

### Alternative Naming System Overview





.eth

.neo

.bit

.coin









### Agenda



#### **Alternative Naming System Overview**

- What is it?
- Technical and commercial overview



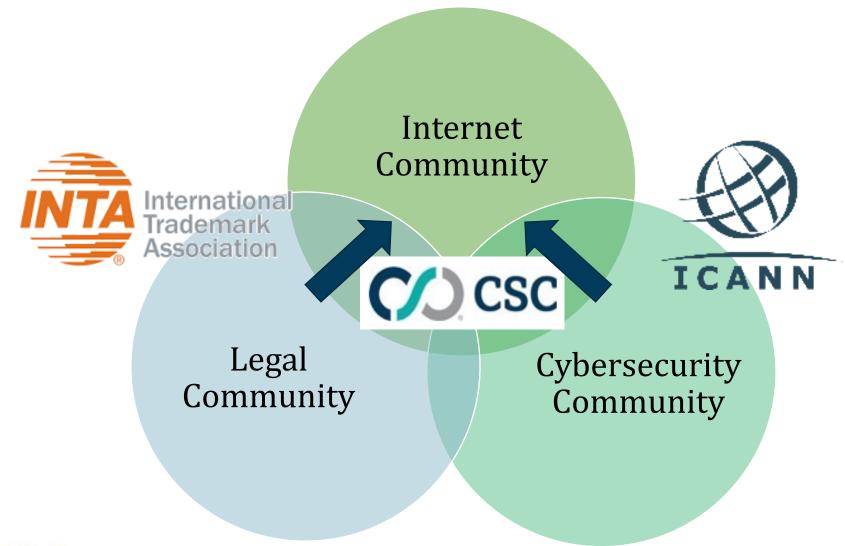
### How should we understand this from an Internet Policy perspective?

- Impact of general Internet users
- Impact on core concept of Internet
- Impact on cybersecurity and abuses
- Impact on compliance





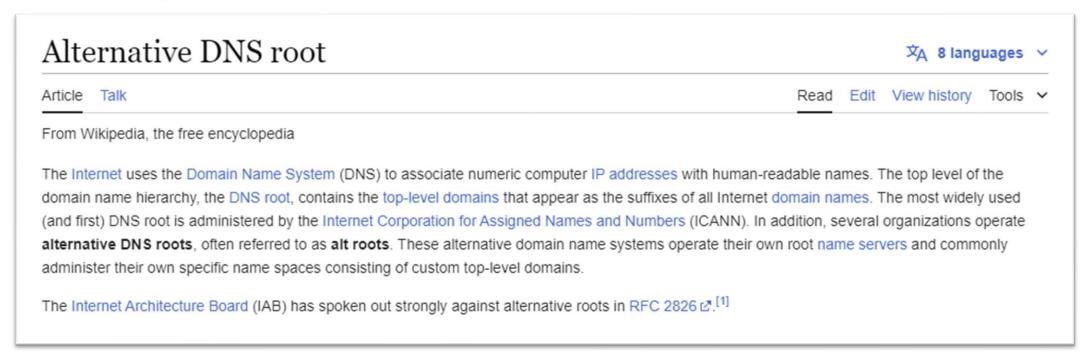
#### Who we are?





### What is Alternative Naming System?

Anything that sit outside the ICANN-administered DNS system





#### What are examples of Alternative Root?

- Handshake or other blockchain-based domain names
- Russian National Domain Name System
  - Protect Russia Internet sovereignty
- Yeti DNS Project
  - testbed of everything runs on IPv6
- IPv9 / .chn The 2nd Global Internet



# Decentralized naming and certificate authority

An experimental peer-to-peer root naming system.



#### Most impactful Alternative Naming System

## Web3 Domains / NFT Domain / Blockchain Domain / Crypto-domain

~6.5M

#### **Top-level Domains**

- · Handshake: 12,269,119
- · Decentraweb: 111,120

#### Second-level Domains:

- ·.eth: 2,978,049
- · .888: 135,521
- · .bitcoin: 139,335
- · .blockchain: 245,698
- ·.crypto: 1,006,625
- · .dao: 145,177
- ·.nft: 751,979
- · .wallet: 558,842
- · .x: 286,771
- ·.zil: 299,557

### How are blockchain domains different from regular domains?

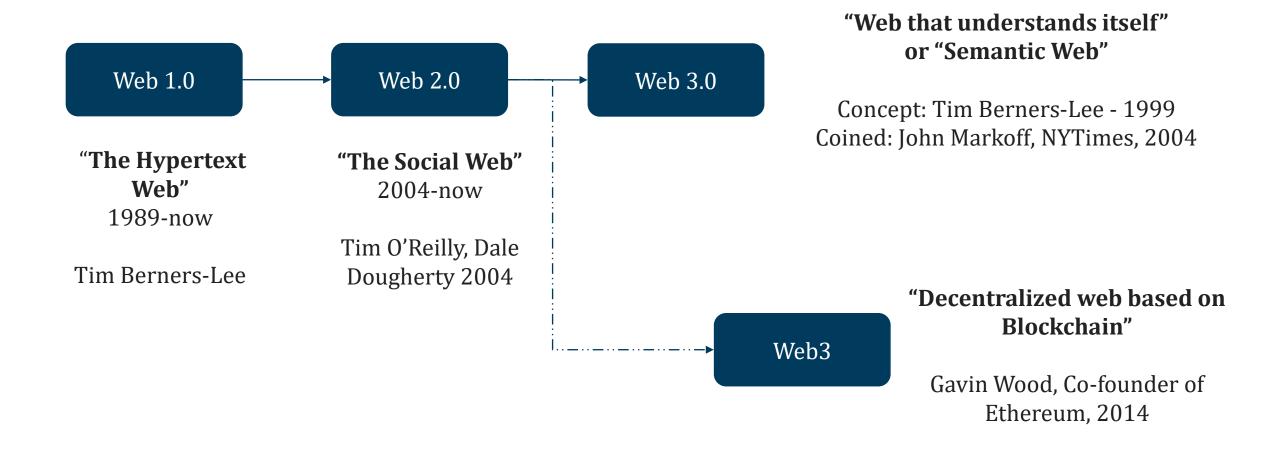
Blockchain domains differ from regular, traditional domains in several important ways. As mentioned above, blockchain domains are more open and secure due to the transparent and decentralized nature of blockchain technology.

