

New gTLD Program Committee of the ICANN Board: 2012-2015





FOREWORD

The New gTLD Program is ushering in the largest-ever expansion of the Domain Name System (DNS) – a change that promises to promote global innovation, competition and consumer choice. Since April 2012, the New gTLD Program Committee (NGPC) of the ICANN board of directors has worked tirelessly to help guide the strategic and financial decisions of the program, taking on some of the most critical and often contentious issues that come with any initiative of this magnitude. Through countless discussions and meetings around the world, and in close collaboration with the Internet community, the NGPC helped provide clarity and resolve challenges to ensure applicants for new generic top-level domains (gTLDs) continue to move forward in the program.

As of the date of publication of this report, a vast majority of potential new gTLDs have been contracted and most of the issues the NGPC was tasked with addressing have been resolved. I want to express my deep gratitude to each member of the NGPC for helping to pave the way for the introduction of hundreds of new gTLDs into the Internet. I also want to extend my heartfelt thanks to ICANN's Global Domains Division staff and the community for their continued and tireless support.

During its three years in operation, many individuals contributed time and effort to the NGPC as either active members or non-voting liaisons. Rinalia Abdul-Rahim, Akram Atallah, Rod Beckstrom, Fadi Chehade, Steve Crocker, Chris Disspain, Heather Dryden, Bill Graham, Asha Hemrajani, Markus Kummer, Bruno Lanvin, Olga Madruga-Forti, Erika Mann, Thomas Narten, Gonzalo Navarro, Ray Plzak, R. Ramaraj, Thomas Roessler, George Sadowsky, Thomas Schneider, Mike Silber, Francisco da Silva, Jonne Soininen, Judith Vasquez, Suzanne Woolf and Kuo-Wei Wu, thank you for your outstanding leadership and expert guidance throughout the implementation of the New gTLD Program.

Cherine Chalaby
Chair, New gTLD Program Committee of the Board of Directors
Internet Corporation for Assigned Names and Numbers (ICANN)

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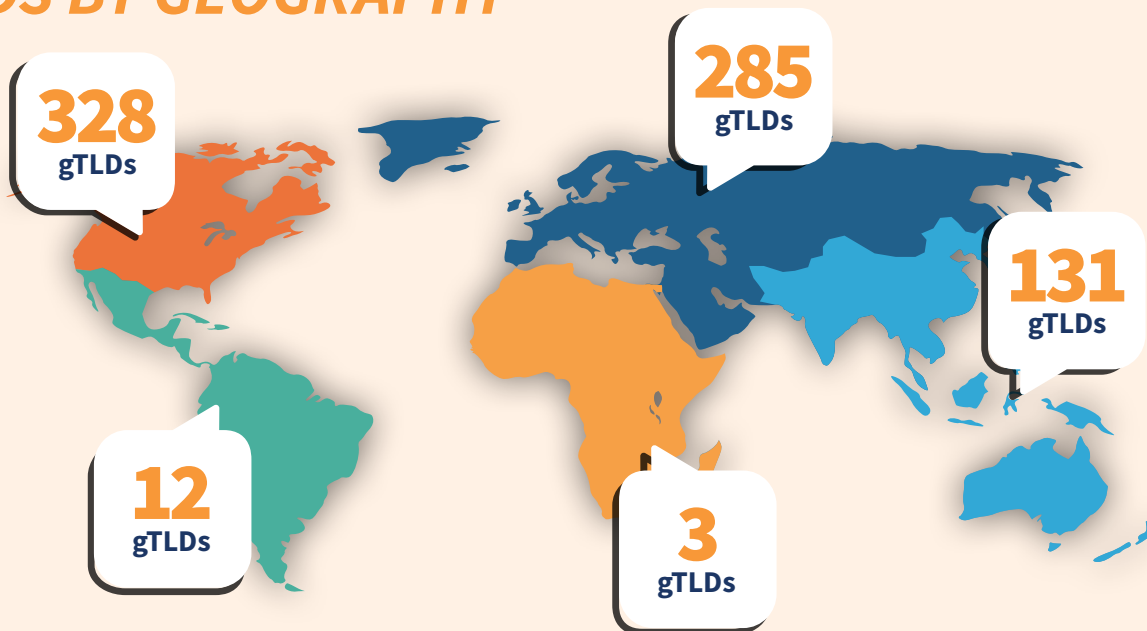
THE NEW GTLD PROGRAM

(30 SEPTEMBER 2015)

ICANN's New gTLD Program is enabling the expansion of the Domain Name System from 22 generic top-level domains (gTLDs) to over one thousand. As of 30 September 2015, nearly 1,200 contracts for new gTLD strings had been signed and 759 gTLDs had been introduced into the Internet.

