



Draft New gTLD Financial Assistance Handbook

The Basics on How to Apply for Reduced Evaluation Fees

20 December 2011

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Overview

This handbook was developed to assist those seeking reduced evaluation fees for the New gTLD Program. It is meant to be a step-by-step guide to applying for financial support, including information on critical deadlines, criteria, process and evaluation. Please refer to the New gTLD [Applicant Guidebook](#) for anything regarding the new gTLD evaluation process.

Applicants for Financial Assistance should be completely familiar with the [New gTLD Applicant Guidebook](#), information on the [New gTLD webpage](#), and the [Applicant Support Program](#), including elements of the Financial Assistance Program, as follows:

- [Applicant Support Process](#).
- [Applicant Support Criteria](#).

Links to other material are found within this document. Please address questions to: newgtld@icann.org.

Why is ICANN offering reduced application fees for certain applications?

The Internet is a global resource, and the diversity, competition and innovation made possible by the New gTLD Program should provide an inclusive opportunity for all to participate. The Applicant Support Program, conceptualized by ICANN volunteers through the Joint Applicant Support Working Group, seeks to serve the global public interest by ensuring worldwide accessibility to, and competition within, the New gTLD Program. This program offers qualified candidates the opportunity to pay a reduced evaluation fee of USD 47,000 instead of the full evaluation fee of USD 185,000.

Critical Dates to Know

12 January 2012 - The Application Window for the New gTLD Program and Financial Assistance Applications opens.

29 March 2012 – Last day to register in the TLD Application System. If you do not register by this date you will not be able to apply.

12 April 2012 – The Application Window for the New gTLD Program closes. By this date, candidates for financial assistance must submit completed New gTLD Applications AND completed Financial Assistance Applications.

30 November 2012 – Final date for Award announcement. At this point candidates will have received one of three possible notifications:

- 1) Qualified (i.e., meets the threshold criteria) and fee reduction awarded.
- 2) Qualified but fee reduction not awarded. In this case, ICANN will send a staggered fee schedule to the applicant.
- 3) Disqualified (i.e., does not meet the threshold criteria) and, as a result, the financial assistance AND the New gTLD application is rejected.

Note, if disposition on a financial assistance application is made prior to 30 November, ICANN might, at its discretion, make the notification before that date.

30 December 2012 – Last day for candidates who have “Qualified but no award” to either a) make first payment in the staggered fee schedule on remaining USD 138,000 and proceed to initial evaluation or b) withdraw their application and receive a USD 42,000 refund.

Candidate Eligibility & Criteria

The Applicant Support Program is designed to provide financial support to deserving (as defined by the criteria below) candidates.

These criteria are independent of detailed criteria in the Applicant Guidebook to evaluate candidates to determine their capabilities to operate a registry. The Applicant Guidebook criteria must be met in order to be delegated as a gTLD.

The Applicant Support Program does not alter existing criteria for a new gTLD, rather it measures interested Applicant Support candidates against separate criteria to identify those who demonstrate: (1) service in the public interest; (2) financial need; and (3) minimum financial capabilities. Applicant Support candidates rank highest as measured against these criteria will be awarded a significant reduction in their application fees.

Only one support application for any entity or affiliate of that entity will be considered. The entity may apply for multiple TLDs, but is allowed only one financial support application.

Candidates who meet these initial eligibility criteria and pay the USD 47,000 application fee then begin the Initial Evaluation phase in the main gTLD Applications process. Refer to the [Applicant Guidebook](#) for the new gTLD evaluation process.

Exclusions / Eligibility

Entities requesting support through the Application Support Program first will undergo a review to determine eligibility for the Applicant Support Program. A New gTLD Candidate will be excluded from Financial Support consideration if it:

- Is applying for a gTLD string that is intended to reference a trademark or trademarked brand.
- Is a national or federal governmental entity or an entity with controlling interest by a national or federal government.
- Is applying for a gTLD string that is a geographic name as described in the [Applicant Guidebook](#).