On top of that, they offer more functionality for end users. It's possible to build programs on top of your domain and run them like apps, inspect the records of existing domains, and build software to interact with them.

Whereas traditional domains are typically fairly one dimensional and serve a few narrow purposes, blockchain domains come with much more scope for interaction and tinkering.



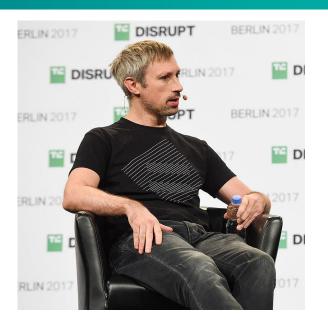
#### Evolution of the Web



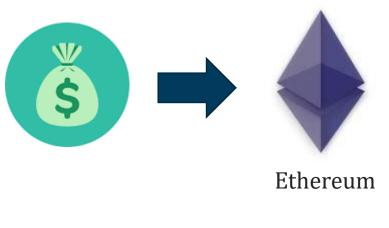
Source: "World Wide Web and Its Journey from Web 1.0 to Web 4.0", (IJCSIT) International Journal of Computer Science and Information Technologies

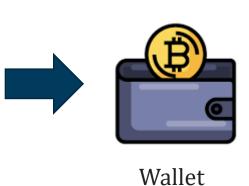


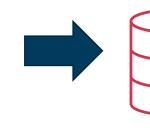




Coined by Ethereum co-founder Gavin Wood in 2014 - to fight the centralized power and dominance of a handful of Web2 giants like Facebook, Amazon, or Google by creating a **decentralized version** of the internet.









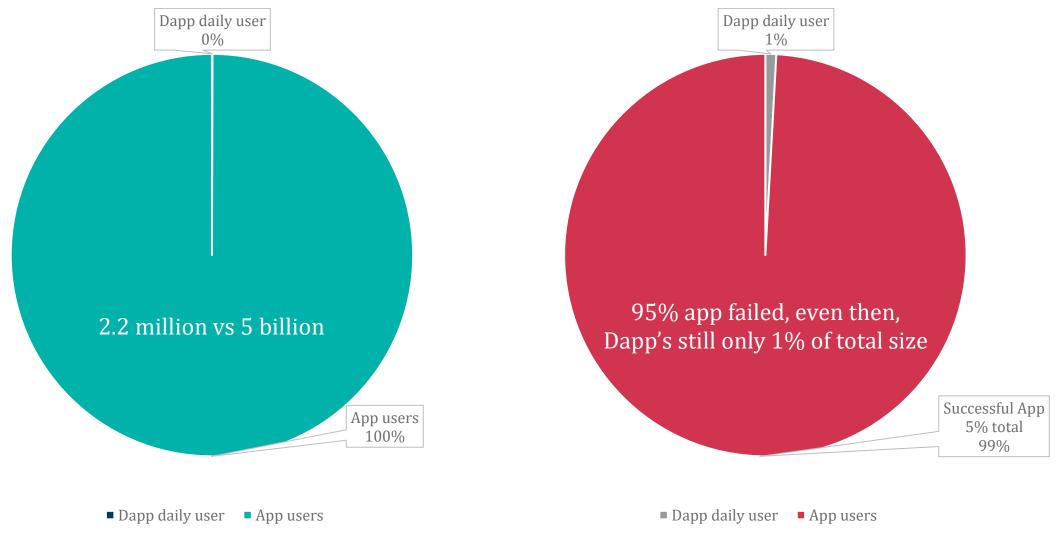
Money







### Has Web3 Overtaken the Internet?









#### Sir Tim Bernard Lee

Father of the Internet Inventor of WorldWideWeb

hings are

the web at the

Won't use Blockchain!!
"They're too slow too expensive and too public"

https://www.cnbc.com/2022/11/04/web-inventor-tim-berners-lee-wants-us-to-ignore-web3.html

