
ICANN Transcription

New gTLD Subsequent Procedures Working Group

Thursday, 24 October 2019 at 2000 UTC

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JULIE BISLAND:

Good morning, good afternoon, and good evening, everyone. Welcome to the New gTLD Subsequent Procedures Working Group call on Thursday, the 24th of October, 2019. In the interest of time, there will be no roll call. Attendance will be taken by the Zoom room. And if you're only on the audio bridge at this time, could you please let yourself be known now? I'm noting Paul McGrady and Kathy Kleiman are currently on audio only. Anyone else?

Okay. Hearing no other names, I would like to remind everyone to please state your name before speaking for transcription purposes, and also please keep phones and microphones on mute when not speaking to avoid background noise. With this, I will turn it back over to Jeff Neuman. You can begin, Jeff.

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JEFF NEUMAN:

Thank you, Julie. Welcome, everyone. Today we are going to talk about DNS abuse, at least our portion of it, and then if we have time, get into registrar support for new gTLDs. The links are on the document that's displayed right now. I know that doesn't help the people on the phone but hopefully you got the links earlier from the agenda and the documents themselves.

Before we get into that, let me just ask if there are any updates to anyone's statements of interest. Okay, not seeing any. And thank you, Julie, for putting the link in the chat as well.

If we could then go to the DNS abuse section. As it's coming up, this paper is a little bit different than the others that you've seen, primarily because this is a new addition since the initial report and the supplemental initial report and it really stems from the work of the CCT Review Team as well as some comments that we got during the initial report or supplemental initial report – or I should say both.

So, it's a topic that we believe is important and one that we have added to our work. As you can see, there are already some areas within this overall topic of security, stability, DNS abuse that we have already been covering, just under different labels or maybe not under a label at all. We'll go through that.

But as you all know, the CCT Review Team (the Competition, Consumer Choice, Trust Review Team) came out with its final report a number of months ago. It has been before the ICANN Board which has accepted certain of the recommendations and some are still pending. But of the ones that are ... One of the ones that has been accepted is related to DNS abuse. A number of the

other ones that are related to DNS abuse are pending. But even though they're pending, the recommendations still seem like ones that we should be taking a look at, at least as to how it may fit in within our charter, so whether or not the Board chooses to accept these recommendations, we do think that our group should at least look at them as a group and decide if and how we're going to address them.

So, the particular recommendations that we went through in the CCT Review Team report – we being the leadership and ICANN policy staff – that we thought was related in some way to DNS abuse included recommendation 13 which is collecting data on the impact of reactions on who can buy domains within certain new gTLDs, and more specifically, it really is to look at determining, or considering, whether the lower abuse rates associated with gTLDs [inaudible] or registration policies identified in the analysis [update] that the CCT Review Team did, and whether they're less present or less active in new gTLDs [inaudible] registration restrictions.

Again, this one is pending. It's really directed at ICANN Org but it does relate to the topic of abuse. Recommendation 14, which is specifically addressed to the SubPro team – to us – at least in their final report, talks about negotiating amendments to existing registry agreements. That part is not really for us. Or consideration of new registry agreements associated with subsequent rounds of new gTLDs to include provisions and agreements that provide incentives, including financial incentives, for registries, especially open registries to adopt proactive anti-abuse measures.

Recommendation 15, which is pending and it was directed at us as well as other groups, talks about again dealing with the

registrar accreditation agreements and the registry agreements to include provisions aimed at providing systemic use of specific registrars or registries for DNS security abuse.

Recommendation 17 also addressed to us – sorry, can you scroll down? There we go – was that ICANN should collect data and publicize the chain of parties responsible for gTLD domain name registrations.

Then, finally, recommendation 25 was that to the extent there are voluntary commitments that the applicants state their goal with having such voluntary commitments and that will enable measurement of the – or an ability to measure whether those voluntary commitments are successful in achieving the goals. Some of those would be geared towards mitigating abuse in the TLDs and also ... So, that would help us as a community understand the impacts of PICs or commitments on DNS abuse as a whole.

Again, although many of the recommendations above are still pending [inaudible] the Board, there is a good deal of overlap between some of the topics we have already discussed and those recommendations that are on the CCT Review Team. And since right now we're – at least in the last meeting and even in some later subjects – we're going to be looking at the base registry agreement. It seemed to make sense that we start looking at this in conjunction with the agreement.