759 New gTLDs
Introduced into the Internet

GTLDs BY GEOGRAPHY

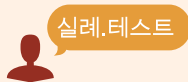


GTLDs BY TYPE

33
Community



62
Internationalized
Domain Names



44
Geographic



The New gTLD Program has made it possible for brands, governments, communities and startups to operate top-level domain registries. The goal of this expansion is to enhance competition, innovation and consumer choice. The program is also supporting the development of a multilingual Internet through the introduction of Internationalized Domain Names, those in scripts such as Arabic, Chinese, Cyrillic, Devanagari and many others.

17 New Protections

Laying the foundation for a more mature domain name industry

EXECUTIVE SUMMARY

This report provides an overview of the New gTLD Program Committee (NGPC) and its key accomplishments from its formation in April 2012, to when it was decommissioned in October 2015. The ICANN board delegated decision-making authority to this new committee for activities related to the New gTLD Program, which commenced in January 2012, and in particular, interpretation of the community-developed Applicant Guidebook. As outlined in the committee's charter, NGPC members were required to be voting ICANN board directors and liaisons that were not conflicted with respect to new gTLDs, and also had been approved by the board.

Chief amongst its many accomplishments was the NGPC's approval of an agreement for new gTLD registries that met the demands of the community. The committee directed, pursuant to GAC advice, that specification 11 be added to protect the public interest by ensuring registries operated their new gTLDs as proposed in their applications and through the introduction of safeguards for all new gTLDs. Additionally, the NGPC oversaw the creation of a new framework for brand gTLDs (Specification 13). Beyond the registry agreement, the committee collaborated with the community to resolve a number of contentious situations concerning new gTLD strings.

It was also the view of the NGPC that additional safeguards for new gTLDs related to regulated industries, as well as requirements to address security and stability issues, such as name space collisions with new gTLDs were necessary. Accordingly, these were introduced.

The board decommissioned the NGPC in October 2015, as almost all full board members no longer had conflicts of interest with respect to new gTLDs. Additionally, the majority of unique gTLD strings had been contracted and over half had been delegated. Upon being decommissioned, the full board assumed responsibility for overseeing the New gTLD Program.

□ **April 2012**
NGPC Formed

□ **July 2013**
Approved base New gTLD registry agreement

□ **February 2014**
Updated New gTLD registry agreement with safeguards for regulated industries

□ **March 2014**
Updated New gTLD registry agreement with specification 13 for brand top-level domains

□ **July 2014**
Provided resolution path for name collision

□ **October 2014**
Initiated mechanism to resolve perceived inconsistent string confusion objections

□ **June 2015**
Created path forward for exclusive access "generic" gTLD applications

□ **October 2015**
NGPC decommissioned

NGPC OVERVIEW

On 10 April 2012, the ICANN board of directors approved the formation of the New gTLD Program Committee (NGPC) and delegated decision-making authority to the new committee regarding ICANN's New generic Top-Level Domain (gTLD) Program. The NGPC's purpose was to make strategic and financial decisions relating to ICANN's New gTLD Program for the current round of the program and as it relates to the Applicant Guidebook.

The NGPC's key responsibilities included:

- ❑ Overseeing board-level issues and exercising board-level authority for any and all issues that may arise relating to the New gTLD Program for the current round of the Program and as related to the Applicant Guidebook for which the board would otherwise have oversight authority;
- ❑ Approving amendments to, or modification of, the Applicant Guidebook and all attachments for which approval would otherwise be required by the board;
- ❑ Receiving input or advice from ICANN's Governmental Advisory Committee (GAC) and other stakeholders, as appropriate, relating to new gTLD applications;
- ❑ Resolving issues relating to the approval of applications and the delegation of gTLDs pursuant to the New gTLD Program for the current round of the Program; and
- ❑ Approving the expenditure of resources necessary to administer the New gTLD Program for the current round of the Program and as related to the Applicant Guidebook.

