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## ICANN Transcription

## IDNs EPDP

## Thursday, 23 March 2023 at 13:00 UTC

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DEVAN REED:

Good morning, good afternoon, and good evening. Welcome to the IDNs EPDP call taking place on Thursday, 23 March 2023 at 13:00 UTC.

We do have apologies from Anil Kumar Jain and Nigel Hickson. Edmon Chung will be joining us late today. All members and participants will be promoted to panelists for today's call. Members and participants, when using the chat, please select everyone in order for everyone to see the chat and so it is captured in the recording. Observers will remain as an attendee and will have view only chat access.

Statements of Interest must be kept up to date. If anyone has any updates to share, please raise your hand or speak up now. If you need assistance updating your Statements of Interest, please e-mail the GNSO secretariat.

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All documentation and information can be found on that IDNs EPDP wiki space. Recordings will be posted shortly after the end of the call. Please remember to state your name before speaking for the transcript. As a reminder, those who take part in the ICANN multistakeholder process are to comply with the Expected Standards of Behavior. Thank you, and back over to Donna Austin.

DONNA AUSTIN: Thank you, Devan, and welcome, everybody, to today's call. I have to excuse my voice. It's going to be a little bit choppy today. Okay. Oh, gosh. So thank you to everyone for joining the call today. I know usually we get a little bit of a break after ICANN meetings. But we've got a bit of work to get done in order to produce the initial report by the end of April. So I really appreciate folks getting on the call today. Also, I sent a note out last week asking people's indulgence that we also made on Monday and Thursday of next week and the following week to help us get through some of the workload.

Ariel is going to, I guess, pick up where we left off in Cancún. So we'll continue with the second reading of the draft text. But we're also hoping to have a substantive discussion around the application fees for existing registry operators that want to apply for variants in the next round. So that will be a new conversation, we really haven't had much discussion around that in our previous calls.

Some folks might remember that at the end of our meeting in Cancún, we started to discuss the possibility of some kind of

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tiered application fee for applicants applying for variants. That was in recognition that we don't have any ceiling on the number of variants folks could apply for. But perhaps we should think about some kind of loading or tiered approach based on the number of variants that somebody applies for. So we'll circle back to that conversation as well, hopefully, towards the end of the call.

So with that, I'm going to hand it over to Ariel, and we'll continue our second reading of the draft text. So, Ariel, are you could go?

ARIEL LIANG: Yes. Hello, everybody. Great seeing the folks who made it to Cancún, and many thanks to the members who were able to follow us remotely. So we did quite a bit of work during the two sessions in Cancún, and then we just have a bit left off for the second reading. I hope everybody still remember where we left off. I quickly tracked through this morning. So I want you to maybe go back to Recommendation 1.4 first because I do have a question—actually, it's 1.5—it's about the framework for developing best practice guidelines. So we do have comments from Dennis. His main concern is our use of optimal user experience, like this phrase. And then also in the language itself, we have mentioned encourage a positive user experience. What he suggested is the experience more related to registrant and it's hard to kind of define that for end user perspective, for example. So I just want to confirm with the group which phrase we want you to use, because I checked through the notes and I was still wasn't very clear where we settled in terms of a user experience. So I just want to quickly go back to the group and figure out what phrase we want to use here.

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DONNA AUSTIN: Thanks, Ariel. Any thoughts from the team on this one? I think the concern here is that it's really difficult for the registry operator or the registrars to be in charge of or have some influence over whether there's a positive user experience or not. Really, this goes to the person that registers the domain name and operates the websites or the e-mail address or whatever it happens to be. So I got Maxim and Michael. Maxim?

MAXIM ALZOBA: Do you hear me?

DONNA AUSTIN: Yes, Maxim.

MAXIM ALZOBA: First of all, I'd like to mention that in all agreements of registries, registrars, the only party which is mentioned is registrant from the user perspective, and it's going to be quite logical to use the same meaning. Also, in the current world, we do not know who is the real end user. It could be a computer screen, we don't know. Thanks.

DONNA AUSTIN: Thanks, Maxim. Michael?

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MICHAEL BAULAND:   Thanks. I fully agree with Dennis here for the same reasons you, Donna, already mentioned. We have no influence and we should have no influence on how a registrant uses their domains. So what the real end user experience is really depends on the usage of the domain, and for that we just restrict to have a positive from registrar and/or registrant experience. Thanks.

DONNA AUSTIN:   Thanks, Michael. Satish?

SATISH BABU:   Thanks, Donna. First of all, the ALAC team hadn't had a discussion on this particular text. But I would like to say that we are flexible and open to change. However, the entire target of the whole exercise is the end user, which means the registrant, basically. So we would expect that the registrant does have a positive user experience as an end user. We would think that we should retain language to ensure that there is a bit of a positive experience, but what the language should exactly be, we are open to discussions. Thanks very much.

DONNA AUSTIN:   So, Satish, are you suggesting that rather than have user experience, we move it to something to do with the registrant, so the person that has registered the domain name?

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SATISH BABU: At this point, I would support the registrant rather than the end user, although it's only user experience here. Now, user experience is a phrase. It is not user plus experience. So the user that we're talking about is the registrant. So I would think that yes, registrant could find—I mean, you can substitute user with registrant. But the final kind of position, I will need to consult my colleagues and ALAC as well. Thanks.

DONNA AUSTIN: Thanks, Satish. What if we had something along the lines of must be formulated with a view to encourage a consistent or predictable registrant experience? Any thoughts on that?

SATISH BABU: Sounds good to me at this point, but I'll need to check back. Thanks.

DONNA AUSTIN: Fair enough. Thanks, Satish. Any other? Dennis? So it's okay from Dennis. Michael or Maxim, any thoughts on that? Okay. So Michael is all right with that.

Any preference to the word whether it's consistent or predictable? I don't know that we need consistent and predictable, but perhaps more predictable registrant experience. Okay. We'll leave it at predictable registrant experience for now. Satish, you're saying fine with positive. Do you want a positive registrant experience?

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| SATISH BABU: | In the sense, finally, the registrant has to go through the process. And having a positive experience I think it's beneficial for the whole—I mean, what are we trying to do? So I'm actually fine with positive, but like I said, I have to check back and get back. |
| DONNA AUSTIN: | Okay. Thanks, Satish. I guess, personally, I think positive, it's kind of subjective and I don't know how you measure it. But, Ariel, can we just keep positive, predictable, and consistent just as possibilities at this point? But we're changing it to registrant experience, which is probably the more important piece. |
| ARIEL LIANG: | Yes, sounds good. Thanks, Donna. I think Satish still has his hand up but perhaps it's an old hand. |
| SATISH BABU: | Thanks, Ariel. It's a new hand. Actually, I just wanted to add that consistent and predictable does not mean necessarily positive. There is a difference in the two. It could be negative, consistent, and predictable, which we don't want, actually. Thanks. |
| DONNA AUSTIN: | Okay. All right. So we'll keep positive and we'll decide whether we want predictable or consistent. |

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ARIEL LIANG: That sounds good. Okay. Thanks, everybody, for the input. I'm just checking this comment from Dennis. I think it's addressing the same issue about registrants. So I just want to confirm it here. So what Dennis said is this is the Implementation Guidance, how the framework should be developed. And then there's part we're asking the development of that framework should involve relevant stakeholders, such as registry, registrars, and registrant. Then I think Dennis is talking about that point. Could the implementation team find a group of registrant that represents the needs of all, given that variant definition is script dependent? I'm thinking we should need at least a representative for each script community. And even then, they might have their own biases. So that's a food for thought.

