

DEVAN REED:

Good morning, good afternoon, and good evening. This is Devan Reed for the recording. Welcome to the Latin Script Diacritics PDP Call, taking place on Wednesday, 13 August 2025 at 13:15 UTC. We have no apologies listed today. Statements of interest must be kept up to date. If anyone has any updates to share, please raise your hand or speak up now. If you need assistance updating your statements of interest, please email the GNSO Secretariat.

All documentation and information can be found on the Latin Script Diacritics Wiki space. Recordings will be posted shortly after the end of the call. Please remember to state your name before speaking for the transcript. And please note, all chat sessions are being archived. As a reminder, participation in ICANN, including this session, is governed by the ICANN Expected Standards of Behavior and the ICANN Community Anti-Harassment Policy. Thank you, and over to Michael.

MICHAEL BAULAND:

Thanks, Devan, and welcome, everybody, from hot Germany, it's 34 degrees Celsius right now, some kind of training for the next ICANN meetings in March. Yeah, let's get started. Welcome, and the agenda could look familiar to you all, same as the last week, we will be working on the TBD items.

Next slide, please. And we've been filling out more and more TBD items, just a few left. So hopefully we'll be able to finish them this or next call. And one of the major topics last week was the question about the application process.

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Next slide, please. I won't cover that in detail, but basically, we have those two processes, the standard process which already exists now, and then we are creating this new exception process with our PDP. And we decided that there's no lane swapping possible for various reasons. And, yeah, that I guess we can go to the-- Oh, I'm sorry, I see a hand off from Satish. Please go ahead.

SATISH BABU:

Thanks, Michael. Satish for the record. When we finish this bunch of work, this meeting or next meeting, I was wondering if there's any plan to provide an interim update to our AC/SOs. Earlier during the EPDP, we were taking each minor milestone and updating our AC/SOs, at least in our case, ALAC At-Large, but now here we've been going by the spending work, and this is the 15th meeting and hopefully 16th meeting will be through with the major chunk of work. So is there any plan to provide some kind of an update? Not recommendations really, but an update. Thank you.

MICHAEL BAULAND:

Thanks. That's a good point. We haven't talked about that yet, but we will discuss this in tomorrow's leadership call, and then get back to you next week about that. Thanks. Okay. And unless there are any further questions, I think we can switch to the sheet, please, so on, so we can continue with the TBD items. And I think the next one to look at is the 8.4, which we have still opened. We're not covering them in the numerical order, so from one to the end, but we sorted those left TBD items topic-wise, which make more sense to cover them, so don't be

alarmed if you still see some red or orange boxes before these, we'll definitely go back to those later on.

So, just to comment, any update of the PDP working group we will provide through the prep webinar, GNSO webinar. But, as Michael said, we will discuss that also in the data team. Yeah, so. 8.4, the Final Recommendation from IDN EPDP. Applicants for a primary gTLD string and it's applied-for allocatable variant labels that pass evaluation must be subject to the terms and conditions as recommended by the SubPro PDP in respect to of the time frame for delegation, including the ability to apply for an extension of time for delegating. So this is about the variant applications. They said that those have the same terms and conditions and need to adhere to the time frame, but they also have the ability to apply for an extension. Any thoughts how we want to handle this in our cases? Edmon, please go ahead.

EDMON CHUNG:

Edmon here. Is the one that's related to that when you sign the contract, you have to have it delegated within 12 months, that kind of timeframe? If so, then probably should be similar because this is purely on almost a technical basis that once it's allocated and processed and all that, there's a particular time frame that you have to get the name servers and everything and have it delegated. So if that is the particular part, then I think it probably should just simply apply to all TLDs and including Latin diacritics.

MICHAEL BAULAND:

Thanks, Edmund. And yes, I believe that's the process we are talking about, the time they have from the contract to actually delegating the TLD. And yeah, in the chat, Bill and Satish also seem to agree with your suggestion that it doesn't make sense for us to make any acceptance here. We just follow the standard process, of course, for language editing, as Satish says. This is always given that whenever we pay, we use the meaning of this recommendation, we will change the wording to fit our cases. So, I think that's clear and we can remove the red one and fill in the green, and we want to have the same rules, no exceptions.