Those that meet the eligibility criteria immediately above will then be evaluated against specific criteria. Based on the recommendation of the independent, volunteer [Joint Applicant Support Working Group](#), candidates will be evaluated against three criteria sets:

- **Public Interest Benefit** (to prioritize funds for those projects that would offer demonstrable benefit to the public or suitable community group).
 - **Financial Need** (to distribute funds to those entities that lack sufficient financial resources to pay for application fees or otherwise execute their projects, or who would not be able to raise those resources through other means).
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- **Financial Capabilities** (to help ensure those receiving funding will be able to manage those funds and execute projects if successful).

The sequence of criteria reflects the order in which the panel shall assess them, because the first test is core to the goal of the New gTLD Applicant Support Program.

Evaluation Fees & Process

Eligible candidates will be required to pay the fee in two phases: the standard non-refundable USD 5,000 registration fee upon registration in the TLD Application System (TAS); and a subsequent USD 42,000 application fee deposit at the time of application submission. Applicants that are awarded a fee reduction will have the remainder of the USD 185,000 fee waived. No other fees and costs associated with the New gTLD Program will be affected one way or another in this program.

Fee Refunds

Candidates that are “Qualified but no award” may choose to pay the remaining USD 138,000 evaluation fee or withdraw their application for a refund of USD 42,000. This decision must be made within 30 days of the award announcement. ICANN will provide a timetable for staggered payments to these applicants. If payment deadlines are missed, the applicant will be furnished a refund.

Important: Candidates not meeting the minimum threshold criteria will not proceed further in the program and will not be eligible for a refund. This means that the candidate is disqualified in both 1) Reduced evaluation fee AND 2) New gTLD Application.

Therefore, candidates must be confident that their application truly demonstrates financial need, benefits the public interest, and meets the minimum qualifications.

Process

The application process for both the New gTLD Program and the Financial Assistance program is lengthy and comprehensive. Please start as early as possible to ensure that your application is complete in time to be considered.

Step 1: Register as an applicant in the TLD Application System (TAS), at <http://newgtlds.icann.org/applicants/tas>. You must register during the period 12 January 2012 through 29 March 2012 to be eligible.

Step 2: Pay a non-refundable USD 5,000 registration fee.

Step 3: Check box in TAS indicating that you are an Applicant Support Candidate. By checking this box, you agree to certain terms, including rejection of the New gTLD Application if Financial Assistance threshold criteria are not met.

Step 4: Complete New gTLD Program Application form AND supplemental Financial Assistance forms. The supplemental Application Support forms must be downloaded, filled out, and then uploaded to TAS with supporting documents.

Step 5: Pay USD 42,000 evaluation fee with the submission of your New gTLD AND Financial Assistance applications. In accordance with the requirements of the gTLD Application process, payment must be received by ICANN no later than 12 April 2012.

Step 6: Receive award notification. Announcement puts candidates in three categories.

Step 7a: If you are qualified and selected for reduced fee, you will begin the Initial Evaluation of the New gTLD Application process. Refer to the [Applicant Guidebook](#) for full details.

Step 7b: If you are qualified with no award, the Candidate must decide between one of two options within 30 days of the announcement:

- a) Self-fund the remaining USD 138,000 according to the staggered fees payment schedule furnished by ICANN, and begin the Initial Evaluation process.
- b) Withdraw and receive a refund of USD 42,000.

Step 7c: If you are disqualified, your New gTLD Application will be ineligible for further review. No refunds will be made in this instance.

Evaluation

An independent Support Application Review Panel (SARP) will perform the scoring of the three main criteria based on information provided in the Financial Assistance application. The SARP may also rely on the organization's New gTLD Application, public comments, and independent research, if desired. However, the Financial Assistance application should stand on its own and applicants should not assume the New gTLD Application has been fully read by the SARP. Guidance has been provided where components of the New gTLD Application might also be applied to Financial Assistance applications.

The criteria are, to a certain extent, subjective. That subjectivity is deemed necessary to enable the SARP to reach a fair result and provide the discretion to interpret the information provided to it in the best light. While efforts have been made to systematize the scoring process, interpretation of the criteria is at the sole discretion of the SARP.

At its discretion, the SARP can ask clarifying questions of candidates. To ensure that all applications are processed in a timely manner, candidates will be given two weeks to respond to clarifying questions.

