ICANN80 | PF – Joint Meeting: GAC and ALAC
Wednesday, June 12, 2024 – 9:00 to 10:15 KGL

JULIA CHARVOLEN: Hello and welcome to the ICANN 80 GAC meeting with the ALAC session on Wednesday, 12 June at 7:00 UTC. Please note that this session is being recorded and is governed by the ICANN expected stance of behavior. During the session, questions or comments submitted in the chat will be read aloud if put in the proper form. Remember to state your name and the language you will speak in case you will be speaking a language other than English. Speak clearly and at a reasonable pace to allow for accurate interpretation and please make sure to mute all other devices when you are speaking. You may access all available features for this session in the Zoom toolbar. With that, I will leave the floor to the GAC chair, Nicolas Caballero. Thank you and over to you, Nicolas.

NICOLAS CABALLERO: Thank you very much, Julia. Good morning. Good morning to everyone in the room and good afternoon and good evening or maybe good morning again for the ones online. Welcome to ICANN 80, a GAC and ALAC joint session. We're going to have a very interesting dynamic today.

Let me review the agenda with you. We'll be having a presentation. I mean, we basically have two issues to deal with, which are contention resolution and the ASP, that is the applicant support program. But

before we review the agenda, let me introduce Nigel Hicson from the UK, Kristina Hakobyan, Ros Kennybirch, Jonathan Zuck and Claire Craig and obviously the ALAC. But you'll get the chance to introduce them, Jonathan.

So as I said before, we'll be talking about contention resolution and the ASP. We'll have a presentation by Jonathan Zuck himself. And right after that, another presentation by Mr. Nigel Hickson. And we want to make sure that we're allocating enough time for the Q&A session and any other important edits, comments, or anything you would like to discuss at that point. So with that, let's start the session. Over to you, Jonathan.

JONATHAN ZUCK: Thanks, Nico. And thanks for having us here again. We really appreciate the time that we spend with the GAC. We have a lot of common thoughts and priorities with the GAC and the ALAC. And so it's always been very productive conversations and then when possible partnerships in terms of advice and public commentary on some of the detailed policies going on in the community. I am looking forward to the Q&A portion as well, although I'll say these lights make me think that it's going to be more of an interrogation than a Q&A. But I still look forward to it.

As Nico said, our first topic is to talk about something called contention resolution. And it's a perfect example of a topic that we talk about and people don't even necessarily know what we mean by it when we talk about it. So Nigel asked me to talk a little bit about the background of

this issue and why it's important to us and to you as part of the next round.

When we talk about contention resolution, what we're talking about is two people, two organizations, applying for the same top-level domain. So in other words, if Nico and I both want to get .gallery, then that could result in an auction at the end of the process and that's where the grant program came from, was the results of these auctions. But in addition, there was some vague guidance in 2012 about resolving things through joint ventures or resolving them privately and the auction, the ICANN auction was called the auction of last resort. And so there were a lot of other alternative ways of solving it and some of those were so-called private auctions. And the optics of this were pretty bad. You had basically companies paying each other large sums of money to get them out of contention. You had people applying for strings so that they could lose and get paid money and use that money then for another string that they really wanted. And so it really underscored that the 2012 round was like a game for millionaires. And I know that it's a priority for both the ALAC and the GAC to change that perception and hopefully that reality in the next round and really emphasize underserved communities and organizations, nonprofits, etc., really get the applicant support program working. And I think that it really made the last round kind of a joke. There were many things that made the last round kind of a joke, beginning with things like Digital Archery and things like that that. Sometime over drinks I'll share some of the other aspects of that round. But this was a very big thing and it really made the community look bad because it just looked like millionaires playing games with each other for this round.

And so we have and the GAC have taken the position that we should really try to avoid these private auctions in particular. And so beyond that, there's this notion of private resolution of these conflicts which is similar. In other words, just somebody paying somebody else and there's no auction involved. And so to some extent the folks that worked on subsequent procedures were trying to hold open the door for joint ventures and other ways of resolving these contention sets. But if you know from a recent blog that Tripti put out, she also talked about a study that they commissioned and that study very clearly said that it would be very difficult if not impossible to avoid this gaming if you are going to allow private resolution of any type. As long as you say that you can go resolve these things privately, you're going to start having news stories about money changing hands and things like that.

And so I think both the GAC and the ALAC took fairly strong positions on this issue of private auctions early on and the board has acknowledged them and I think that they are leaning away from private auctions in particular. But we would like to suggest that we should take it a step further because what seems to happen is that this recommendation gets more and more watered down and that by the time the round actually comes into being in five years or whatever it is, that it will be more of the same.

And so what we're recommending as the ALAC is to really just put a ban altogether on private resolution. In other words, it should only be handled by auction through the ICANN auction. And we're going a step further, which is to say that that auction should take place as part of the application process, because then you don't even know you're in

contention. So that removes the temptation to try and make back-office deals and things like that. It also creates a lot of efficiency because all of the analysis that needs to be done about each application only needs to be done about one of those applications in the contention set because it's resolved as part of the application process.

So the way that that would work is that when you applied, part of your application would be to say what is the amount that you're willing to go to for this string. And those numbers would be compared and whoever had the highest number would win and they would pay the second highest price. That's kind of how it works. It's called a sealed bid second price auction. And so it would just happen literally up front, the applicant that didn't win would get their money back right away because they wouldn't have gone through all these evaluation processes. People wouldn't know they had been in contention so there wouldn't be a temptation to try and buy out their competitors. And so it really helps to remove the opportunities for gaming the system.

