DEVAN REED: Good morning, good afternoon, and good evening. Welcome to the Latin Script Diacritics PDP call taking place on Wednesday, 20th of August, 2025, at 13:15 UTC. We do have apologies from David Bedard. All 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 of participation, ICANN, including this session, is governed by the ICANN Expected Standards of Behavior and the ICANN Community Anti-Harassment Policy. And with this, I will hand it back over to Michael. Please begin.

MICHAEL BAULAND: Thanks, Devan. And welcome, everybody, to meeting number 17. Next slide, please. So we have, as usual, a similar agenda to fill out the TBD items. But as a recap of last meeting, we have some background information and some data that might be helpful for deciding on the REC 3.11 question, the fee opt-in. Next slide, please. So, yeah, with that, the outcomes, as usual, we filled out some of the TBD items. And as action items, you should continue reviewing those still TBDs.

We also had a discussion with leadership staff whether we want an interim update to the SOACs. And we thought that at this point, it's not necessary. If there are anyway those usual updates via ICANN and I

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guess most of the people are anyway reporting back to their teams or groups. And then we prepared some slides regarding the REC 3.11 question, the fee question. We lay out some information about what the cost and cost recovery principles are and what figures we are talking about. And with that, let's start on that topic. Next slide, please.

So, just as a recap, this LDPDP objective is that it is an exception process to create the possibility for base ASCII gTLDs and let's encrypt their diacritic versions of that gTLDs that are not variants of each other, but potentially confusingly similar to coexist and to be delegated and operated by a single registry operator. So, the main goal is to avoid the rejection of one or more of the TLDs due to being confusingly similar. And with that, the process is that the both ASCII and Latin Script TLDs are considered a set upfront and applied for by a single application. We agreed to that and the string similarity review will then consider those TLDs as a set and whether or not found similar, the application proceeds with the TLDs being considered and delegated as a set if declared upfront. And in contrast to the IDN EsPDP, the goal of this PDP is not to have IDN promotion to make it easier or more attractive to apply for IDN because you can anyway apply for all the IDNs. If you do not apply for the base ASCII, there's nothing stopping you here. It's just trying to solve the problem that if you want both of the TLDs, there is a chance that one of them gets rejected and our goal is to avoid this rejection. Next slide, please.

The implications of the cost recoveries here. The SubPro final report of information with modification 15.4 says the gTLD evaluation fee is set to recover costs associated with the new gTLD program. The fee is set to ensure that the program is fully funded and revenue neutral and is not

subsidized by existing contributions from ICANN funding sources, including generic TLD registries and registrars, gTLD contributions and real contributions. And we have gathered three facts here. One is that the costs that need to be recovered are implementation and processing costs. New gTLD applicants will subsidize a part of each ASP application. Fact two is conditional elective evaluations, such as the community priority evaluation and brand exemption, will be charged separately for those requesting specific evaluations. This is similar for fees for objections and auctions. So these additional things are not included in the base fee because otherwise the fee for everybody would have needed to be increased for this few cases. And final fact here is the gTLD evaluation fee in the next round is 227k per application, US dollar that is. And this is except ASP applicants and variant applications that meet criteria. The cost recovery is estimated based on an assumption of 1000 applications. The working group is to consider that the lower the number of applications that is used to recuperate the cost, the higher the gTLD application evaluation fee is. Next slide, please.

And with that, we have tried to summarize the discussion from last week and listed the three main solutions that the group came up with. And we try to also put an advantage and disadvantage tag to each of the three solutions to hopefully facilitate a discussion today that will come to a conclusion and choose one of those three options. In case we have missed an option, please just let us know. But I think these three cases cover the topics we talked about last week. So option one, this is the standard fee for all TLDs within the set full price. There is no exception. There's no special handling. You just pay the fee for every TLD just as if you would have applied for them separately. The advantage is that this

is most likely the fastest and simplest approach for the LDPDP to potentially integrate our policies into the AGB. Disadvantage of this solution is that it's possibly discouraging with no cost benefits and might discourage the use of Latin script IDNs.