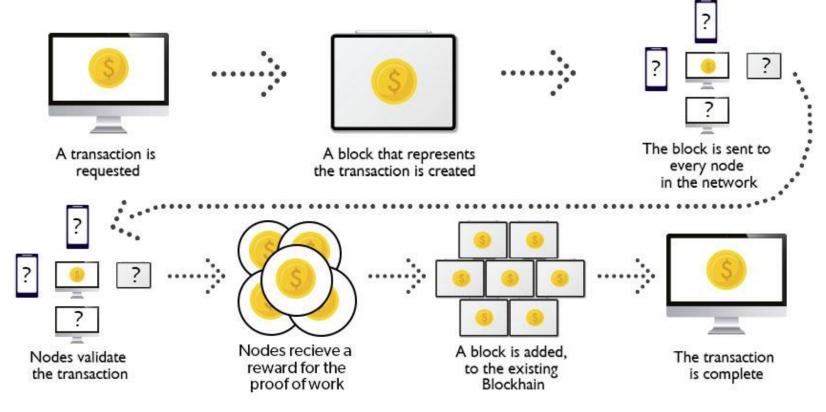


Tree



### How blockchain works?

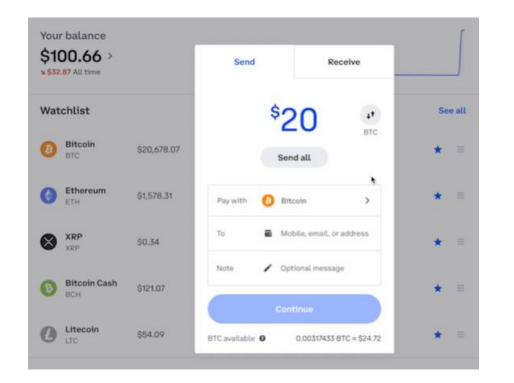
#### **How Blockchain Works?**

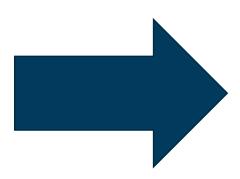


Source: https://www.geeksforgeeks.org/how-does-the-blockchain-work/



### Blockchain/web3/NFT Domain — Why does it exist?

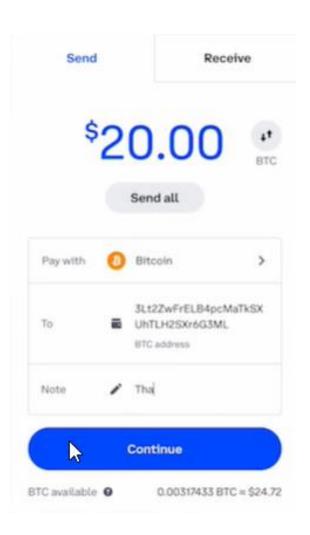




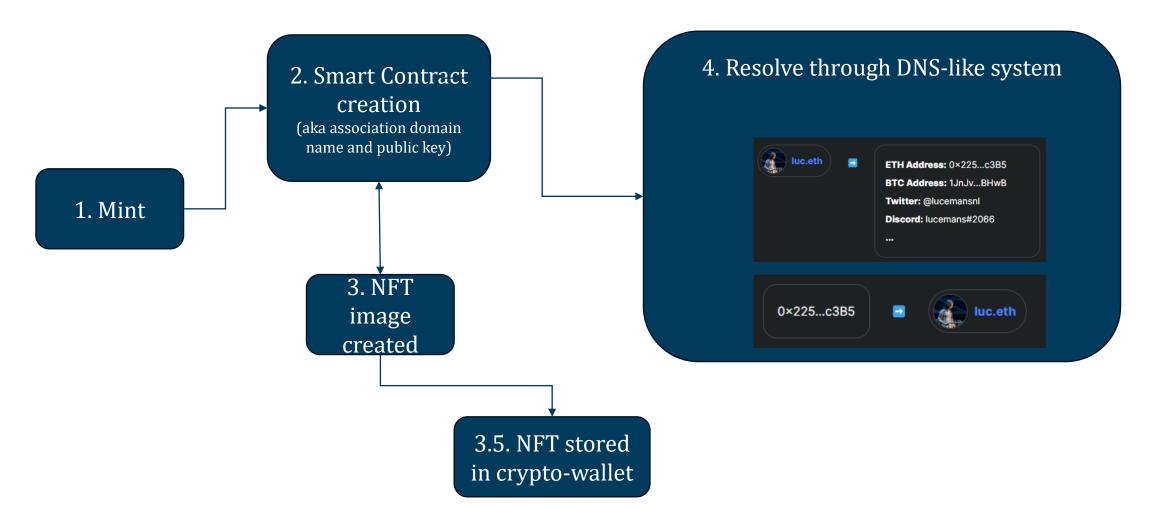
3HLgeYTuBkznzJ5d9oveLTxqJxpbpL420h

Public Key





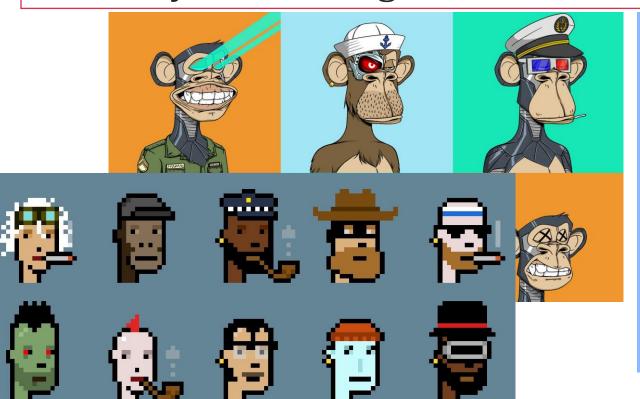
### How blockchain "domain" works?

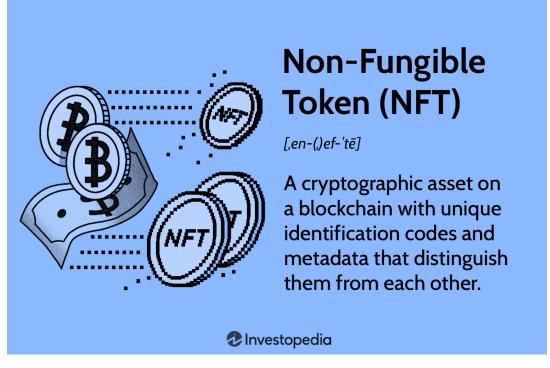




### What is NFT (Non-Fungible Token)?

Non-Fungible = not <u>replaceable</u> by another identical item; not <u>mutually interchangeable</u>.







### NFT Domain







- •.wallet
- •.coin
- •.zil
- •.crypto
- •.X
- •.bitcoin
- •.888
- •.nft
- •.dao
- •.blockchain

.ETH



### "Real" internet vs Web3

Internet	Web3	
Works anywhere, any devise	Work only if you have plugin, or through a "linking" service in normal domain name	
Decentralised technology, but with a concentrating trend	Decentralised in fundamental technology, but actually very concentrated in many aspects	
Decentralised in policy – ICANN is not one central authority, but multi-stakeholder model	Centralised in policy (DAO – but what about ownership concentration?)	



