
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, the 14th of May, 2025, at 13:15 UTC. We do have apologies from the Tapani. 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 our chair, Michael Bauland. Please begin.

MICHAEL BAULAND

Oh I can switch on my camera so you can also see me. Hello, everybody, to meeting number seven already. Well I hope you had a nice break last week, and it was great to see some of you at the Contracted Party Summit in Hanoi. And let's get going. Next slide please. For today we'll do the welcome, SOI changes, recap of the last meeting and then the main part. We'll continue with

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our review of the IDN EPDP outputs to see how they fit into our work and if they fit into our work and then we'll have the next steps and the AOB. Next slide please. Yep, thank you. So here are the ... why is it recap of meeting five and we're in meeting seven? Well, maybe I missed the meeting. So we completed the review of the early input responses and you can see a summary here. We agreed that we will look on the EPDP IDN output. Oh [inaudible] meetings count too. Wait, I learned something. Since the SubPro mainly was basis for the IDN EPDP recommendations and they were or are more specific and therefore better suitable to look at and they cover all of the SubPro topics anyway so there's no need to look at the SubPro separately. And yeah, we started filling the spreadsheet last week with the relevance of those recommendations. Key action items. There was one item raised regarding the final recs 7.1, where it was mentioned that we put a requirement. And the question was whether we might need to check with ICANN Legal for how this would work. The we talked about this and the decision was that we won't involve ICANN Legal at that point because our commendation is quite broad and does not need to go into the legal details at this point in time. We just recommend something, and how this is then implemented and the exact legal wording is not a thing we need to deal with in this PDP. So. And then yeah, we just continue with the ID and EPDP phase one and phase two recommendations. Next slide, please. So this is still the ongoing reminder of our scope. No

changes here. Just leave it here for a few seconds for you to look at it again. It's basically still, yeah, what we decided in the previous meetings, what the scope is and just for recap. If there are any questions, of course, feel free to interrupt me and ask. If not, we'll continue with the next slide, please. So we are at the point where we are in charter question 3. We look at the phase 1 and phase 2 report of the IDN EPDP as mentioned and, yeah, I guess we will continue with that. Oh, we have the overview again, sorry. Yes. So here's this chart which we mentioned we would fill up during the process. And for the new things are that for SubPro we decided that we examined all the output through the IDN EPDP and don't look into detail. And for the IDND EPDP Phase 1, we have the root zone LGR as a base, the same entity principle and top level. And we looked at application requirements and contractual requirements. So I guess we can go to the sheet, right? Some background information here. We reorganized this sheet slightly. Before that we had multiple tabs. One tab was just the SubPro output and how they relate to IDN EPDP recommendations. And on the next tab, we have the IDN PDP recommendations that were not connected to the SubPro. But in the end, we decided it's easier and more clean if we look at the recommendations in the order they were actually put into the IDN EPDP because that makes more sense rather than to jump around based on the connection to SubPro. So that's why we now have here on the middle the phase one outputs where we already

have a few decisions due to the fact that we first start with the SubPro but have some holes in the middle. And on the right side, we have the phase two output which are not yet filled because we start with phase one. So we looked at the phase final recommendation 1.1 and 2.1 and decided that they are applicable. So the next item to look at is the final recommendations 3.1. This whole section from 3.1 to 3.6 is about application submission, administrative checks and initial evaluation. Yeah, Rec 3.1 is an application for an allocatable variant label cannot precede an application for that variant labeled primary gTLD string. And now it's up to you. Any suggestions whether you think that makes sense for us and if so, how, or if that's not applicable? Amadeu, please go ahead. If you're talking, we can't hear you. Just unmute. Still on mute. I still can't hear you.

AMADEU ABRIL

Sorry, I was on my phone today, and it was even more difficult to find how to unmute. Sorry about that. Perhaps I'm reading that in the wrong way, but as I understand it, this recommendation doesn't make much sense because probably in the variant we would have a clear definition of what's the base, what's the variant. Here we don't have a variant. We have something that's similar, that's equivalent, that may be one in ASCII, one in IDN, but I don't think that the relationship is the same. So saying

which one should proceed? I am really not sure this should work. So why [inaudible] should come after the one in ASCII and not first in IDN or Quebec should come first in IDN and not in ASCII makes little sense. It may be in different rounds that now exist or in the future, or at the same time. But I don't see the point of this recommendation applying to this process.

