
ICANN83 | PF – GAC Capacity Development Session
Monday, June 09, 2025 – 10:45 to 12:15 CEST

NICO CABALLERO Could you please close the door? I don't know, whoever is close to the main door, please close it so that we can get started. Thank you very much. And again, welcome back. So, as I was saying, we have a fantastic team. We have Lars Hoffman and his team on the one hand, made up of Lars himself, Eleeza Agopian. Am I pronouncing your... No?

LARS HOFFMAN A different Elisa.

NICO CABALLERO Oh, I'm sorry. Is that another Elisa? Sorry, I got confused. All right, all right. So Elisa, Lars, and, of course, Tracy Hackshaw, who's going to be walking us through the nuances, the details, and all related to the next capacity building session. So welcome back, everyone. I hope you enjoyed your coffee. The floor is yours, Tracy.

TRACY HACKSHAW Thank you, Nico. Welcome, everyone. So, welcome to another capacity development session at ICANN, ICANN83. And today we don't have much time, so it's only 90 minutes only. No breakouts today, so keep that in mind. And this is a session for you, so I really want you to ask the questions that you need to ask. And I've asked

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the team to actually take a look at the GACs role in the applicant support, sorry, the next round program.

So if you were to take a close look at what they're saying and try to figure out the GAC's role, every time they talk about it, they explain, and here's where the GAC has a role, and here's what the GAC has a role. So if you have any questions about that, you should ask them, they're going to mention early warning, they're going to mention community input. So those are the things I know you're interested, and we will break out those activities later on.

We want to do early warning, simulations, et cetera, when that's ready to go, but in the meantime, we just want to get an overview today of the entire journey, the applicant journey, and where the GAC sits in that journey. So, as I said, it's time for you to take a look at it, ask the questions so that you can go back home and talk to your teams to understand what you need to do to prepare yourself for the upcoming process that you have to go through.

So, without further ado, I'm going to hand right over to Lars and his team to take you through the process. And as I told Lars, every time the GAC has a role, he's going to say, and here's where you have a role. Thank you, Lars.

LARS HOFFMAN

Thank you, Tracy. Good morning, everyone. Thank you for having us. My name is Lars Hoffman. I am the deputy for the New gTLD Program. Marika Konings is sitting in the audience there, waving,

who is the lead for the program. My team and I are responsible for getting us to having an Applicant Guidebook, hopefully adopted by the Board at the end of the year. We've been working with the community's implementation review team for just over two years now to make that happen, and we are on track.

I will go through what looks like a lengthy agenda, we'll give an overview of what we call the applicant journey. So, from the submission moment to the delegation moment, what are the different evaluation processes and steps that an application has to do?

As Tracy said, we'll look at what the GAC has to input there as well and where the GAC comes in. Before I do that, though, something that is not on here, where the GAC has a big role to play, the whole community, in fact, is at this very moment.

So, the Applicant Guidebook was posted for public comment on the 30th of May. It'll remain open for 54 days in total, so that'll get us to the 23rd of July. And so the guidebook is not finished yet. So I really encourage everybody who's interested in the next round. Thanks, Nico. And has ideas or concerns, or would like to give input to use right now. Once the Board has adopted the guidebook, and we anticipate that to happen no later than December this year, and depending on the type of feedback we get, we think it may actually be feasible to do this as soon as the next ICANN meeting in Moscow.

It is really important to make your voice heard, to take a look at the whole document, I know it's a lengthy document, including the

annexes, it's close to 400 pages. Without the annexes, it's barely 200. So that's maybe a little bit more palatable.

But really, take a look at the document, provide your input, whether it is as the GAC as a whole, or as individuals, or as government representatives, you can contribute and help make us a better document. With that, I'm going to talk a little bit about the applicant journey.

My colleague here, Elisa Busetto, will also alleviate me for a little bit. I won't have to talk for an hour and a half. I think everybody will be pleased about that. What I will do first is give a quick general overview of the information for the Applicant Guidebook for the next round, rather.

There's a question here, who can apply for the new gTLD Program? Legal entities, you see that up there, such as corporations, organizations, institutions, as well as governmental and non-governmental organizations and intergovernmental organizations as well can apply for a new TLD.

Essentially, what it means that an individual cannot by themselves apply for a new TLD. We are working towards, and we've been doing that for over two years, to an opening of April 2026. For that to happen, the Applicant Guidebook, which the rule book, has to be adopted by the board and published at least four months before that.

Which gets us to the December deadline that I talked about earlier. The application fee to apply for a new TLD is 220,000 U.S. dollars. Depending on the type of application you have, there could be additional fees applied for, I'm going to talk about some of those later on, or we will. And there's a whole application management system that the organization and the team is building.

So, essentially a system where the applicants will go to submit the applications, but also where interested members of the public, the GAC, obviously, governments, or anybody else who has an interest in the program can look up the application once the application window has closed to take a closer look at who's applied, for what string, and for what purpose.

Most of the information that the applicants will have to submit, the application will be published in that system and it will be accessible to all. Just very quickly, the application fee here, Tracy, I think, had a little misspelled in the beginning, you talked about the ASP program. So there is the Applicant Support Program that is open at the moment.

I don't know whether Christy Buckley is in the room, who leads the Org effort for that. Qualifying entities for the ASP program get a discount and reduced fee, so that will be applied to the \$227,000, as well as to conditional valuation fees as well. So here's a little flowchart that doesn't look complicated. This is the whole applicant journey in one overview.

What I will say to this is that not every application will go through every single step. But this is kind of at a high level, the maximum amount of steps that an application will take. And I've got a really, I'm very excited about this, a really fancy laser pointer, it turns out. So this here's the submission. Apparently, I'm shaking, and that's the delegation and we're gonna. I'm gonna give a quick overview of this with a couple of slides.

We're gonna break this down and then we're gonna go into these three. We have separated into three broad sections and we'll go into those in more details. And, as Tracy said, also point out when and where the guy comes in here?

So the first section, and Elisa will talk us through that in more detail in just a moment, is from the application journey from submission to what we call the prioritization draw. You saw that two slides ago, the application window per policy is going to be open for between 12 and 15 weeks. We have not quite set the date yet, but that's the parameters that the GNSO Council approved and the Board did as well.

So that will be the amount of time that the application window is open for. You see that up here. Let me see if I can do this. That's here. I'm not sure, you probably can see that better in your own Zoom rooms. Once the window closes, there will be an administrative check on the applications and the preparations for what we call the Reveal Day.

We anticipate that to take about 56 days, and my math says that's roughly eight weeks, or exactly, maybe even. Then we get to the first big point of the reveal day. That's the day when all the public-facing information that is contained in the applications will be made public.

So at that moment, everybody will be able to see who's applied for what string, and we get into that concept a little bit later. Those of you who were involved last year, the Board and the GAC discussed mechanisms to avoid less well-off applicants to be in contention having to face an auction where they might lose out against better funded applicants.

And so the concept of the replacement string was introduced. And so after the reveal day here, there's a 14-day period, two weeks, where applicants can look at who else has applied for what kind of string and can I use my replacement string that I have already submitted during the application period?

