ICANN APPLICANT SUPPORT PROGRAM

1. OBJECTIVE OF THE PROGRAM

In response to the Joint Applicant Support Working Group report, Internet community input and in an effort to ensure diversity of and global access to the Internet, ICANN is pleased to announce the new gTLD Applicant Support Program. The program's core objective is to reduce barriers and level the playing field for new gTLD access, particularly for a subset of needy and worthy gTLD applicants. With this overarching goal in mind and to ensure resources are directed to appropriate candidates, ICANN has established a set of objective, fair, and clear criteria, alongside some key safeguards. ICANN will also create an independent Support Applicant Review Panel (SARP) to review and score applications.   This effort is intended to ensure that the limited funding support is allocated only to those who are most worthy of funding support.

The program seeks to provide support to the maximum number of applicants, provide time to raise funds, provide time for potential support applicants to consider the process, and avoid abuses. In order to achieve these goals, a new timing regime will be implemented. Applications for support will not be evaluated prior to the submission of applications. Instead:

- All applicants, including those requesting support will submit gTLD applications by 12 Apr. Those seeking support will also submit an application for support.

- While the first batch of gTLD applications are being evaluated, the financial support applications will be evaluated against the financial support criteria (approximately Jun-Nov 2012). That is, those seeking support will only be evaluated against the financial support criteria and not against the new gTLD evaluation criteria until later.

- Those meeting the financial support threshold criteria will be evaluated against new gTLD evaluation criteria in the last batch.

This timing will provide additional time to raise funds and communicate more fully regarding evaluation criteria. Funding might be increased three ways:

- fund raising through ICANN coordinated efforts,

- fund raising by individual applicants or applicant support groups, and

- fee reductions in the event that <u>substantial</u> savings are realized after the first batch.

2. THE AWARD OPPORTUNITY

For this first round of the Support Program, the aim is to develop a simple program with the goal of making the most of the resources available and to provide meaningful assistance to deserving applicants.   To that end, the first round of the Applicant Support Program will provide financial support in the form of a reduction of new gTLD program fees by $138,000 for the selected applicants.   Under the regular process, applicants are required to pay $185,000 as part of the normal application fee to be considered for receiving and managing the registry for a new gTLD.

To launch this program, ICANN has committed $2 million for the first round of the Applicant Support Program, meaning at least 14 applicants will benefit from the $138,000 fee. ICANN hopes to provide assistance to as many additional applicants as possible depending on additional funds that may be raised from other sources. If funds remain available after all qualified applicants receive fee reductions, additional grants may be made.

In order to qualify for the fee reduction, applicants must demonstrate financial need, provide a public interest benefit, and possess the necessary management and financial capabilities. As this is the first round of the program and the size of the fee reduction is significant, it is likely that not all applicants who meet the criteria will be awarded funding support.

3. **OTHER APPLICANT SUPPORT SERVICES**

Beyond the funding support, all applicants to the ICANN new gTLD program are able to benefit from a range of applicant support services such as the gTLD Customer Service Center, Knowledge Base, and the Support Directory. Each of these tools is available to all applicants via the ICANN website. Applicants can use these resources to review technical resource materials, locate *pro-bono* support services, or obtain translation assistance. All applicants are encouraged to take advantage of these useful resources to assist in the development of their applications. ICANN will seek to make additional aid to qualifying needy applicants such as translation services.

4. **KEY ELEMENTS OF THE AWARD CRITERIA**

Candidates will be evaluated against three criteria sets. Detailed criteria and scoring is published below. The categories are:

- **Public Interest Benefit** – applications that will be considered for this award are ones that will offer demonstrable benefit in the public interest.

  One key consideration of this criterion will be the amount by which an application would advance the goal of global diversity. The fee reduction will be awarded to applicants who best advance global diversity across areas such as languages, scripts, cultures, business models and geographic regions. The extent of financial support in the form of a fee reduction is currently limited to the $2MM ICANN seed fund and will be limited to that amount plus additional funding secured by the time of the financial support evaluation in June - November 2012.

- **Financial Need** – applicants selected to receive support will be those entities that demonstrate they lack sufficient financial resources to pay for application fees or otherwise execute their projects, or who would not be able to raise those resources through other means.

- **Financial Capabilities** – applicants receiving support will be required to demonstrate their management and financial capabilities.

5. **OVERVIEW OF THE APPLICATION PROCESS**

Given the short timeline and potential challenges in preparing their overall gTLD applications, ICANN has structured a Support Program Application Process that seeks to minimize the burden on applicants, while ensuring that sufficient documentation is available to enable the Support Application Review Panel (SARP) to make decisions about public interest and financial need across a diverse candidate pool.

The information requested in the gTLD application will submitted in parallel with that requested in the Applicant Support Program Application. However, the review of the materials for the Application Support Program will be completely separate from the overall gTLD application process.

