
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, 06 May 2026. 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 assistance is needed updating your statements of interest, please email the GNSO Secretariat. All documentation and information can be found on the Latin Script Diacritics Wikispace. Recordings will be posted shortly after the end of the call. Please remember to state your name before speaking for the transcript. All chat sessions are being archived. As a reminder, participation in ICANN, including this session, is governed by the Expected Standards of Behavior, Community Anti-Harassment Policy, and the ICANN Community Participant Code of Conduct. Thank you, and over to our chair, Michael Bauland. Please begin.

MICHAEL BAULAND:

Thanks, Devan, and hello everybody to our meeting number 34. Next slide, please. The agenda is similar to the ones we had before. Don't get confused, as I did, that we are doing a recap of meeting 32. That is because last week's meeting was number 33, even if it was canceled. Next slide, please. For the last meetings, we looked at PR7, IG8, and PRs 12 to 13 and had a consensus on the new language. Next slide, please. As action items from the last meeting, we had the task to update "label" to "string" because we still had some recommendations where we talked about TLD label and LD string, or something like that. It makes sense to have a common word used for both because both are actually

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TLDs, and we are still in the process of updating both. If you still see an inconsistency there, we will be working on that.

Then we were to propose new language, at a location to be determined, that reflects measures that can be taken for high-risk scenarios to adhere to the conservative approach. That one was suggested by Edmon. We will take a look at that. Next slide, please. With that, we have the current version of PR29, which reads: "Generally consistent with Final Recommendation 8.1 from the EPDP IDN Phase 1 Final Report, no ceiling value for the number of Latin diacritic gTLD labels that constitute an ASCII Latin diacritic gTLD set is necessary as economic, operational, and other factors that may impact the decision to apply for multiple Latin diacritic gTLD labels will keep the number of delegated top-level Latin diacritic labels conservative." For LD PDP, there will be no restriction on the number of diacritical marks applied to a single character, nor the type of TLDs, e.g., real words identified in dictionaries, geographic names, and brands. There are no restrictions there, and this is similar to what is in the IDN PDP, where there is also no ceiling value. Next slide, please.

There was then the suggestion by Edmon that instead of making a fixed upper limit of the number of TLDs allowed in the set, we could introduce some high-risk scenario. If the application contains more than X LD TLD strings, then this would trigger a high-risk scenario. The proposed wording for this would read: "Each Latin diacritic gTLD string included in an ASCII Latin diacritic gTLD set shall be assessed on whether a high-risk scenario may arise, and where the set exceeds a threshold of X to be determined Latin diacritic gTLD strings, a high-risk scenario evaluation shall be automatically triggered during the application

process. This evaluation will initiate a structured step-by-step review process to account for unforeseen or unknown conditions and to implement heightened risk mitigation measures." That was the suggestion that we still allow people to apply for a larger set, but this would incur some additional evaluation.

The question would be: do we want this? If so, what would be the threshold we want to use here as the number of TLDs or LD TLDs? Finally, where would we like to do this—as part of PR29, or following that, or as part of IG8, or to follow IG8? Just as a reminder, I will come to you, Bill, just after that. IG8 is about this evaluation, which says that with respect to the evaluation of the information submitted by Preliminary Recommendation 7, in accordance with the IDN PDP, we need to have an evaluator panel that should apply some evaluation based on criteria defined there, and the TLDs have to pass this evaluation. That would be another option to put it. Bill, please.

BILL JOURIS:

Forgive my sometimes shaky memory. Have we somewhere defined what is a high risk and, hopefully, what risk it is that we are worried might be high? Thank you.

MICHAEL BAULAND:

Thanks. No, this has not been defined. This has been introduced now with this proposal that we just classify this as high risk. What exactly the evaluation will be and how this will be checked would then be done by the implementation team. We would just say that if there are, say, three or four TLDs, then this goes into some high-risk evaluation. There

is no memory loss there, Bill. It is the first time we have talked about this, except last time when Edmon suggested this. Anil, please.

