



BRUSSELS

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## Reducing Barriers to New gTLD Creation in Developing Regions

21 June 2010



### GAC letter to the ICANN Board 18 August 2009

"A single fee structure creates limitations, notably by skewing the market in favor of applications from the developed world and those with significant financial resources."



### Resolution 20 - Nairobi Meeting Support for Applicants Requesting New gTLD Applications

Resolved (2010.03.12.46), the Board recognizes the importance of an inclusive New gTLD Program

Resolved (2010.03.12.47), the Board requests stakeholders to work through their SOs and ACs, and form a Working Group to develop a sustainable approach to providing support to applicants requiring assistance in applying for and operating new gTLDs



#### Charter - JAS Working Group

- Identify suitable criteria for applicants to qualify for dedicated support
- Identify how fees can be reduced and/or subsidized to accommodate qualified applicants (in keeping with cost recovery principle)
- Identify appropriate kinds of support (e.g. technical assistance, organizational assistance, financial assistance, fee reduction) and timelines
- Identify potential providers and appropriate mechanisms to enable support provisioning
- Identify conditions and mechanisms required to minimize the risk of inappropriate access to support



**TASK:** To identify how the net cost to applicants that fulfill appropriate criteria can be reduced, in keeping with the principle of cost recovery

- The fee for applying for a new gTLD is of \$185,000
- The fee is divided as follows:
  - New gTLD Program Development Costs \$26,000
  - Fixed and variable application evaluation costs \$100,000
  - Risk/Contingency costs \$60,000



#### The Fee for Applying for a New gTLD

#### **PROPOSAL**

#### Appear to have consensus:

- 1. Waive the cost of program development (US\$26K) for selected entities qualifying for financial assistance
- 2. Staggered fee payment incrementally during the process

#### Still under discussion:

- 3. Auction proceeds partial refund from auction proceeds
- 4. Lower the Registry fixed fees due to ICANN
- 5. Reconsider the risk/contingency cost per qualified applicant (US\$60k)
- 6. Reduce the fixed/variable cost of US\$100,000 for qualified applicants



TASK: the who & what of offering assistance

#### **PROPOSAL**

- a. In the first round, only ethnic and linguistic communities
- b. Address support for other groups, especially NGOs and civil society organizations at a future point as the idea of who constitutes a "community" in this space is less clear and the tests for which groups might need/merit support would be trickier
- c. Some preference to applicants geographically located in Emerging Markets/Developing countries and in languages whose presence on the web is limited

#### NOT RECOMMENDED FOR SUPPORT AT THIS TIME:

- Applicants that don't need the support/have ample financing
- Applicants that are brands/groups that should be self-supporting companies
- Purely Government/parastatal applicants
- Applicants whose business model doesn't demonstrate sustainability



TASK: The who & what of offering assistance

#### **PROPOSAL**

- I. Logistical, outreach and fee support in the application process
  - 1. Translation of relevant documents
  - 2. Logistical and technical help with the application process
  - 3. Awareness/outreach efforts
  - 4. Fee reduction/subsidization and/or some sort of phased-in payment for deserving applicants



#### TASK: The who & what of offering assistance

#### PROPOSAL cont'd

- II. Technical Support for Applicants in operating or qualifying to operate a gTLD
  - Infrastructure
  - 2. Education/consulting
  - 3. Possible technical waivers or "step ups"
  - 4. Grouping and/or lower cost registry



TASK: The who & what of offering assistance

#### PROPOSAL cont'd

- III. Support for build-out in underserved languages and IDNs for new gTLDs
  - 1. Price discounts to incentivize build-out in scripts with a limited presence on the web
  - 2. Bundled pricing to promote build out in multiple scripts
  - 3. Clear tests to prevent gaming and ensure support reaches its target



### Types of Support Identified

- Extended outreach to potential applicants
- Application writing assistance
- Registry services
- DNS services
- Infrastructure IPV6 compatible hardware/networks
- Education DNSSEC implementation
- Legal & documentation
- Translation
- Training
- Assistance through the application process



### Working Group 2 - Principles

#### OTHER RECOMMENDATIONS

- a. Self-Financing responsibility
- b. Sunset period
- c. Transparency
- d. Applicant form is not limited
- e.Limited Government support
- f. Repayment in success cases



#### Questions to Registry Service Providers

- Are there other types of support you could identify that disadvantaged applicant might need to succeed in the gTLD application process?
- Would your organization consider providing any of the support functions for disadvantaged applicants for free, or on a cost recovery basis, or for reduced rates?
- Are you aware of any other providers (including yourself) that would support disadvantaged applicants?



### **Next Steps**

- > Get public comments from the snapshot and the workshop
- > Continue discussion based on comments until 10 August
- > 13 August Submit Recommendations to ALAC, GNSO Council



# Thank you

# Questions

