talking about with applicant support. So I wonder if we can just explore that a little bit.

JEFF NEUMAN:

So let me ask the question—and yes, absolutely, we can explore it. I think we're talking about pro bono assistance as well, including backend operators that would do more than just provide the application but would provide the backend services at discounted or pro bono basis. So I'm not sure it's any different than that. But Paul, go ahead.

PAUL MCGRADY:

Thanks. So I guess part of the conceptual leap that I see here is that what we're really doing is—the initial idea behind this would

be to try to open the door for applicants who otherwise couldn't raise the—just say it out loud, there's a very high ICANN application fee and this is a 500+-page guidebook, it's very complex, you have to hire lawyers. This is not an inexpensive process.

So to help people who've got innovative ideas, hopefully, open a brand-new registry—that's already baked into the system and we're used to that. Whether or not everybody thinks that's a great idea, there doesn't seem to be a lot of pushback on paring it back. But now we're talking about what happens after delegation and whether or not the system should be on an ongoing basis subsidizing registries whose business models don't self-support.

So really, what we're asking ourselves is, hey, should we subsidize getting to market a registry that is otherwise going to fail unless it's subsidized forever? And that to me seems like a pretty straight forward no. I think what we want to do is subsidize applicants to get through the application process that have good, strong business case models for registries that truly innovate that everybody thinks are likely to make it. That's why we do a financial background check. If we didn't care whether or not registry operators are going to be able to keep operating without failing and leaving registrants exposed, we wouldn't bother with that process.

So it just seems really strange to me that we're talking about something that goes past the application phase. Thanks.

JEFF NEUMAN:

Thanks, Paul. If you click on the link that's in the footnote of the previous section, when we were talking about nonfinancial support, that link has a list of providers, a lot of them offering to offer support not just with the application process but with the ongoing operations. And so how is it different to recommend these nonfinancial pro bono services which was offered in the 2012 round which [talks about] ongoing services, how is it different than talking about ongoing registry fees?

Again, I understand the position that we shouldn't subsidize the registry fees, but I don't think it's expanding the scope of what we were talking about. Paul, since that was directed to you, why don't you go ahead?

PAUL MCGRADY:

For sure. And I don't have that link, and I guess I could click on it here and see where it takes me, but are any of these pro bono services ICANN, or are these third parties? I think that's an important question, because if it's third parties not ICANN, and they want to do something good because they see some benefit in the application, maybe they see some sort of innovation or some need that's being met in an underserved region, or whatever their motivation is for being good people, that is terrific. Hooray, good for them, right? And that drives down the cost of running a registry and would perhaps make a model that otherwise wouldn't make it past the financial review.

No problem with third parties who are doing good, but that's not the same thing as saying that ICANN should subsidize registries

that don't have innovative business models that are going to make it on their own and subsidize them forever.

So I guess apples and oranges are both fruit, but other than that, I don't see a lot of overlap here. Thanks.

JEFF NEUMAN:

Thanks, Paul. And fair enough. Yes, the parties that are listed on that website are all third parties and not ICANN. So that is a good distinction. Okay, does anyone else have anything they want to add? I'm just looking at the chat. Cheryl states that the matter of sustainability and security is of course a concern, Paul. The in-kind support is a key factor here, third parties.

Right, and then Justine said, "But ICANN should also have an interest in ASP registries succeeding beyond the application process." Donna, go ahead.

DONNA AUSTIN:

Thanks, Jeff. I'm struggling with what Justine just said, that ICANN should have an interest in succeeding beyond the application process and whether that equates to money or not. And Justine, this is just for background information, but the registries have had conversations with ICANN GDD staff in the past, and a lot of these conversations were, "Give us back some of the excess fees in terms of a fee reduction for a period of time," pointing to some of those things that Jeff mentioned, that some of the smaller registries might be struggling.

ICANN has always pretty consistently pushed back on this and said it's not our job to hold up a registry. If it's failing, that's not our problem. So I don't necessarily hold with the argument that it's ICANN's responsibility. I think this goes back to what Paul has said about the business model. It has to be a sound business model that sets a really good case that they understand the business that they're getting into, and then I think, to Cheryl's point about in-kind support, that's where that funding that they need access to for maybe a two- or three-year period to keep them afloat until they're successful, I think it's that in-kind stuff. So I don't hold the view that it's ICANN's responsibility to keep an applicant support applicant alive, it's their responsibility to do that based on the business case they've put forward.

