

Revised Consolidated Recommendations 25-30, 31-32

25	ICANN should perform a study on <u>new gTLDs operating in highly regulated sectors</u> to include the following elements: <u>a) steps registry operators are taking to establish working relationships with relevant government or industry bodies; b) the volume of complaints received by registrants from government and regulatory bodies and their standard practices to respond to those complaints; c) review and assess a sample of domain websites within the highly regulated sector category to see whether contact information to file complaints is sufficiently easy to find; d) determine the volume and the subject matter of complaints regarding domains in highly regulated industries by seeking more detailed information from ICANN Contractual Compliance and registrars/resellers of highly regulated domains; e) compare rates of abuse between those highly regulated gTLDs that have voluntarily agreed to verify and validate credentials to those highly regulated gTLDs that have not; and e) assess whether restrictions regarding possessing necessary credentials are being enforced by auditing registrars and resellers offering the highly regulated TLDs (i.e., can an individual or entity without the proper credentials buy a highly regulated domain?). To the extent that current ICANN data collection initiatives and compliance audits could contribute to these efforts, we recommend that ICANN assess the most efficient way to proceed to avoid duplication of effort and leverage current work.</u>	ICANN organization	High
x	v	ICANN organization	High
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x	v	ICANN organization	High

Rationale/related findings: Although ICANN has implemented certain safeguards applicable to domains operating in highly regulated sectors, it is unclear whether and how contracted parties are complying with these safeguards. It is also not clear whether these safeguards have been effective in mitigating risks associated with domains in highly regulated markets. The consumer end-user survey results indicate that new gTLDs are not trusted to the same extent as legacy gTLDs and that the public is concerned about potential misuse of their sensitive information. Domains working in highly regulated

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Deleted: Assessment whether restrictions regarding possessing necessary credentials are being enforced by auditing registrars and resellers offering the highly regulated TLDs (i.e., can an individual or entity without the proper credentials buy a highly regulated domain?);

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Deleted: Determining the volume and the subject matter of complaints regarding domains in highly regulated industries by seeking more detailed information from ICANN Contractual Compliance and registrars/resellers of highly regulated domains; and

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Deleted: Compare rates of abuse between those highly regulated gTLDs that have voluntarily agreed to verify and validate credentials to those highly regulated gTLDs that have not.

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sectors such as health and finance may be more apt to collect this sensitive information and hence the trustworthiness of these domains is even more crucial. Hence, it is important to understand whether the safeguards put into place to mitigate the risks associated with highly regulated domains are being enforced and whether they are effective.

Details: ICANN is embarking on several data gathering initiatives that may shed light on some of these issues, including the Data Abuse Activity Reporting System, the Marketplace Health Index, and the Identifier Technology Health Indicators project. Moreover, ICANN Compliance is expanding its audit functions to include additional examination of compliance with certain safeguards. Hence, consideration should be given to assessing whether ICANN's ongoing data collection and compliance initiatives could be leveraged to implement parts of this recommendation.

Measures of Success: This recommendation will be successful if additional data is generated to inform ongoing policy development processes regarding the effectiveness of ICANN contract provisions intended to safeguard the public particularly as it relates to new gTLDs operating in highly regulated sectors and whether the current contractual safeguards sufficiently protect the public against the higher risks associated with these domains. In particular, it is vital to determine whether the current safeguard requiring that registrants possess appropriate credentials for gTLDs operating in highly regulated sectors is operating as intended. Success in this regard would be to generate an assessment of complaints relating to this safeguard, information on this how this safeguard is enforced, among other factors, in order to determine its effectiveness.

Public Comment Input (most support):

ICANN: Although data for registrants' preferences for types of TLDs (i.e., geographic) can provide insight into choice and trust, unclear how registrants' preferences for particular TLDs inform the extent to which the expansion of gTLDs has promoted competition, consumer trust and consumer choice. It would be helpful if the CCTRT could clarify to ensure that appropriate analyses could be performed to inform future CCTRT discussions.

