

ICANN

VIRTUAL COMMUNITY FORUM

73

New gTLD Subsequent Procedures

Operational Design Phase



ICANN73
7 March 2022

Agenda

1

Organization of
Work, Methods &
Timeline

2

Financial &
Resource Tracking

3

Communications

4

Initial Assumptions

5

Q&A
Discussion

6

Adjourn

The Value of the Next Round

- **The ability for users to access the Internet in their chosen local languages** (non-ASCII characters and scripts), private sectors, governments, and civil societies have the ability to better serve their communities and take advantage of significant business opportunities.
- The increase in non-traditional and IDN gTLDs will **accelerate Universal Acceptance (UA) adoption**.
- It will allow for prospective registry operators to apply for new gTLDs creating **new options and choices for consumers** in the market.
- **Businesses will be able to more precisely target their market** through registration of domains whose TLD is dedicated to their business industry.
- **New opportunities for investment and brand strategy**. As noted in a [letter](#) sent to the Board in April 2021, the Brand Registry Group's (BRG) conveyed strong interest in proceeding toward subsequent rounds of new gTLDs.
- **New business model opportunities and a platform for innovation**.

Planning Assumptions

- Between May 2019 and September 2020, ICANN org worked on drafting a refining a set of New gTLD SubPro Planning Assumptions
- These were posted to the [Pre-planning Workspace](#)
- Assumptions are developed based upon a number of factors, including current policy and implementation guidelines, lessons learned from the 2012 round, and more.
- The goal in defining assumptions is to identify areas of misalignment and any assumptions that should be added or adjusted to drive the work going forward.

Evolution of Planning Assumptions

Assumptions Hierarchy

High Level Planning Assumptions:

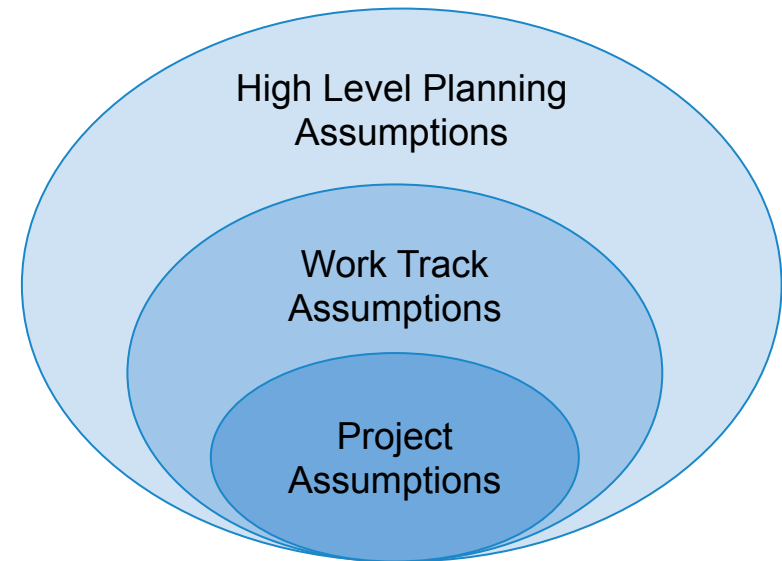
Overarching. Apply to all aspects of the project.

Work Track Assumptions: Assumptions that impact all projects and activities within a Work Track. These will be developed by the Work Track teams.

Project Assumptions: Assumptions that are limited to a project. To be identified by the project teams.

All assumptions will be centralized and published for visibility to the community. They will be reviewed and updated periodically.

Sub Pro Assumptions



The purpose of sharing the assumptions with the community is to help them understand the decisions made by ICANN in planning and in developing the ODP assessment for the Board.