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NFT Domain – impact of general Internet users



#### Consumer harm



#### Tech

### Web3 Domain Name Service Could Lose Its Web Address Because Programmer Who Can Renew It Sits in Jail

Eth.link expired on July 26 and will be up for grabs on Sept. 5, according to GoDaddy.

That's because the only person with the authority to renew the domain, Virgil Griffith, is serving a 63-month prison sentence for helping North Koreans use cryptocurrencies to circumvent sanctions and has been unable to renew the domain from prison. According to a notice domain registrar GoDaddy published on its website late Friday, eth.link

The DAO relied on the eth.link site to provide access to information about all ENS names



### Consumer protection

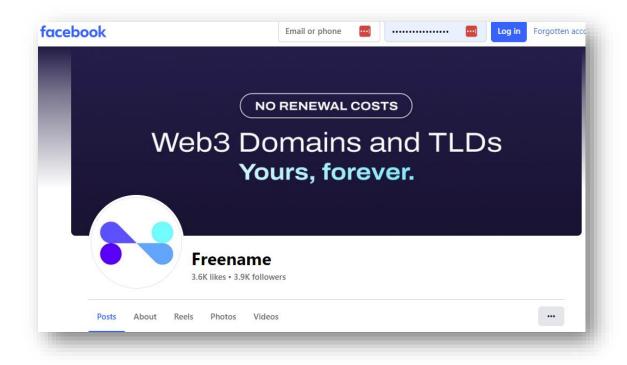
+	socialplatforms/	9,001.00 HNS	Review & Purchase
+	attorneyfind/	16,299.00 HNS	Review & Purchase
+	xng1aic9ec/ (зямля)	99,999.00 HNS	Review & Purchase
+	johncoltrane/	69,420.00 HNS	Review & Purchase
+	dominosugar/	40,000,000.00 HNS	Review & Purchase
+	opeso/	3,500.00 HNS	Review & Purchase
+	ecojet/	25,000.00 HNS	Review & Purchase
+	liquidationsale/	1,000,000.00 HNS	Review & Purchase

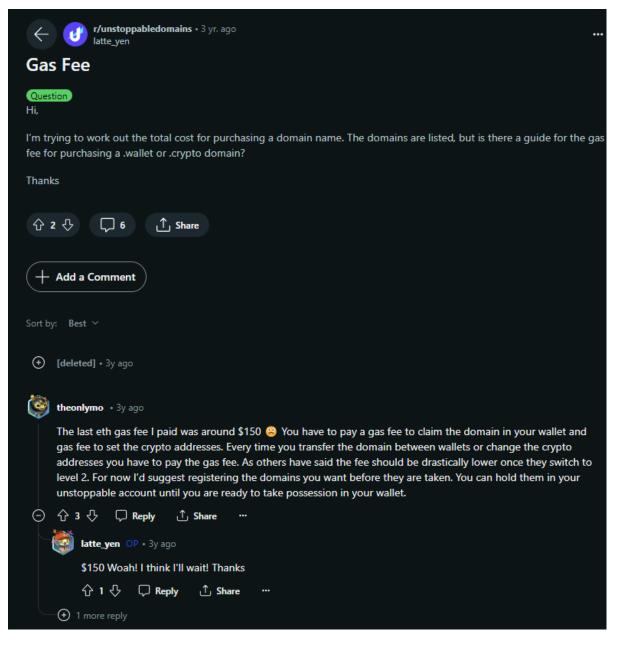
1 HNS = 0.36 USD 1 HNS = 0.022 USD

> To 880,000 USD



### Gas fee – the hidden cost







### What if we remove Gas-fee?

- Unstoppable used to be using Ethereum, which has really high gas fee
- Move to Polygon a low-cost layer-2 chain based on Ethereum
- Can it be free forever?
- Would the consumer lose the domain if it doesn't survive?
  - What's the ICANN policy in comparison?

Polygon (MATIC) Gas Fee Spikes 13,250% to 4,005 gwei as Daily Txns Hit Yearly Peak Above 6M

DATE: NOVEMBER 16, 2023 WRITTEN BY: SAM WISDOM RAPHAEL





Crypto

### Polygon Labs lays off 60 employees, about 19% of its staff, CEO says

Jacquelyn Melinek @jacqmelinek / 4:41 AM GMT+11 • February 2, 2024







NFT Domain impact on core concept of Internet



### One World, Crashing Internet





Emercoin has been offering .coin domains since 2014, so Unstoppable Domains is cutting services to these NFTs and issuing refunds.



- "Emercoin" created ".Coin" earlier than Unstoppable
- Built on different blockchain
- Unstoppable terminated .COIN
   based on principle of first come first
   serve



### No evil ICANN, no one can delete it?



"Naming collisions are dangerous for the Unstoppable community and for Web3 as a whole," the firm wrote. "Multiple versions of a [top-level domain] could cause chaos.



#### Battle of the wallet

- Gateway.io created .wallet in July 31, 2020 under Handshake
- Unstoppable create .wallet in Summer (US) 2021 under their own chain
- Unstoppable filed a lawsuit suing Gateway to "engaged in a campaign of chaos"





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#### **Unstoppable Domains and .wallet** Handshake owner file dueling lawsuits



Fight escalates between Unstoppable Domains and Handshake.



<sup>&</sup>quot;By being the first to make commercial use of the .WALLET mark, Unstoppable Domains has acquired the right to exclude others from using the .WALLET mark, or any similar mark that is likely to cause confusion in the marketplace.