ANIL KUMAR JAIN:

Thank you, Michael. First of all, let me say that what Edmon has suggested seems to be a possible scenario. Right now, there are a lot of unexplained things in this proposed new language. One, as Bill has said, is about the definition of a high-risk scenario, what should be covered in that scenario, and what type of risk. Second, once we identified that this is a high-risk scenario, then what kind of evaluation—or you can say a different evaluation, which we are saying is a structured step-by-step review process—needs to be clearly defined in this thing. I personally feel that if we agree, the working group has to put more thought into defining all these aspects very clearly. Thank you.

MICHAEL BAULAND:

Thanks. Sarmad, do you want to respond to that comment, or is it a new comment?

SARMAD HUSSAIN:

It is related to this, but I can wait my turn. Thank you.

MICHAEL BAULAND:

Not a response. Okay. Then Satish, please.

SATISH BABU:

Thanks, Michael. Satish for the record. My comment is also to do with what precisely is high risk. In the context of EPDP and IDNs, we had discussed this from a conservatism point of view and the manageability from a registry operator's point of view of runaway numbers of labels. If there are too many labels and they are uncontained, then we have a manageability problem. Here I am not very clear whether the high risk is at the level of the registry or for the end user. If it is the registry, then it will change from registry to registry, which makes it hard to pin down what is really high risk from that perspective. If it is the end user, I agree that it must be addressed because we do not want any kind of confusion arising out of these numbers of labels. I also support more precisely defining what is high risk. Thank you.

MICHAEL BAULAND:

Thanks. Sarmad, go on again.

SARMAD HUSSAIN:

Sorry, yes, I would like to come in. It seems like my hand went down. There are three items here to think about, and this is all in the context of high risk.

There is potentially a possibility that we are going to include a string which could be a blocked label. This is something we haven't discussed before, but I think we would probably want to check whether that would be possible or not—a blocked label of an existing TLD. If that is the case, then clearly I think we are going against the Root Zone LGR. I am not really sure even if that should be possible or not, but that is something to discuss.

The second issue which could arise is that two strings are considered similar to each other through the regular process. Through this exception process, obviously the policy is allowing those strings to be delegated together, even though to the same registrant and all the other constraints. It is still allowing the string to move forward, which under normal circumstances would not have moved forward based on the other policy. That is also something to consider. If two strings which are similar are delegated, what impact does it have on end users' use?

As I raised earlier as well, there are multiple kinds of issues here. One is that there are two strings which are generally considered similar, but they are being delegated. The second is that there could be other TLDs which have similar differences, but they are not delegated to the same registrar under this condition. There is some inconsistency across strings because, unlike variants which are consistently defined across TLDs, this process does not do that.

Then there is the manageability issue as well where, in some ways, end users then would be able to get multiple strings under multiple TLDs which are somehow tied together. Then how will registrars and registrants be able to manage it? In some ways, though the SSAC recommendation was really for variants, it does also start to apply here. There are many of these aspects which I think would need to be assessed for each of the Latin diacritic strings which is delegated. Even if they are not similar or they are not blocked and are just totally independent and are being paired together, the manageability issue and some user confusion possibility still exist. Those are some of the aspects which need to be assessed. Thank you.

MICHAEL BAULAND:

Thanks. Sarmad, quickly to your question about blocked—and that is also what Bill said in the chat. If it is a variant disposition, which can be allocatable or blocked, then no, it will not be possible to add blocked labels to your LD set because in the scope, we already said that variants are out of scope. Whenever a variant relationship exists, we will not allow any LD set here. That problem is definitely not there.

About the manageability issue, I think that is also one of the questions that the evaluation panel will have to deal with, similar to the IDN variant panel. The applicant will have to provide information on how they will implement the whole set such that it is manageable for registrars and registrants. I don't want to put Edmon on the spot, but if you are interested, since you suggested this, would you like to provide some more insight into what you thought about when you said high-risk scenario and the necessary evaluation? It is staying quiet; seems like not.

The question is: do we want something like this? I think Bill said that to be able to decide whether we want something like this, we would probably have to define in more detail what this high-risk scenario evaluation should be. Any thoughts about this? Bill, please.

BILL JOURIS:

Bill Jouris for the record. Sarmad raised the concern about end-user confusion. As one of the two people from At-Large—and Satish can disagree with me if he is so inclined—At-Large being responsible for advocating for end users, I, for one, cannot see a serious problem for

the end users. If one TLD includes several diacritic instances and another one doesn't bother, I don't see where that's a problem. Thank you.