And then, two weeks after the reveal day, we get to the second yellow here, the string confirmation day, where those finally applied-for strings are going to be locked in. There's some rules around the usage of the replacement string. We get to that later.

And then we get into, you see that up here, the prioritization draw up here in yellow, roughly a month or so after the string confirmation day. And the prioritization draw that happened, for those of you who were around 2012 then as well, that's essentially

a draw, it's in the name, to determine the order in which the application will be processed.

So it's not a first-come, first-served basis in terms of submission, but it depends on at what stage your name is going to be pulled off the metaphorical hat. At the same time, you see that below, and Elisa is going to talk about that as well, the community input and objection period opens.

And this is really, I think, the first moment where the GAC, as well as the wider community and public, comes into play. Overlaying here, a comment period where anybody can make a comment on the application, this will go through the application system. We have, crucially to the GAC here, the early warning period of 90 days.

And then we have the objection period and the singular and plural notification, whereby, if ICANN is notified that two strings represent a singular and plural word in the same language, then they would be put into contention, meaning that not both strings can be applied for. And I see Tracy has a question. Tracy, please.

TRACY HACKSHAW

Yes, just for those who... I wanted to point out that many GAC members would not be familiar with any of this from previous incarnations. So can you just differentiate between what you mean by comments and the early warning thing? When you say comment, what do you mean at that point? Yes.

LARS HOFFMAN

Thank you, Tracy. I'll be very quick because Elisa is going to dive into all of this more deeply, so this is the first overview. But essentially, a comment is essentially anybody can make a comment about anything. I know the applicant, and they're really great. I'll put that as a comment.

The GAC early warning is something where government would indicate that they see a potential problem with a string or with an applicant, and they essentially want to warn the applicant that the GAC could develop advice later on this application, which then has a whole different standing than the early warning.

An applicant has the chance to ignore the early warning, they can just proceed and not do anything about that. Whether that's wise or not is not for me to say. But this also can be issued by just a single GAC member or by a group of GAC members. Whereas GAC advice, I'm sure you're familiar with, is a bylaw-mandated process.

So if the GAC has consensus on something, that obviously adds a very different weight to it. The process there for the program is the same as for any other GAC advice and is detailed in the bylaws, and the program does not affect the ability of the GAC to issue advice.

And just to clarify, also, Tracy made a good point, I understand that some of these issues may be new to you and may be difficult to understand, that's why we're going to essentially do a relatively quick overview, and then we'll deep dive back into all these issues

after that. So this is probably the most complicated of those middle steps. This is the string evaluation and contention resolution.

So, we come from over here, from A, that's the endpoint of the previous slide. You see the A up here. That's the same A here, and we continue. And what we have here is the string evaluation, which we anticipate to take about four to six months, where every string is going to compare to every other string to see if they are visually confusing. This is done by an X outside panel.

And from what I just said, you can probably imagine this will take a lot longer if you've got 5,000 applications and you have to compare 5,000 strings to one another than if you had 100 applications and you have to compare 100 strings to one another.

And so the timeline here will simply depend on the amount of strings that are applied for. If an application is in contention, that means that they're either identical strings or they are strings that are found to be visually, confusingly similar, or they have been subject to a singular and plural notification, what I talked about earlier, then we'll move into contention resolution.

If you have your Zoom room open, you'll see that this is actually meant to be yellow. It doesn't quite reflect as well on the big screen. And the contention can be resolved essentially in, I'm going to call it, two and a half ways. The most straightforward way is an

auction. I don't think I have to go too much into the principle of what that means. People bidding and the highest bid wins.

The rules of the auction are slightly different than what you maybe see from some... Well, I'm a fan of bargain hunting in the UK, but that's a different story where you see the hammer come down. This is a second price auction, meaning if I make the highest bid, I don't have to pay what I actually bid for, but I have to pay what the second highest bidder exited the auction with. So if Elisa bids 10 bucks and I bet 12, I win the auction, but I only have to pay \$12 in that case.

The other way to resolve contention is the community priority evaluation, meaning that an application can determine or apply to represent, in fact... B, a community. There's criteria around this. They're all detailed in the Applicant Guidebook. And if a CPE applicant is in contention, they can elect to go through this priority evaluation.

And if they're successful, they will come out of their contention set as the winner, they do not have to go to an auction. And then, finally, this is kind of the halfway to resolve contention. If you're a brand owner, and you apply for a brand, then you have the ability at this moment to change your string.

There's also rules attached to that. It has to be an extension of the string that you applied for, and the term that you use to extend your string has to be part of your trademark documents. I know this

sounds very technical, but for completion, I will add this here. We go into that more detail later as well.

To give you an example here, if you are United, an airline carrier, and you applied for .united, and somebody else did as well and you don't want to go through an auction and you're not a community, then you could opt to, for example, change your string from .united to .united-plane or travel, or whatever you would like to think about that. But you can't all of a sudden go from .united to .example.

It's not a free change that they can do, it's a limited change and it has to be built onto the original string that they applied for. And once the contention is resolved, meaning that there's only one string left that has come out of contention as the prevailing applicant, then we go into the final phase, which is the application and applicant evaluation.

So here we will look at the applicant's financial and operational evaluations, background screening, this applies to all applications. And then you see here the application evaluations. These will largely depend on the type of application that you have, meaning not every application will undergo all these evaluations.

And we'll go into, again, more detail on these evaluations later on. And you see this here. There's an extended evaluation and challenge mechanisms. So, essentially, if an applicant were to fail

any of these, they can challenge the outcome of that. Again, there's rules around that. All of that is detailed in the guidebook.

And then, finally, we move to contracting and post-contracting. Before we kind of wind back and I'll pass it on to Elisa and get a drink, I just want to add that I spoke very briefly about GAC advice earlier. So the GAC early warning period that we talked about that any GAC member can submit to an application or an applicant, the GAC advice obviously can be issued at any moment.

So there is no limitation that's been put on the GAC. There's a certain window where GAC advice can be issued. As I said in the beginning, it's a bylaws process, so the advice we are aware of and the applicants as well could come in kind of at any moment.

I will say that I think, to make it easy on the application, the applicants with many things in life, the earlier the better, but the GAC is not prohibited from issuing advice at any stage here. And with that, I'm going to have a... oh, I've got a hand up there. And then I'm going to pass it to Elisa. Go ahead, Tracy.

TRACH HACKSHAW

Oh, thank you. Before the questions, two things I wanted to know about housekeeping. Don't forget to use your headsets if you are not native English speakers, because you won't be able to understand what's happening if you're not native English speakers.

So use your headsets, please. And secondly, if you can't see the text too well, don't forget you can log into Zoom, and you can use Zoom

to zoom in to see better, okay. So please do that if you're not seeing the text clearly. Thanks. Questions.

LARS HOFFMAN

I think there was a question over there.

NIGEL CASIMIR

Yes. Hi, I'm Nigel Casimir from the Caribbean Telecoms Union. Did you say about or do you have an estimate as to how long this process would take?