Next one is the 8.5 below, it's not really red, but it's a reddish, so there was also a comment to possibly revisit this. So, this sequence for delegating the applied-for primary gTLD string and the applied-for allocatable variant labels of path evaluation could be determined by the registry operator. And again, we already decided that we want to have a single application. So we also have the situation that all the TLDs within the applications will be contracted at the same time. And the question is, should there be any restriction on the sequence of allocating those labels in the variant case? We said no restriction. Do we need or want any restrictions yet. Bill, please.

BILL JOURIS:

I'm somehow not clear why these wouldn't be done at the same time. It isn't obvious why sequence them, you want them together, you ought to get them together. Thank you.

MICHAEL BAULAND: Yeah, thanks. Maybe as an explanation, there might be technical reasons that the RFP just wants to put one of the TLDs in the zone, in the root zone first, for whatever reason. So, I don't know a very specific reason right now, but there's also technically and contractual-wise no harm in maybe delegating one TLD after two months and then waiting two or three months and then delegating the next one.

Maybe they want to have separate phases of making the TLDs available. It's just that in the IDN EPDP case for variants, the decision was to leave that at the decision of the registry. They can delegate them at the same time, but if, for some reason, they want to delegate them independently, as long as a total time given is adhered to, they have the freedom to delegate in any order.

AMADEU ABRIL: Michael, may I? This is Amadeu.

MICHAEL BAULAND: Yeah, Satish wants to-- sorry.

AMADEU ABRIL: Oh, sorry.

SATISH BABU: Sorry, Amadeu. Thanks, Michael. So I had a comment here or a question, rather. In the case of EPDP on IDNs, we had a mechanism. Any end user could discover all the variants using the online tool, so the

knowledge was kind of 100% perfect knowledge of what are the variants that exist, what are the variants that can be allocated and so on. But here, there is no obvious way to figure out what... applicants know, of course, but end users or people, researchers who want to know, there does not seem to be any mechanism to figure out what are the variants that are of interest to the applicants. Now, that may cause some kind of an impact on the sequence. I'm not very sure, I'm just kind of flagging this. Thank you.

MICHAEL BAULAND:

Okay, thanks, yeah. While [00:13:09 - inaudible] possibly doesn't have means to figure this out, well, they cannot cause like using the LDR tables to find the variants. They could also take a look at the unicode tables to find out which are diacritics. But I guess more important of what the potential variants are is what the actual variants that have been applied for, or what the actual diacritic are applied for, and I guess those could be found out by looking at the contract or looking at the IANA WHOIS.

The question is, do we need a restriction here for our applicants that they need to either delegate them at the same time or have a certain order of delegation or can we also be flexible, like in the IDND PDP case, where it's up to them? Oh, Amadeu. Sorry, I forgot you.

AMADEU ABRIL:

Okay. Quite frankly, I don't care. Let me give you some examples of what happened in 2012. I mean, we signed that agreement in a given order, we sent the delegation to IANA, all the information to IANA, in a

certain order, and the domains were delegated in reverse order. One day difference, some hours difference, five days difference, who cares? What really counts is when domains are launched, not delegated. And I can tell you that in our case, we had customers that were delegated in 2014 and launched in 2020.

So, only NIC TLD existed for five years, this is the only thing that has a real impact, is when the domain name, the TLD, is launched for registration, not when it's delegated. So then, at the same time, sorry, it does not exist. Probably will be some at least milliseconds differences, and I really don't care. I don't think this has any actual relevance whether one is delegated in the morning and the other one in the afternoon or even next month if they are not launched.

MICHAEL BAULAND: Okay. Yeah, sounds reasonable.

AMADEU ABRIL: I don't understand that we should have a fight here in the same way that other TLDs in other circumstances would not have a concrete timetable for what happens between signing the contract, being delegated, and being launched.

MICHAEL BAULAND: Okay, yeah, thanks. Sounds sensible. So I see in the chat and here that there is no argument to have any restrictions here. Bill still asks the question would seem to be, how long is the time allowed? Anil, please.

ANIL KUMAR JAIN: Michael, thank you. Anil for the record. I personally feel that the sequence of delegation is not a technical issue, but it is more a market-driven decision. In case the registry fees that I separate the introduction of a particular TLD in a particular sequence over a particular time, that is a commercial decision. And I personally feel that as EPDP has allowed this to happen, we should also allow in case there is no problem as far as the logistics and administration of IANA allocating the different TLDs at different time is there. This is just a simple thing I just want to add. Thank you.

