

DRAFT SECTION 6 OF THE WORKING GROUP INITIAL REPORT – 30 OCTOBER 2016

The following preliminary recommendations are being published by the Working Group for public comments. All input received will be reviewed by the Working Group, and if appropriate, incorporated into the Working Group's Final Report. This review process may result in amendments or updates to the preliminary recommendations contained in this Initial Report.

[Several open questions on which the Working Group has yet to reach preliminary agreement or for which the Working Group would like to seek community input prior to finalizing its recommendations on those topics are also listed in this Section; in particular, community feedback is sought on whether Option 1 or Option 2 in relation to Recommendation #4, or some other alternative formulation, is to be preferred.]

General

The Charter for the Working Group tasked the Working Group to examine the questions: "whether to amend the UDRP and URS to allow access to and use of these mechanisms by IGOs and INGOs and, if so in what respects or whether a separate, narrowly-tailored dispute resolution procedure at the second level modeled on the UDRP and URS that takes into account the particular needs and specific circumstances of IGOs and INGOs should be developed."

The Working Group's preliminary answers to these questions are no, although the Working group identifies and suggests ways in which IGOs can have standing to access the protections of the UDRP and URS without registering trademarks in their names and acronyms, and can insulate themselves from sovereign immunity concerns. Reasons for these conclusions, and specific Working Group recommendations pertaining to specific questions arising within the scope of its Charter, are described below. Essentially, the Working Group concluded that, for IGOs, the most prudent and advisable approach would be to not recommend any changes to the UDRP or URS at this time, given:

- (1) the ability for an IGO to file a complaint under the UDRP and URS via an assignee, licensee or agent;
- (2) the Working Group's recommendation (below) that even in the absence of national trademark protections or common law rights an IGO may fulfill the "standing" requirement under the UDRP and URS as long as the IGO has completed the requisite notifications and communications procedure under Article 6^{ter} of the Paris Convention for the Protection of Industrial Property;
- (3) the extremely limited instances of a scenario where an IGO might wish to assert immunity against a losing respondent in a national court, having already filed and won a UDRP or URS complaint;

- (4) the Working Group's further recommendation (below) that where an IGO successfully asserts jurisdictional immunity against a respondent in those limited cases which a losing respondent may file in a national court an arbitral appeal can be made;
- (5) the need to preserve a registrant's legal right to appeal to a court of competent jurisdiction; and
- (6) the lack of a single, universally applicable rule in relation to IGO jurisdictional immunity.

For INGOs, the Working Group concluded relatively early on in its deliberations that these organizations have the ability to file (and many times have filed) UDRP and URS complaints by virtue of having national trademark and/or common law rights, and that – unlike IGOs – INGOs do not have the additional challenge of wanting to safeguard any possible jurisdictional immunity they may have against a respondent. As a result, the Working Group came to the conclusion that there is no principled reason to modify the UDRP and/or URS, or create a separate dispute resolution procedure, to address the needs of INGOs (see Recommendation #1, below, and Section 4, above, for the rationale).

Recommendation #1: The Working Group recommends that no changes to the UDRP and URS be made, and no specific new process be created, for INGOs (including the Red Cross movement and the International Olympic Committee). To the extent that the Policy Guidance document referred to elsewhere in this set of recommendations is compiled, the Working Group recommends that this clarification as regards INGOs be included in that document.

One of the first topics discussed by the Working Group was whether or not the specific needs and concerns of IGOs and of INGOs were of a similar nature, and whether such needs and concerns warranted policy changes to the UDRP and URS. The Working Group's initial conclusion is that the specific needs and concerns of INGOs are adequately addressed by the current dispute resolution processes (e.g., UDRP and URS) and that there was no principled reason to recommend any modifications to the UDRP or URS, or the creation of a new curative rights process for INGOs.

The following is the Working Group's rationale for its conclusion that the UDRP and URS do not need amending in order to address the needs and concerns of INGOs, and that a new curative rights process applicable to INGOs is not necessary¹:

1. Many INGOs already have, and do enforce their trademark rights. There is no perceivable barrier to other INGOs obtaining trademark rights in their names and/or acronyms and subsequently utilizing those rights as the basis for standing in the existing dispute resolution procedures (DRPs) created and offered by ICANN as

¹ The rationale described in this Section were also sent to all ICANN SOs and ACs as part of the Working Group's solicitation of input from these groups in December 2014, as required by the GNSO's PDP Manual. As highlighted in Section 4 above, no objection to this preliminary conclusion or the rationale was raised by any SO, AC or other ICANN community group.

a faster and lower cost alternative to litigation. For UDRP and URS purposes they have the same standing as any other private party.