Then Justine said, "How about involving CSG and then CSG." So, there was some conversation here. But I also just want to emphasize this is the Implementation Guidance when the actual implementation happens. There may be a detail that needs to be sorted out during that phase. And now we're basically providing some guidance or suggestions for their consideration. I see Dennis has his hand up.

DENNIS TAN TANAKA: Thank you, Ariel, for introducing the topic here. Dennis for the record, Registry Stakeholder Group. Yeah, so that comment sparks just a thought process in me. So who represents the registrants in a way that is similar to the registries and registrars have their own stakeholder group? There is some commonalities, I guess, that you can extract from discussions, deliberations on these topics. I was wondering if there's a group that also would

present the registrant. Justine suggested a couple of stakeholder groups that might be proxies for them. So we feel those are potentially At-Large as well, right? We think those are the [inaudible] registrants. I think that's fine with me. It just triggered my thought processes. There is no Registrant Stakeholder Group. That's why I was kind of thinking who's going to represent registrants. Thank you.

DONNA AUSTIN:          Thanks, Dennis. Hopefully, because this is Implementation Guidance and we've referenced it as such as registries, registrars, and registrants, it's not considered gospel, but maybe we can vague it up a little bit just to be sure that that's the case. So maybe registrants to the extent that it's possible to find registrants or something like that, but maybe we can vague it up a little bit. Okay. Let's keep moving, Ariel.

ARIEL LIANG:          Okay, sounds good. Also, I can note something to that extent in the rationale so that when the IRT reads this, they will know what we mean, and maybe give them an idea how to find a registrant so we can also do that. Moving on, I think that's it for Topic A. I don't see the other comments for the redline. So I think we're good with Topic A. Now we can move on to Topic B.

So the first redline is for Recommendation 2.2. So this recommendation talks about using the backend registry service provider for the variant label set. Basically, that's what the recommendation is about. Then Dennis suggested adding a gTLD

operator, legacy or new, must use the same registry service provider to provide all critical functions to any given variant TLD set. So he said this alternative language would be consistent with SubPro. Then Justine said true, although the charter question relates to backend registry service provider and existing TLDs.

So I'm just wondering whether folks have that any thought about this additional sentence added by Dennis. Although I do want to note that maybe we shouldn't say legacy, because I think legacy is about .com, .net, .org, those 10 TLDs before the 2012 round. What we mean here is more like existing gTLD registry operator or future ones. So if we do want to use this, we have to maybe track whether this phrase is correct. But other than that, open to discussion. I see Michael has his hand up.

MICHAEL BAULAND:        Thanks. I'm wondering about the DNS servers, because as far as I know, there are several TLDs already now that do not just use DNS service of the registry service provider but choose multiple companies or service providers to have their DNS published. So how will that work in that context if we restrict it to one service provider? Thanks.

DONNA AUSTIN:          Yes. Thanks, Michael. I think that's right. I guess what we're saying is that if the DNS service is provided by one service provider in the existing IDN gTLD, then they have to provide that service in the variant as well. And if it's the backend registry operator in the existing IDN gTLD, then it must be the same in the

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variant. So maybe it's the use of the language registry service provider. But I think what it's saying, maybe we could be clearer in this or maybe it's in the rationale that we acknowledge that some of these functions are provided by different service providers. But what we're trying to get to here is that regardless of whether it's the critical functions are provided by one service provider or multiple service providers, the intent here is that whoever provides it in the existing IDN gTLD must also provide it for the delegated variant labels. Maxim?

MAXIM ALZOBA: I think we need to mention the backend service provider and in particular the party operating the SRS system. Because my understanding is what we wanted to say that the party operating the database of the records should be the same to avoid all the hassle with the synchronization, etc. The critical services, some of them like escrow, we shouldn't conflate critical services of operator and registry services. Because registry services, it's everything the registry does, critical services is a few services which should be in working order in particular. That's it. Thanks.

DONNA AUSTIN: Thanks, Maxim. So I think the reason that we've gone back, why we've used critical functions here is because it's actually defined in the Registry Agreement. Perhaps one of the reasons for that is because—I guess that's within our scope. So if it's within the Registry Agreement, why would we try to cover off services that aren't part of those critical functions? So, Dennis, you're

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suggesting this text to replace the sentence before, or is this just added for clarity?

DENNIS TAN TANAKA:     Thank you, Donna. I need to refresh my memory. I think my intention here was to streamline the text. Yes, in essence, to replace it.

DONNA AUSTIN:          Okay. I've just been reminded that I think we went to critical functions because that was a recommendation by the GDS team. Michael Karakash, you're on the call, so if you have any input on why that was preferred, that would be helpful. I don't know that we originally had critical functions, but I think we adopted it as a result of GDS input. Maxim is saying "critical functions" is too deep.

The charter question is both the SubPro PDP and staff paper recommended that variant labels be operated by the same backend registry service provider, the organization providing one or more registry services (the DNS, DNSSEC, RDDS, EPP) for registry operators. Should this recommendation be extended to existing TLDs and their variant TLD labels? I think I think the answer is yes. I think that's what we're proposing is that that SubPro recommendation is extended. So I don't know whether "critical functions" is used as part of the SubPro recommendation, but maybe we can find a way to get our ducks in a row here and just make this as simple as possible. Ariel and then Dennis.

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ARIEL LIANG:          Thanks, Donna. I don't know whether Maxim was before me or that was an old hand.

DONNA AUSTIN:        Yes, sorry. I'm assuming it was an old hand. Maxim?

MAXIM ALZOBA:        I think the critical functions here is unnecessary. Because if a registry doesn't follow the requirements for any critical function, it's done. It's not a registry anymore. It's EBERO, and that's it. It's most probably terminated. So if we say that a gTLD operator must use the same backend or registry service provider to function whatsoever, it will cover critical functions. For example, escrow, yes. I don't know. The requirement to say that registry service provider has to provide all critical functions is not logical, because if it doesn't provide any of the critical functions, the operator has a contract breach. So we require something which is granted. I don't understand why we should do this. Thanks.

DONNA AUSTIN:        Thanks, Maxim. I think the reason why I'm doing this recommendation is just to ensure that the existing IDN gTLD registry operator uses the same service provider for the critical functions of its variant labels once it's delegated. So I think there's a reason why we're doing this, Ariel, and then Dennis.

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ARIEL LIANG:     Thanks, Donna. I just wanted to clarify the purpose of this recommendation. If you read the rationale, basically SubPro has a Recommendation 25.5 that talks about using the same registry service provider for future gTLDs and their variant labels. They did not address when existing gTLD registry operator got a variant label what should be done. So that's why we have this recommendation to fill the gap to address what the existing registry operator should do is also use the same registry service provider when it gets a variant label. So that's mainly just to fill the gap of the SubPro recommendation. And if we want to make it clear, we can include that mention in the recommendation language itself, just to say this group extends the SubPro Recommendation 25.5 and follow that, we include the sentence.