LARS HOFFMAN

That's a great question. Nigel, thank you for that. The period that we estimate, and I alluded to that a little bit earlier when I talked about the string evaluation, the string similarity evaluation, if you get 5,000 applications, that will take a lot longer than having 500 applications. So we estimate, based on the planning, that if we receive 2,000 applications, that we will take from the beginning to the end about 15 months, 15 and a half months.

That is for those applications that are not subject to GAC advice, objections, that don't have to go through contention resolution. Those processes will take time. We've seen that in the last round, that can take months. The community priority evaluation even took, in some cases, went into years.

So some of these processes can certainly hold up or prolong the applicant journey. But if you have an application that is on

contention, that is not subject to any objections or to GAC advice, then we estimate this to take about 15 months. Thank you.

TRACY HACKSHAW

Yes, I understand. There's a question in Zoom as well.

LARS HOFFMAN

I've got two hands up as well.

TRACY HACKSHAW

Yeah, so let's take the Zoom room question, Julia.

JULIA CHARVOLEN

It's actually Ashwin who's in the room here, who has his hand raised. I don't know where he is.

LARS HOFFMAN

Go ahead. Sorry.

ASHWIN

SASONGKO Yes, thank you. My name is Ashwin.

SASTROSUBROTO

LARS HOFFMAN

Hi, Ashwin.

ASHWIN SASONGKO Yeah, my comment is about this new gTLD, sir. Looking at the previous launch of new gTLD, very few years ago, we have several problems, like starting with .spa and so on, and so on. And after that, we have .islam and .halal. That even make OIC have several meetings and many countries, including Indonesia, send a letter to ICANN for objection and so on.

SASTROSUBROTO

Now, this name like .Islam and .halal is a concern of many countries, like .spa, that is Belgium concern, but supported, if I'm not mistaken by EU countries, because it is a city name in Belgium. Now my question is, how do you consider if a sensitive name is only sensitive for a one country, not for various countries? And how ICANN will take care of the objection of that particular country. That's one.

Secondly, is that sensitive names may change from time to time. I mean, today, perhaps, a particular sensitive name is okay for Indonesia, but in two years' time, might be sensitive, might cause a lot of problems, which I do not know. Now, how can ICANN take care about that kind of problem. And number three, about geographical names. ICANN bylaws arrange that geographical names like .amazon, dot whatever, you should ask the permission of the country.

The problem is geographical names is so high. Indonesia, for example, has 17000 island. I never remember the name of the island. Now, it may happen that my colleagues from some countries put a name of a particular city or particular island. How

can I know, how can we know that, even in Indonesia, that is a name of a particular small island.

Perhaps we know it after there are some complaints from the citizens of that island. But by the time, perhaps it's already passing, by the end of 2026, or perhaps 2027. So how can this problem can be taken care of? Thank you.

LARS HOFFMAN

Thank you for that. That's a big question or big questions. I'll try my best here. So I will say one thing first, is that, as you know, based on the multi-stakeholder model, ICANN as the organization can't just make rules. The program is based on the recommendations that the community, I believe with GAC participation developed as part of the SubPro PDP.

And we are now implementing those recommendations and working with the community to do so. I'm going to start in the back. On the geographic names, so there's some protection around that the community decided is necessary. They are particularly about capital cities, based on the countries and territories listed in the ISO list.

I don't have the number on top of my head. I want to say 361. 3166. Thank you, Chris. So, the countries and territories that are listed there, the capital cities thereof, are protected and can only be applied for if they have explicit support from those city

governments or officials. Other geographic names are also protected.

There's the UNESCO regions, including the continental names, country names themselves as well are not allowed at all to be applied for. You mentioned a small island, last time around, we had the city of Spa that had some concerns. There was an application for .spa. Obviously, it has different meanings in different languages.

And as you rightly say, there's a lot, thousands, 17,000 islands in Indonesia alone, but hundreds of thousands of geographic names throughout the world. The way that the community decided to develop policy around this is to say if a string is applied for to be used around a geographic marker. So if I put forward an application for .spa, I'm going to use that, it's been delegated already, so maybe use a different example for .prague, and I use the German spelling PRAJ, G, sorry.

Then if I use that for something through my application that is unrelated to the city of Prague, though Prague as a capital city, it's a very bad example, actually. Bresno is the second city in the Czech Republic, I believe in Czechia. Then if I use it to serve the community of that city, and that's apparent in my application that I'm targeting that area, then I need the support of the city authority as well to be able to do that.

If the case, like we saw with .spa last time around, where they were not aiming at the community of spa, the town in Belgium, but at

those people, beauty spas, etc., etc., is what they wanted to use it for, in that case, they would not need the support of the city or the government. That's the policy that was developed and that we implemented here. So to go back to your island example, there would be, if they wanted to serve the particular island community, they would need the support from the authority. If you want coincidental match of letters, then they would not need that support.

There is a geographic name identification moment in the journey, we'll talk about that as well later, where an expert panel will look at every string to see whether there is a geographic connection there. And if there is, they will then see whether that application wants to serve in any way that community, and then if they have the appropriate support from that authority or not.

I think that was the second question, and then there was something else now that I now forgot. Did I answer your question? Yeah, something that is sensitive now that becomes sensitive later. That's a good question. The short answer is, we don't have policy on that. So if a string is delegated, it's delegated. The easiest example, actually, we have, if you want, a case like this already.

So, the three-letter codes of countries and charities also cannot be applied for based on the ISO 3166 list. Thanks, Chris. But as you may know, Com.com is actually the country code for the Comoros. So that was the policy to prevent three-letter abbreviations for

countries and territories was brought in after .com was brought to the root.

And so that's the exception to that particular rule that we have today already. And so that would, unfortunately, I think, from your perspective, apply going forward as well unless we hear different from the community, if there was policy developed that would be contrary to that, we would implement that and then take the measures as needed.

TRACY HACKSHAW

I think we have two hands in the Zoom room. Rudy from Germany.

LARS HOFFMAN

That was, sorry, hand up over there first.

SPEAKER

Thank you so much. I just had a quick question. This was a really useful run through. Thanks so much. Is there any difference to the way that the 2012 round went? Is there any tweaks that you made to make it more efficient or is it just the same thing that was done the last time around? Thank you.

LARS HOFFMAN

Thanks. It's definitely different than the last time around. We had over 140 recommendations from the GNSO or from the SubPro PDP that we implemented to redraft the Applicant Guidebook. If you

were to, in the comfort of your own home, do a red line between the AGB from 2012 and this one, it just be read, essentially.

Having said that, the principle of evaluating strings for similarity, evaluating applicants on their background, looking at sensitivity of strings and whether or not they need extra protection, those processes remain in place. I think we have, and I'm not sure whether since this deck, we have a lot of decks for this week.

But there's two things I think I want to call out here. Both of them are based on board resolutions. The first one is, I spoke about it very briefly, is the replacement string. So that did not exist in 2012, meaning that every applicant can apply for a string.example and then can also in the application mark a second replacement string or one replacement string, a second string, replacement string, that does not have to be related.

So, remember, I talked about the brand string change, it has to be kind of the same with an addendum if you want. Here you can apply for .chair and .lamp as your replacement, if you wanted to. And that is really done to hopefully minimize the occasions where strings are in contention and have to go through an auction or through the CPE process.