2. Unlike IGOs, who may claim jurisdictional immunity in certain circumstances, INGOs have no such claim and are not hindered from submitting to the jurisdiction of national courts under the Mutual Jurisdiction clause within the existing DRPs. The Working Group's research revealed that some INGOs regularly use the UDRP to protect their rights.
3. Although some INGOs may be concerned about the cost of using the UDRP and the URS, because enforcement through these RPMs involves some expenditure of funds, this is not a problem for all INGOs nor is it unique to INGOs as among all rights holders; .Furthermore, the issue of ICANN subsidizing INGOs to utilize DRPs is outside the scope of the Working Group Charter., which has no authority to obligate any party to subsidize the rights protection of another.
4. The Working Group found that, as of end-2015, the United Nations Economic and Social Council (ECOSOC) list of non-governmental organizations in consultative status consists of nearly 4,000 organizations, of which 147 organizations were in general consultative status, 2,774 in special consultative status, and 979 on the Roster. The Working Group notes that there might be many more organizations not presently on the ECOSOC list who might claim the right to utilize any new curative rights process created for INGOs. The WG felt that the sheer scale of INGOs, in combination with the factors cited above, weighed against the creation of a special DRP for INGOs. especially as they could not be readily differentiated from other private parties, including other non-profit organizations.

In relation to the RC and IOC, the Working Group noted that although these INGOs had been specifically highlighted by the GAC and the Charter provision cited above as enjoying international legal treaty protections and rights under multiple national laws, for the purposes of this PDP these organizations have demonstrated that: (1) they have ready access to the UDRP and the URS; and (2) they possess strong trademark rights that they vigorously defend and enforce. As such, for the limited purpose of considering INGO access to curative rights protections, the WG determined there was no principled reason to distinguish them from other INGOs. The WG further noted that legal representatives of the IOC participate actively in the WG and fully support this conclusion.

The following two paragraphs are taken substantially from the Final Issue Report that outlined the scope of this PDP, and are provided herein as further background to this issue.

1. As recognized in the Final Issue Report scoping out this PDP, the scope of the UDRP and URS as drafted currently applies only to second level domain name disputes where the complainant has legal rights in a trademark or service mark, and the complaint alleges that the respondent's domain name is identical or confusingly similar to that trademark or service mark. The Final Issue Report had also noted that not all IGOs and INGOs will have trademarks in their names and acronyms, and that during the development of the Applicant Guidebook (AGB) for

the New gTLD Program, while certain objection procedures and trademark rights-protection mechanisms had been created, the AGB did not contain any specific rules that pertained exclusively to either preventative (i.e. prevent the harm from occurring by excluding an identifier from registration or delegation) or curative (i.e. an organization that claims to have suffered harm is able to file a dispute to cure the defect or problem) rights protections for IGOs or INGOs related directly to their status as international organizations. Rather, the AGB prescribed that organizations that met the existing criteria for a .int registration could avail themselves of the legal rights objection process, and organizations that owned trademark and other intellectual property rights in their names and/or acronyms could participate in the new Trademark Clearinghouse and the associated sunrise and Trademark Claims notice processes²

2. The AGB also contained top-level protections for certain Red Cross (RC) and International Olympic Committee (IOC) identifiers, through which these RC and IOC identifiers would be reserved and thus withheld from delegation under the New gTLD Program. Both the RC and IOC are INGOs. Subsequently, interim second-level protections for certain RC and IOC and for a specific list of IGO names and acronyms provided by the GAC was granted in response to advice from the GAC.

It is important to note that the second-level protections noted above were granted on an interim basis to allow new gTLDs to begin launching while policy development and consultations continued on the topic of what would be the appropriate second level protections for RC and IOC names and acronyms, and IGO acronyms. As of the date of publication of this Initial Report, the Working Group understands that consultations and discussions continue among the ICANN Board, the GAC, the RC, IGO representatives and the GNSO. The Working Group therefore acknowledges that certain of its initial recommendations may be revisited if concrete proposals emerge from these consultations that come within the scope of this PDP, and which require the Working Group to review its initial conclusions in advance of its completion of its Final Report.

Recommendation #2: For IGOs, in order to demonstrate standing to file a complaint under the UDRP and URS, it should be sufficient for an IGO (as an alternative and separately from an IGO holding trademark rights in its name and/or acronym) to demonstrate that they have complied with the requisite communication and notification procedure in accordance with Article 6ter of the Paris Convention for the Protection of Industrial Property³. For clarity, the Working Group recommends further that a Policy Guidance document pursuant to the UDRP and URS be prepared and issued to this effect for the benefit of panelists and registrants.

