SUMMARY: APPLICANT SUPPORT

Attachments

1. Draft Applicant Support Process
2. Draft Applicant Support Criteria
3. Graphic: Applicant Support Process Flow

Current Situation and Recent Developments

During its 20 June 2011 meeting in Singapore the Board resolved to implement a program to ensure support for applicants from developing countries including:

(a) consideration of the GAC recommendation for a fee waiver corresponding to 76% of the $185,000 evaluation fee (to $47,000),

(b) consideration of recommendations of the Joint Applicant Support (JAS) Working Group,

(c) designation of a budget of up to $2 million for seed funding, and creating opportunities for other parties to provide matching funds, and

(d) the review of additional community feedback, ...

The JAS issued its set of final recommendations on 13 September 2011, (reported to the Finance Committee and the Board more fully in earlier meetings) including:

- Applicants demonstrating need and a plan for operating in the public benefit should receive assistance.

- Assistance will include:

  o a fee reduction to $47K, and

  o additional financial assistance in the form of payments to deserving registries.

- Evaluation criteria should be created to: verify applicants' need, operation in the public interest, and avoid gaming and abuses.

- Applications for assistance should be considered prior to the opening of the new gTLD application window.

A Board working group to develop a program met in Dakar and in conference calls thereafter after, recommending:

- The timing of financial support evaluations could and should be delayed until after the opening of the application window and should occur at the same time the first batch of non-financial aid applications is being evaluated. Those passing the financial aid criteria would then be evaluated as new gTLD candidates in a later batch. (Financial assistance applicants will submit both

their completed financial assistance application, completed new gTLD application, and $47K fee during the 12 January – 12 Apr application window.)

- The criteria for receiving financial aid should be strict: there should be a fairly high threshold for qualifying; and those applying for financial assistance and failing to qualify would be excluded altogether from the new gTLD process.

- There should be a fee reduction from $185K to $47K. The number of fee reductions awarded would be limited by available funds. E.g., if there is only $2MM available at the time awards are made, then 14 applicants will be provided assistance. Therefore, there will be some that qualify but will not receive financial assistance. They can elect to pay the full fee or withdraw. ICANN will seek to provide non-financial support to these candidates.

Representatives of the JAS and Board Working Groups held a conference call on 5 December so that these materials could be shared and an overview of the Program be presented to the JAS representatives. During the meeting, a few suggested changes were discussed and accepted.

Resoultion

At its meeting, the Board adopted the "Process" and "Criteria" (attached) developed by the Board working group as the program for providing assistance to needy and worthy applicants. The Board also directed the completion of the remaining program elements:

- publication of program elements for public comment for 21 days around 17 December 2011, soliciting comments regarding implementation of the program and also conveying that many essential elements had been decided,

- publication of a final program including a brief handbook and application form describing the rules for applying for and receiving aid (complete by opening of application window Jan 2012),

- recruitment of an evaluation panel (complete by June 2012),

- soliciting additional funds if possible (complete by November 2012 – the date the funding notifications are made), and

- development of an amended communications campaign.

Rationale for Recommendation

Resetting the evaluation of financial support applications provides additional time to raise funds. It is intended that the determination of financial need is to be made in parallel with the first batch of "regular" new gTLD applications. If the financial assistance awards are not made until the end of the first batch of new gTLD evaluations, fundraising can operate until November 2012.

Resetting also takes the recruitment of the financial assistance evaluation panel off of the critical path. In this new plan, the panel is not required until May 2012.

The $138K fee reduction is meaningful in size and follows JAS and GAC recommendations. It is thought that providing a meaningful level of assistance to a fewer number of applicants is better than providing a small benefit to all those who qualify.

The criteria (demonstrating need and operating in the public benefit) follow JAS recommendations.

Completed new gTLD applications are due at the same time the financial assistance applications are due. This will help ensure only serious participants apply for financial assistance.

Those who do not meet the criteria threshold will be disqualified from the new gTLD process altogether and lose their $47K fee. This will help ensure only bona fide candidates for assistance will apply.

Note: This process does not follow all JAS recommendations. In particular, the JAS recommendations state that the $2MM seed fund should not be used for fee reductions. The JAS intended the $2MM and other funds raised be paid out to needy and worthy applicants to help build out registries.