Notice: SARP panelists will have access to New gTLD Application materials. The SARP's objective is to establish whether applicants meet the Financial Assistance criteria – but not to decide relative merits of New gTLD applications. Therefore, the SARP may arrive at apparently inconsistent conclusions than gTLD Evaluation panels when evaluating similar documentation. This is because the two different evaluation processes have different objectives, criteria and review processes as the basis for its evaluations.

Scoring Methodology

The following are the criteria for the Application Support Program. The criteria are used both as a threshold and to rank qualifying candidates.

Threshold: As described in the [Applicant Support Process](#) document, candidates must meet a threshold score to qualify for financial assistance and keep their new gTLD application active. If the threshold is not met, the Financial Assistance Application AND the New gTLD Application will be rejected.

Please note that it is not necessary to score the maximum points allowed in order to qualify and it is not necessary to score at least one point in every category. The candidate must meet the minimum score per criteria set, indicated below.

To meet the threshold, support applications must score at least:

- 5 of 9 points on Public Interest Criteria, the first criteria set.
- 3 of 5 points on Financial Need criteria, the second criteria set.
- 1 of 2 points on Financial Capability criteria, the third criteria set.

The threshold is set to discourage abuses as recommended by the ICANN community through its Joint Applicant Support Working Group Report.

Rank ordering: As described in the [Applicant Support Process](#) those meeting the threshold will then be rank-ordered using the same criteria. ICANN has established an Applicant Support Fund. Candidates ranked highly enough to receive funding support will receive the USD 138,000 fee reduction. After the fund is exhausted, candidates who are not ranked highly enough to receive funding support are eligible for non-financial support, given an opportunity to pay the full application fee and proceed into Initial Evaluation or apply for a full refund.

Criterion and Questions

The development of criteria for evaluating Financial Assistance applications is described in the [Applicant Support Criteria](#) document. Questions follow each criterion below and are repeated in the Financial Assistance application. Additional questions might be added if it were determined that additional information would be helpful to the SARP and fulfilling its role.

Public Interest Criterion

Candidates will receive points as indicated below for demonstrating each of the following public interest criteria. Candidates should indicate on their application for funding support which criteria they believe their application meets. Candidates do not need to meet all criteria to meet the threshold or qualify for financial assistance, but priority will be given to those who are scored the highest.

Criterion #1 - Public Interest		Maximum Points
<p>Community based project</p>	<p>The ICANN Applicant Guidebook specifies that each applicant must declare if its application is a community-based project. Applicants for financial support that also have indicated that a project is community-based will be evaluated by the SARP teams against the four Community Priority evaluation criteria found in Module 4 of the Applicant Guidebook: community establishment, nexus between proposed string and community, registration policies, and community endorsement. Rather than following the strict scoring methodology in the Applicant Guidebook, the SARP will perform a high-level review to determine whether the applicant generally meets those criteria. Applicants that generally meet the criteria in the four tests will be given 1 point. Applicants that do not meet this threshold will receive 0 points.</p> <p>It is important to note that while the SARP and the ICANN new gTLD evaluation panels are using similar criteria in certain cases, the SARP’s objective is to identify those applicants most worthy of financial support to help reduce barriers to entry for the ICANN application process, not to evaluate an applicant’s new gTLD application. Some applicants that receive funding support may not ultimately be successful with their new gTLD applications. Given that the SARP’s priority is to identify those candidates that meet public interest priorities and not to address a contention set, the SARP will be given instructions to be more liberal in its interpretation of the Community Based priority criteria. In this regard, SARP findings related to community-based projects may be somewhat inconsistent with the Guidebook described Community Priority Evaluation that the financial aid applicant may later face.</p> <p>Question: How does your application serve your community?</p> <p>This question is meant broadly to address how the applicant is proving service to its relevant group of users. It is possible, but it is not required that the application is</p>	<p>1</p>