### Warning from ICANN



Something simple: unless Internet users install specific software on their digital devices, they will not be able to use them. If they click on such a link, it will fail with an error message that the domain cannot be found. In order for Internet users to connect with such names, they would have to either install a specific browser, install a special plug-in to their favorite browser, or configure their system to use a specific DNS resolver that would bridge to the Handshake blockchain world.





Buyer Beware: Not All Names Are Created Equal

With some ICANN-accredited registrars now selling NIS, DOA, or other similar domains alongside standard domain names, the potential for confusion among unsuspecting customers seems high.

If you are new to the business of domain names, what might you consider when purchasit them?

A key reason is to obtain a brandable domain that is easy to pronounce and spell. We also make assumptions. For example, you might assume that any potential customer anywhere in the world could use the domain name you select to connect with you easily, either by clicking on a link or typing the name into a browser.

Update on the Next ICANN Strategic Plan

ICANN's World Summit on the
Information Society 20-Year Review

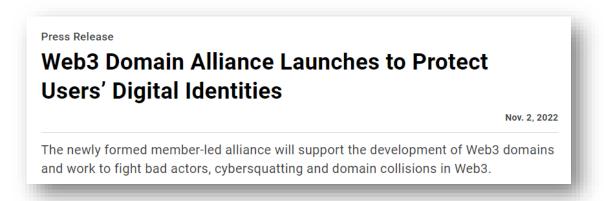
Outreach Efforts

ICANN Continuous Improvement

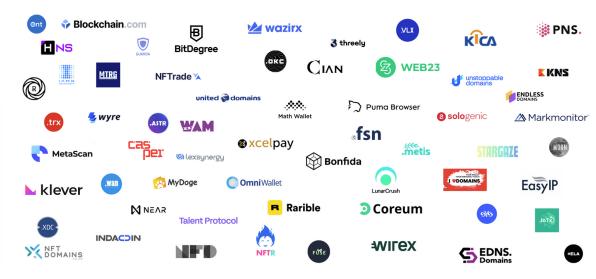


#### Web3 "New" initiative to re-create ICANN – Nov 2022

- "Advance interoperability of Web3 domain registries and better secure digital identities by preventing, for example, cybersquatting."
- Sandy Carter, senior vice president and channel chief of Unstoppable Domains:
- coalition is "dedicated to creating the equivalent to how Web2 domain names are organized by the Internet Corporation for Assigned Names and Numbers (ICANN)"
- "Today, there is no such governing body for Web3 domains", she noted.



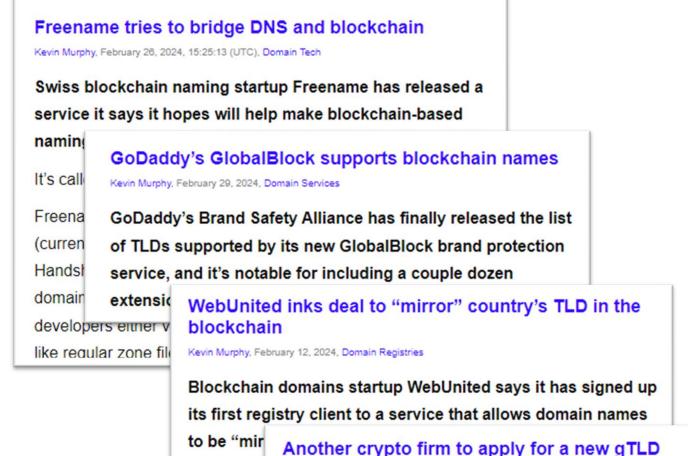






### Blockchain/NFT Domain going into ICANN world

- More and more "Web3
   Domain" companies
   planned to apply for New
   gTLD
- Some have even "applied" Before next round opened



Kevin Murphy, February 1, 2024, Domain Services

third public client.

D3 Global, the new gTLD consultancy specializing in

cryptocurrency and blockchain clients, has signed up its



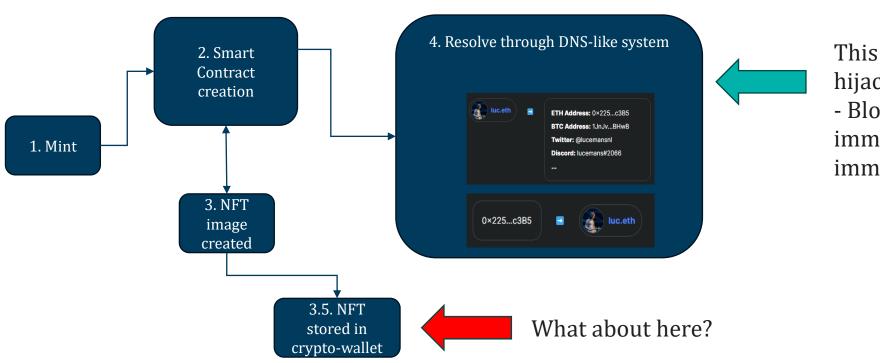


NFT Domain – impact on Cybersecurity and DNS abuses



### Cyber-security – is blockchain really safe?

### Yes!



This is where we do DNS hijacking (Kaminsky Attack) - Blockchain is probably immune to it as it is immutable



### Cyber-security – is blockchain really safe?

 Huge cybersecurity concern over blockchain technology

- 1. Digital asset can still be stolen by hijacking where you store the private key
- 2. Once it is done, it cannot be reversed