Something that came up recently in a study that was coordinated by the SSAC that was about name collisions even suggests there's opportunities for gaming the system using name collisions. And again, if we can take that whole contention out of the public view and just settle it as part of the application, we eliminate some of that visibility that would lead to some of that kind of gamesmanship that I think we would like to avoid.

So I hope that helps to make sense and provide some background as to why both the ALAC and the GAC are interested in seeing something be different than it was before. And all we're really trying to discuss today

is how different and how far to take that recommendation. And I think we in the ALAC have gotten to where we're interested in a more hard line on that issue. And we'd love to have you join us in that position.

NICOLAS CABALLERO: Thank you so very much for that, Jonathan. Before I give the floor to Mr. Nigel Hickson, though, I just want to make sure that everybody in the room understands the concept of seal bid second price auction. Or online. Oh, I have a hand. In the chat room, that's Alan Greenberg. Go ahead, please.

ALAN GREENBERG: I'm happy to wait after Nigel. But what I have to say is very quick. Ignoring for the moment what kind of auction to have and whether it's at the beginning or at the end, the main stumbling block that the board seems to have against banning or using only auctions is the concept of joint ventures. And I have to ask the question, how many joint ventures were there last time? And I believe the answer was zero. So are we really likely to see people who are bidding against each other coming together and doing something where they're operating the TLD jointly? Didn't happen last time. I think we can safely rule it out and not worry about it. So I think that's an important aspect because that seems to be the one stumbling block that may cause the board to allow other forms of resolution. Thank you.

NICOLAS CABALLERO: Thank you for that, Alan. So I don't see any other hand up. That means that everybody understands what sealed bid and second price auction is. I do have a -- and again, sorry to keep you waiting, Nigel. But could you please provide some more color to the multiplier, topic number three, the significant multiplier. Can you explain like in a nutshell what exactly that would mean?

JONATHAN ZUCK: Sure. And thanks for reminding me. That's the third part of our recommendation. And I know you've had a discussion with the board about trying to keep supported applicants out of contention altogether with commercial applicants. And I think they pushed back on that concept in your meeting. And so the one way that we've -- not we, that the people have come up with to try and address this at least a little bit is with something called a bid multiplier. And that number is not set, but that number could be 10. And so if an applicant is part of the applicant support program, they may say that I'm willing to spend up to a million dollars to get this domain name. But in the auction, that would count as $10 million. So that's what that means basically, is that there'd be a multiplier on whatever number they were in fact literally willing to spend to get that. And it would be multiplied by some factor that needs to be figured out, but it could be 10 or something like that. And then that would be the number that would show up when they were compared. But no one's really figured a way to keep them out of the auction process altogether. So this bid multiplier is sort of a best attempt at creating some better equity between applicants.

NICOLAS CABALLERO:	Thank you again, Jonathan. Sorry for the many questions, but I just thought that it was important, especially for the benefit of the new GAC members to have a clear understanding of what sealed bid and second price auction is and the same thing about the multiplier. So, oops, I have Switzerland. Go ahead, please.
JORGE CANCIO:	Thank you, Nico, and thank you, Jonathan. Just wanted to add as a point of information that the board has issued a resolution on the matter. So I don't know if you have seen it because it was circulated just between yesterday and today from June 8th where they announced that they are intending to not follow the GAC advice on the question of commercial versus non-commercial applications, although they just say they intend. So it's not a decision yet or not a final decision. So maybe there's opportunity still to have the board and the org engaging with you, with the ALAC, with us, with the GAC, with other interested parties in a focused way in order to see what are the best solutions. So just raising this for your attention. Thank you.
NICOLAS CABALLERO:	Thank you very much, Switzerland. Well noted. And now let me give the floor to Mr. Nigel Hickson from the UK. Nigel, over to you.
NIGEL HICKSON:	Yes, thank you very much. And good morning to everyone. Thank you so much. Thank you so much, Jonathan, for the introduction, which I think is very important. I mean auctions and sealed bids, it's pretty

interesting territory. But for many of us it doesn't enter into our own lives. But I was thinking that just in case anyone has still not sort of got their head round why in the last round this was so damaging and really did get ICANN a pretty bad reputation in some areas, this bidding process. Because what it means is that if I know that this young lady here is probably going to apply for dot plug or something like that, and I know that she's pretty wealthy and she'll probably get dot plug because she's got a good case for it, then I just apply for it. I don't want it, but it's worth me applying for it because if my application doesn't succeed, I get the money back or most of it anyway. And then there's two or three of us that apply for dot plug. And so it's resolved that we go to a private auction. That's the idea. And so I say I put in 300,000. You put in 500,000, someone else puts in 300,000. So what's that? 1.1 million goes into the pot. You win it, the bid. So I get half of the 1.1 million back because there was another applicant that lost it as well. So we get 55,000 back and we only put in 300,000 to start with. So that's the concept of where the money goes. And that happens in other areas of life, but in many areas, that's discouraged. And indeed in the UK in terms of house sales, that is illegal.

Which brings me on to the second point on this auctions because the, sorry, the seal ed bid auction. The sealed bid auction again is used when you're buying houses and particularly in certain parts of the UK. A house is offered for say 500,000 pounds. And so I'm selling my house for 500,000 pounds. There's a great deal of interest in it. And so what people do is they on an envelope, well, on a piece of paper inside an envelope they write how much they're willing to buy this house for. And one or two might just say 500,000 pounds, which is the asking price, but

others would say 550,000 or 600,000. And that's how the sealed bid works. And those that put the largest figure win the seal bid. So that's some context.