MICHAEL BAULAND

Okay, thanks. Bill, please.

BILL JOURIS

Yeah, I agree with Amadeu. This isn't something we should adopt as-is. I think it might be useful as we proceed to look at it to see if we have missed something philosophically as we work out our own recommendations. But I don't think we should adopt it as is. Thank you.

MICHAEL BAULAND

Okay, thanks. Edmon?

EDMON CHUNG

I guess the motivation for this is because without the primary string, it wouldn't be able to calculate the allocatable variance. So this is by definition a situation. It is not a situation where one has put the other. In my mind, it's just stating the fact because

without the primary string, you can't even calculate whether there is an allocatable variant.

MICHAEL BAULAND

Yeah, good point. I agree that, for variants, you need the primary label to get the disposition values. But since we don't have any disposition value, it seems not applicable. But Sarmad, please.

SARMAD HUSSAIN

I guess there is perhaps one underlying thought process perhaps here, and I just want to see if I can try to bring that out for discussion. So there are many particular recommendations in IDN EPDP as well as SubPro which relates to variants. Obviously we are currently talking about similar strings and not variant strings. So I guess a question here is that are we in some ways suggesting that similar strings will potentially be treated as a kind of variant strings? And if that's the case, then some of these variant kind of recommendations can then be translated onto the similar strings. So is that really sort of an underlying kind of his point which we are looking at? And if that is true, then I think that's something maybe we can perhaps discuss more explicitly because then that can also help, I guess, look through some of these things and how they may apply. Thank you.

MICHAEL BAULAND

Okay, thanks. So your suggestion is that we might consider our cases where we have similar labels, that we consider these similar to variants, and thereby transfer some of the rituals stations, but with the exception or with the difference that we don't have any disposition values here because there is no real variant relationship and all the labels are separate, so to say? Is that what you meant?

SARMAD HUSSAIN

So, yes, I'm not, I guess, suggesting we do it that way, but I think what I'm saying is that, are we drawing a parallel? And is that because many of these variants obviously talk about relationship between two strings or two at the top level and then accordingly at the second level? Are we in some ways mapping the same kind of arrangement to similar strings? I guess that's a question, probably not a statement. And that answer to that question will help us sort of see how we can then map some of these things. Thank you.

MICHAEL BAULAND

Okay. Yeah, I think it makes sense to look at them in a similar way, but we have to take care of the differences that do exist and take care that those are considered in a reasonable way. Just reading the chat now, there was a comment from Anil. He writes, "In my view, we may apply this recommendation with our case. Also, this

case is the same.” I’m not 100% sure here on “case is the same” because it’s not exactly the same. As mentioned earlier, the variants have a disposition value. So sometimes depending on which label you start, a variant may be blocked or may be allocatable. And this is something we do not have here right now. No matter whether you start with the ASCII version or with any of the diacritics, all of the others are in principle allocatable, so to say, because there’s no variant relationship as such. And Philippe says, “‘Primary’ assumes some overarching string that takes precedent over others. So not strictly variants.” Maybe that’s something which could be applied to diacritics. And what we are doing is essentially parallel to allocatable variants. Yeah, basically in our case everything is allocatable because it’s not related by our variants. Now, Edmon [says, “]in my mind, 3.1 only applies in the sense that the second must come after the first, which means nothing.[”] Yeah, I think I tend to agree with Edmon here. If we don’t have any relationship here, it doesn’t matter which one of the TLD is first and which is second. And then it’s also irrelevant that the second comes after the first because they are interchangeable. Okay, I think we agree here that this is not really necessary for our case to have such a rule. Let’s continue with recommendation 3.2. A future regulatory operator who wishes to apply for an allocatable variant label of its existing gTLD must submit an application during an application round. Any thoughts about this? Basically it says that even though you may have an a

TLD, and there are allocatable variants, you cannot just activate any of these variants at any point in time, but you have to go through the application round to activate to use such a variant. Edmon, please.