MICHAEL BAULAND: Okay, thanks, Anil. And to try to answer Bill's question, the time is actually given in the contract. I think it was mentioned that it's one year from the time that the contract is signed to the point in time you have to delegate those um TLDs, and so, basically the maximum difference would be delegate one right over a way and wait with the other one till the end of the period. But this period exists for all TLDs, and so there's no special handling for those bundled TLDs. Sarmad, please.

SARMAD HUSSAIN: Thank you, this is Sarmad. So, I think one of the motivations behind that IDN EPDP recommendation was to perhaps clarify that when you actually have a primary and variants, variants do not need to wait for primary to be delegated for variant delegation. So there's no dependency there from a delegation perspective. So in this case as well, now, if there are two strings which are tied together, like the base S key

and I guess a diacritized version, then it would be a similar case that a statement like this could clarify that any of those could proceed independently of each other. Thank you.

MICHAEL BAULAND:

Thanks. Yeah, I guess that makes sense. Instead of writing not applicable, we just say that we also have no order in which those or sequence in which those have to be allocated, and it can be also determined by the registry operator. So I guess we could also make this green and reuse the meaning and adjust the wording as usual to our case. And another green box.

So the next one, I think, is A10 where we have a primary gTLD that is removed from the root zone. So we just talked about the starting of the TLD, and now it's the end of the TLD, this part of the topic. So, if it's removed either voluntarily or involuntarily, must also require the removal of its delegated variant labels from the root zone. Mark, please.

MARK DATYSGELD:

Thank you, Michael. I have a simple question. Why?

MICHAEL BAULAND:

Why what? Can you elaborate a bit more? Why we decided this in the IDN EPDP or why?

MARK DATYSGELD: Yes.

MICHAEL BAULAND: Okay. For the IDN EPDP, it was just that the variants are kind of a property of the main TLD, the main contracted domain name is the primary TLD, and if that is removed, all variants kind of lose their connection and therefore cannot exist. And the more technical reason for this is that for the variants, while the variant set is defined by any label within the variance set, the disposition value, whether a label is allocatable or blocked, that is not symmetric. So that can depend on with which label you start, and therefore you need to find a primary label to find out what allocatable variant labels exist, and for that reason, the primary label is determined primary and the variants depend on the primary. If that answers your why question. Mark.

MARK DATYSGELD: So I would venture that this maybe does not apply at least one to one to our specific case, because, yes, for a variant, that makes absolute sense, it is a literal variant. In our case, we are electing to pair variants, we are electing to do that. It's not a natural function of the RZ, so possibly this does not apply to us, or at least not in the same way, but I would like to hear what the group members have to say.

MICHAEL BAULAND: Okay, thanks. Edmon, please.

EDMON CHUNG:

Yeah, Edmon here. I think if there is any conceptual dependency on the ASCII string, ASCII TLD label, then maybe something similar to this might need to apply, especially if it is one application and kind of one contract. I suddenly forgot what we concluded, whether it is possible to have two applications, and then they're considered visually similar, and therefore they are mistreated as two different strings.

In that case, then that whole policy doesn't apply. If that's the case, then if in any cases that this policy actually applies, then there would be a dependency with the ASCII label. So, rather than call it primary, then the ASCII label is the hinge on one or more diacritic versions. And in that case, then maybe this needs to apply to a certain degree. Again, I guess, apparently I'm thinking out loud here, but I hope it's constructive to the conversation.

MICHAEL BAULAND:

I think they're important points. Sarmad, please.

SARMAD HUSSAIN:

Yes, I was actually going to raise the same point as Edmon, that beyond the technical side, I think there is a contractual thing as well, that in case these labels are tied and eventually have a single contract, if that's what is being proposed, then the contract, normally the way it is currently done, is that you contract a single string and then the other tied string is included, obviously, as an appendix for variants in the current RA. So, I guess on additional specifications.

So in any case, I think if it's a single contract and it's based on a single string, then if that string goes away, then obviously the other details in the contracts obviously, it's not easy to follow through. And switching strings like that within contractors also could be tricky. So there's that part for consideration as well. Thank you.

MICHAEL BAULAND: Thanks, Sarmad. That is also important to look at the contractual part. Amadeu, please.