Then regarding the critical functions, that's definitely a suggestion from GDS team when they reviewed the draft recommendation, and then they actually suggested this sentence here, the first sentence. That's what they proposed, how to revise the recommendation. That's all from GDS, I can confirm that. Hopefully, that makes it clear.

DONNA AUSTIN:     Thanks, Ariel. So just before I go to Dennis, Maxim noted in chat, what this language demands—I think he's saying that it says that all functions are to be provided by the same provider. That's not the intent of the language here. So if we need to clean this up to make it clear—and maybe it is in the rationale that the critical functions don't necessarily have to be provided by the same service provider. And if that is the case, then whatever service provider is used in existing IDN gTLD for DNSSEC perhaps has to

be the same for the variant label. So, Maxim, I take your point, and perhaps we need to clean the language up. Okay. Dennis was going to say what I said.

So, I think we need to just make it clear here, provide a bit more clarity in the recommendation. Ariel, can we just make a note that we need to ensure that it's understood here that the services could be provided by different providers. But the intent is to ensure that whoever is providing that service in the existing gTLD also provides the service in the delegated variant labels. Maybe note Justine's language in the chat. So whichever service provider provides for a function use the same provider for both TLD and variants.

So, Dennis, the text that's showing up in pink, which was your suggested text, do you want that included or can we drop that out? Okay. So Dennis is saying we can drop it.

Okay. Maxim, is that a new or an old hand?

MAXIM ALZOBA:          It's a new hand. I think we have a confusion here, because for some of critical services like data escrow, there is a set of accredited by ICANN escrow operators. DNS service can be provided by any company which owns the cloud for DNS anycast. If we remove the language, it's not an issue. Because if the same registry service provider is used for technical and operational simplicity, it will have to use the same SRS system for all variants in the set. It's what we want. Thanks.

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DONNA AUSTIN: Thanks, Maxim. I think we're all on the same page now. So I think we're good to move on.

ARIEL LIANG: All right, sounds good then. Thanks, everybody. We'll refine this recommendation language and rationale and get back to the group once this is done.

Moving on to B5. So this is about the TLDs that's nonstandard and their application. So I think what Dennis have here for the redline is basically editorial. I don't think the group needs to discuss this. It's basically to make the language smoother, I think. Unless Dennis wants to highlight any, but I think these are just editorial edits. I'm not seeing Dennis has his hand up or comment, so I guess he's okay. Oh, Dennis?

DENNIS TAN TANAKA: Yeah, it's quicker to say yes, those suggested edits are mostly editorial in nature.

ARIEL LIANG: If folks don't have issue with these edits, we'll just accept them as is for the edits from Dennis. I'm not seeing other hands or comments. Donna?

DONNA AUSTIN: Let's move on, Ariel.

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ARIEL LIANG: Okay. Moving on to Topic D. So this first one, it's actually from Justine, is editorial suggestion. So I think not much to discuss here. These are all editorial edits. So I think we probably don't need to discuss as a group. But here, actually, these are some new. Thanks, Emily, for putting the document in the chat. So these are some of the new text that we drafted during ICANN76. It's about the base application fee, and also the tiered structure for the application fee. But maybe we can come back to this after we finish the rest of the second reading. But I just want to quickly mention that's where the new text is located.

So the first one we need to discuss is this Implementation Guidance 2.xx. That's an ALAC suggestion. So what they wrote here is criteria for evaluating the explanations submitted by applicants on the usability goals for the variant labels should be pre-identified and applied consistently by evaluators with the requisite expertise. Then the rationale for this is IG 2.20, which is the evaluation of variant labels, and IG 2.21 are relevant to IG 2.19 on the technical and operational capability only, which don't appear to address why do you want the variant question. As a result, ALAC thinks there's a need for criteria to consistently assess the reasons why applicants want the allocatable variant labels and we need evaluators with the requisite expertise for that. This expertise may not be the same as for just evaluating technical and operational capability.

So that's why ALAC team suggested adding this new Implementation Guidance. I believe they also added this paragraph in the rationale. So basically, it says ensure the applicants usability goal for the variant labels sought help

contribute to a positive and user experience. For this reason, the criteria for assessing the applicant's explanations for the variant labels sought should be pre-identified and why it's consistently by evaluators with the requisite expertise. It's a basic paraphrasing of the recommendation language.

So I will stop here and see whether there's any reaction from the group regarding this additional Implementation Guidance proposed by the ALAC.

DONNA AUSTIN:          Satish?

SATISH BABU:           Thanks, Donna. Just to clarify, in one of the last two meetings, we talked about this whole combination of no ceiling for the numbers of variants in a set and a single fee. The group as a whole did wonder whether this is actually kind of an open invitation to kind of overcome it or overdemand the number of variants. So there needs to be multiple checks and balances.

One of the reasons why we're asking for a consistent evaluation by evaluators with the expertise is that there has to be a process that confirms that there is really a need for the number of variants in the set. So, that is why the ALAC team—we were proposing this. Thanks. But we are open to discussing this.

DONNA AUSTIN:          Thanks, Satish. Maxim?

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MAXIM ALZOBA:       For gTLDs, variants are forbidden for now. Thus, the only experts who will be from ccTLD part of the ICANN world. I don't think that this additional text is necessary because it will cut off the current operators of gTLDs on the projects that they don't have experience with variants. That's why I do not think that it's necessary. What kind of experience should be here? It's, in my opinion, too restrictive, because for consistent experience, which nobody knows how it should be measured, there should be the same operational for all TLDs. That's it.

DONNA AUSTIN:       Thanks, Maxim. I take your point on requisite expertise and where is that going to come from. But I think the reality is that ICANN, when they're sourcing their evaluators or evaluation panels, I guess they'll have a set of criteria to determine what requisite expertise will be required as part of the evaluation process. So that's kind of out of our hands. This is really, at the end of the day, it's just Implementation Guidance, which is just trying to make the point that these are some of the things that are important for IDN gTLD and variant labels. It needs to be consistently applied by the evaluators. Now, there's a part of me that says, well, isn't that the case anyway? But it doesn't hurt to be explicit sometimes. So if there's no objection to this inclusion, I'd like to move on. Maxim?

MAXIM ALZOBA:       Actually, I just wanted to add that it will create a situation where the evaluators will not be interested in having more companies on

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the same field. Because the less IDN variants will be passed, the more creative ccTLD implementation will be. So we should avoid such logical trips. Thanks.

DONNA AUSTIN:     Okay. Thanks, Maxim. Obviously, this has come from ALAC members. Does anybody else have an objection to including this? I know that Maxim is not in favor of including it, but personally, I don't see the harm. I don't understand the premise that it might create a situation where the evaluators won't be interested in new players. The evaluators will be evaluating the applications that come in. I don't know about interested in new players and how that works. So I think what I want to do is leave this in for now and we'll leave this to public comment and see if there's any problem with it once we get the report out. Okay. Let's keep moving, Ariel.