Both of them bring inevitable costs with them as well. And in fact, the second big innovation around this as well, and I know that GAC, I think, had some concerns around this as well, expressed in previous advice and issues of concerns, is the private resolution of contention. So, in the 2012 round, applicants were in fact

encouraged by the Applicant Guidebook to talk to one another if they're in contention and to resolve this privately.

And to many in the community, that led to a situation that they did not like, some liked it, I think more didn't like it where there was deals being struck and application withdrawn and money being made in a way that maybe some people did not foresee what would occur. And so the board has passed a resolution, and this is also very clear in the Applicant Guidebook, that private resolution of applications is not permitted.

So if you are in contention with another string, you are not permitted to communicate, it's not even that you can't come to a conclusion, but you're actually not allowed to communicate with one another until the contention is resolved. So I think those are the two big differences here. The other thing I will say, which will make the process slightly more efficient, and I somewhere left the clicker, I have no idea where. Elisa has another list of... Why don't you say that, Elisa?

ELISA BUSETTO

Thanks, Lars. A couple of other things that were changed compared to the 2012 round that would probably be of interest to you is that there will be additional scripts. So compared to 2012, now we have 25 available scripts for strings, and probably we will have 26 by the time the round opens.

Also, entities will be able to apply for IDN variant TLDs. And something else that changed is a much more strengthened Applicant Support Program, or ASP, as you probably know.

And something else is the fact that we have a standalone registry service provider evaluation program, which means that registry service providers will only be evaluated once even if they're going to serve several gTLDs. And I think Lars wanted to add something.

LARS HOFFMAN

No, I think you covered it, actually. It's good. It was the RSP as well. Is that helpful? All right, great.

TRACY HACKSHAW

Lars, there's three hands in the Zoom room. So there's Germany, PNG and Netherlands. And I'm not sure if you want to take them all, or you want to take one at a time.

LARS HOFFMAN

I would prefer one at a time.

TRACY HACKSHAW

All right. So, Rudy.

RUDY NOLDE

Thank you. Rudy Nolde, Germany. First of all, thank you for this helpful overview. I love flowcharts, it makes it much easier to

understand. I have a couple of questions, but I think I will reserve them until after we get into the specifics.

So maybe one question on this applicant journey, right in the beginning, between the reveal day and the string confirmation day, we have this replacement period. Is it only possible to replace the string when there's a possible string contention, or also when the applicant just has a change of hearts?

LARS HOFFMAN

Great question. Thank you, Rudy. We discussed it at length with the IRT, with the Implementation Review Team, there was different views on that. But where we land in the end is that, we said, the easiest to say, you can change freely. Because if you apply for .chair, and you see another application for .chairs, you're not a direct match. You may not be found confusingly similar.

This happened in the last round. Plurals were not always found confusingly similar to singulars. And nobody may care about that, that you are singular and plural, and so ICANN may not get a notification and both strings could be delegated. But obviously, there's a risk to you, right? You're not in contention at this moment, but there is a good chance that you may be, you may actually be confusingly similar, seems maybe likely.

And maybe the other person doesn't want you to go for the singular of your string, and so they may just notify they have the right to do that. And so that moment, you can change away from that if you

wanted to. In fact, the guidebook has that, I'm not sure if it's a footnote or in the text. In any case, we will encourage people not to apply for the single and plural of their string as their replacement, because that in that case, could, in fact, be detrimental.

So we encourage slightly different strings, and then if people think there's a risk that they may be in contention, because you can look at everybody else's applied for strings and everybody else's replacement strings, then you are free to switch over to minimize the chances that you get caught and have to go to auction or in fact, lose out to a CPE candidate, where, if they prevail, literally all the money in the world in an auction will not help you, because you won't even get to that. Okay, thank you. And then we have...

TRACY HACKSHAW

PNG.

LARS HOFFMAN

PNG.

RUSSELL WORUBA

Lars, thank you very much. It's good to be here in Prague, and thanks to our Czech colleagues for hosting us. My question is more an implementation question and I hope you can clarify.

So, as a GAC representative, and if there's a string that concerns me in the actual system, how do I know that it concerns me? How do I

get in to check? How do I actually know if it's an island in my country that I will need to, as a government, to come in and to early warnings in that case?

LARS HOFFMAN

So the short answer is, it's going to be up to you, but all the information is publicly available. So we have on Reveal Day the yellow dot, so this is the first day where everything is going to be made public. We'll have the list of all the applied force strings. We'll make sure that they're published in a way that they're easily accessible.

You don't have to click through a thousand applications to look for each string in there, but you get maybe a single list. And at that moment, it is to the governments, intergovernmental organizations, the wider public, in fact, to review those strings and see where there are possible concerns. And in fact, if you think about that, we talked about the GAC early warning period being 90 days, but essentially, you have reveal day where everything is out there.

Then you have the two weeks, you have the string confirmation day, and so there's a period as well in there where you have additional time to look through those, and then the government can issue the early warning, which is a very straightforward and easy process.

And in fact, at that moment, we also encourage, and if possible at all, engagement from either the GAC as a whole, but maybe at that moment, more likely individual members who have concerns to communicate with the applicants to better understand what their string means, what their purpose is, how they want to use it, and then where that rises to the concerns. But it is public information that concerned public or governance will have to review in their own time, I'm afraid. Thank you.

TRACY HACKSHAW

We have Netherlands.

MAAIKE VEENSTRA

Hi, Maaïke Veenstra, NL GAC. Thank you Lars for, this clear...

LARS HOFFMAN

Where are we?

MAAIKE VEENSTRA

Over here.

LARS HOFFMAN

Oh, that's right. Just looking for the red light. I didn't see it. I'm sorry. Go ahead.

MAAIKE VEENSTRA

No, but thanks for the clear explanation of quite a complicated process. I just had two more questions. In one of the earlier slides, the applications fee was mentioned, plus any additional fees if applicable.

And I was wondering if you could elaborate which cases this additional fee might be applicable, and also if there's a way for applicants to know how much this potential additional fee would be? So, thank you.

LARS HOFFMAN

Thank you for that. Pardon me to fiddle on, I'm going to do it in English. So the fees, \$227,000, that's what we said. The additional fees will depend on whether you need additional evaluations. And those fees, in some cases, are already set, mainly on those procedures where ICANN will perform those additional evaluations.

For those evaluations that will be performed by third parties, those fees, at the moment, we have just an estimate or a range, essentially based on what the fees were in 2012. I'm sure Elisa, we don't have the slide in this deck, no? The fee slide, the evaluation slides. Is it in the second deck? Do you know what slide number? I don't know, because it's...

We have slides where the fees are listed, it's just not in this deck, it's in the later deck. So we'll pull that up later. I don't have them on top of my mind. But those fees do vary. But for those fees, I just

want to emphasize this again, for those applicants who benefit from the Applicant Support program, the additional fees will also be reduced there. But you will see the list quite easy in both in the guidebook and in the slide deck.