AMADEU ABRIL: Okay, I have to completely agree with Mark here and respectfully disagree with Sarmad and Edmon. For variants, there may be technical reasons why we need to pair them, we cannot keep the bundle unbundled. What we are trying to do here is just to prevent user confusion. Now, if we have .saopaulo with TLD on A and without TLD on the first A, well, the only A, no, the first A, I was correct, and if one of them disappears for some reason, there's no user confusion at all by keeping the other one, which is what we try to prevent. Now, I don't see good reasons for doing that, but for the contractual part, I mean, come on, if we have a problem, we need to solve it. We can't change registries, we can't amend registries.

Now, let's imagine something. Let's imagine that suddenly, one thing that we got here, a pair Latin and diacritic, and suddenly, for some reason, Unicode decides that that diacritic could be used in a different way, represented with a different K point, and all down the road, we decide that that concrete character shouldn't be used on the internet

down the road in five years. Are we killing both TLDs simply because the contract takes one as the primary and the other one as the diacritic? I mean, it's much easier to simply change the contract. Amendments do exist, lawyers are specialists in that, and there are lots of TLD agreements that have been amended in many ways, changing the registry operator, for instance, which is probably a more substantial change.

I don't think that the fate of one TLD should bring the fate of the second. It could be that five years on the road, one discovers that the TLD with the diacritic doesn't work at all, or on the contrary, that everybody finally got used to IDNs and the Latin without the diacritic is not needed anymore. I am against deleting TLDs, I prefer just to freeze them. But if this happens, and this is allowed by ICANN, I don't see why the other one should follow the same fate simply because we are basing that on a different perception from a technical perspective in the variants.

MICHAEL BAULAND:

Yeah, thanks, it's good argument. Steve, please.

STEVE CHAN:

Thanks, Michael. This is Steve from staff. And I'm just maybe providing a call back to an agreement that this group has generally come to, which is, the principle of a primary string is not exactly applicable. But as Edmon just noted, the general principle that this group has agreed to is that if there's only one diacriticized version left, then it's okay to drop off the ASCII version, but if there's two or more diacriticized versions, then the ASCII version is needed for it to be a ASCII diacritic set. So it seems

like that would be relevant to this discussion. It's probably based on the same principle, I'd imagine. Thanks.

MICHAEL BAULAND:

Thanks, Steve. That's a really important point that we already have the general requirement that our whole acceptance process is based on the fact that one ASCII version of the TLD must always exist. So it's not possible to just get two diacritics. So, if we were to allow switching something in the contract, we would have at least need to have the requirement that it's only possible to drop the ASCII version if only the single diacritic version is left, because then that diacritic version would become kind of a standalone TLD with no further restrictions. But unless there are still two diacritics, removing the primary would require to also remove at least all but one of the diacritics. Is that possibly a way to go forward here? Mark, please.

MARK DATYSGELD:

I would say we kind of have this solved already-ish, frankly. Can't we merge this clause up?

MICHAEL BAULAND:

Sorry, what are you saying?

MARK DATYSGELD:

I mean, the clause that they want mentioned in the chat, right?

MICHAEL BAULAND: Okay, I didn't see it. Sorry.

MARK DATYSGELD: Yeah, it's more or less the same thing after discussion. Before discussion, it's not the same thing, but now that we discussed, it kind of is. So, it's basically the same clause. We would just be repeating ourselves pretty much.

MICHAEL BAULAND: Okay, so for the context of 8.10, what would be the result then? So we just say, it's possible to remove the ASCII version in the case that only a single diacritic exists. But if more than one diacritic exists, removing the ASCII version would also require to remove all but one of the diacritics.

MARK DATYSGELD: Yeah, which we already say being the point. So since we don't have to follow things one by one, we can just make slightly clearer the resolution we already have instead of having another one that says pretty much the same thing. But again, that's up to the group. I'm just more like speculating based on what I'm hearing.

MICHAEL BAULAND: Okay, thanks. Bill.

BILL JOURIS: I realize this is an edge case, but suppose we have an ASCII version and two diacritic versions, and the two diacritic versions are variants of each

other. I don't know if that needs a different handling or not, just as I say, I realize that's an edge case. It flies through my mind and I wanted to bring it up. Thank you.

MICHAEL BAULAND:

Yeah, it's an interesting point. I haven't thought about that yet, but I guess, if you kind of want to mix both the IDN EPDP and this LD PDP, so have variants together with diacritics. I'm not sure this could exist, yeah, although currently it's not existing with Latin, I think. At least not with allocatable variants, but in theory, it's possible. I think this would require changes in more than this section, because also, what would you apply for? Would you apply for variants?