² See, e.g., page 4 of the Final Issue Report (<https://gns0.icann.org/en/issues/igo-ingo-crp-access-final-25may14-en.pdf>).

³ Full text of Article 6ter of the Paris Convention can be found here: http://www.wipo.int/article6ter/en/legal_texts/article_6ter.html and in Annex [A] of this report.

Under the UDRP and URS, the first substantive element that a complainant must satisfy under both procedures is that the complainant has rights in a trademark or service mark. Most UDRP panelists have read this requirement as a requirement for standing to file a complaint⁴, and it is generally accepted that the threshold may be satisfied by establishing either ownership or exclusive license rights in the trademark or service mark⁵. The Working Group considered this requirement in the context of IGOs, with particular reference to the trademark protections offered to IGOs under Article 6ter of the Paris Convention for the Protection of Intellectual Property. The Working Group came to a preliminary conclusion that, based on Article 6ter, IGOs who have complied with the communications and notifications procedure described in that treaty provision will have satisfied the standing requirement of the UDRP and URS.

The Working Group is aware that, by considering IGOs who have fulfilled the requirements of Article 6ter as also fulfilling the standing requirement of the UDRP and URS, this means that the number and range of IGOs that would come within this category will be different from, and potentially larger than, the list of IGOs provided to ICANN by the GAC in 2013 and as updated by the GAC from time to time. While this may represent a broadening of the UDRP and URS to more IGOs than may have initially been contemplated by the GAC, the Working Group believes that reliance on Article 6ter for the limited purpose of demonstrating standing will not necessarily result in an increased number of complaints, in view of the other factors to be considered by an IGO prior to filing a complaint (such as the need to submit to the Mutual Jurisdiction clause of the UDRP and URS, which may be interpreted to jeopardize any jurisdictional immunity an IGO may have) and the other substantive components of the UDRP and URS that will still need to be shown.

The Working Group is also aware that Article 6ter does not in and of itself confer substantive legal rights, or national trademark rights, on an IGO. However, the Working Group's analysis of Article 6ter would seem to indicate that its inclusion in an international treaty signals a desire by States to afford some level of protection against unauthorized third party attempts to register an IGO's name or acronym as a trademark. For the limited purpose of standing to file a complaint under the UDRP and URS, the Working Group considers that this is sufficiently analogous to the corresponding requirement in the trademark law context that the complainant possess rights in a trademark. ***For the avoidance of doubt, this also means that IGOs that have not complied with the communications and notification procedure prescribed by Article 6ter (e.g. in terms of filing a notification as required) should not be deemed to have fulfilled the standing requirement under the UDRP and URS (in the absence of their possessing trademark or common law rights in the IGO name or acronym at issue).***

To enshrine this recommendation as part of binding Consensus Policy and/or contractual agreement with ICANN's contracted parties, the Working Group also recommends that a Policy Guidance document be prepared that will describe the scope of the standing issue for IGOs, as well as any other points that

⁴ See, e.g., Halpern, Nard & Port, "Fundamentals of United States Intellectual Property Law: Copyright, Patent, Trademark" (Kluwer Law International, 2007).

⁵ See the WIPO Overview 2.0 (<http://www.wipo.int/amc/en/domains/search/overview2.0/>).

may warrant clarification should the GNSO Council and the ICANN Board accept these PDP recommendations.

Purpose, Scope and Limitations of Article 6ter

The purpose of Article 6ter is to protect armorial bearings, flags and other State emblems of the States party to the Paris Convention⁶ as well as official signs and hallmarks indicating control and warranty adopted by them. This protection was extended to armorial bearings, flags, other emblems, **abbreviations and names** of international intergovernmental organizations by the Revision Conference of Lisbon in 1958.

Under paragraph 6(1)(a) of Article 6ter, the States that are party to the Paris Convention “agree to refuse or to invalidate the registration, and to prohibit by appropriate measures the use, without authorization by the competent authorities, either as trademarks or as elements of trademarks, of armorial bearings, flags, and other State emblems, of the countries of the Union, official signs and hallmarks indicating control and warranty adopted by them, and any imitation from a heraldic point of view.” Under paragraph 6(1)(b), the protections described by paragraph (a) “shall apply equally to armorial bearings, flags, other emblems, abbreviations, and names, of international intergovernmental organizations of which one or more countries of the Union are members, with the exception of armorial bearings, flags, other emblems, abbreviations, and names, that are already the subject of international agreements in force, intended to ensure their protection”.