ARIEL LIANG:     Sorry. I just want you to also quickly note this, and Steve and I were on the same page here. So if you recall Recommendation 2.6, it's basically a question in the application asking the applicant why you want the variant label. It's very similar to unscored question in the 2012 round. It's question 18A and 18B that ask the applicant to describe the mission and purpose of the proposed gTLD and how their proposed gTLD will benefit registrants, Internet users, and others. That's what the question was in 2012 round. So basically, Recommendation 2.6 is envisioning similar kind of question, just asking why you want to a variant label, and it's unscored. Then this IG seems to make it sound like it may be scored, but I'm happy to get clarification from ALAC team, whether

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you envision this to be a scored question where it's basically just adding additional detail. Because what you kind of suggest here is to ask the applicant to describe the usability goal, and then you need to pre-define it. But then the part about consistently evaluated by the evaluator, that part we're not sure whether you want it to be scored or it's just leave it as unscored. So we'll appreciate some clarification.

DONNA AUSTIN:          Thanks Ariel. Whether this is scored or not, to me, is kind of irrelevant. This is a bit of a challenge, right? Because why are you asking the question if you don't want it to be scored? Is it just to put the applicant through the thought process? So I don't think it matters whether it's scored or not. If there's a question in that application that I assume is going to be evaluated by somebody, and given that IDNs and variants is new, do we want to take this a little step further? It's not a pass or fail but I don't know the scoring whether it matters or not on this one. I'm not sure. Steve, did you want to talk to this point? Edmon? If you're speaking, Edmon, we can't hear you.

DEVAN REED:          Edmon, we aren't able to hear you speaking over your line. We're getting some background noise but we're not hearing your voice.

EDMON CHUNG:          Sorry. My mobile Zoom is dead.

DONNA AUSTIN:     The sound is a little bit spooky, Edmon. Maybe we can just move on.

ARIEL LIANG:     Okay. So if the ALAC team is amiable, we can refine this IG and just to make it more clear. It still needs to be consistent with being tuned up 2.6 because 2.6 is supposed to be an unscored question. So we'll just refine a little bit to make sure it not sounding like it's getting scored, if ALAC team is okay with that, and we can get back to you about the revised language. Okay. Thanks, Satish, for that. Okay. I guess we could move on. Let me quickly check here.

These are editorial comments. I'm sure we need to go back to these recommendations. These are new things. So we will go back to this after I finish this silent reading. And all this yellow stuff, these are new. We'll get to this hopefully in this call. I want to quickly go down to the list and check whether there's any additional.

Okay. So here we have additional redline edits or comments. It's about the phrase "sanctity of the set". Basically, Dennis suggested that we replace this phrase with "integrity of the set" because it seems to be easier to explain than the former. Justine, who was the inventor of the "sanctity of the set" phrase, actually likes the "integrity of the set" phrase. Then we also have a sentence here to explain what sanctity of the set means in this rationale. But the rest assured in the glossary, we also have entry about this. So basically, what we want to ask the group is, do you prefer sanctity of the set or integrity of the set? Then we'll use that consistently

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throughout the document. Yes, I think it's Justine. But at the beginning, it was atomicity of the set, it changed a few times. Okay. I've seen a comment folks seem to like integrity of the set. So we can perhaps—

DONNA AUSTIN:        If I came up with sanctity of the set, I think we should leave it at that. I'm okay with integrity of the set, and I don't remember coming up with it. So the one thing I would suggest, though, our explanation is to describe the atomicity or in unity. So we might need to describe/explain what atomicity is. Okay. So integrity of the set.

ARIEL LIANG:        Okay, sounds good. I see Maxim says sanctity of the set.

Also, there's another comment here. In the event of variant label is removed from the root zone as a consequence of its registry operator's breach of the Registry Agreement, Dennis asks whether the scenario is possible, because if a breach of the Registry Agreement, it will trigger the removal of variant label before it's the primary if we accept one Registry Agreement for the set. As a principle, the breach of Registry Agreement will affect not just one label in a set but all of it.

Justine says, "What if the use of the variant label is ruled as having not complied with certain contractual requirements?"

Then Donna said, "I think this is to address a situation where a variant is delegated ahead of the primary."

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I thought the main purpose of including this is just to make sure if the removal of a variant label is due to breach of Registry Agreement being part of variant label set needs to be removed from the root zone. That's all it says in the recommendation. We didn't discuss the probability of that situation but it's just to make sure this must happen. It's due to the breach of Registry Agreement.

I don't think we're talking about what, Donna, you are commenting here. I think it's just apply in general. If that happens, then the whole variant label set needs to go. But I'm happy to be corrected.

DONNA AUSTIN:     Sorry, Ariel, I don't know what the context for this is. I can't remember anymore. Okay. I think it's okay. Maxim?

MAXIM ALZOBA:     I think there should be some procedure for re-evaluation of the resulting set if it's possible or not, and re-election of the new primary. What's the reason to say so? If for some reason, one of the strings called primary for other variants is not supported anymore, for example, by the country for some reason, it shouldn't kill the whole set. There should be a procedure of evaluation if it's safe to use it, etc., and other things. But killing the whole set of TLDs is too much in my opinion, because I remind you, if it has any registrations, if one TLD is missing, it's bad. But if everything registered for the covariant set is removed from the zone and all these registrations, all the registrants, it's going to be kind of disaster.

DONNA AUSTIN:        Thanks, Maxim. Maybe I'm thinking about the wrong thing. But I think we provided this clarity based on input from GDS. Because there was a question of what happens if you remove the primary? Does that get rid of everything else? I know, Ariel, you don't agree with me on this, but I kind of think we had this extra variant label is removed. I think that had something to do with the fact that we have allowed for the delegation of variants ahead of the primary. But regardless, any breach of the Registry Agreement, it will include the set. Edmon and then Ariel.

EDMON CHUNG:        Firstly, sorry for earlier my mobile is going to die. Yes, if it's a breach of contract on the primary, then it should be the entire set. The issue that Maxim raised is not the same. I mean, that can raise an issue if the LGR changes. But there, we already have a grandfathering recommendation for that type of changes. So that wouldn't actually cause the TLD to go away. So in the case that's described, actually, it will be grandfathered.

DONNA AUSTIN:        Okay. Thanks, Edmon. Ariel?

ARIEL LIANG:         Thanks, everybody. I just want to note 2.18 is so one of the recommendations in a set of recommendations. It's 2.16, 2.17, and 2.18. They're all related. So, 2.16 talks about if the primary gTLD is removed, then the entire set is removed. It's due to the

integrity of the set principle. And 2.17 talks about if a variant label is removed voluntarily by the registry operator, then it won't impact the primary gTLD and the other delegated variant label because the set is not broken if the primary still exists. Then 2.18 talks about if the variant label is removed because of breach of contract, then the entire set needs to be removed. So that's involuntary removal. So it's basically through recommendations in a whole set of recommendations to address the removal from the root zone issue. I just wanted to clarify that.

I think that Dennis's comment is mainly kind of asking whether the scenario of a 2.18 is even possible. But maybe we don't need to talk about the possibility of a scenario. It's just basically to cover the base that if that happens, then the entire set needs to go. So that's what I tried to help clarify.

