

GNSO gTLD Registries Stakeholder Group Comments

Issue: Second Milestone Report of the JAS WG - Expanding Developing Economies Participation in the New gTLD Program

Reference: <http://www.icann.org/en/announcements/announcement-2-10jun11-en.htm>.

The RySG sincerely thanks the JAS WG members for their extensive work and long hours of deliberation on the JAS WG Second Milestone Report (Report). In response to the WG recommendations regarding support for needy new gTLD applicants, the Registries Stakeholder Group (RySG) provides the following comments and suggestion regarding the JAS WG recommendations. If the WG has any questions, we would be happy to respond to them.

Section numbers in the table below are from the Report.

JAS WG Recommendation	RySG Position
<p>“Who qualifies for support? and How are gTLD applications evaluated against the above criteria?”</p> <p>The Report lists specific criteria for inclusion and exclusion and includes clarifying descriptions of the criteria.</p> <p>(Refer to Part 3 of the Report)</p>	<p>Hopefully the current request for comments will result in helpful input on specific elements of Part 3 of the Report including:</p> <ul style="list-style-type: none"> • The three lists of eligibility criteria • Notes on the applicant’s public interest qualifications • Notes on financial need • Notes on ineligible criteria <p>But if that is not the case, the RySG suggests that the WG request that community members should be asked to specifically provide pros and cons of each of the above as well as suggestions for additional considerations. If possible, specific questions should be provided to which community members would be asked to respond. We believe that this could be done through a brief extension of the current public comment period if possible or separately via a request to SGs, constituencies, ACs and other SOs.</p>

<p><u>Cost Reduction Recommendations</u></p> <ol style="list-style-type: none"> 1. Waive the Program Development Costs of US\$26,000 2. Lower risk/contingency cost (US\$60,000) 3. Review Base cost (US\$100,000) to see if reduction can be made 4. Cost reductions to encourage the build out of IDNs in small or underserved languages. 5. Lower registry Fixed Fees 6. Exemption or deferment of IPv6 implementation requirements as possible 7. Reduction of the Financial Continued Operation Instrument Obligation to 6-12 months <p>(See 4.1.1)</p>	<p>The RySG supports recommendation 3 if it is possible but we believe that we may be at a point in the new gTLD process where it may not be possible to do further estimations of application processing costs.</p> <p>The RySG supports recommendations 1, 4, & 5 if resulting fee reductions are offset by other sources of funds such as historical new gTLD funds from previous years (e.g., the \$2M from the reserved fund identified by the Board in Singapore) or funds donated for this purpose from interested parties such as other new gTLD applicants, foundations, etc. New gTLD applicants could be given the opportunity in the application process to donate toward a fund for this purpose.</p> <p>The RySG supports recommendations 2 & 7 as long as potential registrants of applicable gTLDs are warned in advance of any increased risk and as long as other community members are not asked to bear the cost.</p>
<p>Staggered Fee Recommendation</p> <p>(See 4.1.2)</p>	<p>The RySG believes that all new gTLD applicants need to demonstrate financial and technical capability to meet the obligations of a registry operator both in terms of up- front costs and ongoing costs. In the case of qualified applicants who need some financial support in the first few years, they should still be able to demonstrate a minimal level of financial capability such as the levels recommended by the WG in 3.2 of the Report (i.e., 25% of initial and ongoing fees). If these levels are approved, the payments should be paid in full. If funding does not allow for fees to be reduced to the 25% level, then it should be up to ICANN to develop payment schedules beyond the 25% level and any such schedules and associated terms should become a part of the registry agreement for the operator.</p>

