

The ICANN GNSO “Business Constituency”



ICANN Business Constituency (BC) Comment

on

GNSO Expedited Policy Development Process on Internationalized Domain Names (EPDP-IDNs) Phase 1 Initial Report

19-Jun-2023

This document is the response of the ICANN Business Constituency (BC), from the perspective of business users and registrants, as defined in our Charter:

The mission of the Business Constituency is to ensure that ICANN policy positions are consistent with the development of an Internet that:

1. promotes end-user confidence because it is a safe place to conduct business
2. is competitive in the supply of registry and registrar and related services
3. is technically stable, secure and reliable.

The BC thanks the IDN EPDP team for the Phase 1 Initial Report. Since the initial introduction of IDN at the 2nd level in 2000 to the delegation of IDN gTLDs in the 2012 round, the global Internet community has come a long way to complete this often delayed and much needed policy work. BC acknowledges and congratulates this significant development that helps promote linguistic diversity and overall usability of the DNS.

BC appreciates the hard work of the leadership team of EPDP, as well as several long-serving IDN experts around the world. The EPDP Team is seeking input on its 68 preliminary recommendations, which focus on Phase 1 questions included in the EPDP Team’s charter on the following topics:

- Topic A: Consistent definition and technical use of Root Zone Label Generation Rules (RZ-LGR)
- Topic B: “Same entity” at the top-level
- Topic D: Adjustments in registry agreement, registry service, registry transition process, and other processes/procedures related to the domain name lifecycle
- Topic E: Adjustments to string similarity review, objection process, string contention resolution, reserved strings, and other policies and procedures

The BC offers the following comments and recommendations based on the above 4 topics.

Topic A: Consistent definition and technical use of Root Zone Label Generation Rules (RZ-LGR)

The BC fully supports that the RZ-LGR be the sole source for examining applied-for IDN TLD and its variant(s). This is consistent with the IDN implementation guideline and meets community expectations.

Topic B: “Same entity” at the top-level

The BC fully supports that “same entity” rule. This is consistent with previous [BC's position issued on 17-Sep-2018](#). BC further emphasizes that the “same entity” rule should also apply to 2nd-level registration to ensure registrant protection i.e. variant of IDN.IDN should delegate to the same entity to protect registrant and the overall Internet users.

BC further recommends that, given the conservatism principle emphasized in the report, no second-level registration shall be opened and allowed until phase 2 work is completed and adopted by the ICANN Board.

Topic D: Adjustments in registry agreement, registry service, registry transition process, and other processes/procedures related to the domain name lifecycle

On Topic D, as well as the overall IDN variant TLD delegation, BC would like to provide the following high-level inputs.

First, BC remains concerned about variant's "ceiling value" rule (i.e. # of variant labels can be delegated to an applicant) which goes beyond the conservatism rule. BC does not support the proposed threshold of (up to) 4 variant labels to the existing IDN gTLD operators. BC believes that the orderly introduction of the IDN variant TLD should be based on experiences from the [IDN ccTLD fast track](#) in 2010 in which “provide for a new concept of “synchronised IDN ccTLDs that would allow for delegation of multiple labels that are considered equivalent”, as well as the 22-APRIL-2010’s ICANN Board resolution stating “... general and wide community support for the notion of simultaneously delegating this particular requested pair of IDN ccTLDs to meet the well understood needs of users of Chinese, namely that users accessing a domain expect that the traditional and simplified Chinese names have been assigned to the same registrant”.

Furthermore, the BC does not support the fee waiver proposal for existing IDN ROs. The fee waiver, once introduced, will impact the financial health of the new gTLD program. Given various changes proposed in the evaluation process and likely an extended amount of workload and other resources to be performed, BC believes that this would create a greater cost and operational burden on ICANN.

Therefore, BC recommends that a reasonable fee structure of the existing IDN RO or future IDN gTLD applicant to apply variant string should be considered and designed based on the cost recovery principle.

BC also remains concerned about the proposed application priority given to existing IDN ROs if applying variant strings in the subsequent round. While BC has long supported giving priority to IDN applications, we do not recommend adding variant TLD application processing in the front of the application queue. BC believes that the variant application should be grouped with other IDN strings in the same batch or order.

Topic E: Adjustments to string similarity review, objection process, string contention resolution, reserved strings, and other policies and procedures

Although the BC agrees with the recommended adjustments in principle, this may directly or indirectly impact the overall application process and fee structure of the subsequent round. Therefore, the ICANN Board and Staff should immediately discuss and prepare for the

implementation plan that reflects these adjustments. There should be at least one public discussion by the community, especially the relevant IDN ROs and future applicants to be well informed about the impact. The updates AGB should also incorporate these adjustments prior to its release.

Lastly, BC believes that there will be new costs shouldered by business users registering variant IDN.IDN domain names. These costs may include fees for domain name registration, TMCH filing, and early access. Registrants will also incur costs for user education and for software updates to support IDN.IDN domain names in corporate IT systems. Some BC members express strong concerns that the variant IDN TLDs may end up like the singular / plural TLDs which already cause confusion among the business users and have a negative impact on the trust of the DNS.

BC strongly recommends that, until the issue of cost and registrant confusion are properly discussed and addressed, ***no variant IDN.IDN domain names should be introduced and allocated to the public.***

This comment was drafted by Ching Chiao

It was approved in accordance with our Charter.