And that's why the first bullet, that's why we take this very seriously. And that's why we offered GAC advice to take steps to avoid the use of auction of last results and contention between commercial and non-commercial applicants. Alternative means for the resolution of such contention sets, such as drawing lots or other methods may be explored. And to ban or strongly disincentivize private monetary means of resolution of contention sets. So the board, if we can go on to the next slide.

So the board, as was mentioned earlier this week, have been studying this whole issue. They commissioned a report by NERA, who are the -- economics experts. Anyway, I should know who NERA are. But anyway, a report by NERA into this whole issue of how you could disincentivize. So short of banning, because banning private auctions without an alternative, as Jonathan said, is actually quite difficult. And what this NERA study sort of tried to look at is how you can disincentivize private auctions through various methods without totally banning them.

And one way forward they came across was the use of joint ventures. So this would be where I put in dot plug and you put in dot plug. And it was revealed that we both put in dot plug to us anyway. And so we got together and we thought -- and we discussed how we might have a joint venture together, where we could both benefit from dot plug. And in some areas that might be a very satisfactory way forward, especially perhaps where you have a commercial and a non-commercial

applicant. Perhaps you might have a charity applying for dot plug, and you might have a business applying for dot plug. And they could come together, they could work together and resolve something satisfactory.

On the other hand, if you have two commercial applicants for dot plug, as we've discussed, then although they might form a joint venture, at the end of the day, probably one of them would buy each other out, and then you would effectively be back to a private resolution. Perhaps not the exchange of money, but the exchange of shares or some other method. So that doesn't necessarily work all the time.

The other proposal to disincentivize private auctions that the study came up with is that you have to put a fee down. There's a fee. If you're going into a private auction, you have to put a fee down, which is a disincentive, because then as well as losing the auction, there's a fee, a non-refundable fee that you had to put down in the first place.

So these were some of the ideas that came up in this report. And as I understand it, and Jorge has read the resolution, the board, well, from what the board told us on Monday, the board haven't decided on this issue. They have expressed concern on how you differentiate between commercial and non-commercial applicants. That was part of our advice, as I read out. But in terms of how one would disincentivize private auctions, they're still considering that topic. Well, that's what they told us.

So as I put here we understand the board discussed this issue and will have some further advice on this. But we need to consider, and we as a GAC, and I'm not preaching to the choir, and I'm only one member state

out of 180, 90 member states, but the clock is ticking, as Jonathan has rightly told us. And there is pressure during this gTLD round to, if you like, solve these outstanding issues. We discussed some of this the other day. You recall in the gTLD session, there's a number of outstanding issues, which, if you like, have not gone to the implementation review team yet to put into the applicant guidebook, because they're not resolved. You know, we haven't decided whether the color of the wallpaper is red or blue. You know, so there are a number of issues to be resolved, but there's pressure, there's a lot of pressure on to resolve these issues. And unless the GAC has, if you like, skin in the game, unless the GAC is saying we want to be involved in these issues, we want to understand these issues, etc., etc., then we'll find that they will be resolved, perhaps, without our input. So that I think is the salient point.

So I think what we need to do, you've heard from Jonathan, perhaps heard from me, I haven't said much more than you might know, but Jonathan has actually put some ideas on the table in terms of the sort of advice that we might be able to give to the board. So any comments on that sort of language would be more than welcome. But clearly this is an important area, and one which is very timely indeed to discuss and to come to some view on. But I'll hand it back to Nico, because there will be hands in the room.

NICOLAS CABALLERO: Thank you so much for that, UK. So as you correctly pointed out, Nigel, we welcome thoughts from GAC members. Let me open the floor briefly on this issue before I give it to Claire Craig. But any comments, thoughts,

questions? I don't see any hand in the chat room. I don't see any hand in the room. That means that we'll go to you, Claire. The floor is yours.

JONATHAN ZUCK: Just one last thought. That study, the NERA study that Nigel referred to, very clearly said that there's no way to prevent gaming other than to ban private resolution. So everything else was sort of a half-hearted attempt, but the only way to prevent gaming was to ban private resolution. There's a comment in the chat from Paul Hjul, I guess. And the truth is there's no perfect solution, because you could wait until the string is delegated and then go back and try to buy it from someone or something like that. But that brings them back into the system to do that. As what happened with PIR, for example. So there's at least some safeguards if people are going to try to then make some commercial transaction after the fact. So that's why we're trying to take a hard line. Thank you.

NICOLAS CABALLERO: Thank you again, Jonathan. Any question or comment in the room? Go ahead, please.

PAUL HJUL: Hi, it's Paul Hjul, just a pleb. I did put it earlier in the chat, but it wasn't the one that you picked up on. I'm just wanting a bit of clarity on the issue of joint ventures and the prohibition on joint ventures. Is it a prohibition on joint ventures that arise because of private conflict resolution, or is it a prohibition on joint ventures that start out as joint

ventures? The initial comments seem to suggest the former, but Nigel's comment about charity and a commercial and non-commercial joint venture could be a positive thing. And again, if I'm correct that it's the latter, then how exactly would the prohibition apply? Would it essentially apply only after applications have been received and you see parties coming from there and so on? Thank you.

JONATHAN ZUCK: Thanks, Paul. Jonathan Zuck here again for the record. Yes, the prohibition would simply apply to the application phase as part of a contention resolution. So in other words, ICANN and us as a community, we would encourage joint ventures that are put together in advance, for sure. And certainly, there are processes to deal with joint ventures after the string is delegated as well, as happened with Amazon, for example. So things can be worked out, but as a mechanism of contention resolution, it would get banned under the proposal.

NICOLAS CABALLERO: Thank you again, Jonathan. Any other comment or question? And we have a hand over there.