DONNA AUSTIN:          Okay. Thanks, Ariel. So I think, Dennis, you're okay with how it is. Let's go ahead. Dennis, we can't hear you if you're speaking.

DENNIS TAN TANAKA:    I'm sorry. Can you hear me now?

DONNA AUSTIN:          Yes, we can. Thanks.

DENNIS TAN TANAKA:    Okay. Yes. Maybe tweak the language. Yeah, I'm okay with intent. Maybe tweak the language. So it's not just a variant label because

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of the breach. The reason or the trigger is a breach of the contract by any of the labels in the set. Whether its primary or a variant label, but any breach of the contract in any label for that matter, there's a removal of the whole set. I think that's what we want to say there. It's not so much focused on a variant label to getting a breach of contract, but it's a breach of contract by any label that will trigger the removal of all the sets on the root.

DONNA AUSTIN: Okay. Justine?

JUSTINE CHEW: I hope you can hear me. I think we can do some editing to consolidate the two last paragraphs to the effect of what Dennis was suggesting.

ARIEL LIANG: Yes. I got it. I think staff can go back and work on the rewording and then we'll maybe just have to 2.17 and then we have two parts. Thanks for the suggestions.

If no more comments, I think we can move on to the next document which is the Topic E. I'll paste the link in the chat. Just quickly goes through whether we saw any edits here. We do have revised text in the rationale for 3.2 to 3.3. Let me just quickly go to 3.3. It talks about the reserved names list. It will not expand to include variant labels but no application for variant label of a reserved name is allowed. I think the part we did the revision is due to Dennis's comments that in the original text, we wrote that

the reason we don't need to add the variant label of reserved names is because they're all blocked variant labels. Then it's a numerous numbers of variant labels because the reserved names, I think almost all are ASCII labels except for two. When using our RZ-LGR to calculate the variant labels, it generates a lot, and they're all blocked. But then when we wrote this, it's basically arguing against the hybrid model, because in the hybrid model, we did factor in the comparison with blocked labels as well. That's why we revised the sentence here and that's highlighted in yellow. Basically, we just wrote some—in the string similarity review, it has been modified to conduct a visual check for every applied-for gTLD string and its allocable and blocked variant labels against all the reserved names and their allocatable and blocked variant labels.

So, basically, in the string similarity review, the variant labels have reserved names will also be compared against, so that will take care of that aspect. Basically, even if we don't include the variant labels to the reserved names list, they will still be considered during the comparison, during string similarity review. Basically, we are changing our rationale but to make it consistent with the hybrid model for the string similarity review.  Then the rest of the yellow sentence is basically to say the same thing, I believe.

I think Michael has a comment here. This is the sentence he has a comment, "From an implementation perspective, the EPDP team envisioned that even applicant enters the variant label of a reserved name as its applied-for gTLD string, the application system will recognize the variant label and will reject the application." Then Michael said, "While certainly true, this only

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covers the cases where an exact match of the variant label is applied for, a similarity check will not be implemented this way. This likely requires a manual check including all variants." Basically, what would happen is in a string similarity review— because in a hybrid model, we have included the variant labels of reserved names in a comparison. I hope it addresses Michael's comments here. Let's see. Michael has his hand up.

MICHAEL BAULAND:    Thanks. My comment was just regarding the fact that this sounds to be an automatic process, some software or whatever. You just enter the variant label and you will get a result. But this has to be a manual check, right?

ARIEL LIANG:    I don't know whether it's going to be in algorithm, but I think what the group agreed is that if a variant label is entering the application, it cannot even proceed. So it's probably going to be in the algorithm. The algorithmic check, it should detect it. But if we're not completely sure if that's the case, we can soften the sentence and say it may recognize and may reject. Or maybe instead of will, we can use some other word to leave it for implementation.

MICHAEL BAULAND:    I think that's better because an algorithmic approach will only be able to find exact matches of where the label is 100% the same. But any similarity check would be to say like, "This looks too similar. This won't be possible by an algorithmic check."

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ARIEL LIANG: Sorry. Actually, if I may, I'll quickly follow up. What we have here is basically talking about an exact match of a variant label of a reserved name. Because the Recommendations 3.3 says "No application for a variant label of a reserved name is allowed." So if an applicant enters exact match of the variant label of a reserved name, the system should reject it from the onset. Then if a label is similar to a variant label of reserved name, then that will be a manual check conducted in the string similarity review. I hope that clarifies.

DONNA AUSTIN: Okay. You're okay with the text, Michael?

MICHAEL BAULAND: Yes.

DONNA AUSTIN: Okay, great.

ARIEL LIANG: Sounds good. I think that's it. Great job, everybody. I think we have done all the second reading but we do need to do some follow-up work to clean up the text.

I think, Donna, the next part is to close off some unfinished business in 76. I think the first one is about the base application fee and how that looks like for existing IDN gTLD registry operator

from the 2012 round when they apply for allocatable variant labels, how the fee may look like. Donna, do you want to discuss this?

I guess just as a reminder for folks, what we agreed on in 76 is for future gTLD applicants, if they apply for variant label, and regardless how many variant labels they applied for, the base application fee will be the same. However, there may be some additional fees if, for example, an applicant applies for a large number of variant labels. I think that's a pending discussion. We're going to discuss that as well. But now, what we want to discuss is about the 2012 round registry operator if they apply for variant label. Do we charge them for fee? If so, how much? That kind of question. This is what we're discussing.

As a context, just as a reminder, in the 2012 round, each applicant pays the application fee up to $185,000. Then for the existing IDN registry operators, only the Arabic and Chinese ones, they have allocatable variant labels to apply for and no other IDN gTLD registry operators can apply for variant labels. Then there's only in fact 44 gTLDs that are either Chinese or Arabic. The question is should those registry operators also pay additional application fee at some point in the future when they apply for variant labels? And if so, should it be the same as the application fee for future applicants or it should be something different? I guess that's still a question for the group to discuss.

DONNA AUSTIN:          Thanks, Ariel. Any thoughts on this? We could have a recommendation where we waive the application fee for existing

registry operators. That's one option available to us. We could say that they have to pay whatever the application fee is for the next round or something that's on a sliding scale that's smaller. I think the important data point here is that it's only 44 gTLDs that we're talking about. I think based on the survey that we pulled out, which wasn't really instructive, it doesn't seem likely that all 44 gTLDs will actually apply for their variant. Interested in folks' thoughts on this one. Michael?

MICHAEL BAULAND:      Thanks. Do we really have to make a special case here? I mean, a similar case could occur if in the next round someone applies for a TLD with or without variants, then two or three rounds later, that registry wants to add variants to their existing application. Is that then different from the case where registries from the 2012 round want to add variants to their application? And if it's different, should this difference only be possible in the next round? If the 2012 registries do not apply for their variants in the next round, then the following round, they will have the same rules as others? From my point of view, we have a rule which covers all cases. Whenever an existing registry wants to add variants to their application, they will be handled in the same way. On second thought, we might have a different rule because in the new round, the registry will be able to already apply for all of the variants they want to have, which was not possible for the last round. On second thought, maybe it makes sense to have a difference here. Thanks.