And so, I think this would be a really complicated edge case to allow for in the first place. But haven't thought about it too much yet. We might need to. We anyway want to look at edge cases once we are done with all the recs or maybe we can revisit that case in that then and see what the best solution for that edge case is. But it seems that we agree that we...

MARK DATYSGELD:

I think we're done with this one, mostly, Michael. I think we put a lid on this and leave a note saying, if there are outstanding comments, then great. And if there are not, then we close it for now and somebody has anything because it's pretty much a general agreement.

MICHAEL BAULAND: Yeah, so Satish has agreed to park this for the time being and revisit later. I wouldn't want to now park something and create new TBD items. So I think we should really have a solution here. Either we say it's not applicable and we can simply ignore it, or we write something down describing a recommendation that we want to have in this place. But parking, if not possible otherwise, yeah, we can do that, but I think in this case, we can find a solution here. Mark, please.

MARK DATYSGELD: So a question to the group, is there concrete actual wording that any of you would want to put that would preclude us from marking this as done as a duplicate of sorts? Because if it's more of a generic concern, we might as well move on if. But if we have actual text, then, yeah, if we have actual text, it's an actual concern. But if it's a general thing, we already covered this pretty much. So we might as well move on.

MICHAEL BAULAND: Okay. Move on meaning what? Writing something here or not writing anything here?

MARK DATYSGELD: Just not writing, as in, we consider this done. If we need to revisit it later in the sense of, yeah, it's the same as the other number. Yeah, exactly what that one is saying, this is a duplicate. In GitHub, you would mark this as duplicate. That's what I mean. In whatever distance links to.

MICHAEL BAULAND:

Okay, we can look at this offline and see what other recommendation covers this, and then maybe just ignore this since it's already covered by something. But we don't need to do that here. Then the final REG 8.11, a delegated variant label that is voluntarily removed from the root zone, will not require the removal of the associated primary gTLD or other delegated variants. So this is basically the same, just the other way around.

The first one was removing the primary, and this one is removing a variant. Since we don't have variants and the other one was already covered, I guess this one is covered for the same reason, unless anybody has an argument here. I think we leave that then. And the next one is 8.13. In the event that the gTLD is removed from the root zone as a consequence of its registry operator's breach of the registry agreement, the rest of its variant label set, if any, must also be removed from the root zone. So this is about the reach of the contract so to say. And question is? Sarmad, please.

SARMAD HUSSAIN:

If it's a single contract and there's a breach of the contract, then it impacts all the strings in that contract perhaps.

MICHAEL BAULAND:

Sounds reasonable. Yeah, any agreement or disagreement?

AMADEU ABRIL: Michael, this is Amadeu. Well, removed from the route or more likely, being reallocated as bundle, which is much more likely to happen in case of bridge of contract.

MICHAEL BAULAND: Yeah, that's right, but that's a different topic. I think we either already covered it or we are going to cover this. So this is particularly talking about the removal from the root zone. And the other one, I think we already talked about that.

AMADEU ABRIL: Correct. Then that's it.

MICHAEL BAULAND: Okay. So since reasonable people agree with Sarmad, that since it's a contractual thing and if that requires the removal from the root zone, then all the TLDs will need to be removed from the root zone because they all follow the same contract.

Then next one, I think, is 3.11. That one's about the future applicant appliance for a primary gTLD string and up to four, that strings allocatable variant labels during an application round must incur the same base application as any other gTLD applicant who does not apply for the variant labels in that round. Goodbye Edmon, sorry to lose you.

So, in the variant case, there wasn't argument that you should be able to get up to four variants for the same price as one. The question now is, do we need this tier 2? Amadeu, please.

AMADEU ABRIL:

Okay, I think we've discussed that at the very beginning of our discussions. I would love that personally for some of our customers. I think this would be fair, but I also think that it is nearly impossible. Because in reality, there is some cost in evaluating different TLD applications. Here, we would have in part, not in organization, for instance, and not in other areas, but in some areas would have different evaluations.

Then we have the odd question of these bundles coming from different rounds, which makes that more difficult. So I think that these two bundle TLDs should not amount to two ICANN evaluation fees, but I don't think either that's reasonable to expect that the additional TLDs would be at zero cost.

MICHAEL BAULAND:

Thanks. Any other opinions? I can also, in my personal opinion, without my chair head on now, similar to Amadeu, I would, of course, like that for potential customers to save some money here, but seeing that our goal is to create an acceptance process to allow those two TLDs to coexist, I don't think it's reasonable to make any discount or free thing here.