JEFF NEUMAN:

Yeah. Thanks, Donna. And that is correct in terms of the registries, the letters that have gone back and forth. It was all in terms of the excess fees and so that is an important consideration. Also, it's important, Cheryl just put in here—and then I'll go to Greg—that this issue was considered all the way back from the original JAS working group—and JAS is the joint applicant support working group—report. Go ahead, Greg.

GREG SHATAN:

Thanks. I'm sympathetic with Justine's statement, but I agree with Donna and Paul that financial sustainability is not something that—ICANN has to be very interested in that, but should not be contributing to it. There's a difference between the huge sunk cost of getting through the application process and the running costs of

a registry operator. The applicant support process is just that, it's to get over that big hurdle. I'm in favor of other supports for registries, understanding that not every registry is going to be equally sophisticated, and I think there's already a fair amount of support, but anything more in-kind support, help, tips and tricks, whatever it might be, joining the Registries Stakeholder Group, you name it. There should be ways to be interested in their success in terms of providing them with nonfinancial support, but I think that the applicant support is a one-shot process in my mind. It's just not registry support and should not turn into registry support.

The one question that a registry should answer no matter what their business model is or their non-business model or their nonprofit model is, can you keep the lights on? And if the answer is, "Yeah, if you give me some money," then that is a wrong answer. Thanks.

JEFF NEUMAN:

Okay. Thanks. And I think Justine's next comment on the chat is, "But ASP registry should be an exceptional group." I understand the concerns against. In the spirit of compromise, would folks in opposition find the suggestion of limiting this support to a specific period amenable?"

And one thing I'd just add for context—and I remember we got this into the registry agreement—is just a note that the fees don't start until the TLD is delegated. But since that time of the registry agreement, there was the added name collision requirements and some other requirements that made getting off the ground delayed

a little bit longer. I don't know if that has any relevance to anyone. Just thinking about this issue [that if it does,] just to give some more context. Jim states that the NTAG could be viewed as a source of nonfinancial support, but there was no fee to join the NTAG if I recall correctly.

Greg states that revenue doesn't start until a TLD is delegated plus X months. So Greg, is that support of having some limited time period waiver of ICANN fees?

GREG SHATAN: No.

JEFF NEUMAN: No, okay.

GREG SHATAN: No, your point was that the fees don't start until it delegates, but the fees are still coming due before the revenue starts because you're not going to be ... So it still doesn't work, so there still needs to be a minimum sustainability financial model. It's one thing to say, "Yeah, you've got this expenditure of several hundred thousand dollars, we're going to help you get over that," but after that, the rest of it, you should have something in reserve, plus you should have a model that's going to get you hopefully enough second level registrants or potentially other services to get you over that.

If we want to create a special program, it's a whole new program. I see Elaine saying that pioneer programs can happen after contract signing, applicant support should end at contract. I definitely agree applicant support should end at contracting. At that point, they're a registry, not an applicant. If we want to talk about pioneer programs, that's a whole—maybe that is what we're talking about, but to me, that feels like a whole other thing, for the auction proceeds maybe. But I just don't know that we're going to have basically subsidized registries.

It troubles me because the basic minimum thing should be, "Can you be self-sustaining?" It's just like a nonprofit that can't raise enough money to carry out its mission, it asks for money but that's charity. And that's fine, but are we talking about charity here? Why are we doing this?

If they can't guarantee sustainability, then why are they here? Don't they need to go back and think a bit more about how to make this work? And if it doesn't work, then we have a bigger problem with the entire model of small registries, which just sound like failing registries.

JEFF NEUMAN: Jim's got a last comment on this, and then I will propose something to wrap it up. Jim, go ahead.