### \$1.7 million in NFTs stolen in apparent phishing attack on OpenSea users



/ Two hundred and fifty-four tokens were stolen over roughly three hours

By Russell Brandom







### Web3 is good for phishing?

### Phishing Campaigns Abusing Web3 Platforms Increases 482% in 2022

November 8, 2022

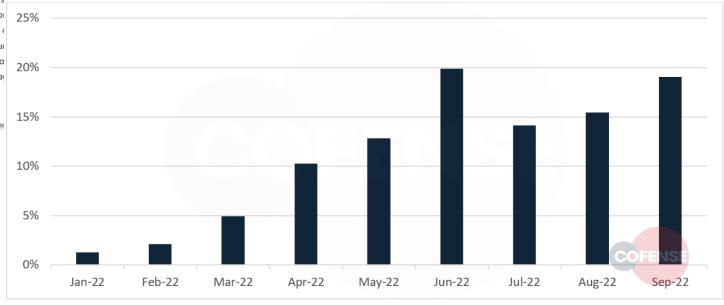
Home » Blog » Phishing Campaigns Abusing Web3 Platforms Increases 482% in 2022

The term "Web3" refers to a set of technologies intended to decentralize common Internet and computing activity. Proponents of decentralization tout the ability to host content without the need for large technology companies. In short, any host content without the need for large technology companies.

any content, avoiding technical problems like server management as well as legal problems or censor features make the technologies attractive to threat actors seeking easy, robust hosting for malicious a credential phishing campaigns that reached inboxes during the first three quarters of 2022, we four abuse of Web3 platforms for phishing during the first three quarters of 2022. In this report, we expla platforms for phishing threat actors and analyze the growth and other trends in malicious Web3 user

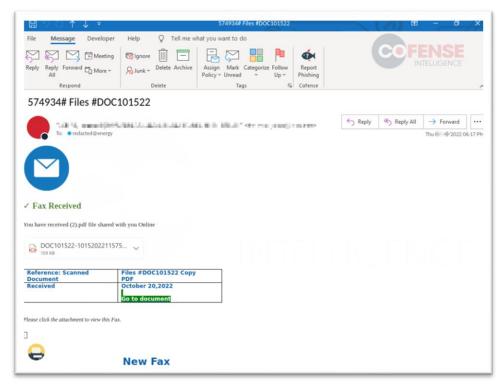
Why Web3 Is Good for Phishing Threat Actors

- Link to cryptocurrency for payment
- A lot of hype but no one really understands it
- Easy to hide identity
- Cannot reverse the money once you stole it
- IPFS hosting is hard to takedown might be even permanent



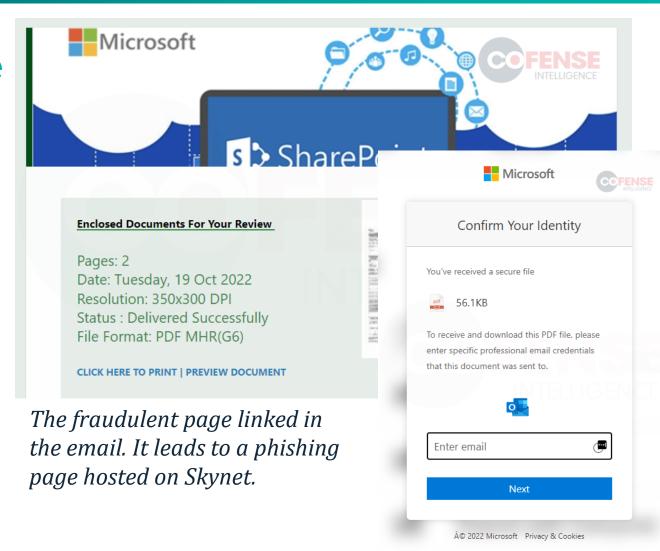


### Web3 phishing example



A fax-themed email linking to a fraudulent page hosted on the Microsoft Customer Voice service.

Source: <a href="https://cofense.com/blog/phishing-campaigns-abusing-web3-platforms-increases-482-in-2022/">https://cofense.com/blog/phishing-campaigns-abusing-web3-platforms-increases-482-in-2022/</a>

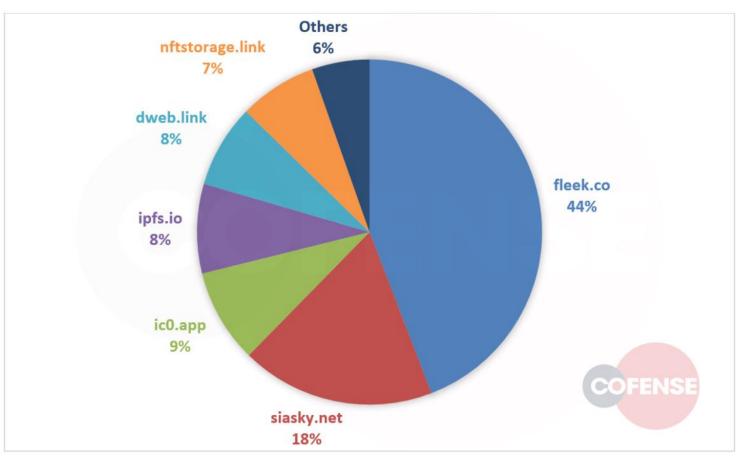


The Skynet-hosted phishing page linked by the campaign



### Web3 phishing is also non-existence

- Everything requires a REAL URL as no one can really access Web3 content
- Done via "Gateway URL" provider
- What does Web3 add-value to internet security in practice?



Most popular services used to create "gateway" URL for the phishing attack.

Source: <a href="https://cofense.com/blog/phishing-campaigns-abusing-web3-platforms-increases-482-in-2022/">https://cofense.com/blog/phishing-campaigns-abusing-web3-platforms-increases-482-in-2022/</a>



### Crypto-related domain in traditional domain system

One of the elements crypto-related scammers and cybercriminals often need for executing campaigns is domain names, as they can serve as vehicles to deliver malware-laden emails or lure in victims with the



promise of big rewards and earnings.