Presenters



Karen Lentz
VP Policy
Research &
Stakeholder
Programs



Chris Bare
Director,
Strategic
Initiatives



Lars Hoffmann
Senior Director,
Policy Research
& Stakeholder
Programs



Shani Quidwai
Senior Director,
Finance

Organization of Work, Methods & Timeline

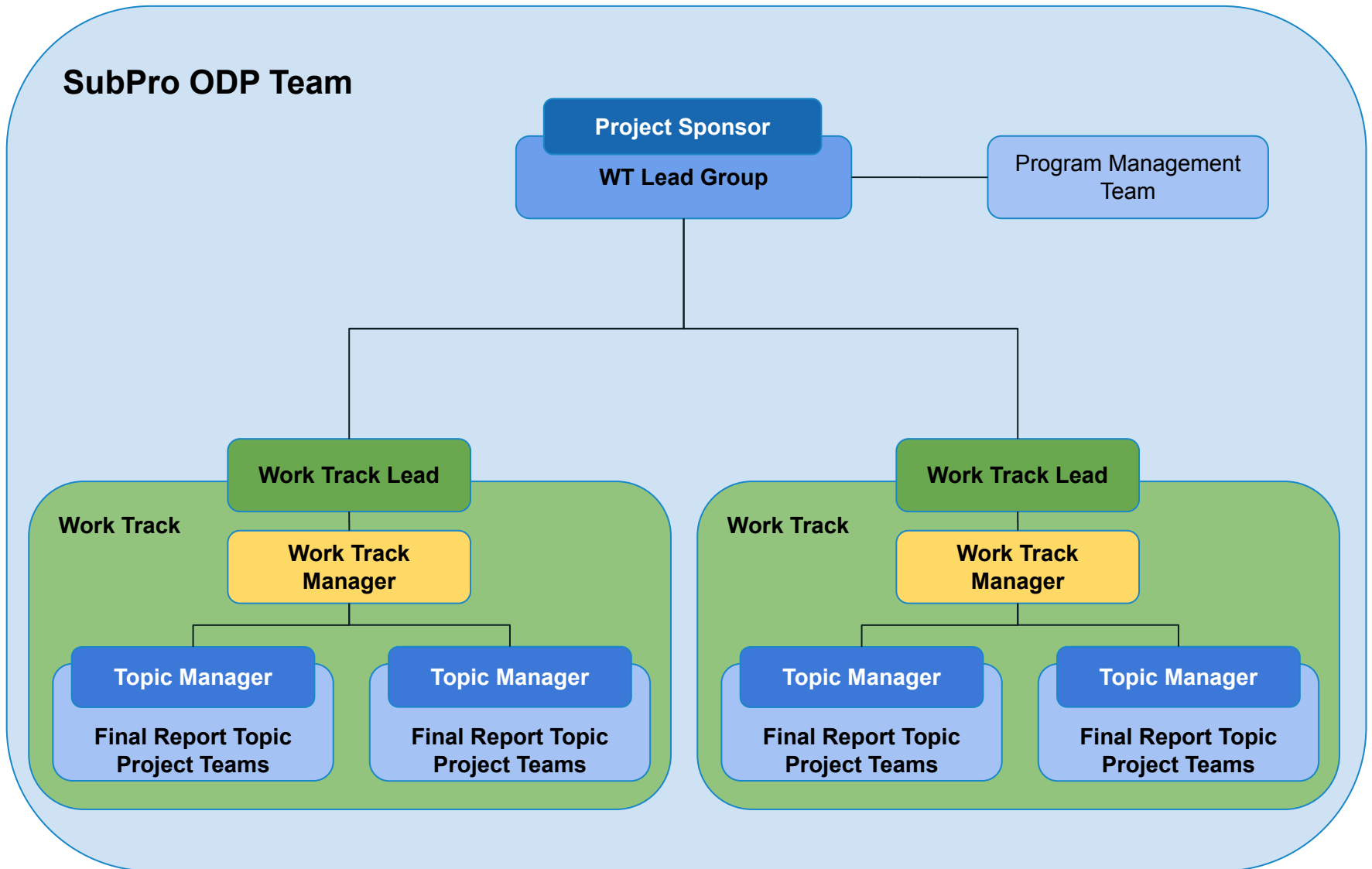
Agenda Item 1

SubPro Work Tracks and Topics

Updated: 2 March 2022

<p>Work Track 1</p> <p>Project Governance</p> <p>Overall Governance</p> <ul style="list-style-type: none"> Project Management Reporting SteerCo Support Board Caucus Support ODP Planning Assumptions Continuing SubPro (1) Program Success Metrics Risk Mitigation 	<p>Work Track 2</p> <p>Policy Dev & Impl. Materials</p> <p>Policy Support</p> <p>Policy Implementation</p> <ul style="list-style-type: none"> Predictability (2) TLD types (4) RSP Pre-Eval (6) Metrics/Monitoring (7) COIs (8) PIC/RVCs (9) Applicant Freedom of Expression (10) UA (11) App. Guidebook (12) Terms & Conditions(18) Change Requests (20) 	<ul style="list-style-type: none"> Reserved Names (21) Registrant Protections (22) Closed Generics (23) String Similarity (24) Applicant Reviews (27) App Comments (28) GAC Advice/EW (30) Objections (31) Appeals Mech. (32) Dispute Resolution (33) Community Apps (34) Auctions (35) Registrar Non-Discrimination (37) Registrar Support for New gTLDs (38) Ry System Testing (39) Compliance (41) 	<p>Work Track 3</p> <p>Operational Readiness</p> <p>Functional Capacity Building</p> <ul style="list-style-type: none"> Preparation of day-to-day procedures Re-engineering existing operations to manage more parties Training of ops staff Apps