The second solution is basically using the IDN LDPDP version, which is main TLD is full price and one or more TLDs to be determined will be free. The advantage, of course, is that there's a lower financial burden for the applicant to which to apply for those or operate them because they would get one or more TLDs for free. The disadvantage would be that this has a program-wide impact on the evaluation fee calculation and may delay the adoption of the LDP PDP [inaudible] exception because the cost which we say is free, of course, it's not free in the sense that there's nothing to do. There is some fees that occur and, of course, those have to be covered elsewhere which would mean that all applications would have to be more expensive and the base fee which is currently set for 227 would most likely have to be increased by some value and this would need to have recalculations and, yeah, this would, of course, take time.

The third option we have talked about last week was that we do no recommendations regarding the fees. We just say those fees should be based on a cost recovery principle and the price determination is up to ICANN what cost can actually be, could be saved by having them as a bundle. The advantage is that the price determination is outside of our PDP and it's consistent with the rest of the program and the disadvantage, of course, is that we have no influence on the fees because it's outside of the PDP.

I see a comment by Bill. He says if we go with marginal cost for number three, note that marginal here doesn't mean small, it means additional cost for one more and there seemed to be some confusion here last time. Okay, so I just wanted to clarify this and satisfied for number three, no recommendations may be clearer to readers than no output. Thanks, yeah, that's a good point, but this is anyway just for this group here. So the wording will not be used in the document we create, but still for our group, it might be more easier to understand and avoid confusion if we set no regs.

Before we start the discussion and possible solutions here, I'd like to provide some further background information on the next slide, please. This is some rationale for the evaluation fee estimation. The EPDP IDN phase one final report recommends that up to four variants for existing registries as well as new applicants should be free and an estimated that a total of 50 variant applications will be received from up to 30 different applicants. The other point here is that the cost involved with subsidy estimation for the 2012 applicants was with regards to applicant and string evaluation and the new round applicants and just the string evaluation and the total subsidy was calculated to be around 3.4 million US dollar, which leads to a cost per applications subsidized variants to be in the range of between 1,700 US dollar and 6,800 US dollar. This is just as a background information about the consequences of that decision to have up to four variants for free by the IDN EPDP. Yeah, any questions so far or any comments? I think we can move back to the previous slide with the solutions and then I would like to hear opinions what you think is the best approach for this working group or if you

think that those three options don't cover all possibilities and you would like to have a different one, then please also come forward with that.

BILL JOURIS: Yes, if we go with the approach to number three as indicated on the next slide, I think that sounds reasonable and I also think it would be easier administratively if we're consistent with the approach there rather than trying to come up with a new application fee structure. Thank you.

MICHAEL BAULAND: Okay, thanks. So that would mean that we stayed, well, there might be some savings by bundling them but we don't know the savings and it's up to ICANN to determine the actual savings and adjust the fee accordingly. Anil would like to go with approach two because this would encourage applicants to go for critics. Okay. So we have one for three, one for two. Amadeu, please go ahead.

AMADEU ABRIL: Okay, I think I'm unmuted, right? This is Amadeu for the record. Sorry, Michael, do me a favor. Can you remind me which is option two because I cannot read the screen, I have forgotten which one is which.

MICHAEL BAULAND: Okay, option two is basically the IDN EPDP version to have the full price for one TLD and the added diacritic TLDs will be free up to some, to be determined a number.

AMADEU ABRIL: Okay, now what I want to do here without permission is to just express my frustration about all this. I think that this solution would make sense in, you know, in sense of fairness, except that imagine the case of .Quebec or L'Oreal or [inaudible] on the other way. I mean, that means that they could apply now just for free because they applied for either the Latin or the diacritic IDN version in 2012. It's difficult, right, to assume.