JIM PRENDERGAST: Thanks, Jeff. If you go back to the 2012 round, there were a lot of unknowns, and I think everybody had visions of grandeur. This go around, I would hope that applicants are a little more attuned to

what the market has done over the last several years and the successes and failures that previous applicants who have gone before them have seen. So one would hope that that would inform not only the decision of applicants but also the decisions of the implementation of this program. Thanks.

JEFF NEUMAN:

Thanks, Jim. So what I would propose, because this language was in the initial report, is either one of two options. We can remove the bracketed language and ask a very specific question on this to say just basically yes or no, and an explanation, should ongoing ICANN registry level fees be included, and get some comments on that. or we just keep the language bracketed. I guess we'd still ask the same question.

So I feel a little uncomfortable taking the language completely out, because most of the comments that we got back to this language of the initial report didn't have an issue with this. So I think at the very minimum, we should ask a question about this. And then the question is whether or not we just have the text omitted or in there for the recommendation.

Jim, is that an old hand or a new one? Okay. Paul, go ahead.

PAUL MCGRADY:

Thanks, Jeff. I guess, help me understand where this sits procedurally. This ongoing ICANN registry level fees, that was not in the last applicant guidebook, right? So I know we're not in a consensus call situation yet, but it seems like you think there's some inertia to keep this, because there wasn't a lot of objection

to it at the public comment period. But I thought somebody earlier said the registry folks were opposed to this. And I'm not saying any one group has a veto, but we're hearing more voices than just the registry folks here saying it's a bad idea. Are we just keeping this on life support? It doesn't look like it's going to survive a consensus call at the end of the day anyway. Thanks.

JEFF NEUMAN:

Yeah, and that may very well be, but yeah, so what we could do, we certainly should ask a question—we certainly should disclose the fact that we've taken it out if we do take it out, and then ask a question about it, yes, because it was only one group that seemed to have an issue with that. So in either case, even if we go without that bracketed language for now, we still should ask the question about it. I think that would be the right thing to do in this case. Greg, go ahead.

GREG SHATAN:

Thanks. I'm just wondering if there were many comments that were actively in support of this concept. It's as much art as science to read comments versus the work of the group and decide where to come down on an issue. But given that our preliminary report was so chock full of [nuts,] that if anybody commented specifically on everything, they probably went to a madhouse.

So I don't know that we can count lack of serious objection as necessarily meaning something should stick in there. Maybe there's some presumption of it. So maybe we take it out but we

ask the question. But I don't think that it stays there out of kind of just the failure to generate comments about it compared to everything else that could be commented about.

JEFF NEUMAN:

Thanks, Greg. That was my suggestion, would be to take the language out to draw people's attention to the fact that it was taken out, and ask a question on it. While we go to Anne, I'm going to ask if ICANN could display the comments. My recollection was that most people just supported the recommendation but didn't parse out the different parts except for the registries. But that, we'll see in these comments. Anne, go ahead.

ANNE AIKMAN-SCALESE:

Thanks, Jeff. I want to go back to something that Cheryl remarked at the beginning of the conversation, which was it really does make sense to respect the comment on the initial report as well as the work of the subgroups, and it's possible that a couple of the people bringing in comments tonight were not involved in that work. I don't have a problem with that because as you know, I'm the one who's always pushing the idea that the full working group needs to discuss each issue and that we don't rely solely on the initial report because there was no consensus call for that.

Nevertheless, I do think that there needs to be a level of respect for the initial public comment and not a rationalization as to why it shouldn't count. And I think that before deleting this language, as Cheryl remarked, that there should be some discussion about that on the e-mail list. And I definitely agree with you that the question

should be raised again in public comment. So those are my thoughts. Thank you.

JEFF NEUMAN:

Thanks, Anne. So in going through these comments, C6 and C7, as Steve points out, are related. Most people were more general in their support, like the BC just said, "I agree," but you do have the Council of Europe specifically pointing out that other financial support, such as related attorney's fees or registry level fees should also be considered. The ALAC, again, general strong support. And if we scroll down—okay, I think Neustar was talking about expressions of interest and that was—Donna [inaudible] financial stability, demonstrate a business case.

And if we scroll down, I think this, ICANN Org's comment, a lot of it was based on the goals of the success factors. So if we go down, as was discussed, the registries did not support the ongoing fees, XYZ opposed financial support all around. If we scroll down to seven, yeah, if you look at those comments, I think they're just more of what we just talked about.

