

# Draft Final Report

## Candidate Support

### New Generic Top-Level Domain Program

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Prepared by: Joint SO/AC Working Group

Date:                      2011

#### **THIS DOCUMENT**

This is the Draft Final Report produced by the Joint SO/AC New gTLD Candidate Support Working Group. The main objective of this Working Group is to develop a sustainable approach in providing support to Candidates requiring assistance in applying for and operating new gTLDs Registries.

This Report is submitted for consideration to the GNSO, ALAC, ICANN Board and ICANN community.

List WG members here:

## TABLE OF CONTENTS

Executive Summary.....	4
Introduction .....	4
Support Available to Approved Candidates.....	4
Support Program Development Function - Funds and Foundations .....	5
Appendix XX provides a sample list of potential provider types (not exhaustive or complete) that the WG has reviewed during its deliberations (see Evaluation Criteria Provider Types.xlsx) .....	18
Candidate Eligibility Requirements.....	18

## Executive Summary

1. [Insert Text Here]

## Introduction





2. [Insert introduction text here]


## Support Available to Approved Candidates

3. The WG recommends a number of different kinds of support to be made available for Support-Approved Candidates. The support can be either financial or non-financial. Here are the categories proposed.

### A. Financial Support

#### *Cost Reductions*

4. The WG recommends the following fee reductions to be made available to all Candidates determined to meet the criteria established for support:
  - a) Following the recommendation by the GAC and ALAC that the application fee for Support-Approved Candidates be reduced to \$47,000, the JAS WG modifies its recommendation to support this call; 
  - b) Cost reductions to encourage the build-out of IDNs in small or underserved languages; 
  - c) Lower registry Fixed Fees; 
  - d) Exemption or deferment of IPv6 implementation requirements, as possible (discussion ongoing; WG split). 
5. Further reductions recommended:

- a) Reduction of the **Financial Continued Operation Instrument Obligation** to 6-12 months 

### **Staggered Fees**

6. For any Support-Approved Candidate who does not receive the fee reduction, the fees should be staggered. Instead of paying the entire fee upon acceptance of the application, a Candidate meeting the criteria established for support could pay the fee incrementally. Staggered fee payment enables a Candidate to compete for strings that might otherwise have gone to the first and/or only group with enough money to apply.


### **Support Program Development Function - Funds and Foundations**


7. The WG Charter, as set by the ALAC states, that the WG should “Establishing a framework, including a possible recommendation for a separate ICANN originated foundation, for managing any auction income, beyond costs for future rounds and ongoing assistance (see Charter Section c);
8. The Final Applicant Guidebook contains the following:
- Possible uses include formation of a foundation with a clear mission and a transparent way to allocate funds to projects that are of interest to the greater Internet community, such as grants to support new gTLD applications or registry operators from communities in subsequent gTLD rounds, the creation of an ICANN-administered/community-based fund for specific projects for the benefit of the Internet community, the creation of a registry continuity fund for the protection of registrants (ensuring that funds would be in place to support the operation of a gTLD registry until a successor could be found), or establishment of a security fund to expand use of secure protocols, conduct research, and support standards development organizations in accordance with ICANN's security and stability mission.


9. The two elements in these excerpts are obtaining funds that can be used to offset the costs for Support-Approved Candidates and establishing a framework for managing and distributing these funds. In discussing these two objects there is a close link between them, and in many cases it is hard to imagine one of them happening without the first. For example, without funds, there is no purpose in a framework that has been institutionally instantiated, yet without a framework it is impossible to collect funds.

### *Framework*


10. As stated in the footnote in the Applicant Guidebook, investigations should be held on creating a foundation or fund to handle any auction funds that are not used in the manner described in this comment. Additionally, funds could be obtained from other fundraising opportunities such as the auction of single character second level domain names or from donations from, for example, the incumbent gTLD and ccTLD registrars and registries. In the case that such a fund or foundation can be set up in time to provide further funding opportunities for Candidates in the later stages of the process, this should be documented at a later stage.

11. The JAS WG recommendation that the Board set up a planning committee, at the same time as the approval for the New gTLD Program is approved,  investigate the various possibilities for funds and/or a foundation and after consultation with the community to make recommendations on the formations of such a fund. the specific work items that should be included in the Board Foundation Recommendation WG include, but are not limited to:

- a)  Work with ICANN staff to investigate and understand the legal structures that are available to a California 501C corporation for creating a fund of Foundations.

- b) [Work with ICANN staff to investigate and understand the requirements for creation of a fund or foundation in California.] (move to footnote was suggested)
- c) Draft a document defining the core responsibilities and activities of the fund or foundations.
- d) Define methods of work for the fund or foundation, including fundraising and fund distributions
- e) Suggest membership for the first board of the foundation, including dealing with issue such as the relationship between ICANN's corporate structure and the new fund or foundation.
- f) Start obtaining pledges of funding with which to seed the fund or foundation. 

12. The JAS WG recommends that the members of this WG be drawn from all of the Supporting Organizations (SOs) and Advisory Committees (ACs) to insure that the concerns of all segments of the community be taken into account.

13. Additionally, as recommended in the First Milestone Report, the JAS recommends that ICANN arrange a contract with a professional fundraiser familiar with this sort of international effort to support Support-Approved Candidates, to work with the Board Foundation Working Group. 

## *Funds*

14. Funds for the foundation to manage and distribute can come from a variety of sources:

- a) Budget allocation from ICANN, including the USD\$2 million committed by the ICANN Board.
- b) Solicitation of funds to match the initial allocation made by the ICANN Board
- c) Auction proceeds beyond the cost of running the auctions

- d) Allocation of funds from ccTLDs
- e) Allocations of funds from incumbent gTLD registries and registrars
- f) External funding sources
- g) Other source yet to be determined

### *Donors*

15. Various registrars and registries from both the GNSO and the ccNSO have made statements that if there were a way to donate that could not be gamed, they would be interested in helping. A well-formed fund or foundation could provide an opportunity for such generosity.
16. Various campaigns are possible. There is, for example, quite a lot of money in the hands of some of the existing gTLD registries and registrars. We have, for example, seen an escalation in the amount each sponsor gave to the three ICANN Meeting in 2011. There is a lot of funding available; it is just that no one has been doing the requisite fundraising.

### *Auctions*

17. Since the GNSO first allowed for auctions as a possible method of resolving gTLD name contention, there has been the intent that these funds be applied to worthy causes including support for what is now being called Support-Approved Candidates. Though the quantity of these funds is unknown and they would certainly not be available for the payment of fees in the 2011–12 rounds, the funding would be available to fill the reserve and risk funds, if those funds were deferred to cover the costs for the application fee reductions, as recommended in the First and Second Milestone Reports for the fees of Support-Approved Candidates.