It should be noted that paragraph (c) clarifies that States “shall not be required to apply the said provisions when the use or registration referred to in subparagraph (a), above, is not of such a nature as to suggest to the public that a connection exists between the organization concerned and the armorial bearings, flags, emblems, abbreviations, and names, or if such use or registration is probably not of such a nature as to mislead the public as to the existence of a connection between the user and the organization.” As discussed further below (in ____), the Working Group believes that this limitation on the extent of the obligations of States in relation to Article 6ter is likely to be taken into account by UDRP and URS panelists in considering whether the registrant has registered and used the domain name in question in bad faith.

The Communications Procedure to be followed by IGOs under Article 6ter⁷:

⁶ Note that, as a result of the TRIPS Agreement which came into effect in January 1995, the obligations for States party to the Paris Convention also became applicable to any State that becomes a member of the World Trade Organization, regardless of whether that State also signed up to the Paris Convention individually.

⁷ See <http://www.wipo.int/article6ter/en/communication.html> for a description of the communications procedure, and http://www.wipo.int/article6ter/en/general_info.html for general information about Article 6ter.

Under Article 6ter, States and IGOs wishing to avail themselves of the protections have to follow a prescribed procedure. This requires the sending of a communication regarding the particular sign or emblem for which protection is sought to the International Bureau of WIPO, which will then communicate it to the other States party to the Paris Convention. The current WIPO communication procedure involves the periodical electronic publication by WIPO of those signs and emblems (including IGO names and acronyms) for which protection under Article 6ter is being requested, in what is known as the Article 6ter Express Database (<http://www.wipo.int/ipdl/en/6ter/>). The nature of the names and acronyms concerned as well as the IGO that has requested their protection is published, in English and French, together with the individual reproductions of the names and acronyms concerned.

The electronic publication is made on a semi-annual basis, on the last working day of the months of March and September. A link to the most recent communications is inserted into the database, which indicates the communications that were received by WIPO during the six months previous to the most current publication. The date of publication is considered to constitute the date of receipt of the communication by individual States party to the Paris Convention and any other party bound to apply Article 6ter of the Paris Convention⁸.

There does not appear to be any procedure by which any publication may be investigated, examined, or challenged. In this regard the inclusion within the database bears similarity to registrations in jurisdictions that do not subject trademark registrations to an investigatory process. The Working Group notes that UDRP panels have typically found trademark registrations that are automatic or unexamined (such as US state registrations as opposed to US federal registrations) are not owed the same deference under the UDRP as examined registrations⁹. By stating its position above, the Working Group is not intending to alter existing UDRP jurisprudence or suggesting that the pre-existing standards used by UDRP panelists with regards to the recognition of trademarks obtained via an automated or unexamined process be altered in any manner.

Recommendation #3: The Working Group does not recommend that any specific changes be made to the substantive grounds under the UDRP or URS upon which a complainant may file and succeed on a claim against a respondent (e.g. as listed in Section 4(a)(i) – (iii) of the UDRP). However, the Working Group proposes that the Policy Guidance document referred to in Recommendation #2 includes a further recommendation that UDRP and URS panelists should take into account the limitation enshrined in Article 6ter(1)(c) of the Paris Convention in determining whether a registrant against whom an IGO has filed a complaint registered and used the domain name in bad faith.

In the view of the Working Group, a UDRP or URS panelist's/panel's finding that the use and registration of the domain name in question is of such a nature as to suggest to the public that a connection exists

⁸ See <http://www.wipo.int/article6ter/en/communication.html>. The specific process for IGOs is also detailed by WIPO at <http://www.wipo.int/article6ter/en/igos.html>.

⁹ See, e.g., Para 1.1, *WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Second Edition* ("WIPO Overview 2.0"), World Intellectual Property Organization (2011).

between the IGO concerned and the registrant, or that such use and registration is likely of such a nature as to mislead the public as to the existence of a connection between the respondent-registrant and the IGO in question, should be considered as indicative of bad faith.

Recommendation #4: In relation to the issue of jurisdictional immunity, which IGOs may claim successfully in certain circumstances (but not INGOs), the Working Group recommends that: (a) no change be made to the Mutual Jurisdiction clause of the UDRP and URS; (b) the Policy Guidance document initially described in Recommendation #2 (above) also include a section that outlines the various procedural filing options available to IGOs, e.g. they have the ability to elect to have a complaint filed under the UDRP and/or URS on their behalf by an assignee, agent or licensee; such that (c) claims of jurisdictional immunity made by an IGO in respect of a particular jurisdiction will fall to be determined by the applicable laws of that jurisdiction. Where an IGO succeeds in asserting its claim of jurisdictional immunity in a court of mutual jurisdiction¹⁰, the Working Group recommends that in that case:

Option 1 - the decision rendered against the registrant in the predecessor UDRP or URS shall be vitiated or

Option 2 – the decision rendered against the registrant in the predecessor UDRP or URS may be brought before the [name of arbitration entity] for de novo review and determination.