What those fees are and where they're applied for, and what the anticipated ranges are. And we'll obviously publish those fees once we have secured the vendors. And those fees are passed through fees. So it's not that ICANN takes a cut somehow, but we'll essentially... what the vendor will charge, we will charge on the applicant.

I didn't mention this at the outset, I probably should have said that. The fee is not set randomly, but the program is a cost recovery program, meaning that the fee is based on the cost to ICANN for these applications. And so this is the same for the evaluation fees as well. Okay. Any more questions at this point?

TRACY HACKSHAW

There's a question in Zoom, but I'm thinking for time, I think we should probably proceed and ask Olga to answer that question.

LARS HOFFMAN

We'll continue. We stay on the journey, so we're just going to go back a little bit. We have some more slides with some more details. And I'm happy to say I'm going to pass it on to Elisa for that for a moment.

ELISA BUSETTO

Hi, everyone. My name is Elisa Busetto, and I'm working with Lars and Marika on the next round. And now we're just going to go a little bit more into the detail with the applicant journey and its various phases. So, the first phase of the applicant journey, as Lars mentioned, is application submission.

And first of all, all applicants will have to create an ICANN account in order to be able to submit their application, and they will have to answer a number of questions. Some of the questions are specific about the applicant themselves, and some of the questions are about their application and their string. They will have to select their string or strings and replacement string or strings.

And I also use a plural form because at this stage, applicants will already be able to select any variants they might want to apply for. Before they submit their application, however, there is a number of tests that will be already performed on the string. So that if any of these tests is failed or a match is found, the applicant will either not be able to submit their application or they will have to provide additional documentation.

And here we'll try and explain a little bit more about why is this. So one of the tests that's performed is the identification of block names or other non-permitted strings. So there is a number of strings that, according to policy, cannot be delegated, including certain geographical names, like Lars already mentioned earlier. But also other strings that relate to technical standards, for

instance, that cannot be delegated and they will not pass the evaluation in any case.

So, to avoid the scenario in which an applicant might apply for a string that, for sure, will not be delegated, so if it's identical to strings that cannot be delegated, they will be blocked from submitting their application and they will have to select a different string if they want to proceed. Another test that's performed is against a list of reserve names. So this relates specifically to IGO and INGOs.

And if a match is found, because certain strings can only be used by certain entities, if a match is found, they will have to provide additional documentation proving that they are that specific entity for which the string is reserved. And if they do not provide this additional documentation, they will not be able to proceed with their application and click the submit button.

Finally, another test is performed already at the moment of string submission, which is the DNS stability review. And a number of technical tests, which I will not describe because I'm definitely not the expert here, will be performed on the string. And again, if any of these tests fails, the applicant will not be able to proceed.

Following submission, so, if the applicant does manage to submit the click button and after filling out the whole application, then it will be ICANN's turn to start with the pre-evaluation processes. So, first of all, there will be an administrative check on the application,

due diligence will be performed, and ICANN will prepare for reveal day.

And we expect that this will take approximately 56 days, but again, it will very much depend on how many applications we will receive and how many variants also. Then, on reveal day, all applications and strings, including replacement strings, if they decide to select a replacement string, will be published. And the only information that will not be published at this stage is confidential portions of the application, which is a very limited part of the new gTLD application.

At this moment, everybody, including the GAC, will be able to take a look at the applications and the strings, and they will already be able to think or consider whether they have any specific concerns regarding the applicant, application, or string. But they won't be able to submit their feedback yet, apart from GAC advice, which can, of course, be issued at any time, but will probably not happen already at this stage.

Following reveal day, applicants will have a period of 15 days to select a replacement string if they so wish. So, if an applicant happens to see that their string might end up in contention with a different string, or simply they think they changed their mind, they will be able to select their replacement string. But once this is done, they will not be able to go back. So if they decide to go for their replacement string, they will have to stick to it.

And after these 14 days, on string confirmation day, the final strings are published. And at this point, the community input period starts, and we're going to go through this soon. And then, within 30 days, ICANN will organize the prioritization draw, meaning that whoever wants to participate, to have their application processed in a specific order, they will have the chance to do so by buying a ticket, this is in accordance to California law.

And have some sort of lottery in which the ticket will be, which is not a lottery though, but during which they will decide in which order the applications will be processed. And I'm using the wrong clicker. And now we're going to talk a little bit more about the community input processes, which is probably what the GAC is most interested in. So, starting on string confirmation day, the community will be able to provide their input on the strings and applications.

So first of all, the general public, so anybody with an ICANN account, will have the opportunity to submit application comments on the applications. GAC members can decide to issue GAC member early warnings. The GAC can issue GAC consensus advice. The general public will have the chance to submit singular or plural notifications. And parties withstanding will also be able to file objections, and the determinations of which can be appealed.

But we're going to look into each process more in detail now. So, application comments. Application comments are submitted

through an ICANN managed platform, which is called the Application Comment Forum. And since we like acronyms, it will be called ACF. And it is a mechanism for the public to bring any relevant information and issues to the attention of ICANN, applicants, evaluators, or anybody else.

So these comments will be mostly public, unless they refer to confidential portions of the application. This is a very specific process that we don't believe will happen in a lot of cases. And comments themselves do not have a direct impact on applications, but evaluators may decide to take these comments into account. So, if these comments are submitted in the 90 days following string confirmation days, they will be forwarded or shared with the evaluators.

And the evaluators, if they see any particular issue that is related to the criteria that they are looking into, they might take this into account into their evaluation, but it is not a given. So submitting a comment will not necessarily mean that this comment will be taken into account. So comments do not have any costs associated. So anybody can submit a comment without having to pay anything, and applicants will also have the chance to respond to comments publicly.

So, underneath the comment, there will be a section for the applicant specifically, who will be able to respond to the comment and raise any concerns that they might have or simply respond to whatever is in there. But they don't have to. Application comments

can be submitted not only in the 90 days following string confirmation day, but also following specific application change requests.

So, if the applicant changes something substantive or material to their application, their application will be posted for comments again. And again, these comments will be then forwarded to the relevant evaluators, who will look into whatever change was made to the application. And then another process that starts on string confirmation day is GAC member early warnings. So, as Lars mentioned, we're currently working on a quite straightforward way for GAC members to submit an early warning.

Also, that this will also have no costs associated and it can be issued either by an individual GAC member or a group of GAC members, but it does not require consensus because it is only issued by GAC members and not the GAC as a whole. And GAC member early warnings do not have direct impact on the application, but they provide the applicant with an indication that GAC advice or an objection might be issued at some point.

So, GAC member early warnings are to be taken seriously by the applicant, but applicants can also decide not to do anything about a GAC member early warning. So it will be very much up to them to see how to react. So, by policy, GAC member early warnings must include a written explanation describing why the early warning was issued and how the applicant may address it. If the applicant cannot address it in any way, and the only way, according to the

GAC member, to go ahead, is to withdraw the application or not delegate the TLD, it can also be the case.

But again, it will not have an impact on the application unless action is taken otherwise, either by the GAC as a whole, or an objection is issued. And applicants are very much encouraged to talk with the relevant GAC member to find a solution and way forward. But again, they don't have to. And also quite relevant for this group is, of course, GAC consensus advice. And this is issued by the GAC as a whole, according to ICANN's bylaws.