## *Availability of Funds*

18. [The goal of the program in terms of providing funds is both immediate and ongoing.

There is an immediate need to obtain funds sufficient to help a significant number of Support-Approved Candidates to participate in the application process of the first round in 2012. There is an intermediate goal to assist the Support-Approved Candidates in setting up their registries in 2013. And there is a long-term goal of insuring that the second and further rounds will have a stable source of funding available for assisting Support-Approved Candidates.]

## *Use of funds*

19. Funds collected can be used for various purposes to assist Support-Approved participants. Included among these uses in the first round are:

- a) Application assistance beyond the JAS recommended reduction in fees
- b) Assistance in defraying the cost of the required continuity instrument
- c) Overcoming technical requirement gaps, such as the IPv6 and other technical requirements which may require technical upgrade not obtainable through non-financial support.

20. The WG recommends the creation of a development fund directed at new gTLD Candidates determined to meet the criteria established for support.



## ***Fee reduction and self-funding requirement***

### *Self-funding requirement*

21. In terms of funding the New gTLD Program, there are two aspects:

- a) Cash flow for the application process

b) Final accounting to match the established budget

22. In terms of the cash flow for processing applications, the [ICANN Budget](#) refers to the [New gTLD Budget](#) in which the figures show that US\$100,000 of each fee paid is budgeted for processing an application, including any refunds that might be made for applications that are withdrawn. If each Support-Approved Candidate is required to provide US\$45,000  the fee as determined by the JAS WG recommendations, then the balance of the immediate application costs would be US\$55 000. One way this balance can be covered by short-term usage  the risk cost contingency fees (US\$60,000) paid by a single non-Support-Approved Candidate (i.e., each Candidate paying the full \$185 000 fee). This means that half of the Candidates could, theoretically, be processed as Support-Approved partial fee waiver Candidates without affecting the cash flow of the application process. No one, however, expects that half of the Candidates would be eligible for a partial fee waiver; an optimistic estimate would be that 10-20% of the applications might be able to meet the JAS qualifications and that would be a surprise as the eligibility conditions are rather narrow.

23. This, of course, leaves a deficit in the longer-term contingency fund and the repayment of the development costs. The assumption is that the full measure of contingency fees would need to be available before contingency costs start to accrue in the later phases of the Program. The proposal is that auction funds, once they become available, would be used to cover the reallocated funds, US\$55,000, as well as the US\$85 000 deficit in the fees paid by Support-Approved Candidates. This means that for every Support-Approved application, US\$140,000 would be taken from the auction proceeds

as they become available, to be used for the risk contingency fund and the development cost allocations.

24. While there may be some risk to the risk contingency fund in this process, it is a relatively small one as there is a near certainty of some significant auctions, and if one assumes that 90% of applications will be full price applications, then out of the 500 applications budgeted by ICANN, 450 would pay the full fee and the contingency fund, after the reallocation to the application process, would still consist of US\$27 million<sup>1</sup>. Even if 20% of 500 applications were Support-Approved, 400 applications would pay the full fee and the contingency fund, after the short-term reallocation to the application process, before auction replenishment would be equal to US\$24 million.
25. Likewise, if the development repayment cost were to be applied to cover the cost of fee reductions for the Support-Approved Candidates, at 10% Support-Approved applications, would see a “reimbursement” of US\$11.7 million, whereas at 20% Support-Approved applications, would see a “reimbursement” of US\$10.4 million before the deposit of proceeds obtained from the auctions.
26. It does appear that with this proposal there should be enough money coming into ICANN in the short term to cover ICANN expenses in 2012–13 budgets, and with use of expected auction proceeds to make up the difference, the ICANN coffers would be indeed filled and the New gTLD Program would pay for itself when the final project accounting is done as required by the GNSO Policy recommendations.<sup>2</sup>

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<sup>1</sup> This and the next are approximate calculations and assume that US\$60,000 would be reallocated to the application process and not US\$55,000 per Support-Approved Candidate.

<sup>2</sup> This argument takes as a given the appropriateness of including recovery of development costs and risk contingency costs as part of the application cost which the GNSO required be Program neutral. There are many who would not accept this assumption, but that argument has not prevailed in any discussions to date.





## ***Financial support distributed by external funding agencies***


27. There is consensus opinion within the WG that external funding agencies would make grants according to their own requirements and goals. ICANN would only provide those agencies with Candidate information of those who meet the criteria established


## **B. Non-Financial Support**

28. Two of the WG's objectives are:

- a) **Objective**  To identify what kinds of support (e.g. technical assistance, organizational assistance, financial assistance, fee reduction) and support timelines (for example, support for the application period only, continuous support) are appropriate for new gTLD Candidates fulfilling identified criteria.
- b) “Objective 4”:  Identify potential providers of the identified kinds of support, as well as appropriate mechanisms to enable support provisioning.




29. The following types of non-financial support have been identified as necessary:

- a) Application writing assistance 
- b) Registry services – outsourced or assistance with local operations
- c) DNS services
- d) For registries located in areas where IPv6 connectivity is limited or unavailable, ICANN will facilitate support from IPv6 providers to provide IPv6 gateways into the registry IPv4 services.
- e) Infrastructure IPv6 compatible hardware/networks
- f) Education – DNSSEC implementation

- g) Legal and documentation – providing support to cover legal costs or processing documents
- h) Translation – The Applicant Guidebook is only published in English, a disadvantage to many in the non-English speaking world 
- i) Training – in areas like building a sustainability plan, marketing and operations
- j) Facilitating contact with granting agencies and foundations
- k) Assistance through the application process

30. The list is non-comprehensive; there may be other areas where Candidates require support.

31. The following are non-financial types of support proposed to ICANN:

- a) Logistical assistance;
- b) Technical help;
- c) Legal and filing support, 
- d) Awareness/outreach efforts including efforts to ensure more people in under-served markets  aware of the New gTLD Program and what they can do to participate in it.
- e) Deferred requirement of **DNSSEC**
- f) Relaxed **Vertical Integration** regulations 


### ***Support from third parties facilitated by ICANN***

#### *Pool of collected resources and assistance*

- a) Translation support

- b) Logistical help
- c) Technical support
- d) Awareness and outreach
- e) Infrastructure for providing IPv6 compatibility
- f) DNSSEC consulting
- g) IDN implementation support
- h) Possible technical setups


### *Directory and referral services only for Support-Approved Candidates*

- a) Facilitating contacts with granting agencies and foundations
- b) ICANN would facilitate but cannot commit to providing [what does this mean] 

### *IPv6 support*

32. For registries located in areas where IPv6 connectivity is limited or unavailable, ICANN will facilitate support from IPv6 providers to provide IPv6 gateways into the registry IPv4 services.