The Working Group recommends, further, that the Policy Guidance document referred to in Recommendation #2 (above) be brought to the notice of the Governmental Advisory Committee (GAC) for its and its members’ and observers’ information.

In presenting Options 1 and 2 above, the Working Group acknowledges that it has yet to conclude which of the two options represents the optimal approach, or if a third alternative is preferable. As such, the Working Group has identified a number of different factors, including possible policy benefits and problems, to consider when examining the various options. Accordingly, the Working Group welcomes specific input from the community on this question, to aid it in developing its final recommendations.

For context, the WG anticipates that the circumstances under which this scenario would occur – viz., where an IGO files a complaint under the UDRP or URS, the IGO succeeds in the dispute resolution process, and the losing respondent then seeks relief against the IGO with respect to that UDRP or URS decision in a national court – will be rare. The Working Group notes that one reason for this belief is the fact that, as noted above, IGOs are able to file complaints through an assignee, licensee or agent.

¹⁰ The Working Group notes that the determination in each case as to whether or not the IGO in question may successfully plead immunity is a question that each court decides according to its own law. It is not within the purview of ICANN to make any recommendations in respect of a judicial determination of this legal issue.

The Working Group also notes that, where a losing registrant proceeds to file a complaint in a court against the UDRP or URS decision, one threshold question that the court will have to decide is whether or not, by submitting to the Mutual Jurisdiction clause, an IGO will be deemed to have waived any jurisdictional immunity it may otherwise have. Consequently, whether or not Option 1 or 2 is ultimately selected by the Working Group as a final recommendation and possible refinement to the UDRP and URS, a court could find that any immunity that may have been claimed by an IGO in respect of an appeal brought before the court by a losing registrant was lost simply by the IGO having filed the UDRP or URS complaint. This possibility is not new, and exists in the current environment under the present language of the Mutual Jurisdiction clause. It will not change regardless of whether Option 1 or 2 is followed.

Further discussion of Option 1:

“The decision rendered against the registrant in the predecessor UDRP or URS shall be vitiated.”

- By vitiating the decision against the registrant in a UDRP or URS in the circumstance where an IGO has successfully claimed jurisdictional immunity, this would put the parties in a situation as if the UDRP did not exist (or as if a UDRP complaint had never been filed). In other words, the court proceedings would be the sole mechanism to resolve the dispute.
- However, while the possibility of vitiating a decision against the registrant in a UDRP or URS in the circumstance where an IGO successfully claims jurisdictional immunity will not affect the right and ability of a losing registrant to seek relief in the courts, will adding this possibility have the effect of leaving an IGO with minimal choices (i.e. either waive jurisdictional immunity and defend the suit or seek jurisdictional immunity and thereby risk having the UDRP or URS decision vitiated)?
- Similarly, will introducing this option affect the likelihood that an IGO will file a UDRP or URS complaint in the first place rather than allow the conduct complained of to continue by not filing? The Working Group notes that this is a matter of individual decision making on the part of each IGO and will also depend on the facts of each case. Nevertheless, the Working Group believes it essential to fully explore the implications of adding a new component to the UDRP and URS.
- In addition, consideration may need to be given to the legal implications of setting aside a panel determination on the basis of a result in an unrelated proceeding (i.e. the successful claiming of jurisdictional immunity by an IGO).

Further discussion of Option 2:

“The decision rendered against the registrant in the predecessor UDRP may be brought before the [name of arbitration entity] for de novo review and judgment.”

- One advantage of the option to allow use of an arbitral or other third party non-judicial process is that this mechanism is familiar to IGOs, e.g. the use of arbitration in contractual disputes or proceedings, such as under the United Nations Commission on International Trade Law (UNCITRAL) Rules.

- Introducing this option would require that a registrant agree to such an appeal mechanism up front, in the form of a new provision in the domain name registration agreement – this would necessitate a consensus policy decision which would obligate all ICANN-accredited registrars to amend their registration agreements accordingly.
- A critical question in this regard is whether the provision of a de novo review in the form of an arbitral or other third party non-judicial mechanism is similar or equivalent in terms of access, fairness and the scope of relief it would offer a registrant compared to seeking relief via the courts.
- Nevertheless, the UNCITRAL Rules and the use of arbitration as a means to resolve commercial disputes are well-established.
- Consideration will also have to be given to amending the UDRP and URS to allow for this new appeal mechanism.