EDUARDO DIAZ: The question is if there is a minimum of contentions. Do there have to be two or more or three or more? Because if you have only two and you're looking for the second cheapest, I will bid for one cent US as the lowest bid.

JONATHAN ZUCK: Yeah. So the thing is you won't know. You don't know whether you're even in a contention set until it's over. So you're not going to play those kinds of games. You literally have to be honest about what you're willing to put into it, and you get the string if you win the auction. So it's not announced that these companies are in contention. That's the whole idea of making it part of the application process.

NICOLAS CABALLERO: Thank you again. Thoughts, comments? I don't see any hand in the chat room. Claire, over to you.

CLAIRE CRAIG: Hello, and good morning to those of you in the room and to our participants online. I am Claire Craig. Can we go to the next slide, please? Okay. So I'm going to be giving you the ALAC perspective on the applicant support program. One of the things that the ALAC noted was that the GNSO report underscored the importance of creating an early awareness program. And we realized that the ASP and the new gTLD programs are intrinsically linked, so outreach and engagement need to go hand in hand. And we believe that we at the ALAC and the At-Large community, this is a good community where this help can come from for this next round of applications. Because our outreach and engagement network is a vast network. The aim of the RALOs and the GSE regional -- there's an aim for GSE and regional collaboration through FY 2025 regional outreach plans. And we need to understand the country and market potential, identify the target audiences, build the RALO capacity, help shape and disseminate communication

materials, focus on value of operating the gTLD business cases, kind of like resource in a box, similar to what is being done for the universal acceptance where you go into the communities and there is a packaged type of -- there are different packages to ensure that the persons who need to present this information to their communities, the information is readily available where they can give it out.

As you may know, we are currently in the community awareness stage, which would have started May, and that is supposed to run until October 2024. So even though the opening of applications is expected to be around April 2026, we believe that this is a good time to start this awareness campaign so that our communities are aware of what is happening, they are aware of the program, and the targeted audiences can effectively be part of this next round. So some early work has happened in 2023 with 10 countries, but there needs to be even a more concerted effort as we move forward.

So the collaboration, we need to just find out how we could collaborate with you effectively as GAC on outreach and engagement, efforts are pending finalization for the string application fee, the ASP fund, receipt of proposed communication materials, we're still waiting on some of those, as well as discussions with the GSE team.

So we just want to hear from you how we could collaborate in this, especially now, where we are in the early awareness program and we really want to reach out and engage as many, especially the underserved regions and those places that may not have been part of the last round that we may have missed. So thank you very much for this opportunity to speak to you all this morning.

NICOLAS CABALLERO: Thank you very much for that. Claire, let me pause here and see if we have any immediate reactions from the floor at this point. I don't see any hand up in the room. There are no hands in the chat room either. That means that we're okay to move on. Let me give the floor then to my good friend Ros Kennybirch from the UK. Over to you.

ROSALIND KENNYBIRCH: Thank you. Nico, just to clarify, are we having an introduction from the ALAC first on this before I present reactions? Sorry, I thought there was a follow-up point, but my confusion. Thank you. Yes, I mean, just to say thank you so much and to how collaboratively we've worked with ALAC on this and again, apologies, I thought Justine was coming in on the floor. Hence the confusion. My apologies. But this obviously remains a key topic of interest from the GAC, ensuring that the applicant support program focuses on facilitating global diversification of the new gTLD application program.

And as you all remember at ICANN 79 in San Juan, we had a really excellent bilateral with the ALAC and thank you so much to the ALAC in particular for taking forward the incubator proposal. And we were really pleased to see this morning, and apologies, this slide is not up to date, but it's all good news that we saw that the revised recommendation 17.2 has been approved by the board. So from a GAC perspective, we're also very pleased to see this and are looking forward to that holistic approach to the applicant support program being implemented.

As we've discussed, of course, the ALAC and the GAC have been working outside of ICANN meetings to be able to track progress on the ASP, noting that of course we only have three opportunities to meet per year. And one of the points we obviously took forward in between this meeting and San Juan was writing a joint communication. So I think we can think creatively about how we use our intersessional time before ICANN 81 in Istanbul to see how we can track progress, because I think really the two points I wanted to make in follow-up and here today are one, this program, work is being taken to implement it, develop outreach, et cetera, but in order to really keep ensuring our voices are heard and that implementation, support the successful implementation of the communications and outreach, but also the program itself, it will be really important to be dedicating intersessional time between ICANN meetings. So again, I would encourage members that aren't already involved to join the GAC applicant support program small team. And I'm pleased to say that our small team will be having a bilateral on the ASP with ICANN staff just after this meeting. So we'll be able to report back observations from that, but we'll hopefully be using that meeting to brainstorm ways we can keep in close communication ahead of Istanbul.

And I think secondly, we are really reaching some key points in the delivery of this program. So I would really encourage GAC members from underserved regions to be really broadcasting this opportunity to organizations in their countries. There's a good window to prepare now, and that will help applicants make sure that they're ready to go when that 12-month window opens.

And then finally, there are a couple of other points the GAC is still looking at. For example, there were many questions raised about the first come, first serve issue that was raised and how the 12-month application period will be approached. So would welcome further GAC discussion on this matter and we'll report back again from the bilateral meeting taking place shortly. But again, finally, just to conclude, a huge thanks to our ALAC colleagues for all the collaborative work on this. And let's work together and including after this bilateral meeting to find creative ways we can influence and deliver on our mutual objective intersessionally and not just look to collaborate in meetings as well, which we have been doing as demonstrated by the latter. So thank you so much.