33. While the GAC has requested that the IPv6 requirement be eliminated for Support-Approved Candidates, this will be a difficult political decision for the ICANN Board to make. Yet solving the IPv6 problem is critical, since the IPv6 requirements as it stands would mean that all new Registries in developing economies would either need to rely on incumbent Registries in developed regions or would need to find some way to establish a tunnel to IPv6 access on their own.

34. One approach would be to ask the ASO to assist in arranging for a declaration from  RIRs that each of the regions the RIR and the local ISP would guarantee to provide IPv6 access, though an IPv4 tunnel or other means, for any Support-Approved Candidate in its region. Such guarantees, plus an ICANN willingness to accept these guarantees on an application, could be a solution to this problem that might obviate the need to waive the IPv6 requirements for Support-Approved Candidates.

### ***How should the non-financial support be made available?***

35. The main proposal from the WG for managing non-financial support has been accepted by the ICANN Board at [Trondheim in 2010, Resolution, 2.2](#), which allocated financial resources and directed staff to develop a list that would match Support Candidates with self-identifying providers:

"Support to Candidates will generally include outreach and education to encourage participation across all regions," and, "Staff will publish a list of organizations that request assistance and organizations that state an interest in assisting with additional program development, for example pro-bono consulting advice, pro-bono in-kind support, or financial assistance so that those needing assistance and those willing to provide assistance can identify each other and work together."

36. The WG recommends that the list serve multiple functions beyond identification of providers and Support Candidates. It would also be an information resource to Candidates, for example, communicating the location of shared information, such as the proposed [ITU wiki](#) providing template application responses.

37. The WG further recommends that ICANN staff notifies service providers of the list directly and ask them to consider providing any of the support functions for Support Candidates for free, or on a cost recovery basis, or for reduced rates.
38. The WG concurs that ICANN would publish this list without recommendation or prejudice, on a dedicated Web page. It was also agreed that there would be no vetting or certification of providers; each Candidate should operate under "buyer beware" and perform due diligence before accepting an offer from a provider.
39. The WG agreed that non-financial contributors should publicize the terms and conditions that go with their offer for support. For example, providing a description of licensing for services; (Is the registry software proprietary or open source? Can it be run locally or must it be run in-house by the provider?), and the terms the Candidate must accept, (Will the Candidate be tied to the provider for 10 years? Is the service free the first year and then at cost the second year?). The terms and conditions would be posted on the list as well as the provider contact information.
40. One concern raised was that Support Candidates from developing economies could become beholden to northern, developed region providers, as these are most likely to offer assistance. This would counter the desire to build out new gTLDs in under-served regions. A suggested remedy is that the ccTLD operators in these under-served regions would be notified by ICANN of the opportunity to assist, and, if interested, self-identify as providers that are willing to allocate resources, to assist the Support Candidate.



41. Finally, the WG recognizes that ICANN staff will facilitate connecting Support Candidates with providers, but cannot commit to finding providers for every necessary requirement.

### ***Capacity Building: Enabling Support-Approved Candidates to Create Their Own Registry Service Providers***

42. The WG has discussed the possibility of existing companies providing resources to Support-Approved Candidates to enable them to establish **Registry Service Providers (RSP)** in those regions where no RSP's exist or where there are just a few providers of those services. Currently most existing RSPs are located in developed areas of Europe, North America, Australia and Asia. Rather than forcing any new Support-Approved Candidate to use an incumbent RSP, the JAS recommends that non-financial services be provided, where appropriate, to assist Support-Approved Candidates in creating their own RSPs.

43. One way of doing this has been is described in **paragraph XX** and involves the use of a mechanism that matches Support-Approved Candidates with those who are qualified and willing to provide assistance. But the WG thinks more can be done. What is needed is a program that encourages companies with practical technical and financial capabilities to assist Support-Approved Candidates in creating an RSP that could, where appropriate, serve the needs of several Support-Approved Candidate Registries. Among the resources that might be made available are:


- a) Accounting support
- b) Legal support
- c) Contract drafting and review support
- d) Negotiation support
- e) Drafting support for registrar and registrant agreements
- f) Software licensing for the required Registry software functions


- g) Creation of free and open source (FOSS) registry software
- h) Providing grant of “registry in a box” type of offering
- i) On-site consultations and assistance in setting up RSPs



44. An important part of such assistance would be firm public assurances by providers of such capabilities that could be referenced and affirmed by Support-Approved Candidates’ in their applications.




*Appendix XX provides a sample list of potential provider types (not exhaustive or complete) that the WG has reviewed during its deliberations (see [Evaluation Criteria Provider Types.xlsx](#))*


## Candidate Eligibility Requirements

45. The WG has determined a number of criteria to be used in the determination of whether a Candidate for support (support Candidate) will, in fact, be approved for support and/or cost relief (a support-approved Candidate). 

46. For a Candidate to be approved for support, the following must apply: 


47. The Candidate  must demonstrate **service to the public interest**,  including one or more of the following characteristics:

- a) Support by and/or for distinct cultural, linguistic or ethnic communities 
- b) Service in an under-served language,  the presence of which on the Internet has been limited;
- c) Operation in a developing economy  manner that provides genuine local social benefit;

- d) Sponsorship  non-profit, civil society and non-governmental organizations in a manner consistent with the organizations' social service mission(s);
- e) Operation by a local entrepreneur(s), providing demonstrable social benefit in those geographic areas where market constraints make normal business operations more difficult.



**AND**

48. The Candidate must demonstrate financial capabilities and need

(See notes below) 

**AND** 

49. A governmental or para-statal institution  subject to review, see below; 

- a) A gTLD string explicitly based on or related to a trademark (i.e., a "dot brand" TLD);
- b) A gTLD string that is or is based on a geographic name;
- c) Sponsors or partners  are bankrupt or under bankruptcy protection;
- d) Sponsors or partners that are the subject of litigation or criminal investigation;
- e) Incapable of meeting any of the **Applicant Guidebook's due diligence procedures.**
- f)  Candidates are required to provide a self-declaration stating that they are eligible to receive support under these criteria.

## **A. Important Clarifications on Eligibility Requirements**

### ***Public interest qualifications***

*Support by and/or for distinct cultural, linguistic and ethnic communities*


50. The “.cat” Catalanian TLD is seen by many linguistic, ethnic and cultural communities as a success story that has helped to preserve and indeed grow the language and culture. Many such groups -- especially those with geographically dispersed Diasporas -- see a TLD as a unifying icon that can facilitate Internet use while encouraging community growth. In this regard, we especially note linguistic minorities protected by treaties such as the “European Charter for Regional or Minority Languages” and the “Council of Europe Framework Convention for the Protection of National Minorities”. The WG agrees that applications by such communities, if they meet all support requirements, should be eligible for support. [This sentence doesn't mean anything.]