The Working Group has discussed both options extensively, but has not reached a firm conclusion on a recommendation incorporating either option. However, at the time of publication of this Initial Report, a majority of Working Group members expressed support for Option 1. Following community feedback on this point, the Working Group will conduct a consensus call to try to determine the level of consensus on a particular approach.

Notes on the Working Group’s consultation with an external legal expert on the issue of IGO jurisdictional immunity

For the purposes of understanding the scope and limitations of public international law in relation to the issue of IGO jurisdictional immunity, the Working Group requested that ICANN engage an external legal expert to advise the Working Group of the current state of the law on this topic. Professor Edward Swaine of George Washington University in the USA was engaged following a detailed evaluation by the Working Group of the qualifications of other interested candidates¹¹.

Professor Swaine’s final expert opinion was delivered to the Working Group in June 2016¹². In sum, Professor Swaine’s opinion was that:

There is no single universal rule that is applicable to IGOs’ jurisdictional immunity globally. Rather, such immunity is essentially contextual - IGOs generally enjoy immunity under international law, but different jurisdictions apply the law differently, and even within the same jurisdiction different IGOs may be treated differently:

- *Immunity obligations vary by state and by IGO concerned;*
- *Immunity decisions are often based on organization-specific treaties to which not all states are party;*

¹¹ For details about the criteria agreed on for this engagement, see the Working Group’s collaborative wiki space at <https://community.icann.org/x/z4BYAw>.

¹² For the full text of Professor Swaine’s memo, see Annex ___ of this Initial Report and the Working Group’s wiki space at <https://community.icann.org/x/z4BYAw>.

- *States subject to the same international obligations may implement them in varying ways; and*
- *Every jurisdiction resolves immunity questions according to its own law (the “law of the forum”, as informed by international law)*

On the other hand, under the UDRP and URS, a complainant is compelled to consent to a Mutual Jurisdiction (defined as either the domain name registrar or registrant) for purposes of an appeal from a panel’s initial determination of a complaint. Thus, an IGO that files a complaint will therefore have agreed to the possibility of a judicial process, regardless of any immunity it might otherwise enjoy under international law.

According to Professor Swaine, under current international law principles as understood generally, there are three types of jurisdictional immunity which an IGO might claim – absolute, restrictive and functional. An IGO that is entitled to absolute immunity would be entitled to comprehensive immunity from judicial process, irrespective of the nature of the IGO’s activity, in the absence of an express (and strictly construed) waiver (for example, the United Nations and other IGOs protected in certain States by specific treaties binding those States, or bilateral arrangements between States). Under a restrictive immunity approach, however, an exception from absolute immunity is made for litigation concerning commercial activities like those undertaken by private parties – however, with the notable exception of the United States, relatively few states have adopted this approach. The Working Group notes in this regard that the UDRP and URS were designed to apply to trademark related disputes, which are generally viewed as commercial in nature. Finally, under a functional immunity approach, an IGO’s immunity with respect to a particular jurisdiction is limited to the functions of the IGO in question. For example, certain jurisdictions may have legislative language which limit the extent of IGO jurisdictional immunity to the “privileges and immunities as are reasonably necessary for the fulfilment of their functions”. While a functional immunity approach can overlap with a restrictive immunity approach, the distinction may be critical – for instance, a non-infringing use of its domain may be necessary for an IGO to carry out its mission regardless of whether the activities are commercial or not in nature. However, without discounting the importance of loss of monies, impact to reputation, or other harms that may result from an infringed domain, the Working Group is not able to say for certain that a third party’s infringing registration of a domain name would necessarily impede an IGO in carrying out its core mission within the scope of a functional immunity inquiry.

The Working Group agreed with Professor Swaine’s assessment and concluded that “*there is no single universal rule that is applicable to IGOs’ jurisdictional immunity globally.*” This lack of a universal rule made it challenging to justify declaring the mutual jurisdiction provisions in the UDRP and URS inapplicable to IGOs, as an IGO’s immunity is highly dependent upon the particular jurisdiction and the nature of the specific IGO, amongst other factors. Accordingly, the Working Group did not feel it was appropriate to create a separate, narrowly-tailored dispute resolution procedure.