Implementation, cost, resource, and timing estimate: Implementation of these recommendations could entail repeating the registrant survey and including additional questions to address new requirements from these recommendations. This survey is estimated to cost USD 150,000. Resource requirement is estimated at 0.5 FTE. Estimated timeline for implementation, including report generation is 6 months.

This is another area where the recommendations overlap with activities of the gTLD Marketplace Index. It would be helpful to understand how the CCTRT sees these recommendations aligning with the gTLD Marketplace Index effort. Would the CCTRT consider folding these recommendations into a common set of metrics that may be collected and analyzed via this ongoing effort?

- For Recommendation 30, ICANN organization will assess how to collect and report complaints

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in highly regulated gTLDs that verify/validate credentials and those that don't.

Concern: Continuing with the current DNS abuse study in its full form with the currently contracted researchers may impose unnecessary duplicative costs given the capabilities of the+C27

DNS Abuse Reporting Tools (DART) to generate reports measuring levels of DNS abuse.

However, the more in-depth analyses asked for in Recommendations 30 and 34 require more sophisticated statistical analysis that may be beyond the internal expertise available within

ICANN organization and the capabilities of DART. Any correlation between an abuse trend line

generated by DART and given safeguard targeted in Recommendations 30 and 34 (i.e.

credential verification and registration restrictions) would be speculative given the many

variables involved in predicting an abuse rate. As such, a potential solution could be to utilize DART,

which is currently in the beta testing phase, as a means to satisfy the requirements of Recommendation

19. To satisfy the requirements of Recommendations 30 and 34, ICANN organization may explore continuing the contract with the current DNS abuse study researchers to carry out the more sophisticated statistical analyses. This would carry marginal costs to the current study rather than new costs for a new study.

Recommendations do not specify the intended use of the information. It would be helpful if the CCTRT could clarify the intended use and by whom to ensure that appropriate data collection and analyses are performed.

- Recommendation 25 refers to conducting a study on highly regulated new gTLDs to understand the steps registries are taking to establish working relationships with relevant government or industry bodies. As registries have an obligation to create a working relationship with the relevant regulatory or industry self-regulatory bodies, ICANN organization routinely audits registry operators for compliance with this contractual provision. Could this audit meet the requirements of this recommendation, or is a study required?

- Recommendation 27 refers to assessing the presence of complaint contact information for the users of the websites at the second level in gTLDs that are considered highly regulated. ICANN reviews compliance with all category 1 safeguards as applicable to certain TLDs, including the Registry Registrar Agreement. ICANN's contractual relationship is with the registry operator as it relates to contact information. ICANN does not have a contractual relationship with

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[registrants and does not assess this content.](#)

[In addition, the following activities are in process, which address some of the requirements in some of these recommendations:](#)

- [Regarding Recommendation 25, ICANN organization is performing audits on registry operators, which includes auditing for compliance on the contractual requirement that registries establish working relationships with relevant government or industry bodies.](#)
- [Regarding Recommendation 28, ICANN organization is updating its registrar audit plan to include a test for compliance with a highly regulated TLD's requirements for registration; whether restrictions regarding possessing necessary credentials are being enforced by registrars. Target completion date is June 2017.](#)
- [Regarding Recommendation 29, ICANN organization is in the process of developing the required changes to provide more detailed information on the subject matter of complaints in the publicly available contractual compliance reports. The target completion date is July 2017.](#)

[Non Com SG: Confusing. It appears to be one long and ongoing recommendation which makes it very difficult to read, understand and implement – a problem in itself. Further, they appear to be hooking ICANN directly into work with government consumer bodies – many of which are members of the GAC – and industry bodies \(undefined\) that are themselves welcome to be members of the Supporting Organizations and their Stakeholder Groups. All of the recommendations – 25 to 30 – should not be done by ICANN directly. They are inputs, reports, processes of a\) relevant bodies and b\) relevant industry bodies that properly should be shared and processed through their appropriate Supporting Organization or Advisory Group – for *review by the entire ICANN Community* through the Multistakeholder Process. We strongly recommend considerable reworking and allowing existing ICANN processes - SOs and GAC - to provide their reports and inputs through the ICANN Multistakeholder process.](#)