NICOLAS CABALLERO: Thank you very much for that. UK, Ros. Any reactions in the floor? Thoughts?

CLAIRE CRAIG: Nico, sorry, there's a comment in the chat from Joanna. So Joanna suggested it might be useful to go back to the idea of joint capacity building sessions to raise awareness among members of both communities on the procedures and significance of issues based in this season intersessional. So she said she and Christina are willing to support this effort.

NICOLAS CABALLERO: Perfect. Thank you. Thoughts, comments, questions? Nigel, please go ahead.

NIGEL HICKSON: Yes. Thank you, Mr. Chairman. And thank you, Ros, for your remarks on applicant support. And it is great that we'll be continuing to discuss this. I suppose I had one question and one point. The question was about applications that qualify for applicant support. And this links to the contention to an extent whether they will be treated differently from normal applications in that sense. So although, obviously, if they're accepted as an application for applicant support, then there would be fee waivers or reductions in fees and that. But would they be treated differently from normal applications in terms of contention? I just wasn't sure on that point. And that's one that we might explore further.

The second one really was the application window, which – and really flagging this for our ALAC colleagues as they've been so gracious in showing their thoughts on application support with us. And thank you so much, colleagues, for all your support on this. And that is, I think, for some of us, and I just speak for myself and others will have different views, but I just find it not acceptable that we have a first-come, first-serve system for these applications that qualify for application support.

By its very nature, if we are only going to get 40 or 50 applications, which is the assumption made by the ICANN organization, then these will need to be looked at and evaluated, whether by a special group of people or in some process, to look at them on their merits, not whether one came in on February the 1st or one came in on February the 2nd. That is

completely and utterly irrelevant. We must look at these applications on their merits. We must look where these applications come from. We all want diversity. We spent the whole of Sunday talking about the need for diversity and inclusion, inclusivity in ICANN. And so we're not going to have a first-come, first-served. You know, this is just not acceptable, and we need a process under which those applications can be looked at for the value that they bring to the communities that they come from, wherever those communities are. But yeah, that's just a thought.

NICOLAS CABALLERO: Thank you for that, Nigel. Any other comment? Thoughts, questions? I don't see any hand in the room. Go ahead, please.

MOHAMED EL MOCTAR MOHAMEDINE: Thank you, Chairman. Mohamed El Moctar Mohamedine, the GAC representative of Mauritania. Thank you, Nigel, for this thought. And to share with you my thought process during the presentation on the contention issue, I was thinking why don't we just apply the first-come, first-served basis? But I kept that to myself because I'm sure there is a lot of thought and discussion that went into that already. And since the issue is being brought here as well, well, I think it would make a lot of sense for ICANN to be consistent in its approach and conflict resolution or contention resolution among all issues. So I am bringing back this issue and whether that is a solution to the contention issue that we just discussed. Thank you.

NICOLAS CABALLERO: Thank you, Mauritania. Any reactions to that? Claire?

CLAIRE CRAIG: Claire again for the record. I just wanted to respond to Nigel. I agree with what Nigel is saying. The issue, however, at this point is that whether that is so or not, we really need to make our applicants aware of what they are up against. So if it is that it is a first-come, first-served, then applicants need to know that they need to be ahead of the game from very early. And hence the reason we at ALAC and At-Large are encouraging the communication and the outreach and engagement to the regions from now. As soon as we get material from the comms team, we need to be working through with the GAC, with the regions, with our RALOs, with our ALSes in the regions to ensure that they understand what is happening and how they can participate in this next round. So we're going to be stressing the need for the outreach and engagement, and we really want to work with you and with ICANN Org to ensure that the regions -- that everyone is aware of what needs to happen to be successful. Thank you.

NICOLAS CABALLERO: Thank you, Claire.

JONATHAN ZUCK: I think your question was whether or not first-come, first-served could be an answer to contention resolution as a problem. You know, I think part of the reason ICANN talks about first-come, first-served is because they're very risk-averse. So as Nigel described, making an impassioned

plea for creating a value judgment between applications, I think that's something ICANN is very afraid of. And so that first-come, first-served objectifies that. But as far as contention resolution, I don't know if that is the right answer or not, because it might be that you have to let people know, then you're going to have a scramble for people to come in first and not get the best application. It's interesting, but I think it's a cop-out for the organization to use first-come, first-served because of the risk adversity, basically.

NICOLAS CABALLERO: Thank you, Jonathan. I have India next in the queue. India, go ahead, please.

T SANTOSH: Thank you, chair. So as mentioned by my colleague, Nigel, we second the point he has made, and we would like to want to understand if there is any intention to make an action plan, particularly about the role and the support needed from the GAC regarding the awareness for the second phase. Thank you.

ROSALIND KENNYBIRCH: Yes, thank you for that question. I guess I interpret that question in a couple of different ways. I think one of the things the GAC has asked for is a communications and outreach plan, and that's action in regards to engagement. But we've also asked for action on a budget and clear financial parameters for the applicant support program. So those are two points we're continuing to follow up, and I would expect to see text

in our GAC communicate, given how much those subjects have dominated discussion this week. As for the GAC's action plan itself, the GAC ASP small team has been meeting regularly, hosting experts to get feedback on specific questions. One of those outstanding topics where the ball is in our court, so to speak, is on the backend registry services platform idea that we had raised previously. So we continue to meet with experts across the multi-stakeholder community on these matters. And one of the things, as I mentioned, it's great news we'll be having a bilateral, in I think just 15 minutes now, with ICANN Org staff, is that will be an important opportunity to discuss how mutually we can continue to meet and track progress on the specific actions we have asked for and requested. I hope that's clear. I hope I understood your question adequately, but happy to discuss further. Thank you for the question.