Now, having said that, I think that first of all, we need to assume that we are not in a position to set the prices or the price structure, maximum to make a recommendation, a modest recommendation. Second, I think that we are addressing the PDP results to the GNSO and still, it's not the GNSO again, the parties will set the prices. So, I think that we should be very careful how we work this, not to create an obstacle that prevents the whole work of the PDP to work. And that's part of my frustration. If we want this to succeed, I'm afraid that the best thing is just to make, you know, some sort of generic recommendation to the board regarding that they should consider that, if feasible, on how to work on this.

The other part of the frustration is that we seem bound, and I think we are bound, to assume that the 227k fee means something in terms of cost. And it doesn't. It simply doesn't, right? It's just a number that came from calculating inflation. And even if the technical evaluation won't be there, it's still considered. And even if all the time of the ICANN staff is already covered by the budget, we charge it again to calculate the cost of the TLD evaluation. So, it's impossible to calculate which part

really are the costs for the evaluation, because the whole cost makes no sense in terms of cost evaluation. So, assuming that, I am completely lost. I would like recommending that we don't penalize the people that, for practical linguistic reasons, need, in a social term, not in a technical term, but in a social term, to bundle Latin with diacritics. But I'm afraid that if you go that way, this will end up blocking any use for this PDP in the next round.

MICHAEL BAULAND: OK. Understood, yeah. Thanks. Reading the chat, Anil says he would want to go with approach two. Tapani also likes approach two. And Bill thumbs this up. Satish says his choice would be three, assuming that there is some indication of incremental marginal cost available early in the cycle. It is also simpler for everyone concerned. In number two, one or more is somewhat unclear. Yeah, of course, if we were to go for two, it would also mean that we would have to set some limit. This one or more is now just for our discussion to simplify this. We could say one. We could say four as in the idea in the PDP. But we would, of course, if we want to set a definite price here, we would also have to come up with a number. Juliana says number two is a fair approach, even though we should follow up the disadvantage. And Ariel has some insights into what the evaluation P covers. There's a section 2.3.1 in the AGB, which provides some further information about the evaluation P and what it covers. OK, so far I see no one voting for one. And I have like, I don't know, eight, nine people for two, and maybe two or three for three. Bill, please.

BILL JOURIS: I think if we just copy the text as shown on the next slide, that will make life a whole lot easier for everybody while not causing there to be a huge cost for the first couple and not running up the expenses to ICANN for some large number. So I'd say just copy that text and go with it. Thank you.

MICHAEL BAULAND: The next slide, could you forward to that, please? Which one do you want to copy, Bill?

BILL JOURIS: I would say both, that for free plus up to 50 or up to 30, whatever, whichever. And then I don't know if we need to explicitly note what the estimated subsidy is. But since that's already here, just say, all right, for diacritic versions are similar. Diacritics are free. After that, we're charging some cost lower than the full price, but not free. I think that's the way to go. Thank you.

MICHAEL BAULAND: OK, and that would mean that the overall application fee, which is currently set to 2.27, would have to be increased by a few thousand US dollars. Ariel, please.

ARIEL LIANG: Thanks, everyone. I wish Sarmad was here today in the call. He had some technical difficulties. But I believe he's very well aware of this estimation of up to 50 variant applications from 30 different applicants.

I think his team actually did this estimation. And also just to provide some background, so for variant, we are talking about the scripts that actually have allocatable variants. And that's kind of limited to seven scripts, I believe. That was the number, like especially Arabic, Chinese, and some other scripts that are not Latin script. So I think with the only exception to Arabic, all the other script that has variants, the allocatable number is pretty low. And that's why the IDN EPDP phase one recommended up to four allocatable variants for free, basically. And then based on this understanding, I think this estimation was made. And then if we expand, we're not talking about we're doing this, but just presuming we're expanding this to diacritic based on Latin script, it's going to be hard to make a limited estimation because Latin didn't really have allocatable variant labels, only with two exceptions for two different characters. But we're not going into detail there. So if we don't have a kind of upper bound based on RZLGR calculation, it's going to be hard to estimate that. And then most of the TLDs, the existing ones are Latin script, basically. So if, for example, the group decides to recommend something like free for one and so on, then it could send a signal to the existing ROs and also new applicants. They can look into the diacritic version. So the estimation is going to be really hard to generate because there's no RZLGR baseline to tell us the upper bound. So I just want to provide some additional info on this four variant recommendation from phase one that was based on these kind of understanding and also the natural limit set by RZLGR.