57 meetings conducted
114 resolutions approved

As outlined in the committee's charter, NGPC members were voting ICANN board directors and board liaisons who were not conflicted with respect to new gTLDs and had been approved by the board. When it was formed in April 2012, the NGPC had 13 members: Cherine Chalaby (Chair), Rod Beckstrom, Chris Disspain, Heather Dryden (Non-Voting Liaison), Bill Graham, Erika Mann, Gonzalo Navarro, Ray Plzak, R. Ramaraj, Thomas Roessler (Non-Voting Liaison), George Sadowsky, Mike Silber and Kuo-Wei Wu. Over the course of its three years in operation, 27 members served on the committee. Additional members include: Rinalia Abdul-Rahim, Akram Atallah¹, Fadi Chehade, Steve Crocker, Asha Hemrajani, Markus Kummer, Bruno Lanvin, Olga Madruga-Forti, Thomas Narten (Non-Voting Liaison), Thomas Schneider (Non-Voting Liaison), Francisco da Silva (Non-Voting Liaison), Jonne Soininen² (Non-Voting Liaison), Judith Vasquez and Suzanne Woolf² (Non-Voting Liaison).

¹ Akram Atallah served on the NGPC between 1 July and 13 September 2012 in the capacity of interim president and CEO of ICANN.

² Jonne Soininen and Suzanne Woolf stepped down from the NGPC after separate conflicts of interest developed.

On 17 October 2015, the Board Governance Committee (BGC) concluded that the NGPC had fulfilled its duty and the reasons that led to its formation no longer existed. It therefore recommended that the board decommission the NGPC. The board adopted the BGC's recommendation on 22 October 2015.

Moving forward, the full board will maintain general oversight and governance over the New gTLD Program. It will also provide strategic and substantive guidance on new gTLD-related topics through the remainder of the current round of the program.

NGPC ACCOMPLISHMENTS

BACKGROUND ON GAC ADVICE

Governmental Advisory Committee (GAC) advice regarding the New gTLD Program was intended to address applications that governments identified as being problematic, particularly those that potentially violated national law or raised sensitivities. One of the primary functions of the NGPC was to consider and implement advice from the GAC. As a result, many of the NGPC's accomplishments were related to finding solutions to GAC advice. Between March 2013 and June 2015, the GAC issued eight communiqués with several items of advice on new generic top-level domains (gTLDs). Topics of concern ranged from providing consumer protections for all new gTLD strings to objections to a handful of applications moving forward toward delegation.

To address Governmental Advisory Committee advice, the NGPC consulted with the GAC to understand the nuances of the issues raised. It also solicited feedback from other groups within ICANN's multistakeholder community when determining how to implement the advice. Certain decisions related to GAC advice had the potential to conflict with the underlying policy of the New gTLD Program, which means those decisions would not only affect governments, but also individuals and businesses. As a result, ICANN's Generic Names Supporting Organization (GNSO) was heavily consulted.

In total, the NGPC addressed 71 issues raised by the GAC. Download the [GAC Advice Scorecard](#) to view them all. Not all of the accomplishments listed below are related to GAC advice, but those that are represent some of the most difficult challenges undertaken by the committee.

JULY 2013: APPROVED BASE REGISTRY AGREEMENT (GAC ADVICE) – Opened Door for New gTLD Operations

The new gTLD registry agreement is the formal written and binding agreement between an applicant and ICANN that sets forth the rights, duties, liabilities and obligations of the applicant as a registry operator. To execute a registry agreement, an applicant must have successfully passed application evaluation and, if applicable, resolved contention, cleared GAC advice and completed objection dispute resolution or change requests. After an applicant signs a registry agreement, it moves to onboarding and pre-delegation testing, precursors to the introduction of the new gTLD into the Internet.

In light of the GAC's advice in the Beijing Communiqué, as well as concerns raised by the community, additional changes were made to the base agreement before new gTLDs could start rolling out to the public. The NGPC was instrumental in creating Specification 11, which includes Public Interest Commitments (PICs) and safeguards for all new gTLD strings, as advised by the GAC.

The Public Interest Commitments specification of the registry agreement allows new gTLD applicants to identify commitments that will become binding contractual obligations. Through this amendment, applicants can agree to be held accountable for business plans and statements of intent as outlined in their applications or additional commitments that they have voluntarily specified. Once an applicant submits its commitments and signs the new gTLD registry agreement, these commitments are considered binding and can be enforced by ICANN Contractual Compliance and through the Public Interest Commitments Dispute Resolution Process (PICDRP). The PICDRP is a dispute resolution mechanism available to any party that believes it has been harmed by a registry operator's failure to comply with its public interest commitments.