So yeah, from the comments, other than the registries, that specifically opposed it and the Council of Europe that specifically endorsed it, it's hard to—yeah, that's all we have. So with that said, I do agree with the notion of putting the question on the list as well. Greg, is that a new hand?

GREG SHATAN:

Old hand.

JEFF NEUMAN:

Okay. All right. So let's put this as an action item on the list. we'll develop a specific question based on the discussion. I do want to jump to other elements of applicant support which I think are not as—I don't want to say that the other one is controversial, but it should be more support, I think.

So recommendation rationale four, the working group recommends that ICANN improve outreach, awareness raising, application evaluation and program evaluation elements of the applicant support program. And then, as proposed in the implementation guidance below, so now we get some more specifics. I'm looking at two different versions to see if there's any changing in the wording.

Yes, we changed “education” to “awareness raising,” and I think this came about as a result of some comments from some of the governments, and we also took out the words “seek opportunities.” So this reflects the discussion that we had.

So in the implementation guidance, the first one, outreach—and then we changed “education” to “awareness raising activities—“should be delivered well in advance of the application window opening as longer lead times help to promote more widespread knowledge about the program.”

And then there's bracketed language that we should talk about. “Such outreach and education should commence no later than the start of the communication period.” So that was bracketed because there may be some—I'm trying to figure out which

comment relates to that. Emily highlighted it. So someone can remind me why we bracketed that language. Was it to discuss the exact time period? Steve, Emily, Julie, whoever's on.

Well, let's just discuss it. I'm not 100% sure why we bracketed the language. I think if I were to venture a guess, it's probably just to agree on a time period. I think it might not have had a time period in there, and I think we—being the leadership team—may have inserted that language just to put a [date certain] in there. So let me just ask the general question, does anyone have issues with that being part of the implementation guidance? Saying that outreach and education should commence no later than the start of the communication period.

Anne states, "I support the language as is." You mean with the bracketed language? So you support the bracketed language? Just clarify. Yes. Okay. All right. Well, since I'm not hearing any opposition, let's take out the brackets for now because it doesn't sound like that is controversial.

All right, the next implementation guidance [also same] rationale number four, a dedicated Implementation Review Team should be established and charged with developing implementation elements of the applicant support program. In conducting its work, the Implementation Review Team should revisit the 2011 final report of the Joint Applicant Support Working Group as well as the 2012 implementation of the applicant support program.

I think we just—not sure why the comments are up on the screen, but I think we just reworded that a little bit just to specifically call out the joint applicant support working group report. Justine asks a

question, “Can you remind us when is the start of the communication period?” I would have to go back to that section. I can't recall exactly where we ended up on that. So we will take your question as an action item, Justine.

Okay. All right. Next implementation guidance, “Outreach effort should not only target the global south but also middle applicants which are located in struggling regions that are further along in their development compared to underserved or underdeveloped regions. In addition, the evaluation criteria for applicant support must treat middle applicants similar to those currently set forth in criteria one, section four, operation in a developing economy of the financial assistance handbook.”

So this is something we discussed at ICANN67 because we wanted to point out that it's not just outreach that needs to target middle applicants as well but the evaluation criteria as it existed in 2012 gave extra points, used as one of the criteria essentially or prioritized those that were in developing regions, and therefore, we wanted to make sure that because we're changing that to middle applicants, we also should be consistent in our evaluation criteria.

Okay, and that seemed to be supported during the ICANN67 discussion as well. Not seeing any comments on that one, let's jump—Paul's asking what a middle applicant is. Those are applicants located in struggling regions that are further along in their development compared to underserved or underdeveloped regions, and then there's more discussion about that in the deliberation section, I believe, as well as we had more discussion

in the initial report. So this is not a change from the initial report but just expanding.

Okay, so moving on to the next implementation guidance rationale four—and I do want to note that there's a request for flowcharts, which is a good idea. I think that's an ongoing action item, so we should definitely make sure that we have that so when these questions come up in the future, we can point to that.