Criterion #1 - Public Interest		Maximum Points
	designated as a community TLD as defined in the gTLD Applicant Guidebook.	
Public interest benefit including support for distinct cultural, linguistic or ethnic communities	<p>The applicant support program targets those applications that provide benefit to the public interest. Those applications that support distinct cultural, linguistic or ethnic communities in a way that demonstrates a benefit to the public interest, enhances the public good, or promotes the general welfare will be given priority. Applicants who meet the community-based application threshold might also receive points under this criterion. However, some applicants not designating their applications as community-based applications might still offer benefit for a distinct cultural, linguistic or ethnic community. For example, this might include groups with geographically dispersed diasporas or linguistic minorities. Applicants who demonstrate how their project will benefit such communities and serve the public interest will receive 1 point. Applicants may provide documentation already prepared to support their answer to Question 18 (Mission/Purpose) in the ICANN new gTLD application, but may also provide supplemental documentation as appropriate.</p> <p>Question: How does the proposed gTLD demonstrate benefit to the public interest, enhance the public good or promote the general welfare of the expected beneficiary community. Describe the public interest benefit of your gTLD. Answers should address (among others) the following points:</p> <ul style="list-style-type: none"> • What is the mission/purpose of your proposed gTLD? • Will the proposed gTLD support distinct cultural, linguistic or ethnic communities (e.g., groups with geographically dispersed Diasporas or linguistic minorities protected by certain treaties)? 	1
Service in an under-served language, the presence of which on the Internet has	<p>Candidates applying for a string that is providing build-out of a language or script whose web presence is limited will be given priority for funding support. This may include smaller script communities whose scripts are very limited on the web and communities that</p>	1

Criterion #1 - Public Interest		Maximum Points
been limited	<p>regularly use more than one script but might otherwise face challenges with the build out of two scripts. Applicants that provide data or other documentation demonstrating the lack of presence of their language on the Internet and how their project will support that language presence will receive 1 point.</p> <p>Question: Does the proposed gTLD offer service in an under-served language, the presence of which on the Internet has been limited?</p> <p>If Yes, how? You should include answers to (a), (b) and (c) below:</p> <p>a.) Identify the language b.) Provide data or evidence of the limited presence of this language on the Internet. c.) Describe how the proposed project will support or improve that language presence, including whether and in what ways outreach and communications will help to achieve your projected benefits.</p>	
Operation in a developing economy	<p>Applicants from developed countries may apply, but priority will be given to those from developing economies. Evaluation will be based on the expected service to public interest and the beneficiary community of the project and not the location of the back-end operations. Applications from and benefitting Least Developed Countries, Landlocked developing countries, and Small Island Developing States based on the listing of the UN Department of Economic and Social Affairs (UNDESA) will receive 2 points. Applications from and benefitting 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 will receive 2 points. Applications from and benefitting those from the UNDESA list of Developing Countries, who are not LDCs, LLDCs or SIDS, will receive 1 point. Applicants from all other (developed) countries and who are not Indigenous Peoples will receive 0 points.</p> <p>Question: What is the geographic location of the applicant, and what is the geographic location of the primary expected beneficiary community? How does</p>	2

Criterion #1 - Public Interest		Maximum Points
	the gTLD benefit the geographic community indicated?	
<p>Advocated by non-profit, civil society and/or non-governmental organizations in a manner consistent with the organizations' social service mission(s) (0-1 points)</p>	<p>An applicant may demonstrate benefit to the public interest through support for their project from local or partner organizations such as non-profit, civil society, and/or non-governmental organizations. Applicants may meet this requirement by providing letters of support from such organizations that indicate how the proposed project would further the organization's social service mission or benefit the public interest; and evidence of gTLD project partners or donors/funding sponsors whose mission is aligned with the public interest.</p> <p>Question: Has your project received endorsement from non-profit, civil society and/or nongovernmental organizations in a manner consistent with the organizations' social service mission(s)?</p> <p>If Yes, provide a listing of the organizations along with an overview of the type of endorsement. Letters of support from identified organizations should validate assertions. Documentary evidence of funding support or partnership arrangements should be provided.</p>	1
<p>Operation by a not-for-profit organization</p>	<p>Priority will be given to entities that are not formed as conventional for-profit businesses – i.e., non-governmental organizations, non-profit entities, civil society organizations, foundations, trusts, mission-based organizations, etc. Non-profit organizations and similarly organized entities are eligible for 2 points; other organizations such as public-private partnerships, and hybrid entities (e.g. those that are profit/non-profit) are eligible for 1 point.</p> <p>Questions: Is the applicant formed as a not-for-profit organization?</p> <p>Is the applicant formed as a public-private partnership or other hybrid entity?</p>	2
<p>Operation by a local entrepreneur or not-for profit organization in a developing</p>	<p>While the applicant support program is not intended to be used as a substitute for conventional business risk, there is value in providing some support to entrepreneurs or non-profit organizations from developing countries whose project provides a</p>	1