It must include a rationale, this is also because of policy, and is intended to address applications that are identified to be problematic. While it can happen that GAC advice follows a GAC member early warning, it doesn't necessarily have to be the case. So it can be issued even if no GAC early warnings were previously issued on the application. And applicants will have the chance to respond, I believe, within 21 days to the GAC consensus advice so that their response can be taken into account in the discussions with the Board.

And if GAC consensus advice is accepted by the Board, it may prevent an application from proceeding, or it may prevent an application from proceeding unless specific modifications are made. An example is the addition of registry voluntary commitments, and we have a specific process in place for that. Something else that a GAC member could also do is submit singular plural notifications. So this is a process that is open to anybody.

And it's based on the claim that an applied-for string or a variant is the singular or plural form of another applied-for string, a delegated TLD, a string being processed from a previous new gTLD round on a block name in any language. But it must include evidence.

So there's a number of requirements that needs to be met for a singular plural notification to be taken into account by ICANN. It does not have any costs associated, so anybody can claim that a string is a singular and plural form of one of the strings that I just listed. And if a match is found, the relevant string may be put into contention with another string, or the application might be prevented from proceeding. For instance, if a string is found to be the singular and plural form of a block name, it will not be able to proceed. And it will be ICANN performing this check.

And finally, another community input process is objections. Objections can only be filed by certain parties who have standing on specific grounds. And we will go through the grounds in the next slides. And they're administered not by ICANN, but by an external dispute resolution service provider. And we are currently in the process of selecting the dispute resolution service providers or the RSPS, and we will have more information soon on who will administer objections.

These have costs associated that are not paid by ICANN but to the RSP. There's also a figure called Independent objector. In this round, we'll have three. A standing panel of three objectors who

may file limited public interest objections only given certain conditions and community objections, actually, which we missed to mention here. If the objector prevails, then the relevant string may be placed in a contention set. Or the application may be prevented from proceeding, or may only proceed with specific modifications.

Like the same as for GAC advice, for instance, with the addition of a registry voluntary commitment. And something new in this round, which was not the case in the last round, the objection can be appealed, but also the appeal has specific costs associated. And now we'll stop to see if there's any questions in the chat. No. Okay. So we can go ahead. Oh, Rudy. There's one question.

TRACY HACKSHAW

There's one. Rudy, Germany.

RUDY NOLDE

Thank you. Rudy from Germany. I have a question on GAC early warnings, especially in comparison to the application comment. So you said the application comment is always public, unless in cases where it refers to confidential parts of the application.

So the GAC early warnings, would they also always be public, or are there cases when they also refer to confidential parts of the application where they would be private as well?

ELISA BUSETTO

Thanks, Rudi. I'm not sure we're looking into that and there is no policy around this, so I believe that they will all be public. Again, absent extraordinary circumstances, most likely. But well, there is specific policy relating to application comments, that commenters will have the opportunity to file a comment confidentially. For GAC member early warnings, it is not the case. So I don't think this will happen unless it's something extraordinary. I'm not sure if Lars wants to...

LARS HOFFMAN

No, seconding what Elisa said. I think if there were a case where a GAC member had something that they think is sensitive and should not be shared publicly, we can, as Elisa said, maybe look at that at the time. But also, they're obviously free to submit a comment, right? Would there not be an early warning? Since the early warning doesn't carry any stop sign with it, is that a warning?

The confidential comment could maybe be used in a similar way in that case. It's like, I'm commenting as the government of X country. I've got concerns here I don't want to have for a variety of reasons. This is a private or non-public concern, and so I'm submitting as a comment, not as an early warning, but it should be seen in the same light. So maybe that would be a workaround, but we'll find a way. Thanks.

ELISA BUSETTO

And then I see a hand from Wang Lang.

WANG LANG

Thank you, Elisa. I'm Wang Lang from China. As a regular individual and GAC member, which input is for me, is more powerful to erase my concern about one kind of application. Application comments or the GAC early warning, which one is more powerful for me? Thank you.

ELISA BUSETTO

So, again, it will be very much up to the applicant to decide what to do with a comment or a GAC member early warning. So, GAC member early warnings will not be taken into account by, I believe, will not be taken into account by evaluators, or at least they will not be submitted to evaluators.

Whereas if you believe that there is an issue relating to a specific criterion, probably a comment would be more powerful, because then a comment would be submitted to the evaluators, and the evaluators will have to take those into account. But if it does not relate to a specific evaluation criterion, then I believe that either way, because it will be very much up then to the applicant to decide what to do.

But neither of the processes have a direct impact on the application unless they relate to specific criterion. And for the criteria, you can refer to the Applicant Guidebook and go through all the various evaluations that will be performed. The only processes that can

have a direct impact on the application outside what I just mentioned are objections.

So, if a party withstanding can submit an objection and the outcome of the objection, so the expert determination will be binding. And in this case, an application will not be able to proceed or will be placed in a contention set, depending. Otherwise, GAC advice is also a way, and if we adopt it by the Board, it might prevent an application from proceeding. Anything to add? And I think Ken-Ying.

KEN-YING TSENG

Hi. For the record, I'm Ken-Ying from Chinese Taipei. I'm also one of the new gTLD topic leads. I have one procedural question. I understand that for GAC consensus advice, it's very powerful, and it may result in a potential application being rejected. But I also want to understand more about the timeline, because for each application there is a certain timeline running.

Like GAC or ICANN need to respond within a certain period of time. But for GAC to adopt a consensus decision, in my experience, we need to do it in the GAC room. I don't see the three GAC meetings, every year we'd meet the new GTLD application guidelines. So I just want to understand more about the interplay between these timelines. Thank you.

ELISA BUSETTO

Thank you. So for GAC consensus advice, again, it can be issued at any time, but if it has to have an impact on the delegation of the application, it needs to happen before the application is delegated, obviously. But it can happen just before, and the Board will have to take that into account. The other processes, on the other hand, are time-limited.

So they have to happen in the 90 days following string confirmation day. And so, as Lars mentioned, while there is no time limit, if indeed the GAC has strong feelings about an application, the sooner they submit GAC advice, the better. Once GAC advice is issued, it will then follow the bylaws. So it will be outside the hand of our specific processes, but we will just follow the bylaws, we then have discussions with the Board.

And as I mentioned earlier, following GAC advice, applicants will have 21 days to respond to the GAC advice that's issued. So that is taken into account also in the discussions with the board. But I think for the specific timeline, of GAC advice, we might have to refer to our GAC colleagues. I hope I answered your question. And then I see another hand up from Abdallah. I'm not seeing the whole name. I'm very sorry. Abdalmonem Galila, I hope.

ABDALMONEM GALILA

Yes, thank you very much. I am here. Left side.

ELISA BUSETTO

Thank you.

ABDALMONEM GALILA

Yeah, I am sorry. This is Abdalmonem Galila for the record. I see one of the slides was speaking about that. There are reserved and restricted names for the applicant. So what I know is, if there is a script, maybe like Arabic script, for example, have different languages, what will happen if one of the names selected by the applicant has same meaning in different languages.