EDMON CHUNG

Yeah, I think this would apply, because the whole idea is that there are other processes like objection and so on that happens in a round, and therefore this is the idea. So just take Quebec as an example. Let's say they can't apply suddenly between two rounds with the diacritic. So I think the principle here probably applies.

MICHAEL BAULAND

Okay. Louis writes, "What if it is already done during the first round?" Not sure I understand that question. What is it that is done in the first round? You mean that one of the TLDs has already been applied for in the first round?

LOUIS HOULE

Well, if I may, it's well written in the application that we had that we were asking for the Quebec with an accent. It's only that technically it hasn't been approved for technical reason, as we've been explaining, but thus it's been done. So in our case we're not going to a new application that is unknown. It's already in the books, in the minutes, of ICANN.

MICHAEL BAULAND Yeah, I think I understand that. But still, the diacritic version will have to be applied for in one of the application rounds and cannot just be activated outside of it.

LOUIS HOULE Well, I guess I would agree with what Edmon wrote. Probably you need a new application taking into consideration technical factors or whatever. And I don't know. This is what we have to discuss right now, I think.

MICHAEL BAULAND Yeah. Edmon writes there are many applications in the 2012 round that included such declaration but they probably don't count as an application. So even though you mentioned it there, this mentioning alone is not a real application for that label. Amadeu, please.

AMADEU ABRIL: Disclaimer. I work for a company that's the RSP for dot-Quebec but having said that and hoping that Louis will not kill me, I don't think there is any other solution that was written there. We have application rounds for applications. We don't have anything in between and I think that if we try to create anything in between like a special application rounds for some sort of TLDs, the whole

thing would fail. So I don't think it's realistic and even I don't think it's needed.

MICHAEL BAULAND

Okay, thanks. Yeah, I tend to agree also because this thing that was put into the application was more for informational purposes if I remember correctly. It had no real legal binding meaning. Thank you. Asteway, please.

ASTEWAY NEGASH

I think if we have it in scope that both an ASCII version and a diacritic version needs to be applied for in order to be considered in this PDP, then I think we need to stick by that rule. And since we don't have anything in between two applications, as Amadeu says, I think we need to stick by that. Thanks.

MICHAEL BAULAND

Okay, thanks. Yeah, I tend to agree, and [inaudible] put it here in writing. [“]The principle is applicable for LD PDP. A new application is necessary for those existing gTLDs.[”] Unless there's any objection, I think we can use that and go to the next big recommendation, 3.3. Applications for allocatable variant labels of existing gTLDs can be submitted during the immediate next application round of a new gTLD program and any subsequent rounds. Any thoughts on that? So I understand it just basically

says that, already in the next round, you can apply for the allocatable variants, but you do not have to do that in the next round. You can also wait for any of the subsequent rounds and not [forfeit] your right to get those allocatable variants. Edmon, please.

EDMON CHUNG

I guess it's similar to the one before. This seems to apply, again, using example of Quebec. Then in the immediate next round when this policy applies, it can apply for the diacritic version, but it doesn't have to. It could be some future round.

MICHAEL BAULAND

Yeah, this is also what Philippe writes in the chat. It seems applicable to me. So we also say that there is no requirement to have this in the next round. People are free to have apply for such gTLD in any round they want to use that. That makes sense to me because people might not be ready for the diacritic version in the 2026 round, but they still would like to have the opportunity. Yeah, so sounds reasonable. Any objections? I see none, so we'll go to rec 3.4. A future applicant applying for a primary gTLD string together with an allocatable variant labels in the same round is required to submit one application for the primary gTLD string and the variant labels. So here it is that in the case that you want to apply for a string together with the allocatable variants,

and not having the application in different rounds, then you do this in a single application and not write like two or three applications, one for the primary label and one for the variant labels. How should we handle this in our case? Bill, please.

BILL JOURIS

Yeah, I think somebody noted we want to leave open the possibility of applying for one of the diacritic versions down the road. And so if someone is applying in this round specifically, then sure, one application. But I don't think we want to phrase it as you have to do it this time, which is the way I read the phrasing here. Thank you.