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DONNA AUSTIN: Thanks, Michael. Any thoughts from folks on how we want to do this? As I said, we could make an exception for 2012 registry operators and waive any base application fee. If there's other parts of the process that have additional fees and they may need to pay for those, but as a general principle, waive the fee. Or if the fee for the next round is $250,000, does it make sense to take $185,000 away from that and they pay the difference? That could be another option. I really need some ideas here, folks, because it's a question we need to answer. So let's brainstorm. What do folks think on this one? Michael?

MICHAEL BAULAND: As Justine said in the chat, we should restrict this special thing for the next round. If they don't apply for variants, then they forsake their special handling, and starting the following round, everybody is the same. In the next round, it probably makes sense to have a special handling. Whether we do it free of charge or make a lower charge, I'm not sure. It might even be inclined to make it free of charge to compensate for the fact that they have not been able to do that in the past. But I'm open at that point. Thanks.

DONNA AUSTIN: Thanks, Michael. Justine?

JUSTINE CHEW: Thanks. I'm not going to go one way or the other. It's up to the EPDP members to work on what seems reasonable. But I was going to throw, spend in the works to ask. We were talking about possible approach to fees, depending on the number of variants

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being sought. Would that same case apply for existing Arabic IDN gTLD registry operators for this special exception for the next round? Thanks.

DONNA AUSTIN:     Thanks, Justine. Michael has responded in chat saying he thinks it should. Personally, I think that makes sense as well. We need to get that information back to understand at what point would be a tier arrangement with the fee or some kind of add on.

Okay. Here's what I'm going to suggest and see if anybody objects to it. We recommend an exception for 2012 IDN gTLD applicants that are seeking their variants based on the fact that they couldn't apply for variants in 2012 and did pay the $195,000 application fee back in 2012, that if they want to apply for variants in the next immediate round, then the application fee will be waived.

Satish is okay with that. Jerry is okay with that. As defined in Recommendation 2.25. I assume it was 2.25. Okay. Maxim?

MAXIM ALZOBA:     We can use the poll and logic. Because only those registries are legal entities which are eligible for applying for those variants, it sounds logical that since the last time it was prohibited from being used any variants, then they're granted the chance in the next round. Thanks.

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DONNA AUSTIN:     Thanks, Maxim. I think we have support for that arrangement. Again, we're only dealing with the 2012 applicants. I think somebody asked the question about future. I think that's where you started, Michael. In the next round, if somebody applies for an IDN gTLD and variants and then wants to apply for additional variants in a round post the first one, do we have any—I guess the question is do we need to cover off that scenario? Do we need a policy recommendation for what happens in that situation? We're moving to the next round and subsequent rounds to that. Ariel?

ARIEL LIANG:     All right. Thanks, Donna. I'm just going to help brainstorm here. I think the group has some preliminary thinking, if the applicant applies to up to a certain number of variant labels, then the base application fee will cover all that. But once it exceeds that number, additional fee may kick in.

I think that's what the group landed in Cancún. I guess that probably will cover the scenario here. So if an applicant applies for two variant labels, for example, but didn't reach the maximum limit, we can just say it's four as the imaginary scenario, then the applicant applied for more in the future round, then the base application fee still covers that. But once the applicant applies for three more, then that will exceed that limit. Then additional fee will kick in. Maybe if we have that kind of overarching recommendation, say up to a certain number, the base application fee covers all that, it will apply to the scenario when variant levels are applied for in a different round. Hopefully, that helps a good brainstorm.

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DONNA AUSTIN:          Thanks, Ariel. That sounds pretty logical and reasonable to me. Michael?

MICHAEL BAULAND:       Thanks. I'm not sure if we said that in Cancún or it was meant slightly different. If we say, just for an argument, X is four, so you get four variants for free, so to say, is it that at the time you applied for the TLD, you will be able to get four variants? But if you just applied for two, and in the next round you want two more, is that really free or is it another application and once again you have to pay a fee? Because the next application round would again cost much more work than if you just applied for four variants at the same time. I hope you understand what I want to say.

DONNA AUSTIN:          Yeah, Michael. I understand what you're saying.

MICHAEL BAULAND:       It's certainly easier to argue if it said you have fours variants for free, and if you apply for two now and one next round, and then drop two, and then you can apply for three in the following round again for free. But this could make cause a lot of work that would be included in this base fee. So my thought originally then I proposed in Cancún was that just in a single application round, you are limited to X variants for free, and the rest you have to pay an additional fee. But if you apply in another round, then again

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some additional fee involved with the exception to this 2012 round, and the next round where we could do that for free because they weren't able to register those X variants for free to compensate that. Thanks.

DONNA AUSTIN:          Thanks, Michael. Maybe if you're applying for additional variants in a future round, then it's a discounted application fee. We can maybe work on that basis. Justine, do you want to ask your question? I'm not sure I understand what you mean.

JUSTINE CHEW:          Sure. I was trying to listen in on what Michael was talking about and what it means by total aggregate. So if someone could set me on the correct path. Are we talking about one single base application fee for the whole variant set? Regardless of when the applicant applies for the variants, they only ever pay one base application fee?

DONNA AUSTIN:          No, I don't think so. I think Michael is suggesting if you're applying for additional variants in a future round, then there would be some kind of fee that you would have to pay.

JUSTINE CHEW:          I'm not talking about the extra fees that would be charged depending on the number of variants. I'm talking about—let me put this scenario.

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DONNA AUSTIN:        A base application fee, yes. So there would be, yes.

JUSTINE CHEW:        So every time someone puts in an application in a round, there would be a base application fee that's chargeable, right?

DONNA AUSTIN:        Yes.

JUSTINE CHEW:        Say I as a registry operator applies in the next round for a TLD and maybe one variant, so I will be charged the base application fee, and then I will presumably fall under this X free thing, whatever you call it, but in the next subsequent round, I want to apply for another three variants, would I be charged another base application fee?

DONNA AUSTIN:        My understanding, and maybe I misunderstood Michael, is that perhaps not the full base application fee but a proportion or a percentage of the base application fee.

JUSTINE CHEW:        Okay. Just to clarify, I'm not arguing one way or the other. I wanted to understand what we're talking about. Thank you.

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DONNA AUSTIN:     No worries. Thanks, Justine. There's quite a bit of chat going on. So if people want to put your hand up and speak to this, that's great. Sarmad?

SARMAD HUSSAIN:     Thank you, Donna. I think what I am suggesting is that we should have an application fee regime which should not encourage people to apply for extra variants. I guess if we set it up like this, that if you apply more earlier, you get better financial reward. In that kind of regime, people will tend to apply for more variants than needed, possibly. Just, I guess, raising that is it possible to look at it in a way that people can apply only focus mostly on what they need and they can still seamlessly go through the process of applying variants through multiple rounds. Thank you.

DONNA AUSTIN:     Okay. Thanks, Sarmad. Thinking logically as an applicant, I'm sure that they would apply for the primary and the variant labels in the round with the intent that that's going to be the best optimal— whatever business model for their TLD. So if we go back to the logic of the applicant, I think that's probably where they'll end up, because we'll never know. Maxim and then Edmon.