In addition to registry-specific commitments, Specification 11 includes mandatory safeguards for all gTLDs. The safeguards subject to contractual oversight are related to mitigating abusive activity and performing security checks in TLDs, and operating a TLD in a transparent, non-discriminant manner through clear registration policies. The specification also requires operators of new gTLDs to use only ICANN-accredited registrars that are party to the 2013 Registrar Accreditation Agreement.

FEBRUARY 2014: IMPLEMENTED SAFEGUARDS FOR REGULATED AND HIGHLY REGULATED INDUSTRIES (GAC ADVICE) – Strengthened Consumer Protections with New Contractual Commitments

In the Beijing Communiqué, issued in April 2013, the GAC advised the board that strings related to professional or regulated sectors should operate in a manner consistent with applicable laws because these strings are “likely to invoke a level of implied trust from consumers, and carry higher levels of risk associated with consumer harm.” The GAC detailed safeguards that should apply to applied-for new gTLD strings related to these sectors, including provisions related to privacy, data collection and disclosure, and collaboration with relevant regulatory bodies to mitigate illegal activities.

Between April and June 2013, ICANN conducted a public comment period to solicit input on how the NGPC should address GAC advice regarding safeguards applicable to broad categories of new gTLD strings, including those related to highly regulated industries. More than 130 community groups and individuals weighed in on the decision.

On 29 October 2013, the NGPC sent a letter to the GAC about its proposed implementation of the “Category 1 Safeguard” advice in the Beijing Communiqué. The NGPC proposed the use of public interest commitments, included in Specification 11 of the new gTLD registry agreement, to implement these requirements, including additional PICs for strings associated with inherently governmental functions, and strings that have a risk of cyber bullying/harassment. Strings related to regulated sectors would have three public interest commitments added to their registry agreements, whereas agreements for strings related to highly regulated sectors would have eight additional PICs.

In the Buenos Aires Communiqué, issued in November 2013, the GAC reported that it welcomed the NGPC's response regarding Category 1 Safeguard advice. In response, on 5 February 2014, the NGPC accepted the GAC's Category 1 Safeguard advice in an iteration of the scorecard, and directed the president and CEO to implement the advice consistent with the implementation framework originally sent to the GAC in the NGPC's 29 October 2013 letter.

MARCH 2014: PASSED RESOLUTION FOR SPECIFICATION 13 TO REGISTRY AGREEMENT – Created New Framework and Protections for Brands

Specification 13 of the new gTLD registry agreement was developed to accommodate the concerns raised by brand applicants requesting special provisions in the new gTLD registry agreement. The Brand Registry Group first engaged ICANN on the topic during ICANN's Beijing meeting in April 2013. Specification 13 was designed to better protect both brands and the public interest by creating a new category of top-level domains (TLDs) for brands, which would provide these companies with the authority to control registrations in their specific brand TLDs.

Following input from the ICANN community and consultation with the Brand Registry Group, the NGPC passed a resolution on 26 March 2014 approving Specification 13 for .BRAND applicants. As part of its approval, the NGPC also consulted the GNSO about consistency between the GNSO's Policy Recommendation 19 on the introduction of new generic top-level domains and a proposed provision in Specification 13 allowing .BRAND registry operators to designate up to three exclusive registrars to register names in the TLD.

Specification 13 provides limited accommodations to registry operators of .BRAND top-level domains (TLDs). While there are several restrictions in order to qualify as a .BRAND TLD, a key requirement is that only the registry operator and its affiliates or trademark licensees can register domain names and control Domain Name System records in the TLD. For this reason, Specification 13 allows registries operating .BRAND TLDs:

- ❑ Exemption from Specification 9 of the registry agreement. Specification 9, also referred to as the Code of Conduct, is designed to protect the TLD's registrants, but in the case of a .BRAND there is no need to protect the operator from itself.
- ❑ Deferral of Sunrise requirements. A .BRAND TLD's requirement to conduct a Sunrise registration period would be deferred for as long as the TLD continues to qualify as a .BRAND TLD. If the TLD ever ceases to operate as such, then the TLD would have to comply with the Sunrise requirements and hold a Sunrise period within 60 days.
- ❑ A two-year "cooling off" period prior to redelegation of the .BRAND TLD to a successor registry operator, in most cases. The provision does not prevent ICANN's appointment of an Emergency Back-end Registry Operator (EBERO).
- ❑ The Registry Operator must conduct an annual self-audit and certify that the TLD continues to qualify as a .BRAND TLD.