MICHAEL BAULAND

Thanks, Bill. I think the phrasing here is not forcing anybody to do it in single round. It's just that if you apply for a TLD and at least one of its variants in the same round, you don't make that in separate applications, but you combine them into a single application stating you want this TLD and at the same time you also want to activate variant XY [or] whatever. Sarmad, please.

SARMAD HUSSAIN

So I think what this particular recommendation suggests is for those strings which are actually variants of each other and have a primary and variant relationship. In the case of the context we

are talking about, we don't actually have a primary and variant relationship, and those are actually distinct strings. That's one, I guess, challenge in applying this recommendation. The second is that, I guess, at the time of application, it is not even something which is known—that those two strings are for example similar or distinct to each other. So if they are not found similar and if they could be applied as a single application, it actually means that what the recommendation may allow is having two distinct strings to be applied as a single application, which makes things a bit confusing. Thank you.

MICHAEL BAULAND

Thanks. I think this question is really one of the important ones: how we will deal with the whole process. Edmon, please.

EDMON CHUNG

I think, Michael, you nailed the point. I think this is probably really at the crux of the issue. We can tackle it right now, but at least I don't think it applies directly. The question, as Samad mentioned, is there is a possibility where they are not considered confusingly similar by this strings similarity review. In that case they would just proceed as to two applications. Whether we specifically create a completely different mechanism that allows this to happen is something this group definitely should need to touch on. But if simply just looking at this and mapping over, I think we

should just state that it doesn't apply. And I think we might need a longer discussion about how we want to handle the application process itself; whether you can put in one application and it splits into two at some point if it's not considered similar or something. That is a much more complicated discussion. But if you just talk about the principle here, I think it doesn't apply. Just to make sure it's clear.

MICHAEL BAULAND

Okay, thanks. I'll get to Amadeu in a minute. I'm just reading the chat. Sebastien said if you want more than one, apply in a single application. Bill, ["]Okay with that reading? Sure.["] And Anil, "No separate application in single round. Otherwise yes, separate applications may be required." I would like to say a comment to Sarmad too. Yes, if we say a single application for those, and the string similarity panel would consider them not to be confusingly similar, this would open the door to bundle two labels which are not similar at all. In principle, yes, but the danger, I think, isn't that big because we already have the restriction that the diacritic must be combined with the base ASCII version. And so you can't have this principle just for any two labels like red and green because they would not fall into this case. So even if the string similarity review panel would consider them to be not similar or confusingly similar, they're still at least to some point similar in the sense that

it's an ASCII character with diacritics, the same character. But I first go to Amadeu and then go back to Sarmad please.

AMADEU ABRIL

Okay, I would like to separate two points. One is the point of the application. The second one is the question of the cost of the application. So letting aside the cost of the application, what's the point here? Let's imagine that I am submitting two applications for Abril, and Abril with an accent in the A or whatever. And I want to treat that as the same TLD. It makes much more sense to submit a single application. These are the two TLDs that we treated in the way we are describing—same registry, same operator, same registrar, same registrant, same rules, same policies and everything—that sending two different applications ... “Oh, A relates to B, and B relates to A and then go the way you want” ... In the famous digital archery we have, one may be evaluated in February 2027; the other one in 2029 or something like that. We don't gain anything by doing it that way. Now let's imagine that I submit Abril, and Abril with the accent, and say, no, I want to do different things because I don't think they are confusingly similar. I don't want to treat them as the same. Then I have to submit two applications. That's clear. But from the point of view of me committing as a registry that I want to treat this this way, we can do that. Now if they are not similar, but still good to treat them as a similar TLD as what we are dealing here—same

registry, same registrant, same policies, same domain, doing the same in both TLDs—even if the TLDs are not similar, we are not doing any harm to anyone. Remember that we have NGO and ONG in 2012. They are not similar, only semantically in different languages. And they were treated somehow this way. It was not exactly that, but the idea was that. Later they separated. But the question is, what's wrong with submitting them similarly? Again, I repeat, the question is, do they pay one fee, two fees, one and a half? But I think that this is a separate question. But I don't see what's the benefit in telling them you submit two applications that will be evaluated in different times, probably by different teams, with perhaps different results, or even similar results, but in different times with different teams. What you do with the first application[?] The second one is one year and a half [down the road in] evaluation. And this has happened. Yeah. So I don't think we gain anything. And I repeat, I'm not implying anything regarding the cost by this assertion for now.