*Service in an under-served language, the presence of which on the Internet has been limited*

51. A number of WG members have advocated support for the build-out of TLD strings in non-Latin scripts by communities that use these scripts and have to date been un-served or under-served on the Web.

52. As a part of this, the group has identified two categories of groups that might receive support -- communities that regularly use more than one script but might otherwise be unable to afford the full-price build-out of two scripts and smaller script communities whose scripts are very limited on the Web.

53. The WG did achieve consensus that as long as the Candidate is providing build-out of a language whose Web presence is limited and meets the other criteria, it should receive support.

54. To address the needs of these groups, partial support (but not consensus) (strong support but with significant opposition) has been expressed for the concept of “bundling” -- that is, reducing the price of a TLD string in an “under-served” language script that accompanies a conventional application for the similar string in a Latin script. 

### *Operation in a developing economy*

55. The WG achieved full consensus in agreeing that the criteria offered to judge applications give preference to those originating within the world’s developing economies. Rather than having ICANN undertake the distracting task of determining where such economies are located, we would refer instead to the internationally agreed upon UN DESA list:

- a) Least developed countries: category 199;
- b) Landlocked Developing Countries: category 432;
- c) Small Island Developing States: category 722;
- d) Indigenous Peoples, as described in Article 1 of Convention No. 169 of the International Labour Organization and the UN Declaration on the Rights of Indigenous Peoples.



*Operated by local entrepreneur, in those geographic areas where market constraints make normal business operations more difficult*

56. While for-profit companies, private-public partnerships and hybrid entities can be eligible for support, the WG agrees that the Developing Economies Support Program


must not be used as a substitute for conventional business risk and that the Candidates described in 4.3 are not eligible for support. The Program should be used to enable new gTLDs that would -- without this Program -- be unimaginable.


*Note for 4.1.3 and 4.1.5: The WG agreed that other forms of social benefit (including but not limited to: increasing skills; investment in the skill base of a target community; fostering gender balance and presence of minorities; positive contribution to regional or national economies) must be considered.*

### **Financial Need**

57. The overriding consensus of the WG is that the financial need and capabilities of a Candidate should be the primary criteria determining the approval or rejection of an application. Both this need and capability of a Candidate should be demonstrated through the following criteria:


- a) Candidates must be capable of contributing US\$10,000 toward the New gTLD Program's evaluation fee, unless ICANN waives or lowers this evaluation fee.
- b) In cases in which candidates anticipate scheduled fees (for example, in the case of an extended evaluation), the Candidate must be capable of contributing one-quarter of the scheduled fees.
- c) Candidates must be capable of contributing US\$10,000 toward registry operational costs, if the Candidate proposes to operate its own registry platform. If the Candidate proposes to share registry operational costs with other qualified Candidates, the Candidate must be capable of contributing the pro-rated proportional share of this cost.

d) Candidates must be capable of contributing US\$45,000 ard registry continuity operational costs, if the Candidate proposes to fund its own continuity operation. If the Candidate proposes to share registry continuity operational costs with other qualified Candidates, the Candidate must be capable of contributing the pro-rated proportional share of this cost.

58. To demonstrate need, Candidates will be required to submit materials to the Program administrators, detailing the various constraints which negatively affect the Candidate's ability to acquire and implement a gTLD without assistance under this Program. Candidates should provide background on economic, technical, administrative, legal, and/or socio-cultural factors within their environment which are causing these constraints. As well, Candidates will be requested to detail any applicable constraints on management, human resources, IT infrastructure and technical capabilities. 

## B. Ineligibility criteria

### *Applications by governments or government-owned entities*

59. By **consensus** of the WG, purely governmental or para-statal Candidates have been listed as not entitled to receive support. However, at the **ICANN San Francisco meeting** the WG received **a request** h the GAC to consider including government applications from developing economies for support. The WG will work to obtain a mutually acceptable definition and criteria to fit government applications with the GAC WG but recognizes the difficulty in measuring a government's need and the concern regarding the appropriateness of offering support to one government over another if

resources are limited. The GAC WG has offered to review the JAS criteria and provide its recommendations on a formulation of a solution for possible support to developing economy government applications.

## **C. Information and documentation required from Candidates**

All Candidates for financial support are required to provide the information and documentation described below for review. The Support Evaluation Process is outlined in



### ***Information and Documentation***

**60.**

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## **Support Evaluation Process**

61. In this section of the Final Milestone Report, the WG proposed a Support Evaluation Process for Support Candidates and addresses this process's relationship to the new gTLD Applicant Guidebook (AG).

62. The WG has determined that the best possible process with which to provide support to Candidates is to be done through a process that is parallel to, and not a replacement of, the one described in the ICANN AG. Thus, even after the AG is formally approved, this WG can continue its work to refine those components of its mandate which remain unresolved. It is important that the AG make mention of this program and refer interested potential Candidates to it. However it is not the WG's



intention to otherwise affect the existing application process. To qualify for support, Candidates may be required to demonstrate that they meet the Developing Economies Support Program's financial need and public interest criteria. However, such activity is intended to supplement, not replace, existing mechanisms in the AG.

63. The WG has full consensus that Candidates that receive support under this Program should repay that support as soon as possible, and that such repayments go into a sustainable revolving fund to support future Candidates. Repayment is dependent on the new gTLD operator's financial success and will take the form of either:


- a) A capital contribution or lump sum;
- b) An income contribution or annual installment, until a lump sum is repaid; or
- c) Repayment of the full or a percentage of the reduced base cost fee expended by the Developing Economies Support Program.

64. The following broad steps within the Support Evaluation Process did not achieve thorough evaluation or full consensus by the WG, but have been suggested as a starting point to this process and will be further refined by the WG:

- a) The application is assessed using the criteria described in Part 3 of this Step takes place before the application enters the AG process;
- b) The application enters the AG process (that is, it is registered in the TAS and the Candidate pays the \$5,000 deposit; the application is checked for completeness, posted; objection period; background screening; IE results posted);
- c) A due diligence review is done on the application, Candidate and its partners to ensure it is still eligible during Step 1. and at points of the AG. This review ensures the Candidate is still eligible for support. It is suggested that this review

occurs at three points: upon initial evaluation of the application, in the AG process – after the IE results are posted and after there is no string contention;

- d) The application progresses in the AG through the objections phase to string contention. If there is a string contention then the application will go through normal ICANN channels with the Candidate funding this additional step of the AG;
- e) Once there is no string contention, the application progresses to contract execution, pre-delegation check and delegation;
- f) There is a Sunset Period for support with a cut off of five years after which no further support will be offered;
- g) If the new gTLD is granted, the Candidate will fall under the safeguards provided by ICANN for all gTLD operators. But we should ensure that Support Candidates are aware of these requirements and are able to fulfil them.