Assessed in Rounds (3) Application Queuing (19) TLD Rollout (40) 	<p>Work Track 4</p> <p>Systems and Tools</p> <p>System Strategy and Planning</p> <ul style="list-style-type: none"> System Development and Maintenance Applicant Comments Application Submission Limits (5) Systems (14)
<p>Work Track 5</p> <p>Vendors</p> <p>Vendor Strategy and Planning</p> <ul style="list-style-type: none"> Procurement (RFI & RFP processes) Vendor Management Contract Management 	<p>Work Track 6</p> <p>Comms and Outreach</p> <p>Comms Strategy and Planning</p> <ul style="list-style-type: none"> Awareness Campaigns Define Audience Website page Narrative Communications (13) Application Submission Period (16) 	<p>Work Track 7</p> <p>Resources, Staffing & Logistics</p> <p>Resourcing Strategy and Planning</p> <ul style="list-style-type: none"> Cost and time estimates Recruitment of new staff and backfill Training Planning and obtaining resources needed to support staff 	<p>Work Track 8</p> <p>Finance</p> <p>Financial Strategy and Planning</p> <p>Management of program financial resources</p> <ul style="list-style-type: none"> Cost model Application Fees (15) Refunds Request for initial funding 	<p>Work Track 9</p> <p>Overarching</p> <p>Issues that impact SubPro but are not part of the Final Report or simultaneously cross multiple worktracks</p> <ul style="list-style-type: none"> Applicant Support (17) IDN tables (LGR) (25) Security and Stability (26) Name Collision (NCAP) (29) New Base RA (36) Global Public Interest Framework

SubPro ODP Organization of Work

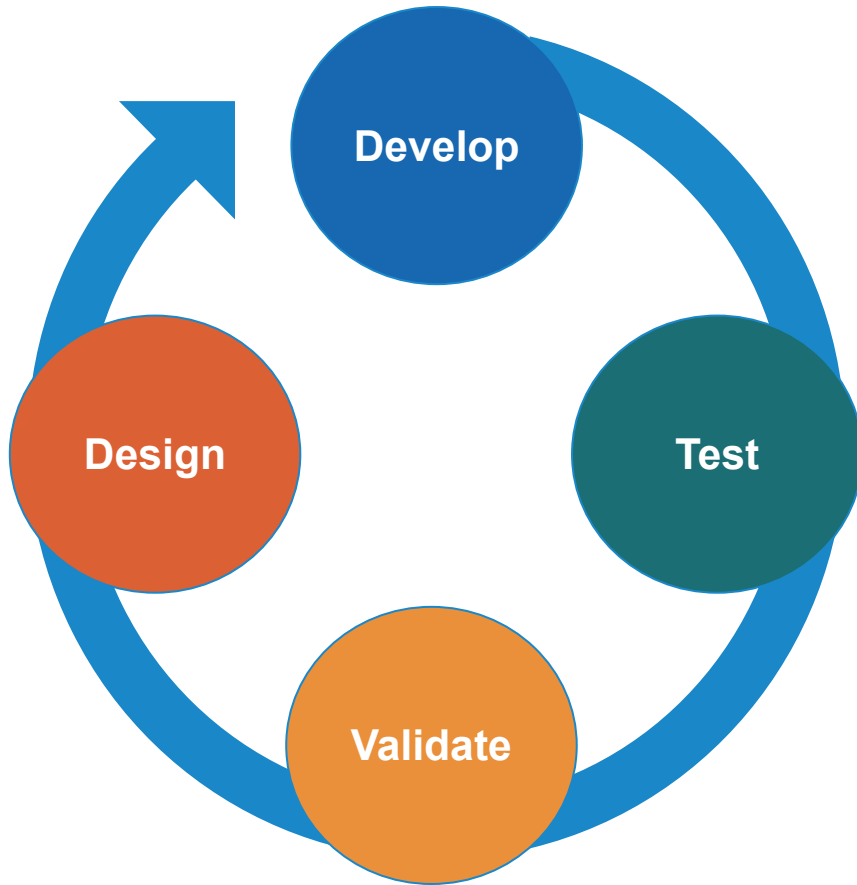


Topic Assessment “Lifecycle”