MICHAEL BAULAND:

Thanks. One problem Sarmad mentioned there was that you could have two TLDs where one has a diacritic version of one letter and the other is ASCII, which are run as an LD set. End users will see that all domains under one and the other will belong to the same entity, so they will see basically the same behavior, more or less. But there could also be a different pair of TLDs with the same diacritic, but those have not been applied as an LD set and are run separately. In that case, users might get confused because for those TLDs, the domains can be completely separate and have no relationship. This is something which is not possible with variants because there, the Root Zone LGR has a clearly defined way that either it is a variant or it is not a variant. With us, it can be an LD set, but it could also be separate. That is what Sarmad said could be a problem for user confusion.

BILL JOURIS:

I'm sorry. What I'm saying is, I don't think end users are going to be paying that level of attention to worry about that. It's the sort of thing that we, who are deeply steeped in all of this, will notice, but the average end user never has a clue that that might have happened. Thank you.

MICHAEL BAULAND: Thanks. Steve, do you want to respond to that, or is it a new point?

STEVE CHAN: It's on the same point, thanks, Michael. Just like Sarmad, I'm happy to defer to Anil. Thanks.

MICHAEL BAULAND: Okay. Anil, please.

ANIL KUMAR JAIN: Thank you, Michael. In response to whether this kind of thing is required in this working group or not, I think it is a big question. Suppose we define a high-risk scenario, which we have not defined in EPDP. Then this will be a separate suggestion or policy suggestion from this working group, this PDP, which will be different from EPDP. Suppose we don't want a separate scenario, because a high-risk scenario, if we are defining it here, exists in the ASCII gTLD plus the variant also, which we discussed in EPDP. I think we have to deal with this very carefully. I don't personally see that there will be a high risk in this particular case. Sarmad has warned about the possible user confusion. That, of course, will be dealt with by the evaluation of string similarity as it exists in EPDP also. Thank you.

MICHAEL BAULAND: Okay. Thanks, Anil. Steve, please.

STEVE CHAN:

Thanks, Michael. This is Steve from staff. I wanted to make an attempt at trying to lay out the possibility for consumer risk as a broader way to put it. I can see a couple of different areas where a high number of ASCII and Latin diacritic gTLDs delegated at once—whatever that might mean, hence the X—creates the opportunity for confusion at the point of registration. The registrant now has a large set of registrations whereas they would normally have one. Now they have a set that they have to understand whether or not they need.

Then there's the opportunity and challenges in operating that set as the registrant. It was already discussed in the chat that we're all assuming correctly that in most cases the end user will not understand that these even exist, nor how they actually work. That is at least a third point for potential confusion. I would love for Michael or Sarmad or anyone else that is more expert on this to expand on this, but there are a number of different opportunities where confusion and potentially weaponizing that confusion could take place. It is not just mere confusion of how to use these things or how to understand these things, but there is also potential for malicious usage, too. Thanks.

BILL JOURIS:

I can see Steve's point about the possibility for malicious use, but that is every bit as true even if there is only one Latin diacritic version of the gTLD. I don't see that the number of those changes that materially. If we are going to worry about that, we may need to say just: if you've got an ASCII gTLD, you can't have any with a diacritic. Otherwise, the risk exists regardless. Thank you.

MICHAEL BAULAND: Thanks. Hearing some concern about this and some questions of what risk scenarios could possibly exist or why this is necessary, maybe it makes sense to postpone the decision on whether we want to do this, and if so how, to the next meeting. We will try to prepare some further background information and possibly some examples of what this could mean, and then you will have better background information on how to deal with this. Edmon, please.

EDMON CHUNG: Yeah, just adding on your thought. I think it would be useful for Sarmad and maybe the staff team, especially those who developed the comment that was sent to us, to see whether this addresses the concerns that were raised. If this doesn't, then it is a non-starter. The whole point of me suggesting this is to address one of the red flags of conservatism that was thrown up. If we can understand from the staff team whether this does address that, then this might be important information for this group to consider. At the end of the day, it needs to go to implementation, and the board needs to decide whether this is implementable by the staff. I guess that's where the motivation comes in for the suggestion. Some indication from the staff team would be useful for this group.