Criterion #1 - Public Interest		Maximum Points
economy providing demonstrable social benefit	<p>demonstrable social benefit but who are unable to execute their project without funding support. The applicant can demonstrate that its project will provide social benefit including, but not limited to: (1) providing investment in the skill base of the target community; (2) fostering gender balance and the presence of minorities in the target community; (3) providing a positive contribution to the national or regional economy of its operation. Applicants will receive 1 point if able to document such social benefits.</p> <p>Question: Is the applicant a local entrepreneur or not-for profit organization in a developing economy providing demonstrable social benefit? Provide a description and any supporting documentation to demonstrate how the project will provide social benefit.</p>	
9 points maximum; need minimum of 5		

Financial Need Criterion

A maximum of 5 points is possible on the Financial Need criterion. Applicants will be required to submit materials to detail various constraints that affect their ability to acquire and implement a gTLD without assistance.

Criterion #2 – Financial Need		Maximum Points
Operational environment	<p>A complete answer demonstrates why the applicant may have limited access to funding and specific environmental factors that have caused constraints to raising initial capital to pay for fees. The applicant may provide letters from other funding organizations that have considered requests for support on this or other efforts. A response will merit a 2 if its assertions are substantiated with documentation specific to the gTLD project application and its lack of ability to raise funds for the application fee or other initial expenses. A response will merit a 1 if the applicant generally describes a challenging operational environment, but does not have documentation specific to the financial aspects of its project. A response that does not provide adequate justification for why its operational</p>	2

Criterion #2 – Financial Need		Maximum Points
	<p>environment poses a challenge to raising the financial capital to support its application or project is given 0 points.</p> <p>Question: Provide a description of any constraints that affect your ability to successfully apply for and operate a gTLD without financial assistance.</p>	
Organizational size	<p>Small and medium-sized organizations often face specific challenges in obtaining sufficient human and financial resources to carry out their business or organizational mission. Moreover, these organizations may face disproportionate costs in meeting the administrative burden required by completing the ICANN gTLD application. To help address this barrier, the Applicant Support Program will give priority to small and medium sized organizations when evaluating applications. Small and medium sized organizations, not associated with a larger parent entity, will be given 1 point.</p> <p>Question: Is the applicant a small or medium-sized organization, not associated with a larger parent organization?</p>	1
Project budget and funding resources	<p>In order to complete its ICANN gTLD application, the applicant must provide financial projections that demonstrate a sustainable business (even if break-even is not achieved through the first three years of operation). Applicants to the Applicant Support Program should provide a narrative to correspond with their Financial Projections and their description of funding and revenue sources to identify where ICANN financial support would assist in ensuring sustainable operations or mitigating any projected risks. Applicants should provide tabular information on operational expenses and other relevant data that is also provided in their gTLD application. Applicants may also include letters from donors who may be promising project funding if the gTLD application is successful, but which may point to a lack in the initial start up funding to pay the USD 185,000 application fee. Applicants who clearly identify why financial support would help to improve their financial projections or mitigate any potential risks will be given 1 point. Applicants whose financial</p>	1