MICHAEL BAULAND: Thanks, Ariel. Yeah, that's a good point. While for the variant, this estimation of 50 is probably OK, we really don't know what it would be

for the Latin diacritic case. As I said, we have like 1,000 maybe Latin TLDs and each of those could have one or more diacritic versions. So the estimate of how many applications would come in if we make that free might be much higher than the 50 for the variant cases. Bill, please.

BILL JOURIS: Yeah, I would say that we don't need to make a new estimation because they've already done the estimation of how much more each additional one costs. And there is a limit written here, maximum of 50 additional diacritics, if you will. And I don't, my recollection isn't absolutely certain. Michael, maybe you can remember better than I, but I don't recall a case where there were that many potential variants, partly because, as I recall, there are only some 40 diacritics used in the Latin script. So that pretty much puts an upper bound on how many cases we would have, which is, in fact, less than the estimated total variant applications here. So I don't, I don't see that we need to worry about that particularly. Thank you.

MICHAEL BAULAND: I'm not sure that the numbers you're bringing up are correctly used because we're not talking about 50 cases per TLD. We're talking about 30 TLDs applying in total for 50 variants as an estimation. But for Latin script, there could be many more than 50 TLDs that would possibly want to have a critical version, because in the variant case, as Ariel said, none of the current Latin TLDs have an allocatable variant. So none of the current TLDs can apply for a variant, but potentially all of the Latin TLDs could apply for a diacritic version. So since the majority of TLDs

currently delegated are within Latin script, this means that the expected number of variants is quite low, because this is only for non-Latin cases, if we take out new applications, of course, but the potential to add variants to existent – not variants – to add diacritics to existing Latin, those are quite a lot. So that's why the number 50 here, which is an estimate for variants, might not be applicable at all for the Latin diacritic case. This could potentially be hundreds, so if they all see, oh, we can get a TLD for free, why not? Let's get one. Somebody writes in the chat, there could be strings with multiple different diacritics, the number of different individual diacritics doesn't limit the number of different strings, or strings with diacritics on different characters. That could be Finnish names, [inaudible]. There's a question in the chat, based on the root zone LGR, if the primary string is Latin with diacritic, the allocatable string would be another version with all non-diacritic characters.

AMADEU ABRIL: Okay, again, I am frustrated by this, because I would like to be fair, but I think that the current discussion shows again that it's very difficult to apply here the rules we have for IDNs. In the IDN side, it's sort of a technical issue, and you have for those scripts in which this was approved, you have something like the base, you know, the primary base version and the variants, and they have a relationship among themselves that is not exactly the same as, you know, Tapani with umlauts or diacritics over vowels or not in Latin. So in Latin, it's more a question of usage, confusion, a social need, more of a technical question. And therefore, as we are discussing, there are not the same technical limitations. So applying the same rules here would lead to probably the board being quite skeptical about the possible results if

people decide gaming. I mean, in reality, we will see very few applications for this, as the same way that we always saw two applications from the same applicant with Latin IDNs. I mean, IDNs is basically the Latin script, so to speak. TLDs with Latin diacritics on it in 2012. Only two. Because diacritics are difficult for Latin script, people are used not to write them and to get confused with them. Now, if we allow, you know, any number of or even four or five or so, you know, which is much higher than writing something more or less correctly or in a way that can be understood by the users of any given language or group of languages. If we allow high numbers of different diacritics, then what we are doing probably is opening opportunities for, you know, registries that want to game with this in a strange way and even to introduce more confusion. If you have the same TLD written in seven ways, the potential for confusion, no matter what rules we have, is even higher, I think. So, we will do the contrary of what we are trying here. So, again, I repeat, I would like saying, well, well-intentioned people can apply for one, two, three, the one they need and pay very little for that as an addition. You must let it not fly when it reaches the people that need to make the decision and therefore bear the risk of this completely derailing. And even if I don't like the solution, I am afraid that we have little practical alternatives to say, so sorry, it's an accident, you will pay, you know, the full price, which at the end, we know it's not fair, that full price, even for single TLD applicants.