So the next one states that the working group supports recommendation 6.1(b) in the program implementation review report, which states, "6.1(b), consider researching globally recognized procedures that could be adopted for the implementation of the applicant support program." And then there's a footnote citation there. There are no changes to this section or this implementation guidance, so that's the same as it was when we discussed it during ICANN67. And in fact, I don't believe there were any changes in the next several implementation guidance. In fact, they remain exactly the same as was during ICANN67. So we've made no changes, and when we went through these implementation guidance, with rationale four, the rest of them, we did not seem to get any pushback.

So they refer to additional elements for metrics, awareness, education, approval rate, success of launched gTLD. I don't really want to read this whole thing again because it's fairly long, but again, this did not raise any red flags during the discussion at ICANN. So, are there any questions or comments on the implementation guidance up to just before recommendation rationale five? All right, not seeing any.

Recommendation five was also not changed from ICANN67, states that we also support recommendation 6.1(a) of the Implementation Review report, which states, “Consider leveraging the same procedural practices used for other panels, including the publication of a process document and documentation of rationale.” So this was just making things consistent between evaluation panels that they publish their process documents and also are consistent in terms of publishing their rationale.

The next one, which does require discussion because we started a discussion at ICANN67. I think when we added the second implementation guideline, we may have clarified, but let’s talk about it. So recommendation with rationale six states that ICANN Org must develop a plan for funding the applicant support program as proposed in the implementation guidelines below.

The first one is ICANN Org should evaluate whether it can provide funds as they did in 2012 or whether additional funding is needed for the applicant support program in subsequent rounds. And then the second one is that ICANN Org should seek funding partners to help financially support the applicant support program as appropriate. And then for this also, there was discussion during ICANN67 to add a reference to funding related to excess funds related to the fee floor. So there was some discussion when we were talking about fees that if we had a fee floor that was established because the costs were below that floor, then one of the purposes for the excess funds that we indicated was that it could go towards the applicant support program for subsequent rounds. So we will add that reference. And I think we may have, with a footnote. Can we go down to the footnote?

Yeah, okay, we did add the reference as a footnote, so there it is. Questions, comments on that one? Question from Paul, does that encourage inflated application fees? Well, what do people think? Does that encourage inflated application fees? Jim's saying, "Doesn't ICANN dictate the fee?" I think that's right, using the formulas and the recommendations that we propose. But I think from a cost recovery basis, we said that if the cost recovery fees are below what we would consider a floor—which, again, we won't go into that whole discussion again, but it's specified in the fee section that we've already been through—then one of the purposes of the excess could be to go towards applicant support program. And Paul, go ahead.

PAUL MCGRADY:

I guess what I'm trying to ask—and it's late at night and math is not my thing, but could this then just open up to ICANN saying, well, the application fee is going to be X plus, and that it'll be set higher than it otherwise would, knowing that they won't make that floor, and then the funds can be taken and redistributed to applicants seeking assistance in the program? I'm trying to figure out what keeps ICANN from raising the application fee for everybody knowing that everybody will overpay, and then the funds can be redistributed. I think that's the question I'm trying to ask. Thanks.

JEFF NEUMAN:

Thanks, Paul. Gut reaction would be that ICANN would probably consider the fees as part of the cost in the cost recovery to run the new gTLD program. We also have fairly specific criteria as to how

a fee floor should be set. So I'm not sure that would play in, but Paul, if you have concerns, you may want to just go back to that section. I don't think the discretion is that great that ICANN could just raise the fee by that much. But appreciate your read on it after you go back to it.

And of course, the rationale for establishing fees are going to be published as well. They were published in the past and they'll be published in the future, so that'll be something the community will see.

All right, then the last recommendation. We only changed a couple words here. It was to just clarify that applicants who were not awarded applicant support would have the option to pay the balance of the application fee, whereas the last time, if you didn't qualify for applicant support, then your application would be thrown out, essentially. The words that we added were, "Unless the panel—which is the SARP, the support review panel—reasonably believe that there was willful gaming, applicant support who are not awarded applicant support must have the option to pay the balance." So that's a change that we made based on the conversations at ICANN67.