Professor Swaine also analyzed how, outside the domain name arena, IGOs are generally able to waive their jurisdictional immunity, and he noted that there seems to be two main ways to accomplish this: (1) through the IGO’s governing instrument (though Professor Swaine noted that the exact scope of this can

be unclear); or (2) by way of agreement or pleading (for which option the case law is not well developed), but Professor Swaine expressed the thought that an IGO's agreeing to a Mutual Jurisdiction under the UDRP or URS could be interpreted as a waiver.

In essence, Professor Swaine's legal conclusion in relation to an IGO's jurisdictional immunity for purposes of a domain name dispute under the UDRP or URS was that "[a]llowing an IGO that prevailed in the UDRP process to avoid its waiver and rest on the UDRP result by invoking immunity, while allowing it to waive that immunity by initiating judicial proceedings if it loses to a domain-name registrant, will likely seem asymmetrical and unfair." Based on Professor Swaine's expert opinion, the Working Group came to the conclusion that it would not be possible to recommend a single solution that takes into account all the varying types of IGOs, their activities and the different approaches of multiple national courts. Nevertheless, the Working Group has strived to find an outcome that respects and preserves an IGO's assertion of jurisdictional immunity as well as a registrant's right to appropriate legal recourse.

Professor Swaine's opinion was largely focused on the question of what might happen in the case where an IGO files a complaint under the UDRP or URS and wins at the administrative proceedings phase, in which event a losing respondent would then be able to file a *de novo* appeal in a national court against that initial determination. In view of this focus, various policy options were identified for addressing the IGOs' concern over losing the possibility of jurisdictional immunity for this type of proceeding.

In this regard, the Working Group discussed the following policy options:

A. Make a distinction among different types of IGOs:

- This option would maintain the existing Mutual Jurisdiction terms in general, but permit particular IGOs to elect instead to submit to arbitration. An option for such arbitration would be the arbitration rules under the United Nations Commission for International Trade Law (UNCITRAL) or some similar, internationally recognized procedure.
- In line with Professor Swaine's analysis, the most likely IGOs that would be able to elect an arbitration option would be the United Nations and its constituent bodies (e.g. WIPO, WTO, WHO).

B. Rewrite the Mutual Jurisdiction clause under the UDRP and URS, but without prejudging the outcome where an IGO pleads jurisdictional immunity:

- Adopting this option would mean that IGO immunity is not to be assumed in circumstances where the relevant jurisdiction would not be inclined to afford it (e.g. its courts apply a functional or restrictive approach and regard the activity as beyond the scope of immunity). Essentially, this option would leave the determination of an IGO's jurisdictional immunity from domain name disputes in any particular jurisdiction to the judgment of that particular national court.
- If this option were to be adopted by the Working Group, Professor Swaine suggested that additional language (in the form of an exception) could be added to the UDRP and URS as follows:

"In the event the action depends on the adjudication of the rights of an international intergovernmental organization that would, but for this provision, be entitled to immunity from such

judicial process according to the law applicable in that jurisdiction, [as established by a decision of a court in that jurisdiction,] the challenge must be submitted instead for determination [by UNCITRAL in accordance with its rules”].

The Working Group also noted that Professor Swaine also highlighted the possibility that any hardship endured by a respondent as a result of submission to an arbitral process should be alleviated, e.g. by the IGO’s agreeing to bear a proportion of the costs incurred.

The Working Group’s consideration of Professor Swaine’s suggestions and the available policy options

The Working Group spent considerable time reviewing Professor Swaine’s notes and final memo, including in open sessions at the ICANN Public Meetings in Marrakech (March 2016) and Helsinki (June 2016). It also considered the applicability and scope of the UNCITRAL Arbitral Rules¹³ to domain name disputes between IGOs and registrants, and noted that the issue of immunity is likely to arise only in those limited cases where a losing respondent (against an IGO complainant, who would have agreed to the Mutual Jurisdiction clause in order to file and proceed with its complaint) files an appeal against the UDRP or URS determination.

Ultimately, the Working Group concluded that, in relation to the issue of immunity, given: (1) the limited instances of a scenario where an IGO would assert immunity against a losing respondent in a national court, having already filed and won a UDRP or URS complaint; (2) the need to preserve a registrant’s right to appeal to a court of competent jurisdiction; and (3) the lack of a single, universally applicable rule in relation to IGO jurisdictional immunity, the most prudent and advisable approach would be to not recommend any changes to the UDRP or URS at this time.