<p>Non-financial support/relief from ICANN (4.2)</p> <p>Support from third parties facilitated by ICANN (4.3)</p> <p>Financial support distributed by an ICANN originated (Development) fund (4.4)</p>	<p>ICANN staff would have to decide what, if any, services could be provided regarding these three recommendations. But ICANN is essentially made up of and accountable to all stakeholders so any such support should be clearly defined and supported by the community. ICANN staff could develop a proposal for any such services and obtain community feedback before finalizing a plan. It needs to be remembered that ICANN has limited personnel and staff resources, so using those resources for needs such as these will likely take resources away from other areas of need. At the same, time it seems possible that the community might be willing to do this depending on the services involved and the design of the plan. To ensure ICANN independence in the overall process, we believe it would be better that a neutral third party should be identified to administer such funds.</p>
<p>Financial support Distributed by External Funding Agencies</p> <p>(See 4.5)</p>	<p>The RySG supports this recommendation and believes that ICANN Staff should be able to serve as a source of information to external funding agencies as part of its normal services to the community. But it should not be assumed that external funding agencies will automatically come forward, so potential applicants and other interested parties should seek out such agencies and encourage their participation.</p>
<p>The WG had full consensus that Applicants that receive support under this program should repay that support as possible, and that such repayments go into a sustainable revolving fund used to support the future applications.</p> <p>(See Part 5)</p>	<p>The RySG supports this recommendation with the understanding that detailed processes would need to be finalized and applicable requirements included in registry agreements or some other contract between ICANN and the operator.</p>

Summary of RySG Member Support

The above comments represent the views of the RySG as indicated below. The RySG comments were arrived at through a combination of RySG email list discussion and RySG meetings (including teleconference meetings).

- 1.1. Level of Support of Active Members: Supermajority
- 1.2. # of Members in Favor: 10
- 1.3. # of Members Opposed: 0
- 1.4. # of Members that Abstained: 0
- 1.5. # of Members that did not vote: 4
2. Minority Position(s): N/A

General RySG Information

- Total # of eligible RySG Members¹: 15
- Total # of RySG Members: 14
- Total # of Active RySG Members²: 14
- Minimum requirement for supermajority of Active Members: 10
- Minimum requirement for majority of Active Members: 7
- # of Members that participated in this process: 13
- Names of Members that participated in this process:
 - Afilias (.info & .mobi)
 - DotAsia Organisation (.asia)
 - DotCooperation (.coop)
 - Employ Media (.jobs)
 - Fundació puntCAT (.cat)
 - Museum Domain Management Association – MuseDoma (.museum)
 - NeuStar (.biz)
 - Public Interest Registry - PIR (.org)
 - RegistryPro (.pro)
 - Societe Internationale de Telecommunication Aeronautiques – SITA (.aero)
 - Telnic (.tel)
 - Tralliance Registry Management Company (TRMC) (.travel)
 - VeriSign (.com, .name, & .net)
- Names & email addresses for points of contact
 - Chair: David Maher, dmaher@pir.org
 - Alternate Chair: Keith Drazek, kdrazek@verisign.com
 - Secretariat: Cherie Stubbs, Cherstubbs@aol.com
 - RySG representative for this statement: Chuck Gomes, cgomes@verisign.com

¹ All top-level domain sponsors or registry operators that have agreements with ICANN to provide Registry Services in support of one or more gTLDs are eligible for membership upon the “effective date” set forth in the operator’s or sponsor’s agreement (RySG Articles of Operation, Article III, Membership, ¶ 1). The RySG Articles of Operation can be found at <<http://gns0.icann.org/files/gns0/en/improvements/registries-sg-proposed-charter-30jul09-en.pdf>>.

² Per the RySG Articles of Operation, Article III, Membership, ¶ 6: Members shall be classified as “Active” or “Inactive”. A member shall be classified as “Active” unless it is classified as “Inactive” pursuant to the provisions of this paragraph. Members become Inactive by failing to participate in a RySG meeting or voting process for a total of three consecutive meetings or voting processes or both. An Inactive member shall have all rights and duties of membership other than being counted as present or absent in the determination of a quorum. An Inactive member may resume Active status at any time by participating in a RySG meeting or by voting.