[GAC: The GAC believes that it is vitally important to assess the level of implementation of safeguards for highly regulated strings and whether such safeguards have been effective in mitigating risks associated with domains in highly regulated markets. The GAC supports the recommendations therefore on specific areas where more data and information is required for an objective assessment.](#)

[vTLDs: The Consortium supports Recommendations 25-30 of the CCTRT calling for a study on gTLDs operating in highly regulated industries. Given the similarities between this study \(i.e., Recommendations 25-30\) and the study proposed in Recommendation 16, it may be possible to](#)

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combine the two. If it becomes necessary to make a choice between the two, the Consortium would prioritize the study proposed in Recommendation 16. Regarding the wording of Recommendations 25 and 28, the Consortium notes that it would be more accurate to change “highly regulated new gTLDs” to “new gTLDs operating in highly regulated sectors.”

Com Laude Valideus: We agree with the questions and information gaps the CCTRT identifies with respect to Safeguards for Highly Regulated Strings and broadly agree with its recommendations regarding desired data gathering to inform conclusions about the effectiveness of measures introduced to deal with such strings.

Neustar: Registrants do not have an obligation to ICANN to provide such information as contracted parties do. The availability and feasibility of the data requested under this recommendation is highly questionable.

UK: The GAC Beijing communiqué provided a list of new gTLD applications falling into this Category 1 list. The GAC made clear at the time that this list was non-exhaustive in the expectation that the GAC’s advice would be followed up by ICANN-led action to complete the list (including IDN equivalents) in order to include all such applications. The CCT RT draft report should consider whether this expected action to complete the list was in fact carried out or whether ICANN relied erroneously on the non-exhaustive list attached to the Beijing communiqué to determine which registries should implement the necessary safeguards in their registry agreements. In addition to highly regulated sector gTLD applications, the Beijing communiqué included a non-exhaustive list of sensitive non-regulated sector strings (including those ~~targeting~~ children) to which a sub-set of safeguards would be applied through their respective registry agreements. It is recommended that the final report of the CCTRT should examine the record of safeguard compliance in respect of these strings (including IDN equivalents) and if necessary make specific recommendations to complement those covered in Recommendations 25-30 in respect of highly regulated sectors.

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31	ICANN Contractual Compliance should report on a quarterly basis whether it has received complaints for a registry operator's failure to comply with either the safeguard related to gTLDs with inherent governmental functions or the safeguard related to cyberbullying.	ICANN organization	Low
32	Survey Registries to determine 1) whether they receive complaints related to cyberbullying and misrepresenting a governmental affiliation and 2) how they enforce these safeguards.	ICANN organization	Low

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Rationale/related findings: The lack of information about whether ICANN Contractual Compliance or registries have received complaints related to these safeguards and lack of consequences for failure to comply with these safeguards make it difficult to assess their effectiveness in mitigating the risks they were intended to address, **Note:** A general recommendation for further transparency regarding the subject matter of complaints received by ICANN Contractual Compliance is set forth in [Chapter V. Data-Driven Analysis: Recommendations for Additional Data Collection and Analysis](#).

Measures of Success: These recommendations will be successful if they generate data that indicates the magnitude of complaints regarding cyberbullying and misrepresenting governmental affiliations and provide information regarding how Registries enforce these safeguards.

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Public Comment Input:

ICANN notes that is has NOT received complaints related to these safeguards.

GAC: The GAC strongly supports the recommendation that ICANN determine whether complaints have been received regarding a registry operator's failure to comply with these safeguards, particularly for those TLDs with an inherent governmental function. The GAC welcomes the recommended survey for registries to determine how they (registries) are enforcing these safeguards and looks forward to receiving the results. This is of particular interest to the GAC as two letter codes are currently being registered at the second level, and it is of particular importance to many governments that registry operators comply with these special safeguards and know with confidence that they are being enforced effectively.

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Business Constituency ranks these as very important.

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Non Com SG: These recommendations are beyond the scope and mission, limits, and competence of ICANN and the ICANN community. These recommendations must be deleted or modified to the scope and mission of ICANN.

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