Our goal is not to make it easier or deeper for people to apply for an ASCII version and the diacritic version, but the only goal here is to make this possible at all. Because at the moment, one of them would be rejected, and we make an exception process that allows both of them to coexist. And for that reason, I don't think it's sensible to have some

financial, I'm missing the word now, financial advantage or something like that. Sorry.

Also, a different point is that those applications all have to work on a cost recovery base, and if we now suddenly introduce these bundles with a rebate or even free, it's unclear how this cost recovery would turn out and where the additional cost would be applied to. But yeah, that's just my personal thoughts about that. Now, putting my chair head on again and waiting for other opinions. Mark.

MARK DATYSGELD:

Speaking as a group member only, but I won't give a direct opinion, I'll just make a reflection of anything relating to cost. Our intention with this particular PDP is to drive up the adoption of IDNs, pretty much. If you want to put it in a nutshell, we want to make it easier and fairer for people to be able to use IDNs, and therefore expand access to IDNs.

So whatever decision we arrive at needs to be a balance in that sense for people to want to do this, so it cannot be thing that involves, cost cannot be very costly. But we also can't drive the contracted parties away from one to be a part of this. So there's a balance there somewhere, but anything cost related, I would say we need to keep an eye towards our goal, which is driving IDN use and access up.

MICHAEL BAULAND:

Thanks. Ariel, please.

ARIEL LIANG:

Yes, thank you everybody. And also just speaking from ICANN Org perspective because this has been a really evolved discussion at the board and work level in terms of how to figuring out the cost recovery principle for the program and also striking a balance to support IDN adoption. So it's definitely a valid point that Mark made, and also there's a lot of consideration because, even for the implementation of 3.11 for the variant application.

And from Org and Board, we have to consider how that looks like from a financial perspective, how to make the program cost recovery, because if the variant applicants are not paying additional fees, then the evaluation has to come from everybody else. Basically, they have to be subsidized by other applicants. So, it's not just saving money from one side, you have to have some kind of impact to the program in general.

So it's not a very easy thing to do, so I just want to kind of make that point that we definitely want to promote IDNs, but also it could have a general impact on the whole fee structure of the program, and may have impact on how to calculate the fees for all the other applicants, et cetera. So I just want to point that out.

MICHAEL BAULAND:

Thanks, Ariel. One comment maybe to Mark-- Oh, Sarmad, please go ahead.

SARMAD HUSSAIN:

Right. And if we are considering such an option, I think it would be useful to see what is the number. The number four, of course, came

from analysis of variants based on root zone LGR, it may not be the same number in this case. So I think that's another consideration in case we go with this option. Thank you.

MICHAEL BAULAND: Thanks, Sarmad. And one comment regarding this promotion of IDNs. Yes, ICANN want to promote them, but I'm not sure this PDP is actually meant to promote IDNs because it's already now possible to get the Latin diacritic TLD without the PDP. This is just the possibility to have both the ASCII and the Latin diacritic ones. Yeah.

AMADEU ABRIL: Michel, this is Amadeu again. May I?

MICHAEL BAULAND: Yeah.

AMADEU ABRIL: Yeah, two contradictory things. The first one is regarding the comment on the overall cost of the program. Okay, let's play on that one. If this does not exist, if this PDP does not exist, only one PLD would exist, not two. So, indeed, the amount collected will be lower, right? So the very fact that we have the exception, allows for a higher overall income for ICANN for the evaluation. Indeed, there is also more work. I still believe, I mean, the simplest thing for us is saying one TLD, one fee, period, because this makes probably our work more treatable to arrive in time. And anything that touches money, we know that takes longer.

From the perspective of fairness, I think that it makes sense, it would make sense to say that the evaluation of this Latin diacritic, added TLD in the bundle, in these special circumstances, should not pay more than, say, 66% of the fee. I'm saying that because less than half means a serious discount. 66 means we discount something because we know that in some areas there will be no complete evaluation. But we also know that some other areas there will be a special work regarding, for instance, the contractual arrangement.

Now, let me now say the counter argument. Well, remember 2012, and we had NGO and ONG applying for something that's some kind of similar bundle in the terms of same registrar. It's not exactly the same, but the idea was very similar. Indeed, they didn't got any discount because simply there were two very different TLDs that would not be in string similarity problems, right? They simply choose at that time to work in a given way and they got zero discount because that was their option.