65. Note: The Candidate is only reviewed for the duration of our  support. If at any stage during the Support Evaluation Process or the new gTLD process, in particular during the due diligence review:


- a) The Candidate does not give information of the application, itself and/or its partners when requested;
- b) The application's, Candidate's and/or its partners' financial and other circumstances change so that they are no longer eligible;
- c) The Candidate withholds information about itself and/or its partners regarding its financial or other circumstances; or
- d) It is discovered that the application, Candidate and/or its partners are no longer eligible.

66. Then Support may stop in two ways – by discharge or revocation/cancellation:

- a) Discharged - Aid stops upon notification to the Candidate, and the Candidate and/or its partners may have to repay some or all of the funds already spent on the application. The Candidate may proceed with the application at this point at its own cost.
- b) Revoked or cancelled - Used in cases where the Candidate was wrongly granted support (for example, granted support as a result of giving false information about finances), the Candidate and/or its partners will have to pay all the funds already spent on the application, and the application will be revoked/discarded at that point


## **A. Support Application Review Panel (SARP)**

67. This section recommends how the Support Candidates should be evaluated and addresses concerns raised by the ICANN community regarding related gaming.


68. A primary suggestion  the WG regarding the prevention of gaming is simply to have the right sort of panel reviewing applications against the criteria.

The community is rightly concerned about the possibility that a fee waiver or grant support program would be prone to gaming by Candidates. Experience has shown that, if there is a loophole to be exploited for profit, someone in the ICANN community will find a way to do so. This is the case with any set of criteria, though some criteria may make this easier than others.


69. The proposal put forward by the WG recommends that a parallel process to that described in the AG be set up to determine support eligibility based on the guidelines provided in the Milestone Report. A Support Application Review Panel (SARP) could be established to review applications for the partial fee waivers and financial grants.

One method by which this could happen is that Candidates would be required to post an application for fee reduction and other assistance simultaneously with creating their **Top-Level Application System (TAS)** registration and paying the TAS registration fee of US\$5,000. Candidates would present all of the necessary documentation to the SARP at the same time as applying for the partial fee waiver and other assistance. The SARP would be responsible for reviewing the applications before the end of the application period. In cases in which the application for fee reduction is rejected, the Candidate could receive a refund of the US\$5,000 TAS fee. 

### ***Composition of the SARP***

70. In order to ensure that the SARP is not fooled and gaming overlooked, the SARP should be composed of volunteers from the ICANN community knowledgeable about the existing new gTLD processes, potential gaming patterns and general needs and capabilities of Candidates from developing economies. The WG's recommendation is that the process used to establish **Affirmation of Commitments review panels** also be used to staff the SARP, whose members would come from the diversity of ICANN community participants. 

71. Any expenses required by this panel for its operations should be covered by the contingency portion of the fees paid and repaid using auction fees.

72. To insure that issues such as development sensitivity, financial evaluation and other specific specialties be covered, a number of area experts should be invited to join the SARP as advisors. 



# # #

## Frequently Asked Questions (FAQs)

73. During the process of developing this report, various questions have been asked by the ICANN community, staff and Board. Below are the questions most frequently asked.

### **A. What is the relationship of this work to the New gTLD Applicant Guidebook (AG)?**

74. The WG believes that the recommendations presented in this Draft Final Report should not affect the schedule of the New gTLD Applicant Guidebook. Rather, a separate program needs to be established in parallel with the New gTLD Program and the completion of the (Final) Application Guidebook.

75. The WG recommends that once the recommendations in this report are endorsed by the respective chartering organizations and ICANN's Board, ICANN staff produces an instructions manual describing the Developing Economies Support Program. This instruction manual, published at least in the six UN languages, should clearly outline to the Candidates from developing economies what kind of support is provided, where to find it and how to apply for it.

### **B. Why Can't Support Candidates Wait Until The Next Round?**

76. There are several reasons the WG believes that it is critical that support be given to Candidates with a financial need for assistance in the first round:

77. Board Resolution 2010.03.12.46-47 clearly expresses the need to ensure that the New gTLD Program is inclusive. Much of the ICANN global community, particularly from developing regions, has raised its hopes and expectations with this decision.

78. With every new gTLD application round, the market competitive disadvantage increases. ICANN should not cause or allow the New gTLD Program to further the gap in gTLD Registry representation from other regions. The diversity, competition and innovation that the New gTLD Program could bring should be an opportunity to all around the world since the Internet is a global resource that belongs to all. ICANN has the obligation to look closely into this issue and fulfill its responsibility to serve the global public interest by allowing accessibility and competition for all around the world.
79. There is no indication whether, in subsequent rounds, fees will be reduced and, if there is a reduction, by how much. Therefore, there is no benefit in waiting.
80. Informal market research indicates there is built-up demand for new gTLDs, particularly IDN gTLDs. There is the expectation of a considerable number of applications. One of the main concerns is that, without some sort of assistance program, the most obvious and valuable names (ASCIIs and IDNs), will be taken by wealthy investors. This may limit opportunities in developing economies, for local community institutions and developing economy entrepreneurs. The majority of the current 21 new gTLD Registries are located in USA or Europe. There is one in Hong Kong and absolutely none in a developing economy.
81. While, per policy, ICANN plans on a second round, the timeline for this to happen is, at best, uncertain. Experience from previous rounds add to the uncertainty. For example, ICANN communicated during the last round that this was to be followed soon by new rounds. Nevertheless, it has so far taken almost a decade for a new round to

materialize. Since ICANN cannot give guarantees and certainty of when future rounds will take place, making those wait who cannot afford to participate in the program during this round due to the current elevated fees is perceived as an unfair and non-inclusive treatment.

82. New gTLD Policy Implementation Guideline N: "ICANN may put in place a fee reduction scheme for gTLD Candidates from economies classified by the UN as least developed."<sup>3</sup>

### **C. Running a Registry can be expensive. How can a Candidate that needs financial assistance for the application fees fund a Registry?**

83. The ability to "fund a Registry" is not a neutral or objective criterion. For example, the cost of risk capital in places like New York and London for a speculative investment is qualitatively and quantifiably different from the cost in Central and South America, Africa, Asia, and much of Europe.

84. Additionally, experience has shown that successful Registry operations may begin with minimal capitalization – for instance, the marketing budget for .cat<sup>4</sup> was two thousand euros invested as printed bookmarks and distributed by retail bookshops, and in the second month of operation, with a non-exploitive Sunrise/Landrush, reflecting a competently drafted rights of others policy, the operation became profitable, and has remained profitable in every subsequent quarter. Past experiences have also shown

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<sup>3</sup> The referenced Guideline is part of the New gTLD Program Policy developed by the GNSO that served as foundation to the New gTLD Program. The Policy text can be found here: <http://gns0.icann.org/issues/new-gtlds/pdp-dec05-fr-part-08aug07.htm>. This policy was finalized in September 2007 and approved by ICANN Board in June 2008.