MICHAEL BAULAND

Okay, thanks. Good points. Definitely. Sarmad, please.

SARMAD HUSSAIN

Yes, I think one thing which I was actually considering was that suppose if this is possible to apply to strings which are, I guess, different but due to diacritics, and at this time we do not know

whether they are considered similar or not similar by the string similarity panel because that's later in the process, and those two are applied as a single application. Then if the strings priority panel considers those two strings unique, meaning that they are not similar and they can therefore proceed independently, but they now applied through the same application, I was just thinking how that would work out. Will we split the application into two applications or how does that work out? I think that's one of the things which I was thinking on how that comes out.

MICHAEL BAULAND

Thanks, Sarmad. Yeah, I agree. These are all valid points to consider. My suggestion would be to put this question back for later consideration since for once it's a very fundamental decision we are taking here, and it might be better for us to first set out the rules for how those TLDs will operate, how they will coexist, and what restrictions we apply to them and requirements we ask for the applicant. And once we have all this laid out, I think it might be easier to come to a decision for this one. So unless there's any objection, I think we should postpone this question to somewhere more at the end. Steve, please.

STEVE CHAN

Thanks, Michael. And not necessarily arguing against pushing this discussion later, but maybe just sharing a little bit of the

outcomes from when leadership and staff was talking about the contract, actually, if you think about the contract where the question we were talking about was whether or not it should be a single contract with a spec and we're going to leave the details to Legal, that has some implications because if it's contractually captured that way, it maybe is more dependent on whether or not the applicant wishes to treat the ASCII diacritics as a set versus rather than having it dependent on the outcome of string similarity. So it's maybe better to look at as a declaration by the applicant and not necessarily have it hinged on the outcome of string similarity. And so I think that thinking that we had ... It's obviously not to determine the outcome of this PDP and the deliberations of the group, but for us it seemed like maybe we don't leave this up to chance. Maybe it's better to have it declared by the applicant and not have it dependent on an evaluation. Thanks.

MICHAEL BAULAND

Yeah, thanks, Steve, for that. I agree with that. And as Edmon writes in the chat, he also agrees, and that's why he supports to discuss this part after we had the discussions on how those TLDs should be handled. So yeah, I think it's really an important question, but I think it will be easier to make a well informed decision once we've considered the other points. Philippe writes, "Good point, or at least we have a panel consider priority

statements of that nature. And Anil agrees with me. Thanks.” So yeah, by postponing that, we won't harm anything. So I think it makes sense to put this off for later and continue with the next for the time being. So final recommendation 25. After submission of an application, the applicant is allowed to withdraw an applied-for variant label from that application but is not allowed to add any other variant label that was not originally applied for in that application. Only an applicant for a dot-brand TLD string whose applied-for primary gTLD string is placed in a contention set is allowed to change its applied-for primary string and allocatable variable labels under the conditions set out in SubPro PDP rec 28. I think this follows what we decide with 3.4 so unless there's any urgent need to discuss this, I would put this also for later because if we don't know yet whether it's a single application or not, it makes no sense to decide whether you can change anything in that, maybe not even existing single application. So I think we do this later too, unless there's any objection. Okay, seeing none, let's look at the final recommendation, 3.5. In addition to explaining the mission and purpose of the applied-for primary gTLD string or existing gTLD, the applicant seeking one or more gTLD variant labels will describe the justification of such need. The justification given by the applicant shall at minimum provide the following information: the meaning or intended meaning for non-dictionary words of each of the applied for variant labels, including sources explanation of how the primary and variant

labels are considered the same, explain the benefits and the user communities who will benefit from the introduction of the applied-for variant labels and a description of the steps that the applicant will take to minimize the operational and management complexities of variant gTLDs and variant domain names that impact registrars, resellers and/or registrants. Quite a lot of text to digest. Sarmad, please.