Here again, the argument will be what I think was, Mark said, regarding promotion of IDNs. But we have all these contradictory things. If we want probably to speed up the process, the simplest thing is full ICANN fee for each one, full evaluation fee, sorry, for each one of them. If we want to be further, probably we should explore a discount for this additional fees that certainly would not be a really significant discussion, would not go below half, but we're somewhere between half and full. Thanks.

MICHAEL BAULAND: Okay, thanks. So, just to help summarize before I go to Satish. To finish this PDP quickly, to say that no discount could be the solution and to have a cost recovery basis, we couldn't hand out any TLDs for free like we do in the variant case, but we should make a first TLD pay full price and any additional TLD get some kind of discount, something like one third of the price as discount, right? I guess. Okay. Satish, please.

SATISH BABU: Thanks, Michael. Satish, for the record. I agree with that point, the last raised point. I think here is where we should stop comparison with the PDP, because this is not the case of the variance. Diacritics are, at this point, quite different, and there's no point in now comparing with these clauses. Other clauses were fine. So the number four, as Sarmad pointed out, the hard-coded number four, doesn't make any sense whatsoever here. And in a similar sense, the fees also, should work in a different way as suggested, with a kind of significant discount. Not exactly the way the variants work, but in a different way that is more appropriate for diacritics. Thank you.

MICHAEL BAULAND: Thanks, Satish. I'm seeing a large queue now. I go directly to Ariel, please. Go ahead.

ARIEL LIANG: Thank you, everybody, again. So I think to the point that was made earlier, I think for the diacritic application, as some of you mentioned, actually the string has no variant relationship to the ASCII version, so

they're completely different strings. And if you look at the evaluation perspective, there is this whole applicant journey section in the Applicant Guidebook that provides the detail how the string is being evaluated.

There's different stages, and then there's applicant evaluation, application evaluation, string similarity, and almost everything has to be applied for evaluating a specific string. So it's going to be quite challenging to figure out what part that can be discounted. It's going to be a very evolved discussion, and in fact, even for the variant case, it was very, very loved discussion at the Board and work level and take a long time for that set of recommendation to move forward.

So if the group, the motivation is to make sure this PDP and concluding a speedy pace and make the implementation as smooth as possible so that we can allow the diacritic version to be delegated in the future, then I think we probably need to be cautioned about the discount and all these kind of subjective judgments. Because maybe there's impression, it really doesn't make a huge difference in evaluating that critic string, but from implementation perspective, it could just be exactly the same evaluation process for every single string. There is no shortcut or things that can be discounted for. So it's going to be challenging, just to put it that way. Yeah. Thank you.

MICHAEL BAULAND:

Thanks, Ariel. It's good to get the background perspective from an ICANN here. Bill, please.

BILL JOURIS:

That would be really useful, I think, if we had some kind of idea of how much does it cost, in addition to do a diacritic version along with the ASCII version? Is it every bit as large as a totally separate application? I would doubt it, but I don't know for sure. But some kind of hard number from the Org about what is the marginal cost would make sense if we're trying to decide if there should be a discount, and if so, how much. Thank you.

MICHAEL BAULAND:

Thanks, Bill. That might be something I don't know if it's feasible at all to get that information, to find out what, if any effort, money could be saved by doing the evaluation together and then use that logic with the cost recovery argument to use as a discount. Yeah. Alan, please.

ALAN BARRETT:

Thank you. This is Alan. I don't really think it's appropriate for this group to dictate the fees. Maybe there are, what, four or five recommendations from the EPDP about fees, on IDNs about fees, but they don't seem to fit directly. I've heard from Org, I think, that evaluating the string similarity for a variant is not really much easier than evaluating string similarity for the base IDN. And so, I would imagine that the same applies to ASCII diacritics.

So what I would suggest is that instead of all these recommendations about fees, replace them all with something to say that the fees are up to ICANN based on a cost recovery basis. And if they're able to provide discounts for more than one, then they can do so. But it's not required

because we don't know as policy development, we don't know what the implementation is going to require. Thanks.

MICHAEL BAULAND:

Thanks, Alan. I like that approach. Ariel, please.