What I mean, one of the words in Arabic, normal Arabic, have X meaning. In Urdu, within the same script, same X meaning. In Bashto, same X meaning. So what will happen at this case? Maybe it will happen in another case. Same meaning, but different script. What shall it go at this position? Thank you.

ELISA BUSETTO

So the application will still go ahead. If it is in one of the accepted scripts that are currently in the root, so if they're in one of the probably 26 by the time we publish the guidebook, they're in the root, the application will still proceed. But, for instance, if it's in different script, if it's in the same script or even in different scripts, but visually similar to another gTLD, either already delegated or applied for, it might be caught in the string similarity evaluation, which looks at visual similarity between different strings, or if it is not caught in the string similarity evaluation, it might also be subject to... and here I'll go to the next slide.

Oh, no, we don't have the details, but it might also be subject to a string confusion, objection. So, for instance, in the case you were mentioning, if two strings are confusingly similar in meaning, even if it's in different languages, a party might decide to file an objection, saying that this might lead to user confusion because the meaning of the string is confusingly similar.

And then a panel will look into that and determine whether this is indeed the case. But when it comes to submitting the application itself, they can go ahead. Of course, if it is the same script, if it is exactly identical, even if it has a different meaning to an already delegated string, a reserve name or a block name, it won't be able to proceed. Yeah, please.

ABDALMONEM GALILA

So is there any possibility that when I register for a name or have a name for an Arabic script, it could be blocked for similar meaning for all languages within the same script? For example, we have [01:11:09 – inaudible] in Arabic, it could be restricted from being with another applicant for Urdu and Pashto and Persian languages. Do you have something like this?

ELISA BUSETTO

Yes. So it might be, if not restricted, it might end up in contention. So if different strings, which are... if they're written exactly the same way, even if it's a different meaning, they cannot be

delegated at the same time. There can only be one string with specific characters, so this cannot happen.

And again, if it's also the case that some of the strings, that they're similar to already delegated strings or existing, or to already delegated strings or block names, they won't even be able to submit it, even if the meaning is different. So it's really about the characters used. I hope this answers the question, more or less. Are there any other questions on community input? Otherwise, I'll move on.

Yeah, we have 15 minutes left. Now, string evaluations. So, on string confirmation day, or shortly after, ICANN and the selected vendors will start performing a number of evaluations on the string itself. And here's an overview of the various evaluations that are performed. Some of them are quite technical, so we won't spend much time on them. But well, geographic names, identification. So it identifies which strings may be considered a geographic name.

But our definition of geographic name is quite limited, and for that, you can also refer to the Applicant Guidebook. Then there's another evaluation that's performed is a safeguard assessment, which determines if an applied first string will be required to have specific safeguards included in the array as it relates to consumer protection, sensitive strings, and regulated markets. Then, as mentioned earlier, parties will be able to submit singular or plural notifications.

And at this point, during string evaluation, ICANN will look at the submissions and determine whether indeed, a string is a singular or plural form of a string that cannot be delegated or is currently being looked at. And then another quite complex evaluation that's performed at this stage is string similarity evaluation.

So, at this point, the panel will look at all the strings that have been submitted, including variants, and they will perform a number of checks to prevent user confusion and loss of confidence in the DNS, resulting from the delegation of visually similar string. And maybe to get back to the question we just got, in this case, if two strings that are very similar are caught, they might either put in contention or be prevented from delegating, depending on the specific case.

Another check that's performed during string evaluation is name collision initial assessment. And this evaluation identifies strings at a high risk of name collision. And if it is found that a string is at high risk of name collision, then the applicant will have the opportunity to submit a mitigation plan for evaluation, which will then be evaluated. And if approved, the string will be able to go ahead. But if they don't submit this plan, then the string cannot be delegated. And I see there's a hand up from Mohamed.

MOHAMED

Hello. You earlier mentioned that there is a list of blocked names and reserved names. First, are these names public, publicly available? Can we have these names? Can we take a look at it?

ELISA BUSETTO

Yes, they're publicly available. I believe we will also have a list on the next round website. But already now, in the guidebook, you'll be able to see which names are blocked and which names are reserved. It's not the entire list yet, I think we're still in the process of developing it, and I'm looking at Lars here. But from there, you can already extrapolate which...

MOHAMED

We have these names, how can we get the list of the block names?

ELISA BUSETTO

Let me just go back. We can refer, if you don't mind sending the section of the Applicant Guidebook where this list is. But it's public, it's out for public comment at the moment, so you can already look into that. But for the exact list, it will still take a little bit of time. I think that our team is working on it.

MOHAMED

And what is the process of including a name into the list?

ELISA BUSETTO

This is policy, so it's based on policy, and I think this was IDN EPDP policy coming from the from the IDN EPDP group.

MOHAMED

Thank you.

ELISA BUSETTO

Thank you. Okay.

LARS HOFFMAN

Just adding to that very clearly. So we're part of the multi-stakeholder model, so the list here is not the list that ICANN kind of decided it's the block name list, but it's the list that community developed in an open process that those names should be blocked and cannot be applied for. Just for you. Thank you.

ELISA BUSETTO

Thank you. I don't see any other hands. And I think then it's back to Lars.

LARS HOFFMAN

Thank you, Elisa. Thanks, everyone. I'll take my new favorite toy. Contention and its resolution, as it turns out. So contention basically means, Elisa talked about the block names, if two or more applied-for strings are identical, confusingly similar, visually speaking, and there also is a string confusion objection process, where, in fact, you can have a panel look at whether the meaning is confusing, similar, they sound similar, and so, those tests will not be performed automatically, but they can be performed if somebody asks for that specifically.

With that second test of string, confusion, there's some fees that are associated with that as well because it's essentially an objection and that's listed in the documents. I shared that earlier in the list. If you were a bit surprised that Elisa was making comments in the chat, by the way, while she was presenting, we had a laptop swap, and so I was being Elisa there for a little bit.

Regardless, the other moment for contention is also the single and plural. I spoke about that later. So if there's an application for .car and for .cars, and somebody notifies ICANN that these are single and plural, then we'll verify that, and if they indeed are in the same language, then they will be put into contention as well.

And being put in contention essentially means that however many applications are in what we call a contention set, whether it's 2 or 20, only one of those can essentially proceed to delegations, and all the others will not be able to proceed. And we'll look here in a little bit more detail. We talked about that earlier, obviously, already, how that contention then can be resolved.

What I said earlier in the question on the changes to the 2012 round private resolution of contention, meaning applicants talking to one another to come to an agreement is not permitted in the next round. And you have that here as well. The brackets on top, by the way, the orange number, that is the section where this is listed in the Applicant Guidebook.

We copied a couple of links to the Applicant Guidebook, the PDF document into the chat. You can find it very easily. Also, if you go

to the ICANN public comment page, because the document is out for public comment, as I said at the start, so you can find that link that way, too, if you wanted to.

So we see here all forms of private resolution are prohibited. This includes private auctions and post-application joint ventures. What obviously could happen by post-application joint ventures, what we mean is once you have applied, you can no longer form a joint venture with somebody else if you find them to be in contention.