NICOLAS CABALLERO: Thank you, UK, and thank you, India, for the question. Does that address your question? Okay. Thank you. And I have the UPU. Go ahead, please.

TRACY HACKSHAW: Thank you, Nico. Just wanted to touch on what Claire said about the first come first served issue and mention the issue of languages, which I think is very important. So while we understand that the guidebook -- handbook, sorry, applicant guidebook and the materials will be translated to UN languages, six, we have to recognize that that's not all the languages in the world. So one of the things that we have to understand is that when we go to other countries that don't speak the

UN languages, they also have to translate those languages into their native languages. That will take time. And there's a cost involved in that. So one of the reasons why we are promoting the idea of not first come first served, but ensuring that everybody gets an equal chance to have enough time for all involved to have an equitable chance at reading the material, understanding the material in their native language, not necessarily UN languages or the English language. I think that's very important to understand. And that was also a failure of the last round. So you're trying to correct that this round. So I want to make sure that's -- it's a nuance point, I know, but it's very, very important, especially in many of the underserved regions. Thank you.

NICOLAS CABALLERO: Thank you very much for that, UPU. UK?

ROSALIND KENNYBIRCH: Thank you, Tracy, for that valuable comment. I think that's a really excellent point and also one that we haven't perhaps explicitly addressed in previous GAC communiques. So again, given the discussion this week, this could be an excellent opportunity to do so. Thank you.

NICOLAS CABALLERO: Thank you again. And I have Argentina next.

MARINA FIEGO EIRAS: Good morning, Chair, and highly esteemed delegates. Well, in relation to this concept of first come, first serve, we as GAC members will have a forecast of what to expect of the start of the application round, because I remember that in the last public meeting, there was a kind of chart with an undetermined date starting on 2025, if I am correct. So in order to create awareness on this topic, we will know when this application round starts. That is the question. Thank you.

ROSALIND KENNYBIRCH: Yeah, thank you for that question. It's a really great question. And I think there's a couple different elements to it here. One is it goes back to the theme we've been talking about today about how -- and as Claire was really stating explicitly how important it is to be raising awareness early of the program. In terms of expected launch, I believe off the top of my head the applicant support program will firstly -- it will open 12 months before the next round of applications for new gTLD is launched. So it will come first. And off the top of my head I believe it is expected to open in Q4 2024, but please correct me if I'm wrong, but I believe that's the expectation. So really what that means is if we're looking to Q4 2024, the time to be raising awareness of that program in our countries is now. So I hope that answers the question on the timeline.

And just to come in, because I know I mentioned it in my remarks earlier, but on the first come first served, just to reiterate, I don't think I could have said it better than some of my fellow members on the panel and some in the audience. But just to reiterate that we do, as discussed as a GAC, the other day we do see that as a concern. It could privilege certain groups with resources over others. And I would just tie that back

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to Tracy's point made earlier too about language provision. It may take longer for someone preparing an application, an organization preparing an application when their main language is not English and they are hiring translation services, etc. So we would really want to be careful that that wouldn't disadvantage if there was a first come first served basis within the agreed 12-month time period. Thank you.

NICOLAS CABALLERO: Thank you, UK. Thank you, Argentina. Any other questions? Any other comment, thoughts? I don't see any hand in the chat room. Claire, go ahead, please.

CLAIRE CRAIG: I just want to add a little bit to what was just said. The community awareness is actually – the timeline is May to October 2024. So we should actually be in a community awareness segment right now. Hence it is really important for us to work with the ICANN Org comms to get that communication and to get whatever campaigns we are going to be running to get those out. It now is also the time for us to be working – for GAC and the ALAC to be working together so that we can get information out to our communities so that they are aware. I know what Tracy said about the need to have the communication in the languages of the prospective applicants. Yes, we know that takes time. But we have a timeline right now and we need to make use of it. So yes, we can push ICANN Org to get that communication out, but we also have to push – sorry. We could push ICANN Org to get the communication out in the languages of the perspective applicants, but

we also have to push them to get information and communication material out now so that we can ensure that we have a good campaign running for this community awareness period. Thank you.

NICOLAS CABALLERO: Thank you so much, Claire. Any other comment? I don't see any hand in the room or in the chat room. So at this point, let me give the floor to Kristina Hakobyan, who is the GAC liaison for a moderated Q&A session. Over to you, Christina.

KRISTINA HAKOBYAN: Thank you, Nico, and thanks all speakers for your great presentations and reactions. Now we are open the floor for the Q&A session, and I encourage everyone to ask the questions and share your thoughts. At this moment, we have one observation from India. If you like, I will read it. So in the humble opinion of India, present representative, a strategy for processing application taking into account the classroom is elusive. So first come, first served is a simple approach for avoiding contention, and over a spell of time, a small start and progress will even out. I don't see any hands. Please raise your hands and write in the chat if you have any questions. Paul has raised his hand.

PAUL HJUL: Hi, good afternoon. Thanks. On that observation, I do think that the observation is largely true. I think preventing collusion and so on is going to prove elusive or at least imperfect. And so there is value particularly for a registry operator that's got a top level domain to say,

well, we're just going to go back to first come, first served for strings within our registry. But the fact that something is difficult or imperfect doesn't mean that it shouldn't be undertaken. And I think the fundamental problems that will arise by perpetuating a first come, first served approach to global top-level domains far outweighs any challenge and imperfection that can arise. I do agree with the thrust of the observation, but I disagree with its overall conclusion.

KRISTINA HAKOBYAN: Thank you. We have a gentleman in the back.