SARMAD HUSSAIN

Thank you, Michael. Just to give a bit of a background for this recommendation, there is SSAC advice where it basically suggests that the number of variants delegated at the top level and then obviously also registered at the second level under them should be, I guess, reduced or minimized because it can create permutationally many variants if you include variants [at] second level, and that can potentially cause management challenges for those involved. So I guess this eventually, whether this is applicable or not, would also depend on how the similar TLDs are grouped and how, I guess, registrations at the second level under those TLDs are grouped. If they end up being grouped similar to variants, then maybe the SSAC advice also starts being applicable here. So I think those questions need to be perhaps answered first before. Of course, it can be decided whether this could be applied. Of course there can be other reasons where these can be

applied as well, but for variants, that's sort of the source of the recommendation. Thank you.

MICHAEL BAULAND Yeah, thanks for that background information. Definitely important information. Yeah, Edmon, please.

EDMON CHUNG I pretty much agree with what Samad said. And if we're going with some kind of color scheme, this might be kind of orange because it definitely doesn't directly apply, but some of the principles might need to be considered if we pick one way or the other down the road.

MICHAEL BAULAND Thanks. Yeah, [inaudible] likes your idea of changing colors. We'll have a rainbow soon. Yeah, I agreed that it makes sense to first really specify the rules of how these TLDs will work (what are restrictions, what are requirements) before we actually say something about how people apply for them because as Samad said, this largely depends on what we put into our rules—how those are run. So unless there's any objection, we also postpone it. We can postpone it to a bit more yellowish color. Yeah, [inaudible] to be ... Oh, can't read it anymore. Can you scroll up a bit? I'm just reading the [inaudible] You're right, because people

who can't see the screen so well can also know what you write. Could you scroll up a bit? I just want to read what you wrote there. Thanks. "So TBD later but need to consider the principle." Thanks. So Implementation Guidance 3.6. This is basically based on 3.5, so I think it makes sense to also postpone that because if we don't have 3.5, we don't need to do any implementation for that. So just as a consequence, put that there too. Just reading the chat, Justine [asks] whether there is a small finite group of similar things that could be applied for. And John likes orange. Okay, so we've finished or postponed the questions around the application process, and we can continue with the topic of application submission, administrative check and initial evaluation, while we actually don't have to continue here because we already considered this last week. So we can continue with application submission, administrative check and initial evaluation. [inaudible]? Oh, the one that was related to SubPro. And this is not, I think. Yeah, thanks, Saewon. That's why there's a border between that. So final recommendation 3.10. The fee structure associated with future applications that include variant labels and variant label applications from registry operators of existing gTLDs must be consistent with the principle of cost recovery reflected in the 2012 Applicant Guidebook and affirmed by the new gTLD subsequent procedures PDP. Any thoughts on that?

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- AMADEU ABRIL Sorry, Michael, can you translate that sentence to me? What does it mean in practical terms?
- MICHAEL BAULAND I can translate in German. [German inaudible]—oh, no, not in German?
- AMADEU ABRIL Well, in real worldish. What does it mean?
- MICHAEL BAULAND Not in legalese. Okay. Yeah, technical language. So I think it's just means that we don't actually define fees, but the fees must be in a cost recovery way. Basically—
- AMADEU ABRIL Sorry, I think that as we said, there is not a special process for that. It's not an adopt process, but this is submitted in regular application rounds. The only question is whether this kind of applications must pay the full application fee for each TLD in the group or if there's some kind of reduction for the additional TLD because, well, the sentence you read, I repeat, is a general consideration, but it has no practical applications to an application running in which the fees are already defined.
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MICHAEL BAULAND Yeah, right. It's a very general thing that has no real implication. I think the next recommendation is more specific in this sense. Bill, you had your hand up before?

BILL JOURIS I stuck the note in the chat. I'm just curious, are we spending time on something that's a matter of a few dollars, a few euros, something like that, or are we talking a cost to process a second similar application in tens of thousands rather than a handful? If it's small, I'm not sure we need to worry about this actually.