MICHAEL BAULAND: Okay. Thanks. I also put my hand up and I'm calling myself now, just as I'm not talking as a chair now, but it's been my own capacity and I tend to agree with you, Amadeu, here. Of course, it would be nice to have

IDNs more available, native languages more available and support this, but I think this is not the right place to do this. This PDP is very narrowly scoped and it's not the goal of the PDP to make these cases to encourage people who haven't thought about getting one of those TLDs now to suddenly say, well, if it's free, why not? I can just try it. Let's get one. The goal of the PDP is to avoid people who are willing to pay full price for the TLD to get their application rejected because of the current rules. So we are just trying to avoid this rejection. So in case people say like, I really want to have this Latin script diacritic domain and I would be willing to pay full price, it's a new application, but I'm afraid of doing this because it's likely to be rejected because it's conflicting with my own application. And this is kind of stupid. And due to this problem, we are trying to make an exception that avoids this rejection. But we are not trying to make this much cheaper or free. For that reason, my personal opinion would be to go with option three, which would even give those applicants a slight advantage with regards to applying those TLDs separately because there is likely some reduction of fee if it's based on the cost recovery. Because if you combine the labels, you don't have to evaluate the applicant twice. It's the same entity and you can just do it once. So there is likely to be some cost reduction, which makes it a bit more attractive for the people applying to this rather compared to applying with two TLDs separately. But it's not doing something very unexpected of this PDP to have suddenly make this free. But that's just my personal opinion, not as a chair. And I still hear your opinions that you think that two might be the better solution.

AMADEU ABRIL:

Our role is to minimize user confusion by the use of similar strings. For promoting IDNs, which I think should be, well, Sarmad and Pitinan should find the money to subsidize these applications.

MICHAEL BAULAND:

Bill, I think you switched those. In the chat you said you prefer three, but I'm happy to go with two. As Michael suggests, I think that should be, you prefer two, but I'm happy to go with three, as Michael suggests. Yeah, makes sense. So yeah, back to my chair role. I don't want to influence you. That was just my personal opinion of what I think this PDP is about, but if you follow the reasoning, I wouldn't be unhappy, but if you still think solution two is the way to go, then we will go with it and see what happens. So I wonder whether we should have a quick temperature of the room, so to say, where we are with the discussion, unless anybody wants to add a new argument, comment. Waiting a few seconds. Alan, please.

ALAN BARRETT:

Yeah, thank you. This is Alan. I'm really not comfortable with offering an unlimited number of TLDs for free, which is my reading of number two. I'd be quite comfortable with option three of making no recommendations except to ask that it be consistent with the rest of the program, and I expect that the org staff would have a look at how they're pricing variant IDN TLDs and apply similar reasoning to ASCII diacritics, but yeah, really not comfortable with offering too much free. Thanks.

MICHAEL BAULAND: Okay, thanks for the input. So maybe let's just get a feeling of where we stand at the moment, and I would like everybody to tick your green box if you are for option one, and I do the same with option two and three. So at the moment, just option one. Anybody for it? Just tick your green box, please. It looks like nobody. Okay, then option two. Anybody who's in favor of that we go with option two for a price for one TLD and one or to be defined number of TLDs in addition will be free. Check your green mark, please. I count two at the moment. Waiting a bit more. No, two. And then option three, that we don't make any special recs, but just ask ICANN to come up with a fee that is based on the cost recovery principle and reduce if possible by that much which is sensible. For option three, please press the green button now.

AMADEU ABRIL: Michael, please, I cannot find any green anything. Could you count me in, please?