Okay, and Paul, your comment is noted. "Just want to make sure that we do not create lots of pots of discretionary money." Okay, point is noted. Are there any questions on recommendation with rationale seven? And as we are reviewing it, Steve is typing in what a support application review panel, what the abbreviation stands for. Thanks, Steve.

The last recommendation here, which wasn't changed from what we discussed at ICANN67, the financial assistant handbook or a successor, subject to the changes included in the above recommendation, must be incorporated into the applicant guidebook for subsequent rounds. If you recall and you click on the link, you'll see that a document was developed by ICANN, a helpful one, to give guidance to applicants that want to or are thinking about applying for the program, and we thought that that was important enough to put into the guidebook and not just included as a supplemental handout at the time of application.

Okay, no changes to that. Let's scroll down to deliberations to see if there's anything we need to cover here. We modified some of the rationales to correspond to the changes that were made to the recommendation. So please do review that. If you want, you can use the redline to review those changes. There's some additional language. Okay, in Part C.

So in the new issues raised, we started to discuss this, I think, in ICANN67 in Subsection C where it states, "In considering public comments, the working group discussed prioritization of successful applicant support applications. Specifically, the working group considered whether there should be any changes to the 2012 approach of establishing priority between applications if there are more qualified applicants than funds available. The working group did not come to a conclusion on these points and therefore did not recommend a departure from the 2012 implementation."

So what that means, essentially, is if we only have \$2 million available or whatever the funds are, and there are more qualified

applicants than there are funds, then the process used in 2012 will remain the process. We did not come to any kind of conclusion as to whether any changes should be made to that process.

Let me go to Justine's comment. Says, "Jeff, on the issue of thinking about a mechanism to handle overdemand on ASP funds, even if we do not come up with a recommendation, could we suggest that IRT consider this somehow?" Yes, we could absolutely consider that, and we could absolutely state that if we would like to.

Do we want to then put this up higher into the implementation guideline, that the IRT consider this issue as opposed to just this kind of hiding here in the new issues section? So if we do want an IRT to consider it, probably better to move it up then. Let me ask a question, would anyone oppose putting as an implementation guidance that essentially, the IRT may want to consider whether there would be any changes to the 2012 implementation of establishing priority between qualified applicants for applicant support? Would anyone have any objection to that? I see Justine supports that, and I'm not seeing any opposition. All right, so we will do that. Of course, no final decisions on this. This'll all go out for review on the list as well.

All right. We have 15 minutes left, which I don't think is enough time to go into a new subject, but I do want to cover the Any Other Business. So if we can pull up the workplan, just want to show everyone that we have been making revisions to the workplan as we've gone along. It's the same document that you all have access to. Because we've covered some subjects more rapidly

than we initially had planned—which is a good thing, I think—we have moved things up. So please do take a look.

One thing I want to point out is we now have significantly more buffer between—it certainly looks much more doable, that we will be able to get out the draft final report before ICANN68. There's a lot more time in there, which I think is good. We'll have a number of weeks, probably close to a month where we will just be working and looking at that draft final report, and much of that will be, again, what you're seeing here. So it's not going to be foreign at all. So I think the bulk of that time will be spent on coming up with pointed questions to ask on these sections, so that'll be what we use a lot of the time for.

The other thing I do want to point out, we also discussed having a couple of longer meetings in April and in May. At one point, we were discussing having possibly a three-hour call or whatever. The good news there is that I think what we've come up with—and what was talked about, I think, on our last call, if not the one before that—is just extending two calls in April and two calls in May for an additional half hour. And during those longer calls, we can have more focused conversation on some of the topics that may take a little bit longer.

You'll get invites to this shortly if you haven't already. They will be for the calls on April 6th and April 16th. Those will be the longer calls. Again, it's just a half hour extensions. And then also on May 4th and potentially on May 14th. So I wanted to point those out. Jim asks where do we anticipate the consensus calls. I believe that the consensus calls will not occur until after we get back comments on the draft final report.