<sup>4</sup> .cat is a gTLD A complete listing of all current gTLD Registries can be found here: <http://www.icann.org/en/registries/listing.html>.

that very high capitalization does not necessarily guarantee successful initial Registry operations.

85. Financial assistance during the pre-revenue period contributes to solving the pre-revenue cost problem for a Candidate, lowering the cost of capital. As the cost of capital is significantly greater in the areas defined by the UN as emerging markets/nations, the absence of any program to level the playing field leaves the incumbents and their regional markets and interests with a significant advantage over qualified new entrants, their regional markets, and the interests of their users.

**D. The New gTLD Program should be self-funding regarding the fee reduction and self-funding requirement. If the proposed fee reductions are granted to Support-Approved Candidates, what happens to the goal of a self-funded Program?**

86. The GNSO Implementation guideline was that the overall program be self-funding.

The Policy guideline specifically reads:

87. “Application fees will be designed to ensure that adequate resources exist to cover the total cost to administer the new gTLD process. Application fees may differ for Candidates.”

88. As discussed in the recommendations above, certain fees are inappropriate for Candidates who meet the requirements of the Program. The Policy guideline allows for a differentiated fee structure as long as the total resources cover the entire cost of the Program.



**E. The solutions proposed by this WG are supposed to be sustainable. In what respect is this solution sustainable?**

89. The recommendations creating this Program are meant to support the sustainability of costs for those who meet the requirements of the proposed Program. Reduced fees enable a prospective Registry to enter the market and reduce the initial debt that would need to be met. In those cases of community gTLDs, where a community is either contributing to the expenses or is intended to reap benefit after the gTLD has been established, lower initial costs contribute not only to sustaining the operation of the gTLD but also have the added benefit of lowering the risk for the community.

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## Appendix 1: JAS WG Background

During the International ICANN Meeting in Nairobi in 2010, ICANN's Board recognized the importance of an inclusive New Generic Top-Level Domain Program (New gTLD Program) and issued a Resolution (#20)<sup>5</sup> requesting ICANN stakeholders...

"...to develop a sustainable approach to providing support to Candidates requiring assistance in applying for and operating new gTLDs."

In direct response to this Board Resolution, the Generic Names Supporting Organization (GNSO) and the At –Large Advisory Committee (ALAC) co-chartered a Joint Working Group on Candidate Support (JAS WG; hereafter referred to as the WG). The WG was formed in late April 2010 and has worked since then to address this issue. The result of this work is the Developing Economies Support Program and Support Evaluation Process being proposed by the WG and described in this Draft Final Milestone Report (Draft Final Report).

In November 2010 the WG presented the Board with a **Milestone Report** which suggested several Candidate support mechanisms, including cost reduction support, sponsorship and funding support, modifications to the financial continued operation instrument obligation, logistical support, technical support in operating or qualifying to operate a gTLD, and exemption from the rules requiring separation of the Registry and Registrar functions.

Since the release of the Milestone Report, both the ICANN Board and the Government Advisory Committee (GAC) have requested further clarification and details from the WG. And while the Board (**at its Trondheim meeting**) refused to approve differential pricing for

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<sup>5</sup> See original resolution here: <http://www.icann.org/en/minutes/resolutions-12mar10-en.htm#20>

Candidates in need of assistance, the GAC (in its “[Scorecard](#)”) has requested that the issue be reconsidered and the WG continues to explore this option. At the [Brussels meeting](#) between the ICANN Board and the GAC in late 2010, the scorecard was discussed. The Board at this time confirmed that ICANN could implement a differential fee schedule for candidates in need of assistance, but added that appropriate criteria and mechanisms would need to be proposed to enable it to happen.


This WG is comprised of members who support these aims and are committed to lowering the barriers to full participation in the New gTLD Program by a truly global and inclusive community. This WG is chartered and has members from both ALAC and the GNSO. The WG is guided by two charters (from the ALAC and GNSO). Although these charters are similar in many aspects, they are not identical. A comparison between the two charters can be viewed here: [\[redacted\]](#)

During the past year and a half, the WG has released initial draft reports with recommendations for community discussion. This Draft Final Report is a continuation from the Second Milestone Report (MR2). It is intended to address areas of the MR2 that require further clarification and details.

The work given to this WG has presented enormous challenges to its membership, most of whom care deeply about reducing obstacles for proposed gTLD applications by or supporting communities in developing economic environments.

The WG has determined that a detailed description of the process flow, metrics and procedures for determining whether an application meets the criteria and how this application will be dealt with is required. Given the eventual target audience of this document and the

WG's desire to have it presented and read unedited, the authors have attempted to adopt a simple format while maintaining accuracy and consistency with previous consensus. **Here are the main questions covered in this report:**

- a) **WHY** should Candidate support be provided?
- b) **WHEN** should support be provided?
- c) **WHO** qualifies for support, and **HOW** should candidates be evaluated?
- d) **WHAT** support do qualified Candidates get?
- e) **HOW** will the process work, and **HOW** does it relate to the gTLD Applicant Guidebook (AG)? 

Additional background information regarding this WG, including its Charter, relevant Board Resolutions and public comments summary and analysis can be found in **Annexes A, B and C**.

## **A. When should support be offered -- in this round or later?**

The recommendations presented in this Report should be taken into account by ICANN and the New gTLD Program to enable Candidates from developing economies that meet the established criteria to participate in the first round of the New gTLD Program applications, which is currently scheduled to start in January 2012.

This WG has determined that in order to be most effective, the Developing Economies Support Program should be implemented for the first and subsequent rounds. Several reasons are provided in support of this recommendation:


**Board Resolution 2010.03.12.46-47** clearly expressed the need to ensure that the New gTLD Program is inclusive. Much of the ICANN global community, particularly from developing

economies, has welcomed this decision.

With every new gTLD application round, the market competitive disadvantage of under-served communities increases. ICANN should not cause or allow the New gTLD Program to further the gap in gTLD Registry representation from other regions. The diversity, competition and innovation the New gTLD Program should be an opportunity to all around the world since the Internet is a global resource that belongs to all. ICANN has the obligation to look closely into this issue and fulfil its responsibility to serve the global public interest by allowing accessibility and competition for all around the world.