MICHAEL BAULAND: Okay, I will. Thanks. No problem. So I see one, two, three, four, five, six, seven, with Amadeu, eight. So yeah, this is the summary if I counted correctly. None for one, two for two, and eight for three, which sounds like we have a vote to go for three, even if several people are not too happy with the solution, but it's probably the best compromise based on the advantage and disadvantages. Still pending on my mind, what about the 2012 applicants in the waiting room? So you're referring to those who do not apply for two TLDs at the same time, but who want to add a TLD to their existing TLD, right? Yeah, okay, thanks. Yeah, I guess

this would have to follow the same principle that they would have an application, and I would have to set a fee whether there's a possibility to reduce the fee based on the fact that it's a change of contract, so to say, to add a TLD. I guess the reasoning would be the same as for having two or more TLDs at the same time. Okay, I think we finally managed to solve the TBD for that. Should we go to the Excel sheet again, please? Thanks. Thanks for the link, John. Okay, we can put in the text afterwards.

Then we have 3.12. Any applicant applying for more than an applicable variant labeled of a primary TLD string in an application round may incur additional fees that ICANN Org consider to be proportionate to any additional costs associated with evaluating the application and consistent with the cost recovery principle. So seeing this wording, I think this is basically what we decided should be already the case for the first variant. We said basically that this will cost additional fees, and ICANN Org can consider this to be proportionate to the actual additional costs associated with both. So since we already set this to be the case for the first variant, I think there's nothing special in this 3.12. It's not applicable for us because we don't have any special numbers where we change the price. The price changes will be the same, regardless if it's one, two, three, or four, unless anybody disagrees. I think based on the previous decision, this is not applicable.

Then we come to 3.13, which is basically what [inaudible] also referred to. A future registry operator applying only for allocatable variant labels of its already delegated primary TLD must incur a discounted base application fee. ICANN Org will decide on the discount based on what it's considered to be proportional to any cost associated with evaluating

the application and consistent with the cost recovery principle. Any thoughts here? Anil, please go ahead.

ANIL KUMAR JAIN: Thank you, Michael. Here I think we should make this applicable to diacritics also with the change of language here. It means that suppose somebody has applied for a Latin TLD in the previous rounds and now they want to apply for a diacritics, then we should allow them to apply at a discounted rate to be decided by IT. Thank you.

MICHAEL BAULAND: Okay, thanks. Sounds sensible, yes.

ALAN BARRETT: Yeah, thanks. Yeah, I support that. I think I like the wording of this recommendation. I think it makes sense to offer a discounted fee and to allow ICANN to decide the amount of the discount.

MICHAEL BAULAND: Okay, thanks. Any different opinion? I see a plus one and this is reasonable in the chat, so yeah, let's go with this. And then we have 3.14, which is also related to this topic. If a registry operator from the 2012 round applies for up to four allocatable variant labels of its existing IDN gTLD in the immediate next round, the base application fee will be waived for the application as a one time exception or in any application round subsequent to the immediate next application round, that application must incur a discount base fee. And in the immediate next

application round, that application may incur additional fee as set out in final REC 3.12 or in any application round subsequent to the immediate next application round, that application must incur a discounted the base application fee set out in final REC 3.13 and may incur additional fees set out in final REC 3.12. Any thoughts here? I guess this is similar to what we said before. Since we don't have this difference between four and more than four, we most likely also don't need to have any special RECs for this case. Unless you have any other comments. If it's a consequence of what we already decided that is not applicable in our case. Great, we finished 3.14. I think the next TBD is 8.1, if I'm not mistaken.