MICHAEL BAULAND: Okay, thanks. Good point. I think it makes sense to gather that additional information and present it in a clear way. We should probably

postpone that for next week's meeting so we have that information available. Anil, please.

ANIL KUMAR JAIN:

Thank you, Michael. Anil for the record. Question to Edmon: when we are talking about a high-risk scenario in this case, are you referring to the security and stability of the system, or are we talking about the difficulty and possible difficulties during implementation of the delegation of these domains? Thank you.

EDMON CHUNG:

This is Edmon jumping in. This is in pure response to the staff comments. I think the staff comments highlight a few things. It was also somewhat ambiguous why the conservatism principle applies and what exactly the risks might be. Your question is good, but I don't really have the answer. I just think that this mechanism could address whatever those perceived risks might be that were raised in the staff comments. That's why I added what I did about a minute ago.

Personally, I'm not sure I completely appreciate all the potential risks, but I do understand that there are uncertainties. There's no way we can say that there aren't uncertainties. Hence, that is the motivation from Sarmad's and the team's comments, and hence this suggestion. Unfortunately, I don't have an answer for you, Anil. Hopefully, this makes sense.

MICHAEL BAULAND:

Thanks, Edmon. I think we should really postpone the discussion. We have now seen what questions the working group needs to be able to make that decision. We should provide more background information and we will prepare that for next week. Unless anybody thinks it's urgent to continue right now, I think it's better for us to have a better educated background there for us to work on that. Juliana also said some scenarios would help. Thanks for all the input and discussion points. We'll compile some additional information for next week then.

With that, we can continue to the next slide. We are now looking at Preliminary Recommendations 18 and 19, which read: "Consistent with Final Recommendation 7.4 of the EPDP IDN Phase 1 Final Report, the registry fixed fee for a gTLD registry operator that operates the delegated gTLD labels that constitute the ASCII Latin diacritic gTLD set must be the same as a gTLD registry operator for a single gTLD." This basically says that if you register one TLD, you pay a certain fee. If you register an ASCII Latin diacritic set, then you would not pay for each TLD, but you would just pay the same fee as for a single TLD.

Preliminary Recommendation 19: "Consistent with Final Recommendation 7.5 of the EPDP IDN Phase 1 Final Report, the calculation of the registry-level transaction fee must be based on the cumulative number of domain name registrations of the combined delegated gTLD labels from an ASCII Latin diacritic gTLD set." For the previous one, I mixed something up; this was not the application fee, it was the fixed fee, which you have to pay quarterly or yearly, and you should just pay the fee for one TLD and not for each TLD. For 19, this is the per-domain transaction fee, where it's said that for every domain, independent of whether it is in one or the other TLDs, you calculate just

the sum of the transactions across all TLDs, and that combined number is the fee that will be charged. For this, we received public comments, and I will hand over to Saewon for that.

SAEWON LEE:

Thank you, Michael. Yes, these two recommendations are related to the registration fee. As you can see in this slide, the corresponding recommendations in EPDP IDNs were actually adopted by the ICANN board only last October. It was a later adoption of these two recommendations. I am mentioning that because the public comment, in part, was related to the board rationale and the later adoption of these recommendations. I am going to skip over Kiona Blaylock's comments because there were no suggestions.

Based on ICANN org's submission of the two comments, if you see in the second one, you will see—and first one, because this is what we're dealing with related to the conservatism principle. The new comment was related to the board's rationale. I've actually also included the rationale in the next slide. We won't be reading through them, but if you can, please do go through them in your own time. They are summarized by ICANN org, as well as in the slides here, that they mentioned that when the ICANN board adopted these recommendations for EPDP IDNs last year, the understanding is and was that uncertainties are involved, and that ICANN's course may need to be readjusted if necessary. Also, this fee adoption was not to set any precedence.

Further for our PDP, the org comments that there is a lot of complexity that arises from this output, as we kept on discussing. Without having a ceiling number of Latin diacritic strings, which we saw in PR29, the potential volume of our LD sets may be large. Lastly, the Latin script lacks external constraints that may otherwise define an upper limit. Though I know we've been discussing that in practice this may not be the case with any new rules or application fees or evaluation criteria in place, these were the concerns and comments raised. With this, I'm going to hand it back over to Michael for any discussions.