BILL JOURIS: Thank you. We seem to have a consensus, at least among the few of us who've spoken up, that first come, first served is a terrible idea. And I'm wondering if we want to put some kind of joint GAC/ALAC communication to the board saying something, and I'm sure we can phrase this more diplomatically, but saying something like you say you care about diversity and underserved regions, so you have two choices. You can either do evaluations of what comes in, or you can translate the applicant guidebook into every possible language, and there are 3,000 in Africa alone, so good luck with that. And then you can do first come, first served. But if you don't do that translation, you're going to need to do evaluation. Those are your two choices. As I say, I think that perhaps can be phrased more diplomatically, but I think that's the essence of what we might want to say to the board jointly. Thank you.

ROSALIND KENNYBIRCH: If I may respond to the, I mean, just to say I think that's an excellent suggestion and just really mirrors the discussion of today of showing how aligned the ALAC and the GAC are on these issues and how we can work intersessionally as well. I know we worked together, of course, on a letter to the board following last ICANN meeting. This sounds like an excellent opportunity to do so too. And well noted on the choices you've set out as well, I think it's a very valuable comment. So thank you.

KRISTINA HAKOBYAN: We have Greg in the queue, and he's also asked a question. Greg, the floor is yours.

GREG SHATAN: Thank you. I think in this case, ICANN is really duty-bound to seek to prevent collusion to make sure that this is a competitive and fair process. I think that ICANN would be open to all sorts of potential antitrust liability if they did not, as well as lack of a reputation and all of that. It kind of comes with the territory of running an auction-type system or a contention-type system that it should be as fair and accountable as possible.

Secondly, first come, first serve would be a fundamental sea change in how the entire system of allocating top-level domains has been working. It's even fundamentally would change the whole idea of having an application window. The whole idea of having an application window is that everything that applies, all applications that come in through the window are treated equally, and the idea that we're going to turn this into a race to the gate for something as important, as unique

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as a top-level domain, which there is only one in the world. There might be substitutes or replacements or equivalents, but there's only one of those. And that's just going to be based on speed. Again, I think it could be a complete change. And for other reasons that have been mentioned already, just would be a terrible idea. But it really, it would mean changing a lot more about this entire process, as well as fundamentally different in many ways from everything that was considered by the working group, by the GNSO Council, by the board. So you really have to kind of blow up everything to have first come, first serve. And you don't generally blow up things that are a terrible idea. Thank you.

KRISTINA HAKOBYAN: Thank you, Greg. Do you want to take a thought?

ROSALIND KENNYBIRCH: Yes. I think we're getting a lot of good ideas and suggestions and comments on this issue in the room. And I think we see a bit of a consensus forming between ALAC and GAC views on this matter. So keen to hear from others as well. But yeah, just to reiterate my previous comments and those of the panelists as well on this, and certainly agree with your observations, Greg. Thank you for raising them. Thank you.

KRISTINA HAKOBYAN: Thank you, Ros. Next we have Hannah. I think she's from Fellowship Program.

HANNAH FRANK:	Hello. Hannah Frank for the record. ICANN 70 fellow and from Argentina. I was reading about the application fee for the new round of gTLD. That is about $300,000. According to this, do you expect that the applicant support program could receive more applications due to this new fee? Thank you.
KRISTINA HAKOBYAN:	Okay. Thank you very much. The next is Alan Greenberg. I'm sorry, Alan.
ROSALIND KENNYBIRCH:	Yeah. Happy to come back on that. And I'm not sure I completely understood the question, but I think there was a point about fee reduction in there. The GAC has previously advocated for in its previous communiques for a complete waiver on application fees for those applying through the applicant support program. Through work proceeding on the cross community SubPro IRT sub-track on the applicant support program, it's looking like the application fee will be around 15% of the total. So an 85 to 75% reduction. Of course, the GAC has strongly advocated in previous communiques, as I said, for a full fee reduction. But just to clarify the point, that's where it's looking at landing at the moment and welcome further discussion, comments, feedback in that regard too. And actually, one final point on that. To say that one thing we've also pushed, and I think we could continue to look to push as the program gets underway, is if there are more qualifying or successful applicants than the 40 or 45 figures we were given the other day, I think the GAC could be in a good position to request that ICANN

look if more funds could be made available to support all qualifying or successful applicants. Thank you.

KRISTINA HAKOBYAN: Thank you, Ros. Alan, the floor is yours.

ALAN GREENBERG: Thank you very much. I must have missed something along the way, but can someone explain where the first come first serve idea comes up? Because if ICANN adopt that, it's going directly back to the digital Archery Fiasco from the last round.

JONATHAN ZUCK: No, no. Yeah, this is coming up on the chat. The first come first serve is for applicant support. In other words, if people are applying for money, that when we run out of money, then we just start telling people that they can't apply for support anymore. That's the context. It's not the broader application round. It's just the...

ALAN GREENBERG: Okay, that was not clear. Thank you. It still goes back to Digital Archery.

JONATHAN ZUCK: It's still a stupid idea. It's a narrower stupid idea than we thought.

KRISTINA HAKOBYAN: Thank you, Jonathan. So, we have two more minutes for the Q&A. Natalia, please.

NATALIA FILINA: Thank you very much. I would like to get back to the topic of proper communication with future applicants and clarify the following. We will do a lot of serious outreach work in the regions and convey some important details on the changes in the applicant support program. We will also work in the regions and we want for our efforts in GAC and At-Large be parallel, run in parallel with ours. We want more consistent communication because it's very important for us to know, considering that priority regions were selected for bringing more attention to the applicants from these regions. How will we distribute our efforts? Will it be an even distribution of efforts? And the main question to us, to ALAC and GAC, do we know for sure and do we know the potential of the markets in order to help ICANN understand in the process of applications whether the regions were selected correctly as the priority regions? That's the question.