MAXIM ALZOBA:     I think it's quite hard to understand how many is too much and who is going to decide that. If we don't use some factual-based evaluation method, I don't know how we formalize that without saying, "If some person at the panel says that it's enough, then you fail." I don't think it's a good idea.

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DONNA AUSTIN: Thanks, Maxim. I think we recognized last week that the Generation Panels have suggested the maximum—maybe not the maximum—number of variants that would be—not applied for but that there is a maximum number. So you've got your primary, and then there's a number of variants. I think for Chinese, it's two. We've identified that Arabic, it's unlimited. So it's really only Arabic that we could possibly get into a situation where there it's hard to cap the number of variants they could apply for because maybe they need all 20. But but we are doing some information gathering to try to get a better understanding of what that looks like. Edmon then Ariel.

EDMON CHUNG: Thank you. Edmon Chung speaking personally again. So on the topic, I think just responding quickly to what Sarmad said, I don't disagree with what Sarmad is saying that we should not encourage people to have too many IDN variant TLDs. But at the same time, if you look at the situation of Chinese, there is an important need for it. Therefore, the suggestion of having some included IDN variant TLDs with the base application makes a lot of sense, in my mind, as to having a number X—I think the suggestion was three plus the primary which is four—that might make sense. I think above and beyond that, then requiring some additional fee would actually satisfy Sarmad's suggestion. But the ultimate thing I think is that however many an applicant tries to apply, they still have to justify the need for it. I understand that Maxim thinks it's somewhat subjective, but even if you think about the Generation Panel and the Integration Panel discussions, a lot

of them comes down to some sort of judgment and subjectivity. But that doesn't mean that such judgment cannot be appropriately picked by panel and with the applicant providing information about why they are trying to justify the need.

DONNA AUSTIN:          Thanks, Edmon. Okay. So I think we're going to draw a line under this so that leadership team can have a think about the discussion. Well, maybe Michael solved the problem for us, but it's a little bit too difficult to read. But I think we're all heading in the same direction that for future new gTLD applicants who want to apply for additional variants in the future round that there will be some kind of fee associated with that based on it. So it won't be the full base fee, but it will be a portion of the full base fee. I think that's where we're headed.

Thanks to Michael for what you've put in chat. We will take that into consideration. We'll come back to this maybe next week. So, Ariel, I think we're okay to move on.

ARIEL LIANG:          Thanks, everybody. Michael already wrote a proposal in the comment. I guess we're going to discuss it next week. I just want to make sure everybody has seen it. He actually notes the fee, for example, but I guess that's subject to the implementation. But I think that's going to give everybody an idea, it looks like. Yes. The numbers cited are examples.

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So I just want to confirm, are we ready for writing down some recommendation along this line, or we need to further discuss that next week before we can develop recommendation?

DONNA AUSTIN:     Ariel, I think we can certainly draft a recommendation and see where it comes out. We're running out of time. So I think we will try to get some kind of draft recommendation to the group. Maybe we'll come back to it in two weeks. But I think we can write a draft from the discussion so far today.

ARIEL LIANG:     Okay. That sounds good. We can draft the text and circulate on the list. I just want to note that we already did that, at least the part about the base application fee and sort of the tiered structured application fee recommendation. Based on the Cancún meeting, we developed some text. But of course, the group hasn't got a chance to read it yet. So that's the text on the screen here. I will put the link in the chat again. But we probably need to refine it, and then we'll send the group a notification when it's ready for review.

Then I think I just want to quickly ask about the tiered structure fee applicant recommendation. I wonder how we're going to do that. So first, we need to receive the input from the Arabic GP regarding what number of variant labels seems reasonable for an applicant to apply. So I think Sarmad is helping shepherd that effort to get the input from the Arabic GP. If Sarmad could let us know by when it will be realistic to hear back from the Arabic GP

on that question, then it will be very helpful, so we can incorporate that in our recommendation text. Yes. Thanks. Sarmad said they already asked the Arabic GP chair, and then they will follow up. So thank you very much for helping to do that.

Then the second question about a tiered fee structure question. So we want to understand from the group what you envision. If the variant label exceeds the maximum number, would that be additional percentage of application fee paid to cover the evaluation of any additional one variant label, or it will just be a set kind of application fee? So if exceeds, for example, four variant labels, then the applicant will be expected to pay like 30% or more application fee that covers all the additional variant label. So I just want to understand what the group is thinking in terms of the tiered structure, and then we can clarify that in the recommendation language. I saw Maxim has his hand up.

MAXIM ALZOBA:      I suggest we use language like proportionally shared between something, yes. And we do not use concrete, some percentage, etc., because we shouldn't be the party responsible in the court for regulating the costs. I dislike this perspective. So I strongly suggest that we use terms like cost coverage or proportional issues cover the cost. The group of applications should proportionately cover or some kind of language similar to that, which will allow ICANN to use some mathematical formula they invent in the process, but we do not regulate costs directly. Thanks.

DONNA AUSTIN:          Thanks, Maxim. I think that's a good description. Rather than having a percentage which would just be an arbitrary decision made by us based on not much, it would be better if we had something along the lines of an appropriate additional fee to specifically cover the cost of evaluating each of the additional variant labels. So I think if there's a way to vague that up and leave it to—I think SubPro language around the application fee was that the application fee was to be determined by ICANN Org. So, maybe in Implementation Guidance, maybe we can say the intent here is that once the evaluation costs become known, then whatever the additional fee would be decided by ICANN. So maybe something like that. Does that sound okay to folks? A little bit. Thank you, [inaudible], but I prefer Maxim's approach than putting in an arbitrary number. Okay. It looks like there's others that support. Let's try to cover it off some other way. So we'll need to play with the language a little bit, Ariel, but I think there's a way to do this.


ARIEL LIANG:           That sounds good. Maxim still has his hand up. Is that an old hand or new? Okay. Thanks, Maxim. I think staff got the suggestion that's basically we have the fixed base application fee for up to X number of variant labels. When it's beyond that, it will be based on cost recovery principle determined by ICANN, I guess. So we can draft some language along that line.

I think we have covered the tiered structure application fee question as well on the agenda. Basically, the follow-up is for staff to clean up all the text we discussed. And then what we propose to do is for the text that the group didn't have a problem with, we

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will accept the redline. Then for the redline, we need to further revise. We will revise it but we will highlight it in a different color, for example, maybe like a blue or something, so the group can review it.

Then another point I want to mention is there's some redline that was down due to the ICANN Org GDS team's comments. They're mostly editorial and non-substantive. But because they're suggestions, so we did it in the redline format as well. So we'll leave those in the document, and then when you do the review, you will see it. But we don't highlight them because they're not substantive. So I just want to make a note on that. Then we'll get back to the group on list regarding all the revisions.

I think, Donna and Justine, the next one, actually it was item number four in the agenda but we're going to talk about this now, is about the review of all of the recommendations in one place and look at their sequence and order. So before ICANN76, we sent out this PDF document to the list. But maybe it's very short notice so maybe not many people have got a chance to review it yet. But in general, we just want to give you kind of preview how we envisioned to organize all the recommendations. As you understood, when the charter questions were drafted, they're based on certain themes, like RZ-LGR is under Topic A, the same entity principle at the top levels under Topic B. And then under Topic D is about the application procedure. Then Topic E is something they focus on string similarity review, contention resolution, that stuff. That's the best logic we used when we ordered the charter. But when we developed the recommendations, I think maybe there's a better way to order it,

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and then it will make it easier for a reader to digest our recommendations. So that's why we developed this table and want to get your input, whether the logic seems right or not.