MICHAEL BAULAND:

Thanks, Saewon. Could we go back one slide, please, to the recs again so we see them? Any thoughts from anybody with regards to the comments and the recs? Do you think we should still keep them the way they are, or is there a way to possibly make this more conservative? Bill, please.

BILL JOURIS:

I would just say that we haven't said that we must do this because of what was in the previous decision, but we have chosen to do it to be consistent. That is not in conflict with the board's statement that it is not a precedent. We weren't forced to do it; we made that choice ourselves. Thank you.

MICHAEL BAULAND:

Thanks. Anil, please.

ANIL KUMAR JAIN: Thank you, Michael. I personally feel that we should keep it as it is to have consistency with EPDP, and number two, to encourage a registry to be more free to apply for more number of LD strings along with the ASCII strings. At the same time, the principle which we discussed in EPDP was that the prices are based on the cost to ICANN. I think this question largely can be answered by the staff, whether in case the number of LD strings are increasing, ICANN can keep the cost within limits. If not, then definitely the questions which are raised are valid and need more discussion. Thank you.

MICHAEL BAULAND: Thanks, Anil. I think this cost recovery principle was just for the application phase. For the operation phase, there is no such thing as the fees being meant to cover the costs. These are just general fees. Ariel, please.

ARIEL LIANG: Thanks, everybody. Apologies in advance, I have to leave in about five minutes, so I just want to supplement what Saewon presented and provide some context on the board's rationale for adopting the IDN EPDP recommendation on this topic. As she said, the board didn't adopt those two recommendations until October last year, and it took a long time for the board to deliberate. The challenge with those two recommendations is because the topic area they touch on is on registry fees, and this topic is not precisely within the usual policy topics that working groups propose for board consideration. That is within ICANN's

remit, usually, for deciding on the fees and how much to charge the registry.

That topic area is quite challenging. Then also with regard to other things, like the uncertainty of how many variant gTLDs will be delegated and what the population is we need to consider, those are unknown. With a lot of these factors, the board really spent a long time deliberating those two recommendations. What ICANN org raised this time is that if the Latin Diacritic Working Group decides to propose these recommendations, a similar situation may happen at the board deliberation level.

If the GNSO Council approves these recommendations and then moves on to the board, we will see a similar scenario where the board will spend a long time to discuss and deliberate on that. Also, in the board rationale, they said this time boards adopted those IDN EPDP recommendations doesn't mean it will necessarily set a precedent for future recommendations related to registry fees. It is not a certain thing that they will just approve. That's something we want to raise for the group to be aware of.

Another point Bill mentioned is that because IDN EPDP set those two recommendations, that set a kind of precedent so that the Latin Diacritic Working Group also will propose the same kind of recommendation. I think the working group has shown some of the IDN EPDP recommendations didn't carry through to the Latin diacritic group. For example, for the application fee for a string for the variant, there was a fee for the free cost for four variant strings, but the Latin diacritic group didn't propose the same kind of recommendation. There are

differences there. The point I want to make is that it is not necessary that if the IDN EPDP proposed some recommendation, then the LD working group has to propose the same kind. There is not that necessary correlation. I just want to point these two points out before I have to leave the group. Thank you.

MICHAEL BAULAND:

Thanks, Ariel. That is good background information. To take a step back, the goal of the PDP is to create an exception process for those TLDs to be able to coexist next to each other. With the current rules, it is theoretically possible that two ASCII and LD TLDs could coexist, but it's highly likely that they would be rejected in the string similarity review process. We are trying to create an exception that will allow such registries to go forward.

Recommendation 18 would now not just make this exception, but it would also give some preference for those TLDs in the set by kind of reducing the fee. If it weren't for this exception process, those registries would have to pay the fixed fee for each of their TLDs. With this exception process, we are now allowing the TLDs to exist, but also saying that those registries should pay less fee than they would have to pay without the exception process. This is something that might be problematic with the conservatism principle by giving more financial incentive for registries to apply for this.

The problem I also heard is that if we go forward with this recommendation by stating in Recommendation 18 that the price will be reduced, this has a high chance from the board to be rejected

because they even had problems accepting this for the IDN variant. There they said, "Okay, we make an exception process, but this is not going to be a precedent." I don't know if Alan, as a board liaison, could voice his opinion here. Do you think we need to change it because otherwise it just won't go through, or do you think it might be okay?