MICHAEL BAULAND Okay. Justine said the next round base application fee is US\$227,000. So it's not just a few dollars. At least she thinks it is. Yeah, it was something between 200 and 300, but I can't remember the exact amount. And it's not that important for us right now. I think it's just a big number, more than I earn. Yeah, Bill says that's the fee, but what is the cost? So I think Bill is referring to what is the cost that is incurred by ICANN doing the evaluation and not the fee that is asked from the applicants? And since it's a cost recovery basis, those two should be the same. Yeah, I think this recommendation is not really saying much personally; just that it must be consistent with the principle of cost recovery. So Steve, please?

STEVE CHAN

Thanks Michael. And what may be helpful is a little bit more context from when this recommendation was developed. There was not necessarily a clear indication of which processes from the next round would apply for variants. And so I think in our analysis we, the staff, think that most do apply, but the context is that we weren't sure which ones would apply. And so this is essentially saying that if there's a set of processes that are not applicable and therefore they wouldn't incur the cost for the variants, then the price should be reflected accordingly. So in other words, there's a potential for the cost to be lower because there's less processes applicable. That said (and I think Sarmad will probably ... I saw his head for a second) our analysis, I think, is generally that most are still applicable to variant. But that's the context: we expected maybe the price to be lower to reflect lower cost incurs. Thanks.

MICHAEL BAULAND

Okay, thanks. So what does this leave us with? Should we have the same [rate] [inaudible] or leave that out?

SARMAD HUSSAIN

It doesn't harm, it doesn't help, so why not?

MICHAEL BAULAND

Okay, so why not? Yeah. Justine, please.

JUSTINE CHEW

Hi. So, I mean, in terms of cost recovery principle, I think it should apply. Then it's just a question of what is calculated in the cost. because as Steve said, there could be evaluation processes that are not applicable for diacritics if we choose to go that way, if you want to treat diacritics as special. With the variants, we determined that variants are still ... Every single variant is still a TLD and therefore it needed to go through probably almost all the evaluation processes. That's why we didn't specify exactly that they were special, but we did create an exemption where we said that if you apply up to four, you can get it for free. So that's the way we compensated for that kind of cost. So we may want to do the same thing here, but I think the cost recovery principle should stay the same for every single application. Thanks.

MICHAEL BAULAND

Yeah, thanks Justine. I think that makes sense. And yeah, while it's true that variants need to go through most of the processes, at least a string similarity review would not necessarily [inaudible] or maybe to compare it with other existing [ones]. So I take that back, sorry. Okay, so this is sensible to have the cost recovery in here too. Looking at the time, we have 15 minutes left. I think we can still continue with the next one. Final recommendation 3.11. A future applicant applying for a primary gTLD string and up to four of that string's allocatable variant labels during an application

round must incur the same base application fee as any other gTLD applicant who does not apply for variant labels in the third round. So as a background maybe for this, [inaudible] basically you can get up to four variants for free. And the reason the IDN PDP did this was to encourage the use of variants—at least a few of them, not too many. If you apply for more, then it cost money again. So the question is, what do we do with our diacritics? Amadeu, please.

AMADEU ABRIL

Okay, this brings us back to two questions I have discussed before. First, we started saying whether we can have more than one diacritic for the same Latin or more than two diacritics without the Latin. Here in the variant context it was clear that you can apply for more than one, right? And more than two. That is more than the base one and one variant. You may have up to four variants. We probably were leaning also towards the direction, and even in this Latin diacritic combo we would like having allowing, if somebody needs it, more than one diacritic. The question of the price bring us back to what we were saying before. If those are separate applications, it's not that easy to have a single price before the evaluation. It can be a [refund]. But I don't see how you can send an application saying, "Well, as this will be considered blah blah blah, I don't pay the fee." I pay the fee for that other one that they sent you last week or three

minutes before. So in practical terms that will be very difficult not to submit the fee. This was also one of the reasons why I was in favor of allowing the different TLD applications in the same application itself, just stating that this was a treatment. Then if something fails, this could be separated. I am in favor of having a reduced fee for the second one. Still, I believe there is some work there, and I'm not completely sure that having the tool for the price of 1, so to speak, or 3 for the price of 1 exactly reflects the costs. It's probably something for Stephen and the rest of the staff to clarify, but I am certainly not in favor to charging the full fee to both of them. But then as I say, this implies that we cannot treat them as separate applications in a question you had earlier today. Thanks.