ARIEL LIANG:

Thank you. And sorry, I kind of lost track of my thoughts, but I think Alan is pretty very well off the discussion about the fees related to variant applications. And I think from Org's side, we did have some pretty extensive presentation to the community regarding the fee related consideration, how that's calculated, and how the kind of subsidies for varying applications were, take into consideration for the general application fee for every applicant. So if I could find some previous record of those related presentation, I can share with the group.

But in general, I think it may be a false impression that it's just a marginal cost for evaluating a variant. In fact, almost every single step of the evaluation process applies to a variant string. And maybe just some part, it doesn't need to be duplicated. For example, like the background screening of the applicant, since it's the same applicant, maybe that doesn't need to be done twice.

But a lot of other application process, they basically has to be done for every single string that's applied for. So it's not going to be a marginal cost. It's just other applicants, basically, who do not apply for variance, they have to sort of help subsidize the evaluation for variant strains so

that we don't charge the variant applicants extra money for that. But in general, if I can find information about the fee-related discussion, I will share with the group.

MICHAEL BAULAND: Okay. Thanks, Ariel. Mark, please.

MARK DATYSGELD: Yeah, I imagine that it is, as Ariel said, that it is ICANN, after all. It's going to take the worst path possible and be as inefficient as possible, right? So it's going to do a revision of everything twice and three times and five times if it's needed. So instead of playing ICANN black box, can we actually get to the people and procedures that are deciding this and make an informed recommendation? Because what it seems like, looking at the EPDP, is that well-meaning suggestions were made, and now that they've hit the, let's say, the Board/Org level, now it is facing trouble.

So, Alan's point of view is very valid in the sense that, let's leave it up to ICANN. But we need to make a suggestion as a group in some sense, because if the EPDP has made all these suggestions, we can make an informed, a better informed suggestion of this in the sense of improving the process, because it can't logically be, it would not benefit the people who are applying for this IDN variance if the case is that ICANN would just redo the processes over and over for all of these different things.

The question is why, why would they do that? What is the problem? Can we streamline that? Can we offer recommendations that will

streamline that? Not only asking for reduction of cost, but can we include something within the scope of the PDP that would help that bundling? That's the sort of question that if we wait until everything closes, then we won't know or we'll make blind suggestions. So, who are the people who have this information? Where is this information? Can it be surfaced? And at the end of the day, if necessary, what is the best way to proceed?

This would be what I would look like as leadership of this group in terms of not making blind guesses, but at the same time, just not throwing your hands up in the air and saying, hey, whatever, I can decide this. We have agency over this, but we need to be better informed. But I return this to Michael because, of course, I definitely need to hear his opinion on this and of the group as well.

MICHAEL BAULAND:

Thanks. Yeah, good point. Seeing that we have like five minutes left, I suggest the following approach for this topic. It's a very major and important point, and at the moment, I see very many different opinions, all of them with reasonable arguments behind them, that maybe we revisit this topic in the next call and prepare some slides where we list the possible solutions, the topics that have been suggested at the moment, like no price change at all, or give out free, or give some reduction, or leave it up to ICANN.

There are a few arguments that have been made, and I think it may be easier for the group to actually come to a common conclusion if we have those possibilities that have been discussed on a slide, and then

hopefully can make up our minds what the best approach for this recommend station could be. Yeah, and build, perhaps get, or to do a site on what steps are duplicated and which are not. Yeah, we can see whether that's possible in the timeframe. But if that's available, that also might be helpful. And with that and three minutes left, I guess I'll hand over to Saewon. And over to you, please.

SAEWON LEE:

Thank you, Michael. This is Saewon Lee from staff for the record. Today, there's not really next steps other than just please continue to focus on reviewing the TBD items. So I'm not even going to share the slides with you, and I will hand it over to John straight away.

JOHN EMERY:

Sure, this is John Emery from Staff. Thank you, Seewon, thank you, Michael. So, working group, continue to review the TBD items. Staff and leadership are going to make some slides based on the proposals for the current options for cost, aim to inquire about what cost recovery may look like. And finally, leadership will discuss with staff if there needs to be an interim update to the SO/ACs on any progress. So that's it from my end. Back to you, Michael.

MICHAEL BAULAND:

Thanks, John, and thanks, Saewon. And yeah, I would also like to ask the whole group to think about these pricing topics and the arguments pro and contra that we have heard, brought forward by different group members, so that hopefully, next week we can finish and find a

resolution that's workable and with which most of the group can agree to. And yeah, with that, thank you all for joining and looking forward to talking to you next week. Devan, you may stop the recording. Thanks.

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