ALAN BARRETT:

Thanks, Michael. This is Alan. Obviously, I can't speak for the board, but yes, it took them a long time to discuss and finally approve the recommendation for the IDN PDPs. I think that the board will probably feel that it is not the place of a policy to set the fees. The fees should be set administratively and operationally.

MICHAEL BAULAND:

Thanks. If we shouldn't set the fee, would it be an option to just delete those recommendations and have no say in what the fee would be? Is it possible? Would that make sense?

ALAN BARRETT:

I am not sure if that was addressed to me. I see something from Bill in the chat which makes sense to me. Maybe worrying about what the board might do is unnecessary. The board always has the option of not approving a particular recommendation. So you can make a recommendation, and the board might not approve it. That is one possible way forward.

MICHAEL BAULAND: What would be the process of a policy? Maybe someone from ICANN staff, Steve or someone, can help me there. I am not used to that. What would happen if we make this recommendation and the board does not approve it? Would it just be deleted, or would the group have to reconvene, or would the whole PDP fail? I don't know about this process, but maybe Edmon knows more about that too.

EDMON CHUNG: Edmon here. I don't know more, but I think this is the perfect time to really explore the board liaison role. If there is a particular part that we're talking about, I wonder if, Alan, you would be willing to bring it to the board, especially as a heads-up, and talk it through a little bit and come back with a general feeling of where the board might be.

It doesn't have to be a cast-in-stone response, but if the working group can have an indication of where the board might sit, the working group can then adjust the recommendations such that it might be more likely to be board-ready and approved. Nobody wants to just throw something out and say, "We're going to do this, and if the board doesn't approve it, so be it." That's not really what we're talking about. That is where maybe if, Alan, you're willing to take it back to the board and bring back some information, even if it is not committal, the working group might use that information to further refine the recommendations.

MICHAEL BAULAND: Thanks, Edmon. I will quickly go to Alan to respond to that and then leave Steve to answer my question. Alan, please.

ALAN BARRETT: Thank you. This is Alan again. Yes, Edmon, that makes a lot of sense and I am willing to take this to the board. We probably won't discuss it in a formal meeting, but I can bring it to the board mailing list and get some feedback there.

Speaking purely for myself, I think if Recommendation 18 had an upper limit on the number of strings, that might help. The way it's written now, you could have 1,000 strings all in the same set, and it is the same price or the same fee as a single gTLD. I think the board may have a problem with that. But if it was restricted to three or four, maybe it is more likely that the board would be amenable.

MICHAEL BAULAND: Okay, thanks for your input. Steve?

STEVE CHAN: Thanks, Michael. This is Steve from staff. I wanted to touch on two things. Just this notion about board readiness of recommendations, and I want to supplement what you tried to do, Michael, which is to contextualize what this recommendation represents. There is some contrast. For the IDN variant PDP, that is a case where the community and the board agree that this is something that we want to encourage. We think it's actually a good thing that creates additional choice and opportunity in the gTLD space. That is very different from what we're trying to do, which is an exception process.

Even in a case where there are IDN variants and there is broad agreement that this is something to be encouraged, there is still mere adoption with caveats. That is what the board adoption looks like. It is, "Hey, we're going to accept this, but we have all these additional concerns. We don't want to set a precedent and we're still worried about doing so." Even in that case of encouragement, it is still with caveats. That is the context that this group should probably think about this. This is an exception process, and if you put the same recommendation through, it is likely to present a challenge, as Alan hinted at.

I would also discourage this notion of tossing recommendations to the board that you know might be challenging. This is a council initiative to try to develop recommendations that are hopefully adoptable by the board, and that's why we have GDS liaisons and board liaisons. You're asking what it looks like when recommendations are not adopted by the board. What it represents at a high level is delay and complications. It doesn't mean the end of the road. If they are not adopted by the board, it gets sent back to the council to potentially develop supplemental recommendations.

This takes time because once the council adopts the recommendations, there is still org analysis, a decision by the board to non-adopt, and consultation with the council and the board to determine the rationale for why the recommendations weren't adopted. Then the council has to undertake the process of developing the supplemental recommendations. All that essentially represents months, if not a year, of delay. It is very prudent for working groups to try to do their best to

develop recommendations that they believe are going to be adopted by the board at the end of the day. Hope that helps. Thanks.