JULY 2014: PROVIDED RESOLUTION PATH FOR NAME COLLISION (SSAC ADVICE) – Supported Secure, Stable Rollout of New gTLDs

A name collision in the domain name system (DNS) occurs when fully qualified domain names conflict with similar domain names used in private networks. When the administrative boundaries of private and public namespaces overlap, name resolution may yield unintended or harmful results.

While the name collision issue is not new, and has been successfully managed in other top-level domains (TLDs), it received renewed attention because some new TLD strings that were applied for could be identical to name labels used in private networks. A secure, stable and resilient Internet is ICANN's number one priority. Therefore, ICANN made a commitment to the Internet community to launch a substantial effort to mitigate and manage name collision occurrence. The NGPC played a key role in helping establish a path forward on the name collision issue.

At its 18 May 2013 meeting, the ICANN board adopted a resolution to commission a study to identify the potential impact of name collision. The resulting study, "Name Collision in the DNS," categorized new gTLD names, or strings, by the potential risk of name space collision: 80 percent of applied-for strings were considered low risk, 20 percent were labeled uncalculated risk and two strings, .HOME and .CORP, were considered high risk.

On 5 August 2013, ICANN opened a public comment forum on staff proposed efforts to mitigate the potential impact of name collisions as new gTLDs are delegated into the Internet's root zone. The NGPC met on 28 September 2013 to review these comments and devise a proposal for how to address name collision.

On 7 October 2013, the NGPC adopted resolutions to mitigate the risks of potential name collisions caused by delegation of new gTLDs through its approval of the "New gTLD Collision Occurrence Management Plan" and its direction to staff to implement this plan. The decision cleared the way for new gTLDs to move forward to delegation, while addressing concerns about the stability of the Internet raised by the community. During this meeting, the NGPC also recommended to the ICANN board that the issue of name collisions be monitored and reviewed periodically by the Board Risk Committee, and that ICANN work with the community in developing a long-term plan to retain and measure root server data.

After additional analysis, research and community consultation, on 30 July 2014, the NGPC adopted the final Name Collision Occurrence Management Framework to continue to manage the occurrence of collisions between new gTLDs and existing private uses of the same strings. The NGPC also directed staff to provide information to, and work with, ICANN's Generic Names Supporting Organization to consider whether policy work should be undertaken to develop a long-term name collision plan and to continue to share information and best practices learned through implementation of the Name Collision Occurrence Management Framework with country code top-level domain managers.

OCTOBER 2014: INITIATED LIMITED REVIEW MECHANISMS FOR PERCEIVED INCONSISTENT STRING CONFUSION OBJECTIONS – *Ensured Consistency Across Decisions to Remove Deceiving or Confusing Strings*

String Confusion Objection is one of four grounds on which a formal objection could be filed against a gTLD application. According to the objections process outlined in the Applicant Guidebook, when an objector believes an applied-for gTLD string is confusingly similar to an existing TLD or to another applied-for gTLD string in the same round of applications, he or she can file an objection based on string confusion. Once an objection has been filed, the case is reviewed by a panel of independent experts constituted by the International Centre for Dispute Resolution (ICDR). The expert panel reviews the merits of the case to determine if the string in question so nearly resembles another that it is likely to deceive or cause confusion. This review process was informed by years of debate and public comment as part of the development of the New gTLD Program.

In response to community comments, the NGPC took action to address perceived inconsistent and unreasonable expert determinations resulting from the New gTLD Program String Confusion Objections process. For example, three String Confusion Objections were filed by the same objector against separate applications for the .CAM string, each on the basis of confusion with .COM. In two of the String Confusion Objections, the applicant prevailed; in the third, the objector prevailed. After monitoring concerns and discussing the issue at several of its meetings, the NGPC directed the ICANN President and CEO to initiate a public comment period on the issue. Based on that feedback, on 12 October 2014, the NGPC directed that the perceived inconsistent and unreasonable expert determinations be sent back to the ICDR for a final review by a new, three-member expert panel to re-evaluate the materials presented and render a final expert determination on the two proceedings.