KRISTINA HAKOBYAN: Ros, please.

ROSALIND KENNYBIRCH: Thanks. It's an excellent question. So through the GNSO guidance process that took place, specific targets for the applicant support program were debated and agreed through that. Work is ongoing through a handbook to specifically sort of tailor or specify on those

points. So work is undergoing in that area, but I would refer to the GGP report guidance document and that's also an opportunity for me to state here today that as we've learned this morning, the ICANN Board has accepted the GGP's recommendations.

One addition I'd make to this is that a key focus for the GAC has been on underserved regions in particular and in that regard, I would refer colleagues to the definition the GAC has used I think for over a decade now on how underserved regions are classified and I know I posted a link to that the other day, happy to do so in the chat here again. Thank you.

KRISTINA HAKOBYAN: Thank you, Ros. And Nigel, please, go ahead.

NIGEL HICKSON: Yes, thank you very much. There was a lot in the chat about first come, first served. And perhaps when I spoke about the applicant support program, I wasn't clear, but I was speaking about the applicant support program, not the wider context of gTLD applications. It was simply in the very comprehensive slideshow we received about the applicant support program, the mechanisms of operating it from ICANN Org, there was this suggestion that applications during this extended window for the application support program would be looked at on a first come, first served basis and it was that that I was expressing my concern on. And the concern really is coupled with what Ros just said and it's also linked to the discussions we had for six or seven hours on Sunday in terms of the high-level government meeting. And that is that

in an application round for applicant support, it would be possible for applications to come, say, from some very remote or marginalized areas of the UK and you might think, well, the UK, an advanced economy, but the same might be true of the United States or Canada or Australia or other countries that you would normally think of as advanced economies in that there might be marginal communities in those countries that might wish to apply. But those applications, of course, need to be balanced again against applications from underserved regions, which is the main thrust of what the GAC thinks the applicant support program should be about. And so that was the context of my comment in that clearly it wouldn't make sense to anyone on earth to take 45 applications if that was going to be the limit for funding, all from one country, just because the people there have got their act together quicker than perhaps some people in other countries.

KRISTINA HAKOBYAN: Thank you, Nigel. We don't have any time, but we have one question. Can we give the floor to this, Nico, if you don't mind? So please, the last question is Mohamed. Go ahead, please.

MOHAMED EL MOCTAR MOHAMEDINE: Thank you. I'm the one who brought up the idea of applying first come, first serve basis on the new gTLD wide approach. And the reason why I did that is because it is a principle that is widely used and even used here within the ICANN for the applicant support. And there is absolutely

nothing wrong about it in terms of contention resolution. That's one thing.

The second thing is that I've heard here on this stage that the first round was a joke for ICANN, unfortunately. And if you are looking for better ways, you certainly need to change the way you use to provide these new gTLDs. So you have to be open to ideas and you have to receive them, you have to discuss them, and you don't have to dismiss them right away in the way that things are being discussed today. So that's really not encouraging for getting feedback from the community wide. And I just wanted to make that very, very clear to all. Thank you.

NICOLAS CABALLERO: Thank you for that, Mauritania. Any reactions to that? UK?

ROSALIND KENNYBIRCH: Thank you for the valuable comment. I think I would just push back a little and say I think the GAC and certainly probably the ALAC as well, we've spent I think over four hours listening and discussing on the applicant support program this week. I do think of course we need to have a community wide conversation on this. This is not for just the GAC, of course. But I think indeed there was a bit of a consensus forming in the room today. And I think we did hear that given the 12-month time period was previously agreed, it just may not -- some unfair or inequitable points were pointed out that certainly merit discussion and consideration. So I would just push back on that a little bit. But really to thank you for bringing up your wider point on the ASP. The last time it was launched, it did fall well short of expectations. I mean there were

three applications and one successful as we've discussed before in the GAC. And we've got to make that a lot better this time. Or rightfully so, we'll all come under criticism for not really pushing this excellent opportunity to applicants through the program to enjoy the benefits of operating a new gTLD. Thank you.

KRISTINA HAKOBYAN: Thanks everyone for engaging questions and comments. Nico, over to you for the closing remarks.

NICOLAS CABALLERO: Thank you very much, Kristina. And thank you for running the Q&A session. Thank you so much, Nigel Hickson, Kristina Hakobyan, Ros Kennybirch. Thank you, Jonathan. Thank you, Claire. Thank you to the ALAC. And while you're drinking your coffee, and this is for my esteemed GAC colleagues, please think about the whole concept of sealed bid, second price auction on the one hand. And on the other hand, the multiplier idea. Of course that's something both things are, I mean we still need to discuss that and fine tune. But for the time being—And by the way, sorry for running over time. We're already three minutes over time. So thank you. Any final words, Jonathan?

JONATHAN ZUCK: Once again, thanks for having us here. We always enjoy working together with the GAC. And as Ros said, we shouldn't confine it to these meetings. So as questions arise, work through liaisons and let's make sure that we keep the lines of communication open and maybe we can

get to a place where we agree on some things. Maybe we add, as Jorge suggested, we add the provision about distinguishing between commercial and non-commercial applicants. And if you get a chance to wrap your minds around the application-based auction process, we might be able to come up with a communication together that will have a high impact with the board.

NICOLAS CABALLERO: Thank you so much. So we'll have a coffee break now for 30 minutes. Please be back in the room at 10:45. Thank you so much. Enjoy your coffee.

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