MICHAEL BAULAND:

Thanks, Steve. Very helpful. Any other thoughts or comments here? Tapani says he doesn't see the fee recommendations as very important. The question might be whether it makes sense for us, to be more likely to get adopted and to avoid additional delays, to drop the recommendation to have free fixed fees. Instead of making an additional exception to drop some fees, we could drop this recommendation and just suggest that fees remain the same. We won't change any rules about the fees, and just have the exception that the TLDs exist.

Bill asked whether it matters if we take a long time. It depends on you. I'm enjoying this, so if anyone is afraid of it, we could do this for 10 years. I love it, but I'm not sure the staff enjoys it as much as I do. Maybe taking too long is not the best way to go forward. Tapani is having fun, too. Thanks.

We will wait for Alan's response regarding this and then continue the discussion after we receive that. Saewon says if 18 will be dropped, maybe 19 should be dropped too. I actually think 19 is, from my understanding, not really saying anything because it just says every registry-level transaction fee must be paid, and either way, it is the standard case. If you have one TLD or multiple TLDs, you pay the per-domain transaction fee. I'm not sure this 19 is really saying anything. We can also discuss this after we have received some feedback from Alan

about the board. I think we can go to Slide 14 or we've got a bit more time. 15 minutes.

SAEWON LEE: Of course, we should use all this time we have. Michael, because Ariel has dropped, is it possible if we move to Recommendations 2 and 3 where it doesn't need GDS input and we pick it up from there?

MICHAEL BAULAND: Sure. Just jump to those.

SAEWON LEE: Thanks.

MICHAEL BAULAND: Preliminary Recommendations 2 and 3 currently state: "Consistent with Final Recommendation 2.1 of the IDN PDP, all gTLDs that constitute an ASCII Latin diacritic gTLD set can be allocated to the same gTLD registry operator." Preliminary Recommendation 3 says: "Consistent with Final Recommendation 3.2 of the IDN PDP Final Report, a future gTLD registry operator wishing to apply for a corresponding ASCII gTLD or Latin diacritic gTLDs of their existing gTLD must submit an application during the application round." Bill, please.

BILL JOURIS: I think Recommendation 2 is fine. Recommendation 3, my concern would be that for the moment, we're doing application rounds, but I'm

not sure we want to constrain ourselves from the possibility that at some point ICANN may decide we're not going to do rounds. If you want to apply for a gTLD, you can apply at any time. I am just wondering if it is a little too constraining to insist that people apply for them at the same time. Thank you.

MICHAEL BAULAND:

Thanks. I think we already had this discussion when we talked about this, and Ariel was involved. If I am not mistaken, at least in the footnotes or in the rationale, we state that should the round structure be dropped, this would apply to this recommendation, too. The reasoning was that in that case, also for the variants, we have to change something, so there will be some policy change requirements and that would then also change our recommendations accordingly. I think we don't have to worry about that, if I remember correctly. Let's jump to the public comment, and I'll hand over to Saewon for that to see what comments we received for these.

SAEWON LEE:

Thank you, Michael. Yes, just reminding everyone that this is the public comment review period, so I think we should focus on reviewing the comments. Skipping over Kiona Blaylock's comment submission and going straight to ALAC. ALAC did not actually explicitly select the "support recommendation intent with wording change" option. This is categorized under staff's analysis, and I want to emphasize that that is also how it's marked in the public comment review tool.

It was based on the rationale provided by ALAC that a justification for the solution and/or the working group's reconsideration and provision of additional recommendation language was requested. We thought this was the appropriate category. They raised two issues for Preliminary Recommendations 2 and 3. First was about the same-entity principle, that the single registry requirement removes registry-level competition, and that these constraints are acceptable only if they remain proportionate, transparent, and subject to future review.

The second was related to ASCII as a base requirement, which we actually covered over the last few weeks. For the ASCII requirement part, as I mentioned, because we covered it, you can actually see it in this slide as well. It is scoped or set as a rule under our charter. It is also described in the Initial Report. Obviously, we can update or strengthen the rationale portion, but we are adhering to these requirements. That is my understanding, which could be the response to this comment. For the first portion of the same-entity principle, I'm going to hand it back over to Michael for any discussions.