*PIRR is the Post Implementation Review Report performed by ICANN

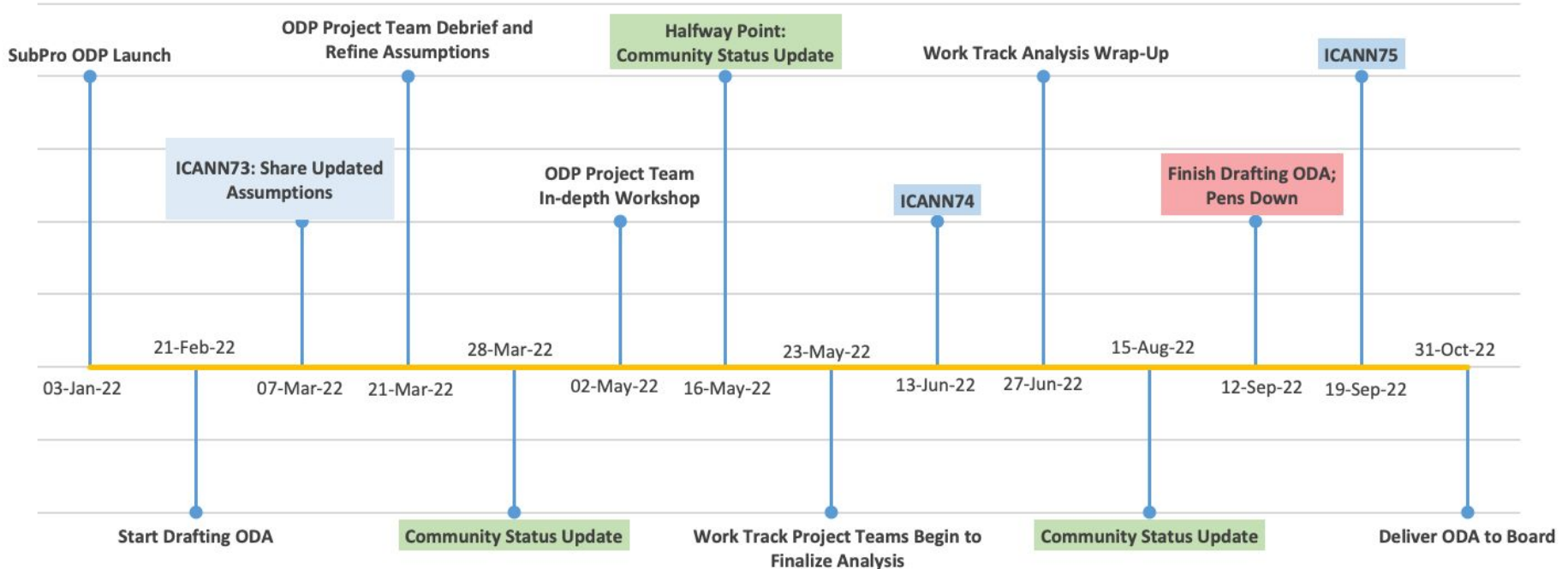
Assumption Life Cycle



Develop	Work Tracks work cross functionally and with Subject Matter Experts to develop draft assumptions
Test	Org shares assumptions with the community and GNSO liaison
Validate	Work Tracks update the assumptions based upon feedback and clarification
Design	Project teams incorporate validated assumptions in their planning

Assumptions will be revisited and revised as the ODP progresses in its work and gains a better understanding of the interdependencies of the Final Report Outputs.