Criterion #2 – Financial Need		Maximum Points
	<p>projections exhibit funding needs (or whose projections demonstrate inadequate start-up capital and three years of sustainable operations) will be given 0 points.</p> <p>Question: Describe why funding support from ICANN would assist in ensuring sustainable operations of your project or mitigating any risks. The answer should correspond with your Financial Projections and description of funding and revenue sources.</p>	
Outreach for financial support	<p>Applicants that have taken the extra steps to seek additional funding or create partnerships that could lead to additional support such as through matching grants or guaranteed loans or payments will be considered for an additional point. The applicant may provide letters from other organizations that have considered requests for support on this or other efforts. A response will merit one point if its assertions are substantiated with documentation specific to this project, otherwise no points will be awarded.</p> <p>Question: Have you sought financial support from other donors or partners through, e.g., grants, guaranteed loans, matching funds? These applications are additional evidence of need.</p> <p>If Yes, then provide a listing of any such organization and copies of responses received to funding requests.</p>	1
5 points maximum; need minimum of 3		

Financial Capabilities Criterion

A maximum of 2 points is possible on the Financial Capabilities criterion. Applicants are asked to submit materials to demonstrate basic financial capabilities to operate an ongoing concern of the size and complexity of a proposed registry, as well as past experience doing so.

Criterion #3 – Financial Capabilities		Maximum Points

Criterion #3 – Financial Capabilities		Maximum Points
Basic financial capability to operate an ongoing concern of the proposed registry	<p>While an applicant’s project should demonstrate some level of need as described above, the applicant must also demonstrate basic financial capability to operate an ongoing concern of the size and complexity of a proposed registry through demonstrating managerial capabilities and financial resources. Applicants should provide a summary of their qualifications consistent with answers to Questions 45-47 in the ICANN gTLD application section on basic financial capability. Applicants should provide emphasis on demonstrating their ability to manage an organization and finances relative to the size of their project. Those meeting the requirements are given 1 point. Those who fail these requirements are given 0 points.</p> <p>Question: How is your organization set up financially to successfully operate a registry if financial support from ICANN and potentially others? The response should be consistent with information in the New gTLD Application.</p>	1
Previously executed projects	<p>Applicants with proven results in managing organizations and projects of this complexity in the past will be given priority. Applicants who provide documentation citing previously managed and operated programs will be given 1 point.</p> <p>Question: Describe how you have executed against the budget of projects of comparable size, and complexity to your gTLD project? If Yes, then provide a listing and short summary of such projects.</p>	1
2 points maximum; need minimum of 1		

Award Decisions

In the case that available funding cannot provide fee reductions to all *bona fide* requests (i.e., requests that meet the threshold scoring requirement), the scoring system enables the SARP to rank and prioritize eligible applications and award financial aid to those determined to best meet the three criteria. Once the highest scoring candidates have been identified, the SARP also will work to ensure diversity in its final funding decisions across areas such as language, script, cultures, business models, and regions to ensure that those who receive the fee reduction will tend to most amplify the benefit.

A relatively high score threshold has been established to identify those who do not meet basic financial need and public interest benefit criteria and in order to help mitigate potential for gaming. Those that do score high enough will receive a fee reduction from USD 185,000 to USD 47,000. Those candidates that meet the established need/public interest threshold, but who do not score highly enough to benefit from ICANN Financial Support will be given an opportunity to pay the remaining application fee balance of the USD 138,000 and proceed forward in the New gTLD application program. There are no partial awards. There is no appeal mechanism outside the generally available ICANN mechanisms.

Additional Information

Public Comment Process - Public portions of all applications will be posted approximately on 1 May 2012, including those requesting financial support. Comments about Applicant Support Program candidates that relate to ‘financial need’ or ‘public interest’ will be made available to the SARP.

No Appeals Process – The award decision by the SARP is considered final and there are no processes for appeal. Please ensure your eligibility prior to your submittal of your application.

Reporting - To provide for continual improvement in the program, applicants receiving support will be required to provide a feedback report describing how the significant reduction in fees helped with the execution of their project.

Additional Resources

New gTLD Applicant Guidebook: <http://newgtlds.icann.org/applicants/agb>

TLD Application System: <http://newgtlds.icann.org/applicants/tas>

New gTLD Program web site: <http://newgtlds.icann.org/>

Pro bono resources may be available to assist you with technical or financial portions of your application. Please visit ICANN’s web page at <http://newgtlds.icann.org/applicants/candidate-support> designed to connect those who seek assistance with organizations interested in providing it.