MICHAEL BAULAND:

Thanks. Saewon, could you go back to the public comment, please? The two comments here are, first or the second one first, the ASCII requirement. As we've discussed multiple times, this is a requirement we have to live with in this exception process. There could be other policies afterwards where they drop this, but there is no way around this here. This is a requirement.

For the question about the registry requirement, if we were to drop this requirement, this would make it technically impossible to apply the same-entity principle. If we want to stick with the same-entity principle, we will have to stick with the same registry because there is no technical way to ensure same entity if two TLDs are run within different registries. This is just from me and my technical background as information. I don't know if anybody from ALAC or anybody else would like to respond to that. Satish, please.

SATISH BABU:

Thanks, Michael. Satish for the record. We are okay with this, with the discussions that have taken place and earlier also. We are aware that the first one is a kind of showstopper because we have to have the same entity. This is here because some of our people who are specializing in consumer choice felt that this should be flagged even if we are not going to be able to implement it. That's the reason why it's here.

On the ASCII anchor, I think some of us, including Bill, had a point saying that this could be something that becomes an impediment in some situations. I don't know if Bill wants to add anything here, but I think I see the logic in our discussions and so far it has not come up as a major issue from the ground up. I'll leave it to Bill to make a point if he wishes to. Thanks.

MICHAEL BAULAND:

Thanks, Satish. Seeing the chat and the comments heard by Satish, I think it sounds as if ALAC is okay with the way we are doing this right

now for the ASCII requirement. There is just no way around it because it is in our charter and we can't just change it. For the other one, it is a technical necessity to have the same-entity principle, and it is technically just not possible to do it without that.

We could possibly write this in the rationale and add a sentence there to make it clear that this is needed technically, otherwise we can't have the same entity. Hopefully, that would deal with ALAC's comments here. Bill says he has no problem with the same-entity principle, and if we want to keep that same-entity principle, we also have to have the same registry requirement. It is an implication of that. There is no way around that. Any other thoughts or comments about this? Bill, please go on.

BILL JOURIS:

The concern on what I suppose should be labeled as point two on the ASCII anchor requirement is not so much that ALAC objected to it, as we felt that the working group should explain a little more why the ASCII anchor is necessary. There are some cases where a character in some languages—I'm not explaining this clearly—but a little explanation on why the ASCII anchor is a necessity is basically what we were looking for. Thank you.

MICHAEL BAULAND:

Okay, thanks. The why is just because it is in our charter. That's what we have to do. We discussed this quite a lot in the last year. We cannot just leave our charter; that would be a different PDP. There may possibly be a different PDP in the future to make an exception process without an ASCII, but this exception process is, via charter, required to have an

ASCII there. We can't provide a reason here; it's just the charter. We have to work with that.

BILL JOURIS: Is there any reason why we can't say, when we're talking about an ASCII anchor, "Per our charter, this is required"? We know it's in our charter, but the final document may not include that little detail. Thank you.

MICHAEL BAULAND: Okay. We can think about adding something in the rationale that it is a charter requirement. I think we have finally finished another two recommendation public comments. With that and just a few minutes left, I think I hand it back to Saewon. Thanks.

SAEWON LEE: Thank you, Michael. Yeah, I thought we would have time for one more, but I guess we don't. Actually, there's not much for next steps other than highlighting that we will be going into, most probably, going back to Preliminary Recommendation 1 and then looking into 39, which is the start of the second level. If the working group could review Preliminary Recommendation 1 again and 39 again, that would be greatly appreciated.

I want to highlight that the review tool and the Final Report draft document are being shared with you every week, so please go ahead and look into those documents. We still have a few remaining from today. We will start with them, and then we probably go into Preliminary Recommendation 1 and 39 per our work plan. Please, again,

be reminded of the recommendations and the comments. Thank you. I'll hand it back over to Michael.

MICHAEL BAULAND:

Thanks, Saewon. With that, I think last meeting we were one minute longer, so I give that one minute back to you now. We can stop the recording now. Thanks, everybody, for joining the call. See you next week.

[END OF TRANSCRIPTION]