High-Level Timeline



LEGEND	ICANN Meeting	Community Status Updates	ODA Draft Done
--------	---------------	--------------------------	----------------

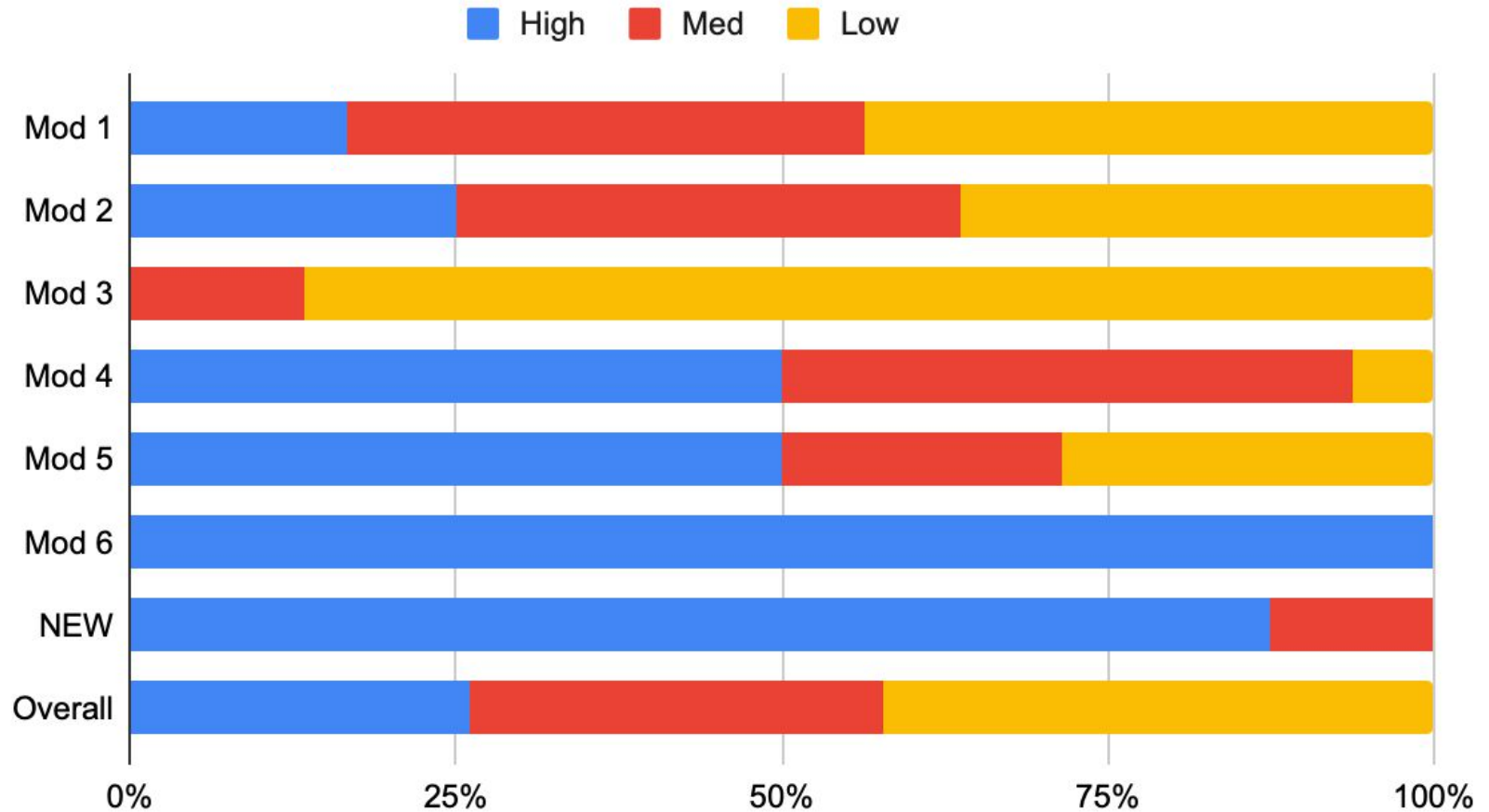
Resolved (2021.09.12.01), ... The Board requests regular updates on the progress of the work and delivery of the Operational Design Assessment (ODA), the expected output of the ODP, within ten months from the date of initiation, provided that there are no unforeseen matters that could affect the timeline, of which any such matters are to be communicated to the Board immediately upon identification.

Ongoing Activities:

Work Track + Project Team Analysis, Meeting with liaison, Monthly status report, Legal Review, Comms.