MICHAEL BAULAND

Thanks, Amadeu. And Edmon suggests a dark orange color for that. I also think it makes sense to postpone this price discussion for two reasons. First of all, it doesn't matter. It doesn't change any further decisions we make about how we will deal with this. So price can easily be decided at the very end. And secondly, for the reason that Amadeu said, depending on whether we want to have one or multiple applications, this also make the price question dependent on that. Steve, please.

STEVE CHAN

Thanks Michael. Just a very quick reaction to one of the parts that Amadeu mentioned. And he was hinting at strongly, I think, that the 4-for-1 pricing scheme is not reflective of cost recovery, and he is absolutely correct. What that ends up looking like is there's obviously work to be done from the staff folks and whoever is contracted to perform evaluations. All those costs essentially get dispersed and is a shared burden for all applicants. So there are implications from this recommendation. There's obviously cost to process the extra up to four. Thanks.

MICHAEL BAULAND

Yeah, thanks. Makes sense. So obviously the cost for one application cannot be the same as the cost for one application plus four variants because just reading those four variant TLD labels takes a bit of a time and therefore causes a few cents of cost. So yeah, but the cost is distributed over the general application fee to subsidize, so to to say, the top-level variants. So unless there is any objection, it makes sense to look at the price later. And this also applies for the next one because that is the price for more than four. Reading just [Ariel]'s comment regarding the reason of four variant labels, it is due to the root zone LGR calculation based on script rules with the exception of Arabic [(4)], which seems to be the upper limit of allocatable variant labels of a primary string. Yes, thanks Ariel. I agree. We talk quite a lot of what the sensible number would be to put here. We wanted to

have at least one variant for free to encourage the use of that, of IDNs, and to have TLDs and more languages and scripts available for people using those scripts, but the decision to actually say four here was based on the fact that this would cover most of the possible allocatable variants for TLDs in most of the scripts. Thanks. So seeing we are eight minutes before, I think we should stop here and continue with 3.13 in the next session. And let's go to the next step. And I'll hand over to Saewon here.

SAEWON LEE

Thank you, Michael. Again continuing with what we are working on, it's quite simple. Again this week, as we have more EPDP IDNs recs to cover, we'll just ask that the working group review the phase one and phase two recommendations. Here, an update from the last meeting is that during ICANN 83 in Czech Republic, as you can see in the bottom of this slide, there will be two working sessions for our working group, and it's on Wednesday, 11th of June. The topics to discuss are still to be determined based on how our discussions pan out. But basically, as you can see, we're considering the development of charter questions and formulating the recommendations for the initial report and if possible, maybe reviewing the recommendations through the GPI and HR checklist. So with this I'll hand the floor over to John for key outcomes and AIs.

MICHAEL BAULAND

Just a quick comment which was visible on the slide but you didn't mention it. We cancelled meeting number 10, which is in the week before ICANN, due to people maybe already traveling to the Czech Republic. So we'll have the meetings next week on the 21st of May and then on the 28th of May and then there's a week without a meeting and then we meet in Prague. Thanks. Over to you, John.

JOHN EMERY

Thanks, Michael. Yeah, that's, that's a good reminder. As for outcomes today, we pretty much filled out the chart. We had a robust discussion as to whether to use yellow or orange, and we even got some dark orange in there as well. We have no action items except for everyone to kind of continue to review phase one and phase two recommendations for next week so that we can continue to fill out the chart. Is there anyone that had any action items that we were missing? Okay, hearing none, that should be it for today then. Okay, Michael.

MICHAEL BAULAND

Yep. So I'll give you back four minutes of your time and see you all next week. And thanks for the good participation. It was some good discussion today. Thanks all, and bye.