So they're not going to be done—well, it says December, but we haven't moved up the other things from after ICANN. So it's not December, it'll be actually sooner than that, but we will update the plan. Because everything's been moved up, including the publication of the draft final report, we'll also be moving up the other things. So it'll be much sooner than December, and hopefully, if we're proceeding on this schedule, we'll be before ICANN69 to get out—my ultimate goal in best-case scenario would be to get out the final report to the council by the ICANN69 meeting, but we'll put that in the updated workplan.

Jim's asking, will the consensus call be more than five days? Likely will be, yes. Anne, go ahead.

ANNE AIKMAN-SCALESE: Hey, Jeff. It's a related question but not really directly on schedule issues. With respect to the important issues that were just reviewed at ICANN67 and the work that we've done on those subsequent to ICANN67 where we were seeking a lot of GAC input, etc., there were a couple of items where there's supposed to be some additional drafting proposed. I think there was a subteam created for the community applications and what constitutes "deemed necessary" when a panelist is going out and conducting additional research, and a bit of a subteam was created for that.

Secondly, I think that in relation to the discussion on GAC advice and some of the redlines that were done there, there was another item that—I can't recall right now—was suggested to be brought offline for additional drafting proposals. And what I want to emphasize is that I think we need to kind of jump on those things,

because what can happen is if we get sort of a long list of, “Hey, well, let’s do some additional drafting to reconcile the discussions,” you can get things collecting in the drain, nobody can remember what was said and then nobody really has time to review it. So, how can we expedite those two important drafting proposals that are supposed to be happening outside the calls?

JEFF NEUMAN:

Great question, Anne. What I would say, at least with the community one and about panels doing outside research—you know what? That’s a great question. I’m not going to answer it on the fly. Cheryl and I and the leadership team will discuss that and get back to you because I think it’s a great question and we should definitely think about that and as to how it relates to other sections, because what we’re going to start doing, as we talked about on the last call and several times before that, is to send out shortly blocks of what we consider our draft final, and sending those around with the formal comment form. So certainly, we have to have all of the material before our expected dates to turn out those specific sections.

So we’ll go back to that, the leadership team and staff, to see when we expect to get those out, and then work backwards on when we’d like the materials to be circulated so that the group can have some time to think about it. Paul, go ahead.

PAUL MCGRADY:

Thanks.

ANNE AIKMAN-SCALESE: Oh, sorry, a follow-up very quick, Jeff. The second issue was something, again, that I think—was Paul working on some more redlining with respect to GAC advice? I'm just not sure where we left that one.

JEFF NEUMAN: Yes, there was a team that was supposed to work on it. Paul, go ahead.

PAUL MCGRADY: Thanks. Thanks, Anne. That was actually my question, which is, the small team is getting kicked off here soon. Can that be put back on this calendar? I don't see it. Maybe with objections on April 6th. Thanks.

JEFF NEUMAN: Thanks, Paul. Let us get back to you on that as to where it makes the most sense. I think both of those may make sense for the April 6th date, because they refer to panelists. The first one is panelists' ability to do outside research, which may relate to other forms of objections and things, and it may also make sense, as you said, for the GAC advice early warnings. But yeah, so plan on that, but we'll get back to you on that as well.

All right, any other questions or comments? All right. Thanks, everyone. I know we got a lot done, so I'm glad. And yes, we didn't get to the freedom of expression, but that's okay. I think we can start on that. But I do want to say that string similarity is going to be next, and the reason why it's next on the 30th is because we

were having some of the ccTLDs join us for the discussion because it will relate to not just what we've proposed with string similarity but a discussion of the differences and/or similarities with the ccTLD string confusion analysis for their fast track. So we're going to keep string similarity on the agenda for March 30th along with April 2nd if there's any bleed over, but then we'll put freedom of expression in after that.

So although we were prepared for freedom of expression, because we have some ccTLDs joining us [inaudible] and that was prescheduled, we're going to go to the string similarity subject starting on Monday. And yes, Jim, we'll circulate some background as well as our sections on string similarity shortly.

All right, any other questions? Great. Thanks, everyone. Great call, and next call is Monday, March 30th at 15:00 UTC. It's a 90-minute call. Thanks, everyone.

CHERYL LANGDON-ORR: Bye for now.

JEFF NEUMAN: Stay safe, please.

[END OF TRANSCRIPTION]