



Track 1

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Costing: Big Picture

1. Evaluation of pricing – holistically or over multiple rounds?
 - Pro: spread the costs over multiple rounds i.e. new systems
 - Con: difficult to predict the volume of applications and timing
2. What about having different fees for different types of applications?
 - Implications on failure rates? i.e. a brand vs. generic/open TLD
3. Cost Recovery or Cost+ ?
 - Cost recovery or some type of justified cost +
 - If we recommend a policy of cost+, do we want to provide some type of policy on how the excess should be used?
 - Pooled failure costs by type of application
 - Promotional activities
 - Underserved regions
 - Other ideas?

Reasons for a Cost Floor/Ceiling

Price	Pros	Cons
Floor (actual costs are lower than expected) creating excess funds	<ul style="list-style-type: none">• Funding for reserves and other programs within ICANN (assuming needed)• What if it impact NFP status?• Acknowledges that TLDs are a piece of valuable Internet real estate• Funding for new system development **• Anti-competitive• Gating mechanism for financially stable brands	<ul style="list-style-type: none">• Unsophisticated buyers• Increase failure rate• Impact on security/stability of domain ecosystem• Increased “squatting” activities, abuse• Creates cost for IP community• Brands paid a high price for a resource that loses its value if the price is significantly decreased• Create a cash cow for ICANN
Ceiling	<ul style="list-style-type: none">• Is this even a viable idea worthy of discussion? i.e. application fees creating a shortfall	

Costing cont'd

4. Why keep the current policy?

- Cost recovery or some type of justified cost +
- If we recommend a policy of cost+ if we don't know the % of the application fees and usage – thus, do we want to provide some type of policy on how the excess should be used?

5. What about having different fees for different types of applications?

- Implications on failure rates? i.e. a brand vs. generic/open TLD

6. Price could incorporate a “deposit” which could be returned to applicant after set time/ evidence of successful launch?

- Could it assist in curtailing excess TLDs, abuse, hobbyists?

7. Return of funds as per the round years ago (application fees were \$50k)

8. Other Issues?

RSP Program

Policy Questions from CC2

1. If an RSP program is established for new gTLDs, what should be some of the requirements of the program? For instance, how would the scalability of the RSP be measured across a variable numbers of registries?
2. Should there be any continuing obligations for approved RSPs, such as high-level requirements for accreditation? Should the requirements be variable based on the types of TLDs the RSP intends to serve or other factors?
3. What are the potential impacts (both positive and negative) of an RSP Program on ICANN-Accredited Registrars? If there are any negative impacts, what are ways in which those impacts can be mitigated?
4. Should there be a process to reassess RSPs on a periodic basis? If so, how often should an assessment be conducted and what would the process be for a re-approval?

Policy Questions from Donna Austin's Proposal

How can the technical components of the application and evaluation processes from 2012 be streamlined to remove the burden on applicants and the repetitive answers provided by RSPs, but still satisfy ICANN's requirement for technical competence?

- Applicants now have three options in the application process:
 - 'tick a box' indicating that they will engage an ICANN Proven Provider; or
 - 'tick a box' indicating that they will engage an ICANN Pre-Certified Provider; or
 - Opt to complete technical component of their application and go through the evaluation process and PDT testing.
- In the event that the applicant uses the services of an ICANN Proven Provider or and ICANN Pre-Certified Provider there would be no requirement to provide answers to technical questions or be subject to technical evaluation or PDT.
- Applicant would be required to acknowledge their responsibilities as it relates to meeting the technical and service levels of the Registry Agreement.

Policy Questions from Donna Austin's Proposal

How can PDT repetitive testing be resolved?

- An ICANN Proven Provider would not be required to undertake an additional PDT.
- An ICANN Pre-Certified Provider would only undertake PDT once as would an ICANN Post-Application Provider

Policy Questions from Donna Austin's Proposal

How can ICANN and RSPs engage on matters of security and stability absent a contractual arrangement?

- Individual RSPs could agree to an exchange of letters (similar to ccTLDs) with ICANN outlining respective responsibilities relating to the DNS.
- The RSP should be nominated by the Registry Operator as the Technical point of contact and the initial point of contact where issues of security and stability arise.
- The RSP will remain accountable to the Registry Operator through the provision of services in accordance with SLAs in the Registry Agreement.

Policy Questions from Donna Austin's Proposal

What options are available to satisfy ICANN that an RSP is technically competent to manage the operation of multiple TLDs, while also ensuring security and stability of the DNS?

- ICANN Proven Providers will have been subject to monitoring of their technical performance over an extended period of time by the commencement of another application round for new gTLDs. ICANN should have knowledge of the performance and capabilities of those RSPs and as such no further testing would be required.
- Pre-Certified Providers and Post-application certified Providers may be subject to additional testing once details are known of the number of TLDs to be supported to address any concerns or security and stability.
- All RSPs could voluntarily submit to annual performance test conducted by an independent third party, which is intended to assess if the infrastructure of the RSP is requisite to meet the scale of the respective RSPs operation.

Policy Questions from Donna Austin's Proposal

How can the process to swap out an RSP be more streamlined?

- Gather feedback from the community about what is and is not working
- Formation of a Working Group to examine processes that are already in place and to propose adjustments to existing processes or new processes that will smooth the process

Next Meeting

Thank-you for your Time and Thoughts!

Next Meeting:

Tuesday, 25 April 2017 at 3:00 UTC