Furthermore, there is no indication of whether, in subsequent rounds, fees will be reduced and, in case there is any reduction, by how much. Therefore, there is no benefit in waiting. Informal market research by some of the WG members indicates there is built-up demand for new gTLDs, including IDN gTLDs. There is the expectation for a considerable number of applications. One of the main concerns is that, without some sort of support program, the most obvious and valuable names (ASCII and IDNs), will be taken by wealthy investors. This may limit opportunities in developing economies, for local community institutions and for developing country entrepreneurs. Of the current 21 new gTLD Registries, 18 are located in the USA and three are in western Europe (with one having a sales/marketing presence in Asia). None are located anywhere else.

While, per policy, ICANN plans for a second round, the timeline for this to happen is, at best, uncertain. Experiences from previous rounds add to the uncertainty. For example, ICANN communicated during the last round that this was to be followed soon by new rounds; nevertheless, it has so far taken almost a decade for a new round to materialize. Since ICANN cannot give guarantees and certainty about when future rounds will take place, those

who cannot afford to participate in the program during this round, due to the current elevated fees, are perceived as receiving unfair and non-inclusive treatment. 

## **B. Working Group Objectives, Process and Key Milestones**

### ***Objectives***

The main objective of this WG is to develop a set of recommendations to ICANN staff that reflect a sustainable approach to support qualifying candidates from selected developing economies to apply and operate a new gTLD Registry.

### ***Process***

The members of the WG have met twice a week since April 2010 to identify and discuss the needs, issues and proposed overall recommendations in as much detail as possible. The WG shared with the ALAC, GNSO, ICANN Board and community the development of this work through previous publications for public comment and also public sessions during ICANN Meetings. The WG is composed of people from a variety of backgrounds and geographic regions. A complete schedule of the WG's activities and milestones can be found below:

### ***Key Milestones***

Dates	Milestones
29 Apr 2010	First conference call. Preparations for Chairs election, Charter drafting, work planning.
10 May 2010	Adoption of WG Charter by participating SOs and ACs.
5 May to 9 Jun 2010	Weekly conference calls. Drafting of Recommendations by WT1 and WT2.

Jun 14 2010	Posted a blog entitled "Call for Input: Support for New gTLD Candidates" <a href="http://blog.icann.org/2010/06/call-for-input-support-for-new-gtld-Candidates/">http://blog.icann.org/2010/06/call-for-input-support-for-new-gtld-Candidates/</a>
16-21 Jun 2010	Posting of "snapshot" on WG's plans and progress for public comment in English. <a href="http://www.icann.org/en/public-comment/#wg-snapshot">http://www.icann.org/en/public-comment/#wg-snapshot</a>
23 Jun - 23 Aug 2010	Posting of "snapshot" on WG's plans and progress for public comment in Spanish, French, Chinese, Arabic and Russian.
21-25 June 2010	ICANN Brussels Meeting - Community discussions Public Session: "Reducing Barriers to New gTLD Creation in Developing Regions" <a href="http://brussels38.icann.org/node/12503">http://brussels38.icann.org/node/12503</a>
10 Jul 2010	Twice-per-week conference calls for the development of Milestone Report taking into account public comments received and Board September 2010 Board Resolution.
11 Nov 2010	Milestone Report posted for consideration by the Board, Chartering Organizations and At-Large Community. See Public Forum here: <a href="http://www.icann.org/en/public-comment/#jas-milestone-report">http://www.icann.org/en/public-comment/#jas-milestone-report</a> <a href="http://www.icann.org/en/topics/new-gtlds/jas-milestone-report-11nov10-en.pdf">http://www.icann.org/en/topics/new-gtlds/jas-milestone-report-11nov10-en.pdf</a> + [ <a href="http://www.icann.org/en/topics/new-gtlds/jas-milestone-report-addenda-10nov10-en.pdf">http://www.icann.org/en/topics/new-gtlds/jas-milestone-report-addenda-10nov10-en.pdf</a> ]
9 Dec 2010	Cartagena ICANN Meeting Session: "Assisting gTLD Candidates from Developing Economies": <a href="http://cartagena39.icann.org/node/15499">http://cartagena39.icann.org/node/15499</a>
Dec 2010 – Feb 2011	Charter renewal process by Chartering Organizations (ALAC and GNSO) See charters here: <a href="https://community.icann.org/display/jaswg/Charter">https://community.icann.org/display/jaswg/Charter</a>
Jan 2011	Resume conference call. Preparations for new Chairs elections, Charter situation review, work planning – 4 subgroups formed.
Feb 2011	Posting of Summary Analysis of Milestone Report public comments (English) <a href="http://www.icann.org/en/announcements/announcement-22feb11-en.htm">http://www.icann.org/en/announcements/announcement-22feb11-en.htm</a> New community wiki space available to JAS WG.
Mar 2011	Posting of Summary Analysis of Milestone Report public comments in Spanish,

	French, Chinese, Arabic and Russian.
Mar 2011	<p>ICANN Silicon Valley Meeting:</p> <ul style="list-style-type: none"> <li>- Face-to-face meeting (Thursday, March 17 14:00-15:30; Victorian room)</li> <li>- Status update to GNSO and ALAC</li> </ul>
May 2011	<p>7th - Second Milestone Report received by the ALAC and the GNSO</p> <p>9th - At-Large staff, on behalf of the ALAC, initially forwarded this Report to the Board</p> <p>7th to 13th - Comments on the Report were collected from the At-Large Community. These comments are the basis for the Statement of the ALAC on the Joint Candidate Support Second Milestone Report.</p> <p>14th - The ALAC ratification process for the Second Milestone Report and the ALAC Statement begins.</p> <p>19th to 20th – Board retreat Istanbul.</p> <p>19th - GNSO met and decided to postpone the vote until June 9th meeting. No consensus was reached as to send a letter to the Board.</p> <p>Other activities:</p> <p>JAS WG discussion to answer GNSO, RyC questions.</p> <p>JAS WG preparing cost questions to submit to staff</p>
June 2011	<p>3rd - ALAC sent invitation to GAC and Board to join JAS WG on June 7th to clarify MR2. GNSO chair also notified by Olivier.</p> <p>6th - GAC/Board/JAS WG meeting postponed to June 14</p> <p>9th - GNSO meeting on JAS WG's MR2</p> <p>14th - GAC/Board/JAS WG conference call</p>



	<p>Posting Second Milestone Report for public comment (June 10 to July 29):  <a href="http://www.icann.org/en/public-comment/second-milestone-report-10jun11-en.htm">http://www.icann.org/en/public-comment/second-milestone-report-10jun11-en.htm</a></p> <p>19th - 24th Singapore ICANN Meeting – JAS WG session scheduled for June 23, Thursday from 11:00am to 12:30pm (VIP Lounge) Title: "JAS WG proposal for support for New gTLD Candidates from Developing Countries" :  <a href="http://singapore41.icann.org/node/24849">http://singapore41.icann.org/node/24849</a></p>
July 2011	<p>July 5 – meeting with Kurt regarding WG’s request for for additional staff support. Four additional staff members assigned to help with notes, drafting Final Report, process flow, drafting instructions manual</p>
August 2011	
September 2011	<p>GNSO meeting: Sept 8 (Report must be submitted Sept 1)  ALAC meeting: Sept 27 (Report must be submitted Sept 20)</p>
October 2011	<p>October ICANN Meeting Dakar – JAS WG Session _____</p>

## C. Standards of Agreement [Perhaps should keep at front of report]

The WG followed specific guidelines<sup>6</sup> to demonstrate the various levels of views and conclusions in this Report. The following was used throughout the document:

Unanimous or full consensus, when no one in the group speaks against the recommendation in its last readings;

Rough or near consensus - a position where only a small minority disagrees but most agree. This is sometimes referred to as consensus;

Strong support but with significant opposition - a position where while most of the group supports a recommendation, there are a significant number of those who do not support it;

No consensus, also referred to as divergence - a position where there is not a strong support for any particular position, but many different points of view.