As part its examination, the NGPC also considered whether it was appropriate to expand the scope of a proposed review mechanism to include other expert determinations, which could include the Community Priority Evaluation (CPE) determination. The NGPC determined that to promote the goals of predictability and fairness, establishing a review mechanism more broadly may be more appropriate as part of future community discussions about subsequent rounds of the New gTLD Program. Since applicants had already taken action in reliance on many of other expert determinations, allowing these actions to be undone would have not only delayed consideration of all applications, but would raise issues of unfairness for those that had already acted in reliance on the Applicant Guidebook. Therefore, the NGPC recommended that the development of rules and processes for future rounds of the New gTLD Program should explore whether there is a need for a formal review process with respect to expert determinations more broadly. Additionally, the NGPC also requested that the GNSO consider the broader issue of a review mechanism as part of its discussions on policies and procedures for the next round of the New gTLD Program.

JUNE 2015: CREATED PATH FORWARD FOR EXCLUSIVE ACCESS “GENERIC” GTLD APPLICATIONS (GAC ADVICE) – Shielded Public Interest and Called on Community for New Policy

In certain cases, registry operators can have exclusive access to a generic top-level domain. This means that the registry can operate in a closed manner; it is not required to accept registrations from any outside party. This is useful for brands operating new gTLDs that match their trademarks. However, a number of applicants requested exclusive access for generic terms, such as “grocery,” “insurance” and “baby.”

In the Beijing Communiqué, issued in April 2013, the GAC advised the board that, “For strings representing generic terms, exclusive registry access should serve a public interest goal.” The GAC named this Category 2.2 Safeguard advice and identified 186 new gTLD strings it considered to be generic terms where the applicant was proposing exclusive registry access.

On 19 August 2013, ICANN solicited responses from the applicants behind the 186 applications identified by the GAC regarding whether they planned to operate the applied-for TLDs as exclusive access registries. The vast majority of these applicants indicated that they did not intend to operate an exclusive access generic gTLD, while a small number modified their applications to that effect. These applications were cleared to proceed in the New gTLD Program. Fewer than a dozen applicants indicated that they would operate their applied-for TLDs in an exclusive access manner. These applications were put on hold. However, the hold could be removed if the applicant decided to change its application and operate non-exclusively.

The NGPC deliberated on the GAC’s advice concerning exclusive registry access for generic strings at more than 10 of its meetings over the last two years. In formulating its response, the NGPC considered all material, relevant facts and information, including applicant responses and community feedback on how ICANN could implement the advice.

On 21 June 2015, the NGPC addressed the GAC’s Category 2.2 Safeguard Advice and created a path forward for the five remaining applicants that indicated their intention to operate a generic string as an exclusive access registry. These applicants were given the following options:

- ☐ Remove language about operating an exclusive access generic gTLD from their application and sign the current form of the new gTLD registry agreement;
- ☐ Maintain the plan to operate an exclusive access generic TLD. As a result, their application would be deferred to the next round of the New gTLD Program; or
- ☐ Withdraw the application for a refund consistent with the refund schedule in the Applicant Guidebook.

In addition, the NGPC cleared the holds on these applications and directed staff to proceed with other New gTLD Program processes, including auction and objection/dispute resolution. This action freed groups of other applications also stalled in the New gTLD Program because they were in contention with these exclusive access generic gTLD applications. Most important, the NGPC requested that the GNSO specifically include the issue of exclusive registry access for generic strings serving a public interest goal as part its policy work on initiating subsequent rounds of the New gTLD Program.

NGPC MEMBERSHIP



Rinalia Abdul-Rahim
Member



Akram Atallah ¹
Member



Rod Beckstrom
Member



Cherine Chalaby
Chair



Fadi Chehade
Member



Steven Crocker
Member



Chris Disspain
Member



Heather Dryden
Non-Voting Liaison



Bill Graham
Member

¹ Akram Atallah served on the NGPC between 1 July and 13 September 2012 in the capacity of interim president and CEO of ICANN.