Other research and documentation taken into account by the Working Group on this issue

Besides Professor Swaine’s expert views, the Working Group also considered research and prior work done on this topic. This included the August 2003 report from the WIPO Secretariat on a possible arbitral appeal mechanism for domain name disputes involving country names, which could conceivably also apply to IGO names and acronyms¹⁴. The Working Group notes that, in this report, the WIPO

¹³ For the full text of the UNCITRAL Arbitral Rules, see

http://www.uncitral.org/uncitral/en/uncitral_texts/arbitration/2010Arbitration_rules.html.

¹⁴ See www.wipo.int/edocs/mdocs/sct/en/sct_11/sct_11_5.doc. The Working Group acknowledges that, in this report, the WIPO Secretariat noted that “[i]n order to strike a balance between the privileges and immunities of sovereign States on the one hand, and the right of a losing UDRP respondent to have the dispute reconsidered in a neutral forum on the other, WIPO member States also recommended to allow IGOs to submit to a special appeal procedure by way of *de novo* arbitration rather than to the jurisdiction of certain national courts of justice”.

However, for reasons stated in the main text, the Working Group respectfully disagrees with this proposal and notes, further, that in the General Assembly report of the proceedings at hand, there was not agreement on the need to protect IGO names and acronyms and country names in this manner (see WO/GA/28/7:

http://www.wipo.int/edocs/mdocs/govbody/en/wo_ga_28/wo_ga_28_7.pdf).

Secretariat expressly stated that the following principles ought to apply if a *de novo* arbitration process is to be created:

- The parties should be able to restate their case completely anew. They should not be confined to claiming that the panel did not consider certain relevant facts or wrongly applied the procedure, but should also be able to submit new evidence and new factual or legal arguments;
- In order to provide a meaningful “appeal,” conducting a *de novo* arbitration should, as a general rule, not be more burdensome than conducting litigation in a court of mutual jurisdiction;
- The arbitral tribunal should consist of one or more neutral and independent decision makers, who should not be identical or related to the panelists who rendered the initial decision; and
- Either party should be able to present its case in a complete manner. The arbitral tribunal should, for example, have the authority to allow for, or request, additional written submissions, and it should be possible to hold in-person hearings

From publicly available information reviewed by the Working Group, it appears that no further action was taken on the above-noted *de novo* arbitral appeal mechanism. In light of the fact that it has been over a decade since that proposal was scoped, and given the fact that the Working Group’s recent research revealed that some IGOs do in fact waive their immunity and submit to the Mutual Jurisdiction clause in bringing a UDRP action¹⁵, the Working Group believes that the present circumstances do not adequately justify amending the UDRP and URS in order to provide IGOs with broad immunity protections.

In this regard, the Working Group notes that GAC advice to the ICANN Board in relation to this issue was that the UDRP should not be amended¹⁶.

The Working Group recognizes that IGOs may not welcome the fact that adoption of this recommendation by ICANN will mean that IGOs will still have to submit to the Mutual Jurisdiction clause of the UDRP and URS when filing a complaint under either procedure. Nevertheless, in view of the concerns listed in the paragraph immediately above this one, and the other Policy Guidance principles that the Working Group is recommending be applied to IGO complaints (e.g. standing under Article 6ter of the Paris Convention), the Working Group believes that the totality of these recommendations will suffice to protect the rights of IGOs in their names and acronyms.

Recommendation #5: In respect of GAC advice concerning access to curative rights processes for IGOs, the Working Group recommends that ICANN investigate the feasibility of providing IGOs and INGOS

¹⁵ See, e.g., the resources and links compiled by the Working Group at <https://community.icann.org/x/48PhAg>.

¹⁶ See, e.g., the GAC Communique from the Los Angeles ICANN meeting held in October 2014: <https://www.icann.org/en/system/files/correspondence/gac-to-board-15oct14-en.pdf>.

with access to the UDRP and URS (in line with the recommendations for accompanying Policy Guidance as noted in this report), at no or nominal cost, in accordance with GAC advice on the subject.

The Working Group notes that its Charter does not authorize it to make recommendations that would create an obligation for ICANN to provide subsidies for particular groups of complainants, or that would otherwise require ICANN to cover the costs (whether in full or substantially) of any particular entity's filing of a UDRP or URS complaint. Nevertheless, the Working Group believes that, in view of GAC advice on the topic¹⁷, it is within its scope to recommend that ICANN investigate the feasibility of providing IGOs and INGOs with the ability to file UDRP and URS complaints at no or minimal cost.

¹⁷ See, e.g., the GAC's Los Angeles Communique (October 2014):
<https://www.icann.org/en/system/files/correspondence/gac-to-board-15oct14-en.pdf>.