This said that no ceiling value for delegated top-level variant labels from a variant label set is necessary as existing measures in the root zone LGR to reduce the number of allocatable top-level variant labels, as well as economic operational and other factors that may impact the decision to apply for variant labels will keep the number of delegated top-level variant labels conservative. So this topic is about the question whether there must be a definite upper limit of how many variant TLDs may be activated in total by a single application. And the decision in the variant case was that there is no upper limit necessary because there are already the existing rules and economic and operational factors will take care of this, that not suddenly somebody with the potential of 1,000 allocatable variants would want to activate all those 1,000 variants because they would have to pay for 996 variants. Might be a bit too expensive just for the fun of it. So in our context, any thoughts, do we need to have an upper limit regarding the number of letter script diacritics that can be bundled together with one TLD? Bill writes

probably not. And Anil says to have a limit of one diacritic with one Latin TLD. Any other thoughts? So we have suggestions of no limit or a limit of one.

AMADEU ABRIL: The question is, are we trying, I mean, one is simple and probably is what is needed in most cases. There may be cases in which the TLDs are not sufficient to be bundled together. So the question is, are we trying to have a limit which is needed in most cases? There may be cases in which more may be useful. What I also would be a little bit skeptical of saying any number, because I said, I mean, this shouldn't be just for the sake of it, yeah? Here is a long word and I can put the diacritics, seven different diacritics in each vowel and I don't know how many in the letter L, et cetera. So I have some money. I would just go playing with it. But on the other side, there will be linguistic reasons for doing that. You may have words like, I don't know, policia or telefonica that are written differently in Spanish, Portuguese, and Catalan. You may have companies that have, are active in these markets or French, et cetera. And you may have a valid reason for having more than one variation for different languages. So I think that, but that's difficult to say. Probably I cannot, would not like that, the people reviewing the application saying there should be a linguistic reason for having more than one. For instance, because, you know, it's addressing different languages in different markets that have different diacritics. But not just, well, you know, I have the money. So I put, you know, all kinds of accents and diuresis and umlauts and macrons over any letter I have here.

MICHAEL BAULAND: Yeah, thanks. What you're referring to, I think we already have a similar recommendation here, I can't remember exactly which it is, but it says something like that the applicant in the application have to provide information of why this is necessary and how they want to use it.

AMADEU ABRIL: Yeah, I think that necessary is a strong word. We have lived without internet for centuries, without IDNs for decades, and without Latin diacritics bundled with Latin script basic for also some decades. So I think useful, it's acceptable. Necessary, I think is a strong word.

MICHAEL BAULAND: Yeah, thanks. Saewon just said this is recommendation 3.5, which basically says, 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, so this is apart from the IDN EPDP, but we decided to use that in a sensible way with changed wording. 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 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 the description of the steps that the applicant will take to minimize the operational and management complexities of variants.

AMADEU ABRIL: And this should apply to multiple diacritics, I think.

MICHAEL BAULAND: Yeah, exactly. That's already our decision that we will have similar requirements that the applicant has to provide some information of why they think they want to activate this one diacritic or possibly even more. So hearing the comment, reading the comments, we have one where it's just that we want to have one at the maximum, but there are several voices that say it doesn't make sense. So we shouldn't restrict this to one because there may be use cases even if not very likely. We shouldn't prohibit this and there are already mechanisms in place that will prevent applicants to apply for thousands or millions of those. So unless I hear more voices that say it should be just one, I think the majority of people agree that there's no need to have a limit here. Then the next section would be 7.4, oops, first change the color of course, yes. Let's red, orange here. Okay, then 7.4 is the next topic I think where we have a TBD, it's the registry fixed fee. Again, fees for a gTLD registry operator that operates the delegated gTLD labels from a variant label set must be the same as the gTLD registry operator of a single TLD. So if you might know registry operators don't just have to pay the one-time application fee but there is a regular fixed fee that they have to pay to ICANN. And the decision for the IDN-EPDP was that someone who operates more than one TLD as a set in a single registry system should have the same fixed fee as somebody just running one TLD. Any thoughts and suggestions here? Amadeu, I hear you raising your hand.

AMADEU ABRIL: Yes, but on a different question. How do you count then for the 50,000 domains? Both count, I imagine, yeah? So we have, let's say, [inaudible] .quebec with accent and the same domain, indeed, same registrant as .quebec without accent. These are two domains.