Revising the Applicant Guidebook

Level of Effort Required to Update AGB



Financial & Resource Tracking

Agenda Item 2

Financial & Resource Tracking

- In September 2021, the Board approved a budget for ICANN org to execute on the SubPro ODP

Estimated ODP Expenses	Staff/Contractors (estimated range)	USD\$ in millions (estimated range)
Full-Time Equivalent (FTE)	22-34	\$2.8M-\$3.3M
Temporary Resources	10-15	\$1.7M-\$2.2M
External Support and Expertise		\$2.5M-\$3.5M
Total	32-49	\$7.0M-\$9.0M

- ICANN org initiated the SubPro ODP in January 2022
- Beginning in January 2022, ICANN org has started tracking costs and resources for this work
- These costs and resources are tracked according to the work tracks and deliverables in which they relate to
- As we progress through the project, this reporting and analysis will be shared with the Board and community

Communications

Agenda Item 3

Follow Our Work

- SubPro ODP web page at icann.org/subpro-odp
- Mail List
 - Email: subpro-odp@icann.org
 - Archive: <https://mm.icann.org/pipermail/subpro-odp/>
- Communication and Meetings:
 - Board
 - GNSO Council Liaison
 - Community groups, upon request
- Regional engagement activities

Initial Assumptions

Agenda Item 4

Overarching Assumption

- Affirmations of 2007 policy recommendations equate to current policy recommendations. Affirmations of 2007 Implementation Guidelines will be treated as Implementation Guidance.

IRT and SPIRT (Topic 2)

- Implementation decisions should skew toward the most simple, clear, precise solution.
- The Predictability Framework does not change the roles and responsibilities of:
 - the ICANN Board.
 - the ICANN organization in relation to implementation of policies.
 - the Implementation Review Team in relation to implementation of policies.

Applications Assessed in Rounds (Topic 3)

- Applications must be assessed in rounds unless or until the GNSO Council revises this policy recommendation to allow for a different methodology of application submission and assessment.
- It is not necessary for org to close out all applications from a round before a new round can be opened.
- It is up to the org to develop a round closure and/or transition procedure as needed in line with these recommendations.

Different TLD Types (Topic 4)

- The priority order of processing for IDN strings should continue in future rounds.

Registry Voluntary Commitments (Topic 9)

- The AGB will include a newly developed process to determine if an applied-for string falls into 1 of 4 groups as noted in the NGPC Framework.
- The Applicant Guidebook (AGB) will be updated to address the criteria for the newly proposed evaluation panel to determine which of the four categories (as outlined in the NGPC Framework) an applied-for string falls under.

Application Fees (Topic 15)

- The application fee will be calculated according to the same three components as in 2012 (historical development costs, expected application processing costs, and risk costs).

Applicant Support (Topic 17)

- Fee reduction will be available to eligible applicants. The Applicant Guidebook will contain a list of enforceable eligibility criteria for the Applicant Support Program.

Closed Generics (Topic 23)

- We will not develop specific proposed solutions for Closed Generics as part of the ODP until the GAC/GNSO Council process has been completed.
- See [letter from ICANN Board Chair to GAC and GNSO Chairs](#)

IDNs (Topic 25)

- IDNs will be an integral part of the next round.
- Compliance with Root Zone Label Generation Rules will be required for IDN TLDs and variants and IDN TLDs must also be compliant with IDNA2008

Security and Stability (Topic 26)

- ICANN will honor the principle of conservatism when adding new gTLDs to the root zone and will focus on the rate of change for the root zone rather than the total number of delegated strings. ICANN will delegate TLDs at a rate such that the overall amount of TLDs in the root zone does not increase by more than 5 percent per month.

Zoom Poll

Appendix

Overarching/Cross-functional Assumptions

Assumption	Relevant Output	Rationale & Supporting References
<p>Affirmations of 2007 policy recommendations equate to current policy recommendations.</p> <p>Affirmations of 2007 Implementation Guidelines will be treated as Implementation Guidance.</p>	<p>Affirmation 36.1: The Working Group affirms the following recommendations and implementation guidelines from the 2007 policy:</p> <ul style="list-style-type: none"> ● Principle F: “A set of operational criteria must be set out in contractual conditions in the registry agreement to ensure compliance with ICANN policies.” ● Recommendation 10: “There must be a base contract provided to applicants at the beginning of the application process.” ...● Implementation Guideline J: “The base contract should balance market certainty and flexibility for ICANN to accommodate a rapidly changing marketplace.” 	<p>Clarification of what constitutes current policy, even if the output is not indicated as a ‘recommendation’</p> <p>Example: Affirmation 36.1 affirms both 2007 recommendations and 2007 implementation guidelines</p>

IRT and SPIRT (Predictability) (Topic 2)