NGPC MEMBERSHIP



Asha Hemrajani
Member



Markus Kummer
Member



Bruno Lanvin
Member



Olga Madruga-Forti
Member



Erika Mann
Member



Thomas Narten
Non-Voting Liaison



Gonzalo Navarro
Member



Raymond A. Plzak
Member



R. Ramaraj
Member

NGPC MEMBERSHIP



Thomas Roessler
Non-Voting Liaison



George Sadowsky
Member



Thomas Schneider
Non-Voting Liaison



Mike Silber
Member



Francisco da Silva
Non-Voting Liaison



Jonne Soininen¹
Non-Voting Liaison



Judith Vasquez
Member



Suzanne Woolf¹
Non-Voting Liaison



Kuo-Wei Wu
Member

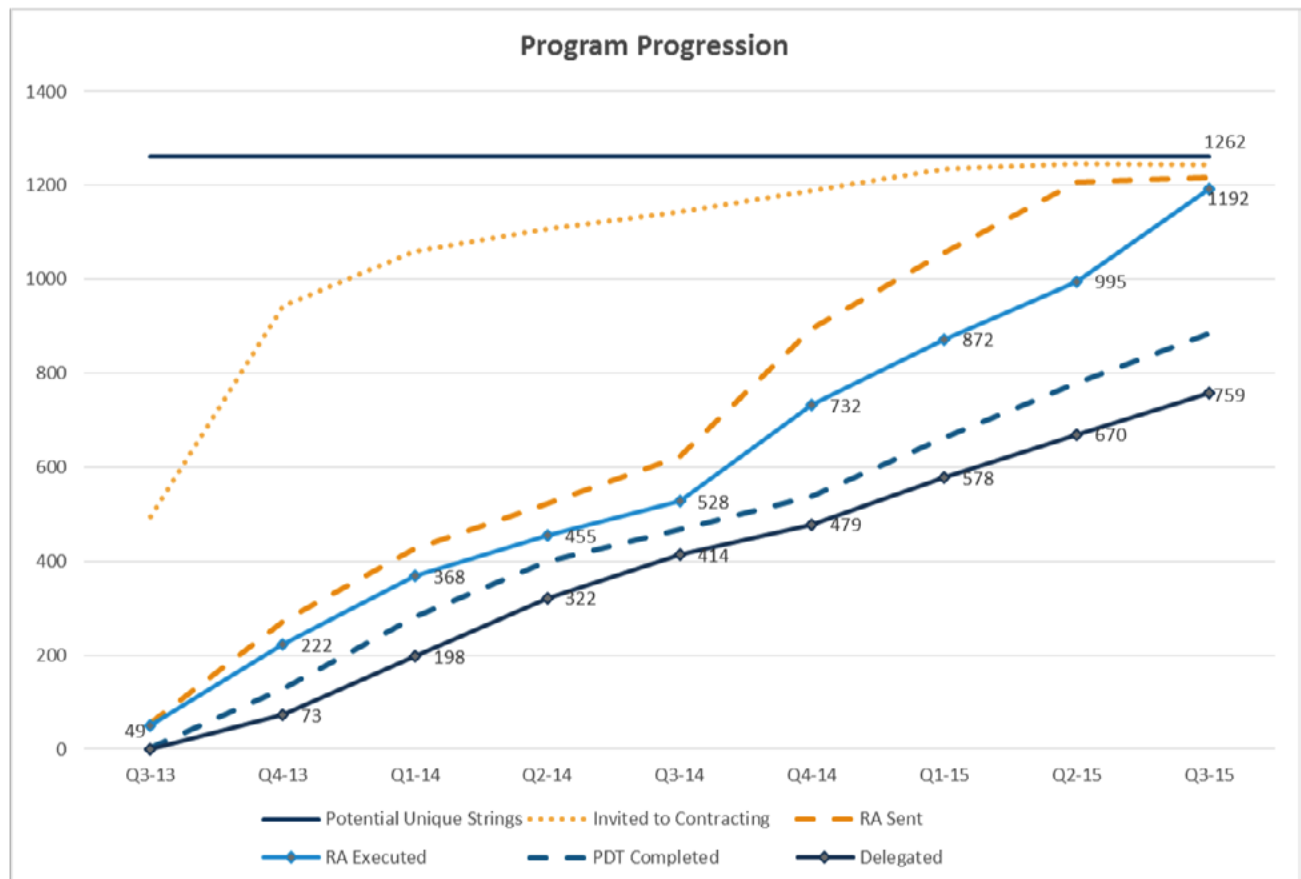
¹ Jonne Soininen and Suzanne Woolf stepped down from the NGPC after separate conflicts of interest developed.