The process is as follows:

1. the opportunity is advertised – including the publication of a Support Candidate Handbook to provide information about the Applicant Support Program and application requirements;
2. candidates submit applications to justify compliance with criteria;
3. applications are evaluated and scored or ranked by a Support Application Review Panel (SARP); and,
4. candidates are notified of the SARP's final disposition.

Pending the outcome of the SARP's deliberations, the following will occur:

- applications of candidates who are found to meet the threshold for funding by the SARP proceed to the Initial Evaluation of the standard gTLD review process;
    - candidates ranked highly enough to receive funding support will receive a $138,000 fee reduction;
    - candidates who are not ranked highly enough to receive funding support are given an opportunity to pay the full application fee and proceed into Initial Evaluation or apply for a full refund;
    - candidates who are found by the SARP to demonstrate financial need and benefit public interest, but who are not ranked highly enough to receive funding support and who are not able to pay for the full application fee will be given the option to withdraw their applications and receive a refund of the $47,000 fee;
- applications of candidates who are found by the SARP to not demonstrate financial need or benefit public interest by meeting the threshold criteria will not proceed further and, absent extraordinary criteria, will not receive a refund.

6. TIMELINE OF THE APPLICATION SUPPORT PROGRAM

- **December 2011:** Public Announcement of Applicant Support Program

- **January 12, 2012**: Application Window Opens

- **March 29, 2012:** Deadline for applicants to Register

- **Initial Deposit:** All applicants, including those requesting financial aid, must submit an initial 5,000 USD deposit. ICANN finance receives payment and then the applicant can submit its complete application.

- **April 12, 2012:** gTLD Applications, Applicant Support Program applications, and application fees are due. Applicants requesting Support will indicate on their applications that they are seeking support and will pay the $42,000 balance of the initial $47,000 fee.   All applicants, including those requesting a fee reduction, must submit complete applications, including supporting documents, and the required fee.

- **April – June 2012:** ICANN Administrative Completeness Check. All applicants, including those requesting financial aid, are reviewed in the same way.

- **June 2012 – Nov 2012:** At this point in the process, all applicants seeking financial support will be evaluated separately by an independent Support Application Evaluation Panel (SARP). The SARP will only score applicants against financial need, public interest benefit and management capabilities criteria. The SARP will not evaluate applicants against ICANN gTLD program criteria.

  The SARP will score applicants in accordance with the established criteria and scoring guidelines.

  Based on the amount of funds available, the SARP will allocate fee reductions to the highest scoring applicants. The SARP will further use diversity as a guiding principle when allocating fee reduction opportunities across equally high scoring applicants.

  Since fee reduction decisions will be made in November 2012, additional funding will be pursued up to the date of those decisions in order to provide assistance to the greatest number of applicants.

6. PROGRAM NOTES AND CONSIDERATIONS

Public Comment Process

Public portions of all applications will be posted approximately on 1 May 2012, including those requesting financial support. Comments about Applicant Support Program candidates that relate to 'financial need' or 'public interest' will be made available to the SARP.

String Similarity Review

Since regular applications and Applicant Support Program Applications will be entering into the Initial Evaluation process in separate batches, the String Similarity review will be completed on all applications prior to the establishment of the two separate tracks (funded and non-funded) and any other batches.

For any contention sets that include an application in the Applicant Support Program, evaluation of all applications in the contention set will take place after the SARP makes its final support

decisions, which will be done prior to the processing of the second batch. Therefore, new gTLD applications contending with applications requesting financial support will NOT be evaluated in the first batch. With the exception of this first batch prohibition, the regular rules for batching will apply.

Maintaining Eligibility

Throughout the ICANN application review process, candidates seeking support will be required to report any material changes which may result in their no longer being eligible for funding support. Failure to report such a material change may result in penalties including the requirement to pay the full amount of program fees of disqualification from the new gTLD program.

Procedural Safeguards

The evaluation criteria and review process have been developed to help ensure that only qualified and deserving candidates are selected for support, however, additional safeguards have been put in place to mitigate any potential for gaming.

If a candidate applies for financial support and the SARP determines it does not meet a basic threshold of financial need or public interest benefit, its application will not proceed further in gTLD process and its $47,000 fee is not refunded. Because of this risk, candidates must be confident that their application truly demonstrates financial need and benefits the public interest.

Applicants for the Support Program that meet a basic threshold of financial need or public interest benefit that are not awarded a fee reduction due to lack of funds will be able to continue in the new gTLD program by paying the remainder of the standard application fees or apply for a full refund.

Appeals Process

In order to keep the program as economical and straightforward as possible, there will be no opportunity for appeal of support applications.

Reporting

To provide for continual improvement in the program, applicants receiving support will be required to provide a feedback report describing how the significant reduction in fees helped with the execution of their project. This feedback will also be valuable in the development of a Round 2 Support Program.