INFORMATION PAPER FOR APPLICANTS: NEW gTLD EVALUATION STATUS

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Executive Summary

This paper is for information only and describes the work done since the Prague meeting in June 2012.

Regarding batching: applications are being forwarded to evaluation panels in a way to achieve efficiencies and ensure consistency. The current plans calls for results to be announced in a single batch. The evaluation panels have committed to accelerating the work. The initial evaluation timeframe originally planned for 15-19 months for all applications is now forecasted to be 11-12 months.

These timeframes fit with the current GAC timetable so that "GAC Early Warnings" will be delivered before all initial evaluation is completed. The GAC has stated that it "is considering the implications of providing any GAC advice on gTLD applications. These considerations are not expected to be finalized before the Beijing meeting in April 2013."

Pilot evaluations demonstrate that approximately 90% of applications are likely to be the subject of "clarification questions," but that a very high majority of applications are expected to pass the initial evaluation. Answers to clarification questions will effectively result in substantial expansions to many application answers.

Pilot studies have indicated the importance of the process for posing clarifications questions to applicants. Additional steps are being taken to ensure consistency and fairness of this process as described in the last two sections of this paper.

The batching/metering decision to be made is how to meter or smooth the applications leaving initial evaluation for pre-delegation steps: contract execution and pre-delegation testing. The solicitation for applicant input on batching will concentrate on this question.

Status

Initial evaluation is underway. Application distribution to date:

Evaluation Panel	# Applications Distributed
Financial & Technical	342
String Similarity	all
DNS Stability	all
Geographic names	all

Applications are being distributed in a way that keeps evaluation panels busy at a manageable and economical rate. Applications are being distributed in a way that takes advantage of similarities among applications, either because applications are from the same applicant or have the same "back-end" providers. However, all applications will undergo a complete evaluation.

Pilot evaluations (Financial and Technical) are completed, indicating:

- Substantial consistency in evaluation among the three firms performing the evaluations,
- Ability to accelerate the evaluations, processing them in a single batch,
- Increased significance of clarifying questions[1] and the role they play in the evaluation, and, as a corollary,
- Expectation that applicants will effectively be providing new information when answering clarifying questions.

More information on the pilot evaluations is provided below.

For the batching/metering issue, this means that initial evaluation of all applications, processed in a "single batch" will be completed in 11-12 months, possibly less – resulting in publication of results in June-July 2013. Pilot evaluations indicate that a great majority of the applications, after answering clarifying

[1] The Guidebook provides for one interaction between evaluator and applicant in initial evaluation. After scoring, if the applicant has not received the requisite number of points to pass, the evaluators can ask the applicants a set of "clarifying questions" that might provide information necessary to achieve a passing score.

questions, will pass initial evaluation.[2] While there will be some natural smoothing as applications take different paths through objections and contention resolution processes, we will still require some method of metering applications through the delegation process. This will be due to the relatively high number of applications that reach pre-delegation steps at essentially the same time.[3] This metering method is not yet determined.

For the GAC processes: the GAC plans to "issue any Early Warnings shortly after the Toronto ICANN meeting, in October 2012," meaning that Early Warnings would be received within the currently planned single evaluation period.

Also, the GAC "is considering the implications of providing any GAC advice on gTLD applications. These considerations are not expected to be finalized before the Beijing meeting in April 2013." This is shortly before the currently planned announcement of initial evaluation results (i.e., the schedule without additional accelerations beyond those stated above).

For applicants, processing in a single batch means that the first delegations will occur in late third quarter of 2013. While many applicants urged that applications be evaluated in a single batch, many will be critical of the later date.

Solicitation of applicant and community input is on the "batching"/metering issue is occurring < http://www.icann.org/en/news/announcements/announcement-29jul12-en.htm>. The solicitation is informed by the work since Prague: the results of the pilot evaluations, feasibility of possible batching models, and potential for acceleration.

Pilot evaluation results

Each of the applications in the pilots was evaluated by two of the three firms. (All firms took part.) There were approximately 40 applications evaluated. The firms scored 85-90% of the questions the same.

- While this number is high, it is not yet acceptable; changes are already in place to increase the percentage of the next allotment.
- Discussion among evaluators found the "reason" for the scoring difference in each case and promoted a common approach to the same issues when they recur in subsequent evaluations.

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[2] This conclusion is subject to a "clarifying questions" process that allows applicants to furnish additional information.

[3] In Prague, we discussed a methodology where smoothing could occur by releasing applications that passed initial evaluation without the need for clarifying questions. After analysis with evaluators, this proved unworkable. Up to 80 or 90% of the total evaluation time is required to form and ask clarifying questions. So little smoothing would result.

- When clarifying questions are asked and answered, it is expected that differences in scoring across evaluators would essentially go to zero. This conclusion is based on analysis of each failed question and the nature of the missing information.
- The program quality assurance program will continually monitor consistency among evaluation panels and take corrective action in the form of re-evaluation if necessary.

Ability to accelerate evaluations

The following represents the collective thoughts of the evaluators with respect to the timelines needed to process approximately 1900 applications through Initial Evaluation.

The evaluators believe that they would ultimately be able to process applications at a pace averaging 300 per month without compromising quality. The firms believe that it would take a period of months to fully ramp capacity to process 300 applications per month.

Assuming that ICANN would need another some weeks to prepare for publication of the initial evaluation results, the result is an 11-12 month time frame for initial evaluation.

The firms will achieve greater processing capacity through:

- Utilizing the full potential of the evaluators already trained – the firms have already built an operating model that will support a higher rate of application processing than required to process 140-180 applications per month as originally estimated.
- Training and onboarding additional evaluators over the two-month ramping-up period. This can be achieved through applying lessons learned from training and onboarding the current teams of evaluators.
- Rotating the highest performing evaluators into team leader roles so each new evaluation team will have at least one team member that has the accumulated knowledge and experience gained to date (leveraging the experiences gained during the pilots and the first several weeks of production).

Increased significance of clarifying questions and the pilot program

One of ICANN's primary considerations when planning the Initial Evaluation process was the issuance of clarification questions (CQs).

A preliminary review of pilot applications was done to develop an understanding of the number and type of clarification questions that would be required. The following realisations resulted from that review.

- Many more CQs will be required than first predicted. Nearly all the applications will require additional information before the applications pass. It was originally thought that many, if not most applications would not require additional information in order to achieve a passing grade.
- There were more multi-application applicants than expected. Each one of these types of applications will require the same additional information.

Principle: It is important that the evaluation process treats all applicants the same under the same set of circumstances. Clarification questions must be consistent, i.e., each evaluation panel issues clarification questions that are identical or near identical for equivalent situations.

In order to ensure consistency and effectiveness of clarification questions, the teams have implemented several measures:

- A quality assurance sampling program will continue throughout the evaluation where two teams will evaluate a sample of the same applications. Clarification questions will be compared and re-evaluation will occur where necessary.
- A new pilot program where a set of approximately 50 applications will be evaluated and the clarification questions will be provided to applicants for response. The program will be used by evaluators to "hone" questions, to ensure the issues presented and the information sought is clear to applicants. The pilot program will be repeated if the clarification questions initially asked require substantial improvement.

  Participation by applicants will be voluntary. Applicants will receive the clarifying questions later through TAS and will be required to answer them again when formally issued through TAS. It is expected that the questions will be the substantially the same between the pilot and the actual clarifying questions (but there might be changes, that is the purpose of the program).
- The next set of clarification questions will be held for a time (300-500 applications is suggested) so that evaluation panels can compare questions as they are developed. This will ensure that variability is driven out of the process and questions can be normalized for consistency before release.