APPENDIX

GAC ADVICE SCORECARD

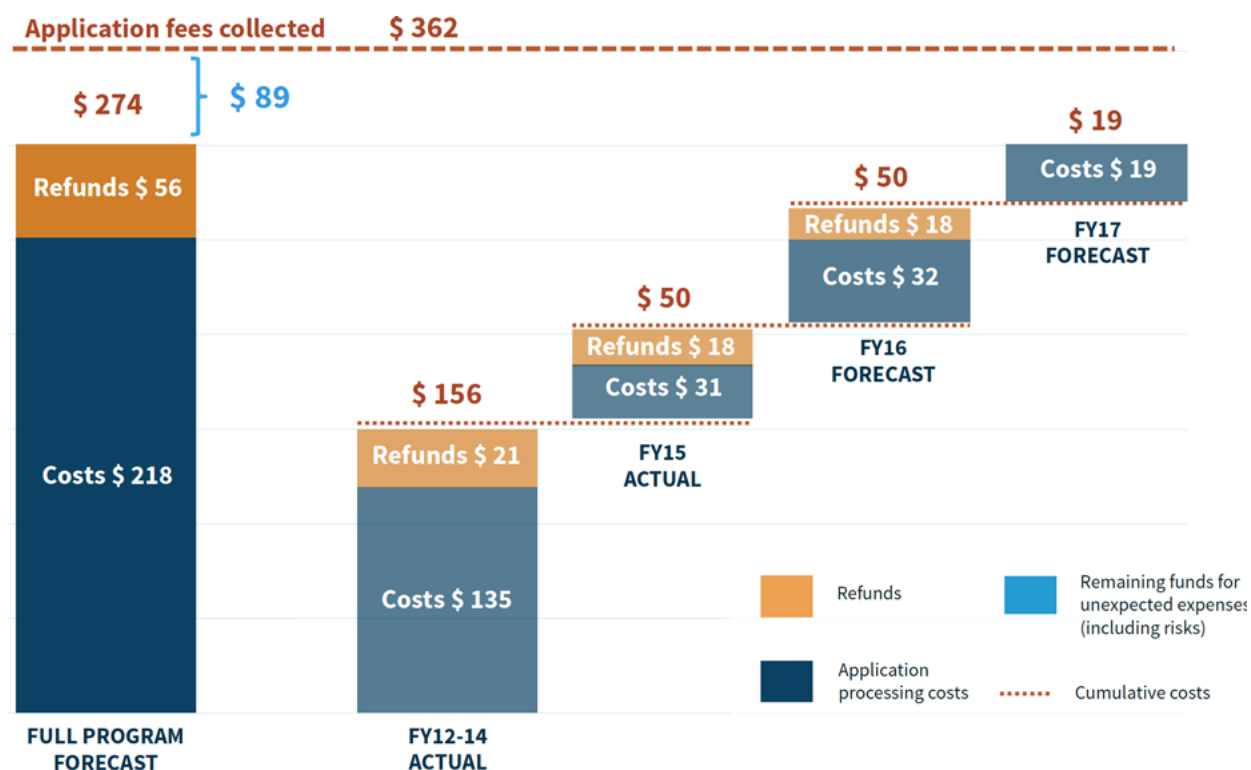
A compilation of all GAC advice issued between April 2013 and June 2015 and the actions the NGPC had taken in response before it was decommissioned by the board. The report includes summaries, GAC referential numbers and links to related documents. Download the [GAC Advice Scorecard](#).

PROGRESSION OF THE NEW GTLD PROGRAM: OCTOBER 2013 – OCTOBER 2015



NEW GTLD PROGRAM MULTI-YEAR FORECAST

Data as of 30 September 2015



STRING CONTENTION RESOLUTION: AUCTIONS

Data as of 30 September 2015

Contention Sets Resolved via Auction

13

Total Contention Sets Resolved:

207 of 233

Description	Values in USD
Gross Auction Proceeds	\$61.89m
Development Costs	\$(0.35m)
Operating Costs	\$(2.75m)
Net Proceeds	\$58.79m

Proceeds are being reserved until the Board determines a plan for the appropriate use of the funds through consultation with the community.