Assumption	Relevant Output	Rationale & Supporting References
Implementation decisions should skew toward the most simple, clear, precise solution.		In the rationale discussion for Topic 2, Predictability, the Final Report states that “As the IRT considers implementation details, it should keep in mind that the solution should be as clear, simple, and precise as possible.”
The Predictability Framework does not change the roles and responsibilities of: <ul data-bbox="117 833 658 1158" style="list-style-type: none">● the ICANN Board.● the ICANN organization in relation to implementation of policies.● the Implementation Review Team in relation to implementation of policies.		The roles and responsibilities of the ICANN Board, Community, and Org are defined in the Bylaws and other procedural documentation. We don’t read anything in the Final Report that suggests a change to these roles.

Applications Assessed in Rounds (Topic 3)

Assumption	Relevant Output	Rationale & Supporting References
<p>Applications must be assessed in rounds unless or until the GNSO Council revises this policy recommendation to allow for a different methodology of application submission and assessment.</p>		<p>The PDP WG’s rationale for this requirement is that “rounds enhance the predictability for applicants, the ICANN community, and other third-party observers to the program.”</p> <p>The 2007 policy recommendations required that applications be assessed in rounds, “until the scale of demand is clear.” The SubPro PDP Working Group considered and affirmed this recommendation, in Topic 3, Applications Assessed in Rounds, noting that “Given the period of time between the 2012 round of the New gTLD Program and the eventual launch of the next application procedure, the scale of demand is unclear. Accordingly, at a minimum, the next application procedure should be processed in the form of a round.” Per these recommendations, there is no policy basis for a different methodology.</p>

Applications Assessed in Rounds (Topic 3)

Assumption	Relevant Output	Rationale & Supporting References
It is not necessary for org to close out all applications from a round before a new round can be opened.		In consideration of Final Report outputs for topic #3, and specifically IG 3.3.
It is up to the org to develop a round closure and/or transition procedure as needed in line with these recommendations.		It may not be feasible for org to maintain and support numerous simultaneous rounds. Recommendation 3.2 allows for the establishment of criteria for opening future rounds which may include the need to close prior rounds.

Different TLD Types (Topic 4)

Assumption	Relevant Output	Rationale & Supporting References
The priority order of processing for IDN strings should continue in future rounds.		Given the outputs 4.1 and 19.3, IDN applications should continue to receive priority.

Registry Voluntary Commitments (Topic 9)

Assumption	Relevant Output	Rationale & Supporting References
<p>The AGB will include a newly developed process to determine if an applied-for string falls into 1 of 4 groups as noted in the NGPC Framework.</p>	<p>Recommendation 9.4: The Working Group recommends establishing a process to determine if an applied-for string falls into one of four groups defined by the NGPC framework for new gTLD strings deemed to be applicable to highly sensitive or regulated industries. This process must be included in the Applicant Guidebook along with information about the ramifications of a string being found to fall into one of the four groups.</p>	<p>Policy requires a process to be established.</p>

Registry Voluntary Commitments (Topic 9)

Assumption	Relevant Output	Rationale & Supporting References
<p>The AGB will be updated to address the criteria for the newly proposed evaluation panel to determine which of the four categories (as outlined in the NGPC Framework) an applied-for string falls under.</p>	<p>Implementation Guidance 9.6: During the evaluation process, each applied-for string should be evaluated to determine whether it falls into one of the four groups, and therefore is subject to the applicable Safeguards. An evaluation panel should be established for this purpose, the details of which will be determined in the implementation phase. The panel should be composed of experts in regulated industries, who will also be empowered to draw on the input of other experts in relevant fields.</p>	<p>The current NGPC Framework will be utilized as a supporting document/reference for this recommendation.</p>

Application Fees (Topic 15)

Assumption	Relevant Output	Rationale & Supporting References
<p>The application fee will be calculated according to the same three components as in 2012 (historical development costs, expected application processing costs, and risk costs).</p>		<p>Affirmation 15.1 and Affirmation with Modification 15.3 and 15.4 reaffirm the approach used in the 2012 round.</p>

Applicant Support (Topic 17)