So the main idea is to order our recommendations based on the new gTLD program. So if you recall, we have this process flow. Maybe I can just put it on the screen for a second for everybody to see it. Give me one moment. So the process flow basically starts with the application, submission, and then the completeness check, and stuff on the top layer. And then you go to background screening, and then you go to the initial evaluation step. So that'll go to string similarity review, the technical operational capability review, and stuff like that. Then you go down to the objection process. Then some application may also go through the string contention resolution, if they're causing the string similarity review. And then finally, contract execution.

So, what we feel reasonable or logical is to order our recommendation based on this process flow. So as such, you will see we have these new proposed sections. So the first section is still the RZ-LGR. But this is more like a principle recommendation, like RZ-LGR is the sole source for calculating variant labels of existing gTLDs. Then the second section is the same entity principle. That's also a principle recommendation that's reflected in various aspects of other recommendations in our initial report.

So we thought these two needs to be placed on the top. But then following that, Section 3 is the beginning of the new gTLD program. It's what to expect in terms of submit an application that includes variant labels. So we just put all the relevant recommendations under this section. Then here you will see

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recommendation, for example, what's the order of submitting application. Variant label cannot precede the primary IDN gTLD application. Then I'll show one application can cover both the primary string and also allocatable variant label. So we basically placed all the recommendations related to the application submission step in this section.

I'm not going to read through all of these. But also another caveat I want to mention is for some charter questions, it includes several aspects, for example, D1b, it talks about what to expect in terms of a submitting application where you need to answer in the application, like why you need it and the technical and capability reviews, stuff like that, and also cover the fee. And then the fee includes both application fee and annual registry fee. So it covers several aspects. So it's not a perfect match in terms of fitting in the first submission step of the application process. It's due to the charter questions. But that's the best we can do in terms of putting all the recommendations in a logical place. So it's a little bit messy, but it's because of how the charter question was drafted. So I just want to provide that clarification. I think in general we tried to fit all the relevant recommendations under the corresponding step in the new gTLD program. So that's Section 3 that has a lot of recommendations.

Then for Section 4, we just want to focus on the string similarity review, because in the process itself, string similarity review is the initial evaluation step. We do have a very substantive recommendation here. I think it was the focus here, and then we created some of the section. Then also, the consequence of string similarity review, that recommendation fits in here as well.

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Also, for Section 5, that's objection process. So in the process flow, it goes after the initial evaluation. Here we also have very substantive recommendations for objection process.

Section 6 is string contention resolution and that follows the objection. It's in the process flow.

Then Section 7 is contractual requirements. So basically, it talks about the possible adjustment to the Registry Agreement. We have several recommendations to that effect. Then also, using the same backend registry service provider, I think those recommendations kind of fit in this section as well. Also, our recommendation related to registry transition process and data escrow requirements. I think all these recommendations kind of fit in the contractual requirements section. So that's the end of the process flow.

Finally, this Section 8 is about delegation and removal. So, we have some recommendations regarding there's no ceiling value for the variant labels that can be delegated. But now we also have this recommendation for creating a framework for best practice guidelines. So I think those kind of fit in this section. Then for the grandfathering recommendations that fit in this section as well, it's all about post delegation on what to do. If you know a label is deemed invalid by RZ-LGR, for example, we need to grandfather those. Then about the removal of primary gTLD and variant label, that also kind of fits in this section as well.

The last section we have is variant label state. So it's basically tracking the status of a variant label once the primary is delegated. I think this is the last part. I think it kind of makes sense.

We also have a Section 10, it's about the charter questions we have, but we don't have recommendations for those. So we can group all these at the very end.

That's our proposed order. Then another thing I want to mention is for almost every recommendation, we try to map that to an underlying principle. So we have several that Seb tried to summarize. The first is conservatism. So that's what SSAC told us in a way we introduce variant label, you need to make sure to strike a balance between permitting that to meet the user need but also limiting any potential security stability risks. So that's why we have the hybrid model, for example. That's to comply with the conservatism principle. Then the other principles I already mentioned is using RZ-LGR as the sole source and also the same entity principle that's reflected throughout our initial report and various recommendations. Then another key principle is the sanctity of the set but now we call it integrity of the set. So if the primary exists, then there's the set. If the primary goes, then there's no set. So that was reflected in several recommendations as well. We intend to include these in our glossary. So as such, this is something to keep in mind when the reader reads through our recommendations.

I know that Maxim has his hand up. I will stop here for a moment. Also just another food for thought is that do you want to have a separate section to highlight our recommendation that only applies to existing gTLD registry operator from 2012 round, or you don't care about single that out, and then just basically fit everything in this process flow? That's another food for thought. I will stop here. Maxim has his hand up.

MAXIM ALZOBA:     Could you clarify, please, for item 2.13 that a primary string and variant labels must be subject to the same delegation timeframe? In that round, they were no variants so it puzzles me a bit. Thanks.

ARIEL LIANG:     If I may, I can respond. The 2012 round it says delegation must be done within 12 months period after the contract is signed. And then the registry operator may with up to 12 months extension to do that. I think what the group agreed on is for variant label that needs to be the same. So if there's a variant label needs to be delegated within 12 months period, and then the registry operator can request up to 12 months extension as well. So that's the agreement.

DONNA AUSTIN:     Thanks, Ariel. So we are at time. You will all have a meeting for Monday in your calendars. We have a leadership call in about eight hours' time. We'll discuss whether we want to go ahead with that or not. To be honest, I'm not sure what else we had to do. But it's a lot. So we will confirm or let you know tomorrow whether we're going to cancel or go ahead with that meeting. I suspect we are going ahead with it, so apologies for that. But we'll confirm tomorrow.

The other thing I should have noted to folks at the beginning of the call is that the leadership team had a conversation with a number of Board members during the ICANN meeting. Edmon hosted that and Alan was also there as our liaisons. There is a communication

that I understand has gone to the Council—and this has to do with dependencies on SubPro—that requests a timeframe from us. I haven't seen the communication based on the conversation. They're going to be seeking a timeline for us on when we can get the Phase 2A charter questions done. So what Phase 2A is the charter questions that we pushed to Phase 2 but have been identified as a dependency in relation to developing the Applicant Guidebook. So that's something that we will need to do, but the leadership team will come back to the team on that. The priority for us at the moment is getting this Phase 1 work done and then the initial report closed out. So that's our priority. I don't want to get distracted by a Board request on Phase 2A. We will handle that. I don't think we need to get anything to the Board until ICANN77. But just to let folks know that that is happening. I understand there's been a communication at Council and that will inevitably come to us.

All right. Thanks, everybody. If we don't see you Monday, we'll see you Thursday, but I expect we'll see you Monday. Have a great weekend, everyone.

DEVAN REED:          Thank you all for joining. Have a wonderful rest of your day.

**[END OF TRANSCRIPTION]**