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AT-LARGE ADVISORY COMMITTEE

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Statement of the ALAC **On the Expression of Interest proposal**

Introduction

By the Staff of ICANN

Patrick Vande Walle, member of the At-Large Advisory Committee (ALAC) and originally composed this document and published it for community feedback on January 6th 2010.

A [first revision](#) of this document was published by Patrick on January 17th and further updated on January 26th in accordance with feedback received on the first revision. Please [click here](#) for a comparison of the second revision (the present version) and the original draft.

The ALAC held a vote on the Statement during their monthly teleconference on January 26th, 2010. The result of said vote was that the ALAC decided to endorse the Statement and submit it to the relevant public consultation process with a 11-0 vote.

The Statement was submitted to the public consultation on New gTLD Program – Draft Expressions of Interest/Pre-Registrations Model on January 27th with a copy going to the ICANN Board of Directors.

[End of Introduction]

The original version of this document is the English text available at www.atlarge.icann.org/correspondence. Where a difference of interpretation exists or is perceived to exist between a non-English edition of this document and the original text, the original shall prevail

ALAC Statement on the Expression of Interest Proposal

Benefits of the Plan

We think the plan is beneficial both to potential applicants and to ICANN.

To ICANN, it means that the corporation will have a reference of a clear number of potential applications, allowing it to size its operations, both administrative and technical. It will allow root server operators to plan ahead the needed resources in order to serve the root zone file. It will also allow the community to identify if there is a need for a finer categorization (and segmentation) of the applications. Different categories could follow slightly different paths through the application process, and possibly make it more efficient. GeoTLDs, single owner/brand TLDs, community and open TLDs are all different categories that deserve a different treatment. Other categories may appear as the result of the EOI call.

To potential applicants, it will mean that they will be able to have a clearer view of the landscape, and either

- tune their applications accordingly
- find ground to submit a common proposal with other applicants in case of string contention
- or throw the towel entirely, with not much financial damage

Once the landscape will be more or less set, it will be easier for potential applicants to convince investors to financially support their application.

Communication Period

The At-Large believes a significant communication effort needs to be undertaken to inform all possible participants on the new EOI process, as described in the staff proposal. It is of paramount importance that the whole exercise is not perceived as an insider's game. A lengthy and detailed outreach process is needed before the round begins. The EOI will be the only chance applicants will get. Information about the process must be made very widely available before it begins.

Mandatory character of participation in the Eoi in order to file a gTLD application

The At-Large believes that the participation in the Eoi should be a pre-requisite to file a full application later. This will allow potential applicants to develop their proposal without running the risk of being outplayed later on by late-comers with big pockets.

Fees

The At-Large believes that the proposed fee of \$55,000 is too high for some potential applicants, especially those which target small communities or are located in less-favoured countries. This issue was already raised by the GAC in the context of the DAG, and has found no satisfactory answer up to now. We believe ICANN should not have an ideological position on which TLD model is best, by setting high fees that will *de facto* eliminate a lot of possible submissions that do not fit into the mould set by the DAG. In this context, the At-Large

supports [Avri Doria's comments](#) submitted earlier. Making the process expensive is not in the public interest.

We believe that one of the goals of the EOI process is to allow prospective applicant to raise financial support for their application. It should **not** be assumed that potential applicants are already fully funded. Many potential applicants still have difficulties convincing potential financial backers, as they cannot demonstrate they have a reasonable chance of actually running the TLD.

This is why the At Large suggests to have different levels of fees, according to criteria collected from the EOI. Several models are possible.

- There could be a fixed, reduced fee for not-for-profit and small community applications under the EOI, in which case the At-Large suggests it should not be above USD 25,000.
- Some applicants could be exempt from any fee under the EOI (later full application fee still to be decided.) It would be a class of applicants self-identifying via their business plan, explaining target registrant "audience", expected number and registrant fee (some revenue/user number threshold might need to be identified). If the organization later exceeds the revenue/user numbers, they would pay some retroactive penalty fee.

This should allow less wealthy applicants to submit a proposal in the framework of the EOI, while at the same time prevent frivolous applications. Regardless of which system of rebate is put in place, the terms should be transparent and published ahead of the EOI process, and not be granted on a case-by-case basis in a non-transparent manner.

The money collected during the Expression of Interest process would need to be placed in escrow, and later released to ICANN when Phase1 of application process starts.

The rules under which a refund would be possible need to be clearer, specifying the circumstances where refund will occur and when it will not.

Publication of EOI Information

The At-Large believes it is necessary to publish a minimal set of information. The goal is two-fold:

1. Allow prospective applicants to settle agreements with potential competitors ahead of the application process, if needed.
2. Allow ICANN and its community to identify the different categories of applications, that may end up following slightly different paths during the application process. This would allow to have optimal processes in for different categories of applications. In this respect, we think we need to identify the following criteria:
 1. Commercial vs not-for-profit applicants
 2. Community vs open TLD applications
 3. Geographical-based TLD (city, etc)
 4. Single owner / Corporate or Brand TLD

In addition to the above information, the Expression of Interest submission should also include the proposed TLD string and the name of the applicant.

Conclusions

We encourage ICANN to go ahead in the direction set by this proposal, keeping in mind the comments above. In all cases, policies should be consistent and not developed specifically for the applicant and their strings. We need a consistent policy process going forward so that applicants to the EOI has a good level of certainty that their application will go through if they meet the clearly-defined, objective criteria.

However, the At-Large suggests that the Board takes no decision at its February meeting and has further discussion with the community on this issue at the Nairobi meeting.