Obviously, if you wanted to announce you're going to apply for X or Y string and you want to form a joint venture with somebody before you apply, then you're free to do that obviously, at that moment, you're not in contention, you haven't even applied, so there's no concerns there.

We have a strict, I referred to that earlier as well, prohibition of communication directly or indirectly between applicants that are in contention. There are a list of repercussions, let's say, that ICANN reserves in case this were to appear, were to happen. You see that here may take actions and application will violate these rules.

So, the first way, and maybe, in my view, one of the best ways to escape or avoid possible contention is the replacement string. So we encourage applicants to really apply for two strings that are not in danger of being visually similar.

That when the reveal day happens, when you can look at all the applications, that you really can apply or switch to another string if you either are already in contention because somebody applied for the exact same string as you have, or whether you think it's probably likely because what I said earlier, a string that looks very similar or is a single and plural of the same word, and then you can use your replacement string to hopefully avoid that and be delegated once you passed all relevant applications.

There's two points here I wanted to point out on the replacement string. It's not a panacea, obviously, but you have the situation where somebody else has the same replacement string as you. And so, at that moment, you are unfortunately not eligible to use your replacement string. So if two applicants have the same replacement string, neither of them can use them, and it becomes essentially void if you want.

The same is true if your replacement string is the applied-for string of another applicant. So if I applied for .chair and Elisa applied for .lamp and her replacement string is .chair, she cannot use her replacement string because the general rule is, by using your replacement string, you're not allowed to join or create a new contention set.

And that is essentially done to avoid scenarios where applicants pick and choose the contention set that they are part of. Because you see who applied for, and you can imagine if you're a well-resourced applicant and you see somebody else, I'm against a

multi-national company in my string that has applied for the same string. Maybe then I'd rather go into contention with this other string over here, where the applicant doesn't look like they have a lot of money and I can beat them in an auction. So that is not permitted if the replacement string is used by somebody else, then it becomes unusable.

Again, we therefore encourage applicants to use a replacement string that is unlikely, or less likely than the intended applied force string to be picked by somebody else. I'm going to pause here for a second because I know the replacement string has raised some questions. Elisa, I don't know if you can, maybe quickly, we have just published also a topic overview on the replacement string. If you could, maybe post that into the chat.

But are there any questions on the concept of the replacement string that, I hasten to add, was obviously a result of GAC and Board discussions? No? Very good. I was probably looking forward to lunch, at least I am. The brand string change, I spoke about that earlier as well. This is really limited to those applications that apply for a dot brand string. I gave the example of .united earlier, that they could change that if they're in contention to .united plain or similar extension, essentially, they couldn't just create a new string.

That process comes in much later, so it's not during the replacement period, and also separate from the replacement period. So in my example, United could apply for .united and have

the replacement string, I think the slogan is something like The Friendly Skies. And by the way, other airlines are available. So they could use a replacement string, but they couldn't do that when they do their string change, because obviously there's no correlation between the two.

And just very quickly on the brand string change, again, this is a concept that was developed by the community as part of the PDP that we're implementing here in accordance with what the policy development process developed or recommended. And then, finally, the community priority evaluation. So this system, or this program, or this evaluation maybe rather was also in place in 2012.

We had a number of applications that applied as communities and underwent a community priority evaluation. I'm not going to lie to you, there were some concerns around that process back then. Both by applicants who were communities or wanted to be communities, as well as by applicants who were in a contention set with those applicants, because they lost essentially the contention set, and therefore couldn't proceed or couldn't go to auction. And some felt that wasn't right, it wasn't clear, it wasn't transparent. And so the PDP working group, when that when they developed the recommendations that are in the SubPro final report, they really provided detailed new recommendations, making it a little easier to pass the evaluation and also providing more guidance on the criteria that should be used when we assess applications, whether or not they should qualify for the priority here.

The exact details are all listed in the Applicant Guidebook again, so I encourage you to take a look at that. These were subject to long discussions with the community. We're trying together to really find criteria that are objective and enforceable, which is not very easy. This is not a numbers game. It's not if you're a five, you pass, and if you're a six, you don't. These are essentially judgment calls, to some degree. You describe yourself as a community, you explain what you're going to do, and that's going to be assessed by an independent panel.

And so there was a lot of work and thoughts that go into it, and I believe personally that we got to a stage that is as good as we can get. Having said that, we're very keen to hear during the public comment on any thoughts where this could be improved or could be made better, and we will then look at that together with the implementation review team and see if we can implement that. And then, finally, the auctions.

So that happened last time around as well. There were not that many auctions, ICANN auctions, because, as I said earlier, a lot of these contention sets were, looking at the time, I'm going to wrap up here in a minute, were resolved privately, and so the number of ICANN auctions was limited. Since there's no private resolution this time, we expect more ICANN auctions. Having said that, maybe thanks to the replacement string, there won't be that many more. The system is the same. This is what we call an ascending clock second price auction.

I won't bother you with the exact details of that, but essentially, it means that, what I said earlier, if you win the auction because you made the highest bid, you have to pay what the second highest bidder had as their last, or I think the jargon is exit bid in this case. And then very quickly as well, and I'll finish there, and then let us all go to lunch after the questions that there may be, the Applicant Support Program here, so those applicants that qualify for that, they also receive a 35% bid credit.

But that does not mean that ICANN hands them cash in this case, but essentially, this means if I'm an ASP applicant, I win the auction, and I have to pay a million dollars, let's say, just to make an easy number to calculate on, then a normal applicant, if you want, would have to pay a million dollars, an ASP applicant, in this case, has to pay \$650,000. I will say one quick thing about that. This number was also discussed at length in the IRT.

There was no clear recommendation that gave a specific range from the community on this, probably because you can imagine that there are some people who would like to see this number much higher, and other people who would like to see it much lower. And so what we did is we looked at comparable auctions or scenarios in other circumstances that are maybe comparable to this.

We found on the spectrum auctions, some of you may be familiar with, similar systems of bid credits are in place, and 35% was the highest bid credit we found globally that is applied in such a

circumstance. And so we used that highest number to apply here as well. And I'm going to say relieved and happy to say that the IRT overall, I think, found consensus to find that as an acceptable percentage. With that, I'm going to stop here. I know we've already run out of time. I'm really sorry, Tracy. See if there's any questions and then let us go to lunch.

TRACY HACKSHAW

All right. Thank you very much. Round of applause for Lars and Elisa. Excellent. And just to remind you, don't think this is the end of it. Right after lunch, there's another session on next round, more questions, even deeper diving into the nuances. Please come back after lunch for that. Nico.

NICO CABALLERO

I was going to say that. Thank you for that, Tracy. And thank you again to Elisa Busetto and Lars Hoffman, thank you so much. We're going to have lunch now. The lunch will... yeah, from now till 1.45. Please be back in the room at 1:45 because the very next session is going to be our discussion on the next gTLD round. So enjoy your lunch. I'll see you at 1.45. Thank you so much.

TRACY HACKSHAW

Thank you so much. Thank you, everyone. Thank you.

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