Assumption	Relevant Output	Rationale & Supporting References
<p>Fee reduction will be available to eligible applicants. The Applicant Guidebook will contain a list of enforceable eligibility criteria for the Applicant Support Program.</p>	<p>Recommendation 17.1: The Working Group recommends that as was the case in the 2012 round, fee reduction must be available for select applicants who meet evaluation criteria through the Applicant Support Program...The Working Group believes that the high level goals and eligibility requirements for the Applicant Support Program remain appropriate. The Working Group notes, however, that the Applicant Support Program was not limited to least developed countries in the 2012 round and believes that the Program should continue to be open to applicants regardless of their location as long as they meet other program criteria.</p>	<p>This also relates to Output 15.3 (Application Fees): “Application fees may differ for applicants that qualify for applicant support.” Continuing/expanding the Applicant Support Program goes hand-in-hand with ICANN's commitment to making IDN/UA the focus of the next round. Global engagement cannot be achieved without providing additional opportunities for assistance (both financial and non-financial) to those who need it. It is important that ICANN develops the criteria/framework for the Applicant Support Program prior to opening of the application round so that eligibility and evaluation criteria can be detailed in the Applicant Guidebook, as was the case with other evaluation panels/procedures in the previous round.</p>

Closed Generics (Topic 23)

Assumption	Relevant Output	Rationale & Supporting References
The org will not develop specific proposed solutions for Closed Generics as part of the ODP until the GAC/GNSO Council process has been completed.	No outputs in the final report.	The Board is currently waiting on the completion of the GAC-GNSO process prior to making a decision on this recommendation.

IDNs (Topic 25)

Assumption	Relevant Output	Rationale & Supporting References
<p>IDNs will be an integral part of the next round.</p>	<p>Affirmation with Modification 25.1: With the change in italicized text, the Working Group affirms Principle B from the 2007 policy: “Internationalised domain name (IDNs) new generic top-level domains should continue to be an integral part of the New gTLD Program.” Principle B originally stated, “Some new generic top-level domains should be internationalised domain names (IDNs) subject to the approval of IDNs being available in the root.”</p>	<p>Diversification of the gTLD space is a key priority for ICANN, and ensuring there are IDN applicants is essential in achieving ICANN’s goals of increasing diversity.</p>
<p>Compliance with Root Zone Label Generation Rules will be required for IDN TLDs and variants and IDN TLDs must also be compliant with IDNA2008</p>	<p>Recommendation 25.2: Compliance with Root Zone Label Generation Rules (RZLGR , RZ-LGR-2, and any future RZ-LGR rules sets) must be required for the generation of TLDs and variants labels, including the determination of whether the label is blocked or allocatable. IDN TLDs must comply with IDNA2008 (RFCs 5890- 5895) or its successor(s). To the extent possible, and consistent with Implementation Guidance 26.10, algorithmic checking of TLDs should be utilized.</p>	<p>The RZ-LGR is the authority for generation of IDN labels and should be followed in developing of procedures for IDNs in the next round</p>

Security and Stability (Topic 26)

Assumption	Relevant Output	Rationale & Supporting References
<p>ICANN will honor the principle of conservatism when adding new gTLDs to the root zone and will focus on the rate of change for the root zone rather than the total number of delegated strings. ICANN will delegate TLDs at a rate such that the overall amount of TLDs in the root zone does not increase by more than 5 percent per month</p>	<p>Recommendation 26.2: ICANN must honor and review the principle of conservatism when adding new gTLDs to the root zone.</p> <p>Recommendation 26.3: ICANN must focus on the rate of change for the root zone over smaller periods of time (e.g., monthly) rather than the total number of delegated strings for a given calendar year.</p> <p>Implementation Guidance 26.4: The number of TLDs delegated in the root zone should not increase by more than approximately 5 percent per month, with the understanding that there may be minor variations from time-to-time.</p>	<p>To ensure security and stability, ICANN must ensure that TLDs are added at a consistent and conservative rate, and that rate of change must be monitored over a smaller period of time. In line with the principle of conservatism and monitoring the rate of increase of TLDs in the root, ICANN should not allow the amount of TLDs in the root zone to increase by more than 5 percent per month.</p> <p>RSSAC031: The rate of change is more important than absolute magnitude. Based on historical trends since 2014 and our operational experiences, the RSSAC strongly recommends that the number of TLDs delegated in the root zone should not increase by more than about 5% per month, with the understanding that there may be minor variations from time-to-time. The Appendix provides some data and context for this recommendation.</p> <p>https://www.icann.org/en/system/files/files/rssac-031-02feb18-en.pdf</p> <p>The recommendations in topic 26 seem to come directly from this and SAC100: https://www.icann.org/en/system/files/files/sac-100-en.pdf</p>