Applicant Support Program

Budget, Budget Assumptions, Scenarios & Related Public Comments

ASP-IRT Sub-Track Meeting #15

24 April 2024

ICANN

Proposed Agenda

- ASP Budget Estimate

- ASP Budget Assumptions & Background

  - Support Scenarios

- Related Public Comments

- AOB

  - Next Steps on ASP Handbook Public Comment Analysis

  - Update on ASP Communications and Outreach

ASP Budget Estimate

ASP Budget Estimate

Total ASP Program Cost Estimate	$10-16M USD

ASP Budget Assumptions & Background

ASP Budget Assumptions

1. The ASP receives and processes up to 200 applications, or 10% of all gTLD applications.

2. For financial modeling purposes, the budget assumes ICANN will receive 1,860 fully paying gTLD applicants.

3. Applicant financial assistance is budgeted for 40-68 supported applicants at between 50-85% reduction for the gTLD base application fee and applicable gTLD evaluation fees (e.g., geographic names, financial evaluation, CPE).

    a. *See slides 7-9 for background on this assumption.*

4. Any unused funds received from gTLD applicants for ASP are put aside to fund the ASP in future rounds to give certainty to applicants that this part of the gTLD application fee will be used for future ASP purposes.

Background on Budget Assumption 3

With regard to the number of ASP applicants that qualify for support, the assumption of 40-68 applicants is based upon a number of inputs:

- The GNSO Guidance Process (GGP) for ASP articulated success as:

  - no fewer than 10 gTLD applicants, or 0.5% of successfully delegated gTLDs were from supported applicants.

  - org should set a minimum meaningful level of fee reduction

  - funding for gTLD fee reductions should be spread equally across all qualified supported applicants.

- The ASP-IRT Sub-track advised that 50% would be a minimum meaningful level of fee reduction.

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Background on Budget Assumption 3 (cont'd)

◉ The ODA and Implementation Plan indicated a [75-85%] reduction in the base gTLD application fee and gTLD evaluation fees for qualified supported applicants.

◉ This was in-line with 2012 fee reduction since the SubPro Final Report did not call for changes.

◉ The ASP-IRT Sub-track did not advise changing the 85% maximum amount of fee reduction.

◉ Based upon GGP and IRT inputs, the draft ASP Handbook indicates a 50-85% fee reduction, depending on the number of applicants that qualify for support.

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Background on Budget Assumption 3 (cont'd)

- ◉ The GGP set a minimum of 10 supported applicants successfully delegated.
  - ○ 4-6x this amount accounts for the risk that some supported applicants may not pass the gTLD evaluation.

- ◉ The final percentage of fee reduction will depend on:
  - ○ the base gTLD application fee and the number of applicants that qualify for support, up to the maximum amount available.
  - ○ *See next slide for support scenarios.*

Support Scenarios

The ODA estimated a 75-85% fee reduction. The draft ASP Handbook indicates 50-85% fee reduction based upon community feedback.

Table 1. Estimated number of applicants at different levels of support.

Level of Fee Reduction	50%	75%	85%
Estimated Number of Supported Applicants	68	45	40

Estimates may be adjusted depending on base gTLD application fee.

AOB: Public Comments on Draft ASP Handbook (funding related)

Public Comments on the Funding Plan (emphasis added)

- **At-Large Advisory Committee (ALAC) Policy staff in support of the At-Large Community:**

    - We also recommend, on equity grounds, that the **ICANN Board should commit to an enlargement of the ASP Fund to support the access by any applicant that qualifies for ASP to the minimums stated, regardless of when it applied during the 12-month ASP application window.** In other words, the application window should not be shortened because a "fixed sum ASP Fund" is exhausted.

    - **If, as we assume, the ASP Fund is limited, the program gives a bias and distinct advantage to any early applicants.** We believe this is wholly inappropriate for a 'support program' of this kind. To give an advantage to some, and foreseeably those with already more advanced resourcing and readiness to remit the required deposit to ICANN org, even if such applicants are among those in need, would open up the program to justifiable criticism regarding its fairness and 'level playing ground'.

Public Comments on the Funding Plan (emphasis added)

- *(Continued from slide 12)* **At-Large Advisory Committee (ALAC) Policy staff in support of the At-Large Community**:

  - To address this inequity, we recommend ... **for the ICANN Board to fund the ASP to the extent that it covers all qualified applicants to the same degree no matter when they applied during the 12-month application window.**

  - The ALAC and At-Large Community believe that if the ASP Fund should not be strictly limited in that, where necessary, **the ICANN Board should be amenable to enlarging the budgeted ASP Fund to the extent that all ASP applicants, no matter when they submitted their ASP applications during the ASP application period should be entitled to and receive the same percentage of application fee reduction and evaluation fee reduction.** Allowing a different outcome is akin to institutionalizing some inequity that the ASP was established to remedy objectively.

Public Comments on the Funding Plan (emphasis added)

- **Mohamed Tijani BEN JEMAA, Fédération Méditerranéenne des Associations d'Internet:**

  - It's not fair that all applications are evaluated in case of exhaustion of the allocated fund (not yet known). **The fund should be sufficient to support all the qualified applicants after evaluation of all applicants.**

  - Since this round is meant to be a remedial one after the total failure of the 2012 one in terms of supporting applicant from underserved regions and communities and bringing diversity into the DNS industry, the floor fee reduction proposed to be 50% won't make the ASP program successful, especially that the application fee which is not yet known seems to reach USD 250 000, while in 2012, it was USD 185 000 only and the reduction was of 75%. **The minimum fee reduction shouldn't be less than the reduction proposed for 2012, so, I propose that in section 2.1 bullet 5, it becomes "A 75-85% reduction in ......"**

Public Comments on the Fee Reduction (emphasis added)

- **Governmental Advisory Committee (GAC)**

  - **The GAC recommends that fees are eliminated across the board, including both application and evaluation fees…** If this is not possible, **the GAC strongly recommends an 85% application fee reduction or higher, to further encourage and support groups from underserved regions to apply through the program**.

  - The GAC stated in its ICANN79 Advice that ICANN should consider expanding the financial support available for the ASP. T**he GAC strongly recommends that a 50% application fee reduction is not considered to be a minimum, only going up to 85% in the event that "support funds remain available"**, but rather that significant efforts are made to provide further financial support should there be a number of successful applicants that exceed the financial package pre-determined by ICANN.

- **Lawrence OlaWale-Roberts, Business Constituency (BC)**

  - Since it is anticipated that the next round would closely follow the criteria laid out in the 2012 round, it would be expected that the rebate in cost of the fee reduction for Qualified ASP applicants granted in the coming round be at the level of the 2012 round or better due to inflation. **The global south aspirants will benefit better from a fee reduction of at least 70% to 85%.**

AOB

Next Steps on ASP Handbook PC Analysis

Update on ASP Communications & Outreach

Thank You and Questions

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