- More than 30,000 crypto-related domains and subdomains were identified as suspicious or at least worth investigating.
- 94 percent of the sampled domains either had privacyprotected, undisclosed, or redacted registrant email addresses, making it hard to attribute ownership.





NFT Domain – impact on Intellectual Property and Compliance

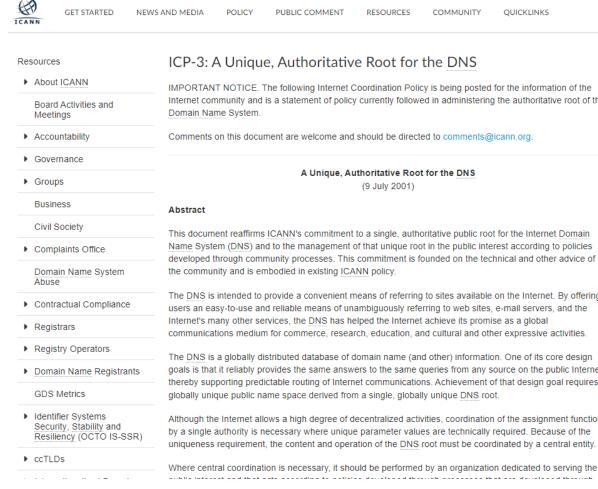


#### ICANN Principle to uphold One World One Internet

 Very important text that sets out the commonly accepted policy of the Internet

 ICP-1 – set out the responsibility of IANA

 ICP-2 – set out the criteria of new Regional Internet Registries (RIR)



#### NEWS AND MEDIA PUBLIC COMMENT RESOURCES COMMUNITY OUICKLINKS ICP-3: A Unique, Authoritative Root for the DNS IMPORTANT NOTICE. The following Internet Coordination Policy is being posted for the information of the Internet community and is a statement of policy currently followed in administering the authoritative root of the Domain Name System. Comments on this document are welcome and should be directed to comments@icann.org. A Unique, Authoritative Root for the DNS (9 July 2001) Abstract This document reaffirms ICANN's commitment to a single, authoritative public root for the Internet Domain Name System (DNS) and to the management of that unique root in the public interest according to policies developed through community processes. This commitment is founded on the technical and other advice of the community and is embodied in existing ICANN policy. The DNS is intended to provide a convenient means of referring to sites available on the Internet. By offering users an easy-to-use and reliable means of unambiguously referring to web sites, e-mail servers, and the Internet's many other services, the DNS has helped the Internet achieve its promise as a global communications medium for commerce, research, education, and cultural and other expressive activities. The DNS is a globally distributed database of domain name (and other) information. One of its core design goals is that it reliably provides the same answers to the same queries from any source on the public Internet thereby supporting predictable routing of Internet communications. Achievement of that design goal requires a globally unique public name space derived from a single, globally unique DNS root. Although the Internet allows a high degree of decentralized activities, coordination of the assignment function



#### ICP-3

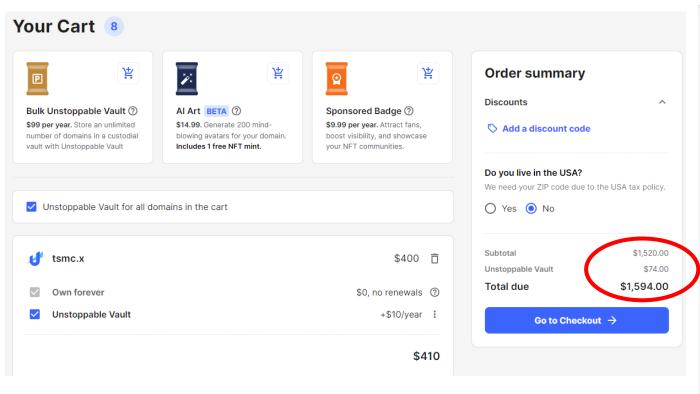
In fact, some of the operators of these alternate roots state that stability is not an important attribute for the <a href="DNS">DNS</a>. This thesis, for reasons already stated, is at fundamental variance with <a href="ICANN">ICANN</a> policy as embodied in its founding documents. Some of these operators and their supporters assert that their very presence in the marketplace gives them preferential right to TLDs to be authorized in the future by <a href="ICANN">ICANN</a>. They work under the philosophy that if they get there first with something that looks like a <a href="ILD">TLD</a> and invite many registrants to participate, then <a href="ICANN">ICANN</a> will be required by their very presence and force of numbers to recognize in perpetuity these pseudo TLDs, inhibiting new TLDs with the same top-level name from being launched through the community's processes.

No current policy would allow ICANN to grant such preferential rights. To do so would effectively yield ICANN's mandate to introduce new TLDs in an orderly manner in the public interest to those who would simply grab all the TLD names that seem to have any marketplace value, thus circumventing the community-based processes that ICANN is required to follow. For ICANN to yield its mandate would be a violation of the public trust under which ICANN was created and under which it must operate. Were it to grant such preferential rights. ICANN would abandon this public trust, rooted in the community, to those who only act for their own

Alternate roots inherently endanger DNS stability -

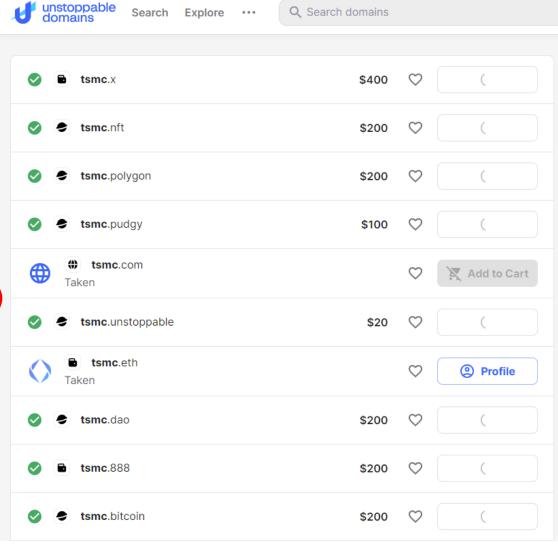


### Cybersquatting and IP Abuse



- \$1,520 once off with no renewal fee, BUT
- \$74 USD per year recurring fee for "Vault"