Sometimes this is due to irreconcilable differences of opinion and sometimes it is due to the fact that no one has a particularly strong or convincing viewpoint, but the members of the group agree that it is worth listing the issue in the report nonetheless;

Minority refers to a proposal where a small number of people support the recommendation. This can happen in response to a Consensus, Strong Support but Significant Opposition, and No Consensus, or can happen in cases where there is neither support nor opposition to suggestion made by a small number of individuals.

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<sup>6</sup> See detailed guidelines here: <http://gnso.icann.org/en/improvements/proposed-working-group-guidelines-05feb09-en.pdf>

In cases of Consensus, Strong Support but Significant Opposition, and No Consensus, an effort is made to document that variance in viewpoints and to present any Minority recommendations that may have been made. The documentation of Minority recommendation normally depends on text offered by the proponent.

## **D. Key Records and Previous Publications**

The email archives: <http://forum.icann.org/lists/gnso-irtp-b-jun09/>.

The WG Wiki: <https://community.icann.org/display/JASWG/SO-AC+New+gTLD+Candidate+Support+Working+Group+%28JAS-WG%29>

### ***Previous Publications and Public Fora***

Second Milestone Report (MR2): <http://www.icann.org/en/topics/new-gtlds/jas-second-milestone-report-09may11-en.pdf>

Second Milestone Report (MR2) public Fora: <http://www.icann.org/en/public-comment/second-milestone-report-10jun11-en.htm>

Milestone Report: <http://www.icann.org/en/topics/new-gtlds/jas-milestone-report-11nov10-en.pdf>

Milestone Report Public Fora: <http://www.icann.org/en/public-comment/public-comment-201012-en.htm#jas-milestone-report>

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## Appendix 2: Glossary

### New gTLD Program

The New gTLD Program is an initiative that will enable the introduction of new gTLDs (including both ASCII and IDN) into the domain name space.

### Registry

The Registry is the authoritative, master database of all domain names registered in each Top Level Domain. The registry operator keeps the master database and also generates the "zone file" that allows computers to route Internet traffic to and from top-level domains anywhere in the world. Internet users do not interact directly with the registry operator; users can register names in TLDs including .biz, .com, .info, .net, .name, and .org by using an ICANN-Accredited Registrar.

### Registrar

Domain names ending with .aero, .biz, .com, .coop, .info, .museum, .name, .net, .org, and .pro can be registered through many different companies (known as "registrars") that compete with one another. A listing of these companies appears in the [Accredited Registrar Directory](#).

The registrar you choose will ask you to provide various contact and technical information that makes up the registration. The registrar will then keep records of the contact information and submit the technical information to a central directory known as the "registry." This registry provides other computers on the Internet

the information necessary to send you e-mail or to find your Web site. You will also be required to enter into a registration contract with the registrar, which sets forth the terms under which your registration is accepted and will be maintained.

#### Candidate

An entity that applies to ICANN for a new gTLD by submitting its application form through the online application system.

#### Evaluation Fees

The fee due from each Candidate to obtain consideration of its application. The evaluation fee consists of a deposit and final payment per application. A deposit allows the Candidate access to the secure online application system.

#### ICANN gTLD Support Fund

#### Registry Fees

Under the ICANN Registry Agreement, there are two fees: a fixed fee per calendar quarter and a transaction fee on future domain registrations and renewals. These fees are primarily intended to cover ICANN's recurring costs for Registry contract management.

#### Developing Economies Support Program

The program being generally proposed in this Final Milestone Report by the JAS WG. It is not to be confused with the New gTLD Program.

#### IDNs

IDN stands for Internationalized Domain Name. IDNs are domain names represented by local language characters, or letter equivalents. These domain names could contain characters with diacritical marks (accents) as required by many European languages, or characters from non-Latin scripts (for example, Arabic or Chinese). IDNs make the domain name label as it is displayed and viewed by the end user different from that transmitted in the DNS. To avoid confusion the following terminology is used: The A-label is what is transmitted in the DNS protocol and this is the ASCII-compatible (ACE) form of an IDNA string; for example "xn--11b5bs1di." The U-label is what should be displayed to the user and is the representation of the Internationalized Domain Name (IDN) in Unicode.

## New gTLD

gTLD stands for Generic Top-Level Domain. A gTLD is part of the Internet's global addressing system or Domain Name System (DNS). The term "gTLD" refers to the specific suffixes which appear at the end of Internet addresses and are used to route traffic through the Internet. There are different types of top-level domains, which help to identify specific types of organizations, associations or activities (see [RFC 1591](#)). Some gTLDs, such as .com or .info, are intended for general use. Others are intended for use by a specific community - such as .COOP for cooperative organizations. A complete list of existing gTLDs is available at <http://www.iana.org/domains/root/db/> .

## Languages and Scripts

Scripts are a collection of symbols used for writing a language. There are three basic kinds of scripts. Alphabetic (Arabic, Cyrillic, Latin) has individual elements

termed letters. Ideographic (Chinese) has elements that are ideographs. Syllabary (Hangul) has individual elements that represent syllables. The writing systems of most languages use only one script but there are exceptions. For example, Japanese uses four different scripts representing all three categories. Scripts that do not appear in the Unicode code chart are completely unavailable for inclusion in IDNs.

Developing economy; Emerging market/nation

These terms are often used in this Report. The WG has not adopted any specific classification and recommends using a classification that is internationally agreed upon – for example, G-77 or United Nations or World Bank classifications. The WG notes that these organizations might update their classifications from time to time. Also, the WG acknowledges that agencies that in the future participate in the Developing Economies Support Program as funding agencies might adopt their own classifications.

Non-financial support

Support Candidate

Support-Approved Candidate

Support Application Review Panel (SARP)

Support Recipient

Support Eligibility Criterion

Support Evaluation Process

RSP

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