MICHAEL BAULAND: Yes.

AMADEU ABRIL: Because it doesn't say here, right?

MICHAEL BAULAND: That's an interesting question whether those are two domains with regard to ICANN event.

AMADEU ABRIL: Yeah, if I count these in the way that we manage that in many TLDs at core, in fact, they will not be two different domains.

MICHAEL BAULAND: Yeah, this is actually what's talking, the next topic, 7.5, which is also open, it's about the registry level transaction fee. And this 7.4 is just about the fixed fee which you basically have to pay if you do not reach too many domain on a management arm and therefore don't pay-

AMADEU ABRIL: Well, I think registries would like paying less. And in fact, the TLDs are supposed to be a bundle and a clone, so a single, let's say, item, object, so to speak, compliance-wise, et cetera. So it makes sense for me.

MICHAEL BAULAND: Okay, thanks. Ariel?

ARIEL LIANG: Yes, thank you. This is Ariel. So I just want to provide a quick FYI is that the recommendation 7.4 and 7.5, I believe, these two are still at the pending status at the board deliberation level. The board hasn't officially adopted it. There's still some consideration going on in terms of whether adoption of these recommendations have impact to basically assess different various aspects of impact the board has to consider before officially adopt them. I don't have the exact detail of the rationale behind the implementation consideration, but I can check with my GDS colleagues and get the info to the group if that helps. I just want to make sure folks are aware that these two recommendations from the IDN phase one haven't been adopted. So I want to make sure we don't work off the assumption that these have already been adopted. So that's why we're doing the same recommendation.

MICHAEL BAULAND: Thanks. Very important background information that even though the IDN EPDP had those regs in place, it's not the case that they actually will be handled the way they have been recommended. So, yeah, seeing that we have seven more minutes, maybe it makes sense to get that

information as possible, Ariel, for the next meeting and we can then continue on these two topics which basically go hand in hand. The one about the fixed fee and one about the transaction fee. And so far I heard from Amadeu that he's in favor to have the same rules here because it's a single contract and they are handled and dealt with as a single entity. It makes sense to only have the fees for just one and Claude agrees here. So I don't know if it's technically possible, but could we, instead of having a fixed recommendation which may be the same as the IDN EPDP or maybe different, can say that we will follow the IDN EPDP, whatever the actual outcome will be? Would that be policy-wise technically possible? Well, I guess it's just five more minutes. Let's get back to this next week and then we have some more information and hopefully can make a better informed decision. So with that, I will hand back to Saewon, thanks.

SAEWON LEE: Thank you, Michael. As Michael noted, we'll have a meeting in the leadership team and get back to you on the last point and we now only have like four to five TBD items remaining, including the two that we were discussing today. So we are nearly there, but just for next week, again, very simple, please just continue to focus on reviewing the TBD items. If you look at the next month ahead here, because we did progress quite well today, the leadership team anticipates, well, we all anticipate everything to be finalized by next week, which is 27th of August. And then for the first two weeks in September, we will have a two-week break due to leadership absence, but this also will go hand in hand with the working group possibly being able to review the drafted language for the preliminary recommendations. So we'll give a more

detailed guidance on this next week. But well done, everyone. I think we're progressing quite well. Any questions on the work plan? If not, I will hand it over to John.

JOHN EMERY: Thanks so much. This is John Emery from staff for the record. So the big outcome from today is agreement on pricing that there would be no output or recommendation on fees and will be based on an ICANN cost recovery principle. And for action items, again, everyone, please review those final TBD items in the worksheet. We are in the homestretch, and Ariel will work on getting some information on recommendations 7.4 and 7.5 from some GDS colleagues. So thank you so much, everyone. Back to you, Michael.

MICHAEL BAULAND: Thanks, Saewon, and thanks, John. And with that, I close the meeting and hope that we will finish the TBDs next week and then have a short break. Thanks, everybody, for the good and interesting contribution. And with that, Devan, you can stop the recording. Thanks.

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