#### Intellectual Property Infringement

Immutability

```
amazon ( ceth

apple ( eth

https://www.coca-cola.com/.eth

google ( ay.eth

mastercard.eth

mcdonalds ( eth

microsoft ( pro.eth

tencent.eth

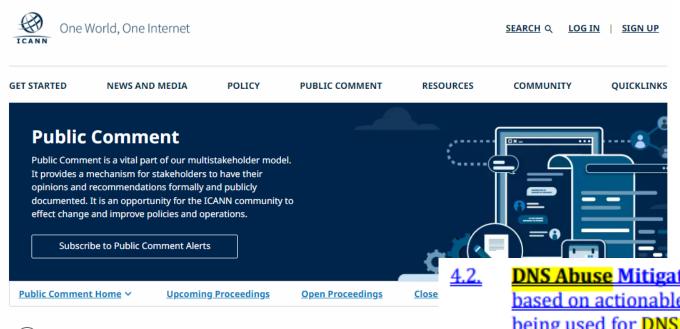
wisa.eth

louisvuitton ( eth
```

 Not actually, most Web3 contents are saved in traditional hosting infrastructure. But still, it is very hard to know



#### ICANN compliance – DNS Abuse



Closed: Amendments to the Base gTLD RA and F

This Public Comment proceeding was initially scheduled to remain open from 29 May 20. through 13 July 2023. The Public Comment proceeding was extended by one week in resi

requests for additional time to submit input. ICANN org received thirty-six (36) comment proposed amendments to the base generic top-level domain (gTLD) Registry Agreement

and the 2013 Registrar Accreditation Agreement (RAA) from groups, organizations, and

to Modify DNS Abuse Contract Obligations

 A specific requirement to promptly take appropriate mitigation actions

DNS Abuse Mitigation. Where a Registry Operator reasonably determines. based on actionable evidence, that a registered domain name in the TLD is being used for DNS Abuse. Registry Operator must promptly take the appropriate mitigation action(s) that are reasonably necessary to contribute to stopping, or otherwise disrupting, the domain name from being used for DNS Abuse. Such action(s) shall, at a minimum, include: (i)the referral of the domains being used for the DNS Abuse, along with relevant evidence, to the sponsoring registrar; or (ii) the taking of direct action, by the Registry Operator, where the Registry Operator deems appropriate, Action(s) may vary depending on the circumstances of each case, taking into account the severity of the harm from the DNS Abuse and the possibility of associated collateral damage.



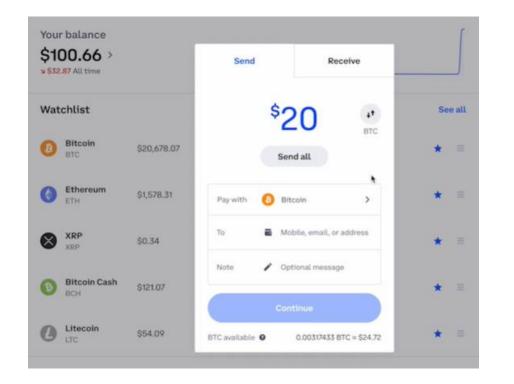
Category: Other

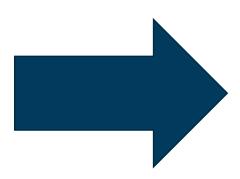
Outcome

individuals.

Requesters: ICANN org

### Blockchain/web3/NFT Domain — Why does it exist?

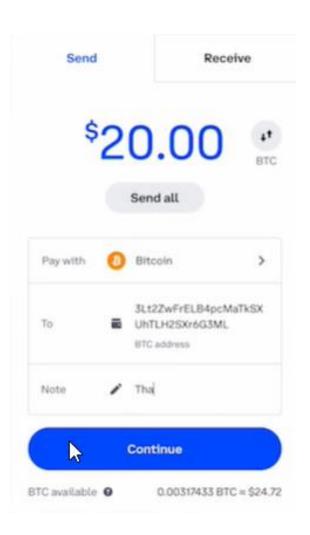




3HLgeYTuBkznzJ5d9oveLTxqJxpbpL420h

Public Key

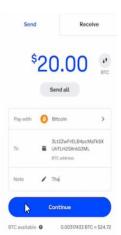




#### Nature of Blockchain and complication on compliance







- Blockchain domains are mainly used to facilitate easier identification and access to blockchain wallet
- Web3 domain is similar to the username/account name of a wallet
- Wallet is "kind of" a financial tools not regulated as yet in most countries
- Crypto assets <u>can</u> be hijacked
- Web3 domain could expand the role of domain into banking/investment/finance
- Is ICANN ready for this? Does it matter?



### Internet Fragmentation

• IPv9?

 Official blockchain DNS for China or Russia?

#### China wants to patent a decentralized blockchain DNS



Andrew Allemann © 9 Comments May 10, 2021

Chinese government entity files U.S. patent application for blockchain-based DNS.



The Chinese government wants a U.S. patent for a decentralized, blockchain-based DNS that could compete with the existing domain name system overseen by ICANN.

The China Internet Network Information Center (CNNIC), the internet division under China's Ministry of Industry and Information Technology, filed a U.S. patent application (pdf) for Blockchain multi-party shared-governance-based system for maintaining domain name





#### **Alban Kwan**



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linkedin.com/in/albankwan/



cscdbs.com



**CSC** Digital Brand Services



@cscdbs