But as we all know, there's a lot of work going on. We'll talk about that later on in this call, in the community, on this particular topic. So, we have some choices to make as to what we want to cover, if

anything, how we want to cover it or whether we should be just relying on other efforts that are going on within the community.

So, that's just kind of a very much introduction. I noticed that there are a number of comments in the chat as to what some believe are within the scope of SubPro or within ICANN scope at all and of course those will come up as we go along with our discussion. But those are important comments and we'll get to those as we start talking a little bit about this.

Jim is asking a question. "What precipitated this sudden edition of DNS abuse to the agenda? Was there outreach from ICANN Board or staff on it? I don't recall being part of the work plan when I checked a few weeks ago."

Leadership of the group, which includes Cheryl and I and others that participate in the leadership group, we obviously ... Part of our charter is to look at the CCT Review Team recommendations and to incorporate those into our discussions. There were a number comments, as we'll look at later, which talk about not wanting to do another round until the DNS abuse sections are solved. I'm paraphrasing. So, this was a decision made by leadership that this topic needed to be included. Again, if you do look at our charter – and if you want, we can bring it up – but it does reference us keeping tabs on what's going on with the CCT Review Team and addressing their comments and report. And I think it would be a glaring omission to not even talk about at all this subject.

Now, I understand from some that the words DNS abuse are not within the charter but certainly looking at the CCT Review Team

and taking in their recommendations to just discuss I think are important. And I have been mentioning for the past several weeks on the calls that this was going to be a topic.

Okay. So, let's go on with ... "Can we go through the comments?" Maxim is saying. Maxim, are you saying the chat comments or the comments that were made on DNS abuse? Oh, okay. Yes. Why am I just seeing these comments for the first time? Okay. Cool.

So, there are some comments that are put in the draft, so let's go through them. Sorry about that. I don't know why I didn't see it. So, is that the first comment or should we scroll up a little bit to make sure we've covered them?

Okay. Again, there's some ... Recommendation 13 is not directed at SubPro. It's a comment from Rubens. And that's true. For this paper, we just wanted to do an introduction, so we found all the recommendations that seemed to tackle DNS abuse or abuse in general. And that is correct. We don't have to answer those questions one through five, but again, we just wanted a complete picture as opposed to just picking out the recommendations that were aimed at us.

Recommendation 14, Rubens, it's your view that that's outside the picket fence. That may be the case, Rubens, but in theory, because we are designing procedures for the next round of new gTLDs, we are not amending existing contracts. Technically, this doesn't need to be within the picket fence. A picket fence governs amending existing contracts.

Now, I'm not saying that we should have this or that I agree with this recommendation. I'm just saying that technically a PDP that's forward-looking does not necessarily have to be within the picket fence. It does have to be within ICANN's jurisdiction. That's a whole separate question. But for new agreements or new provisions, those do not have to be within the picket fence.

And, Rubens, you are correct. For this to apply, we need to be in the agreements but then we need to be in the new agreements, not the existing agreements. So, let's move on to the next comment.

So, this is on recommendation ... Sorry, Maxim's comment is on the proactive component Is that the ... I'm trying to look at it from the ... Yeah. Okay. So, Maxim is stating it's not possible to identify a crime before it's committed. I think this is referring to taking proactive measures, meaning to take certain measures before it's reported to you as a problem. So, to the extent that registries do this all the time, they monitor the feeds, it may not have been reported as a problem by a third party but if they're proactively monitoring and looking for this stuff, that's what it's intended. Not that you can proactively predict that there's a crime or a bad act.

Recommendation 15. The comment there is there is no way for a registry, with exclusion of brands or registrar to ensure nothing happens with the good registrant who turns rogue or whose credentials were stolen and used for bad activities. Okay.

Then, the next one is this opens the gates to blackmailing registries or registrars on purpose, extorting money for not using domains registered for this very purpose to cancel the RA and

RAA. As example, inclusion of records from those [inaudible] bad activity and sending a complaint the same time to ICANN. Such actions will endanger security and stability of the Internet without a proof that a particular registry or registrar participated in DNS abuse on purpose. It is a punishment without a crime. And that's referring to the notion of presuming registries or registrars are in default of their contract because there is a certain level of "DNS abuse" occurring.

The next comment is – and then I'll go back to the chat. Sorry. It's from Rubens. Absolute metrics for information, security, including DNS abuse not available from computer science preventing establishing hard numbers. Okay, that might also be related to the threshold as well.

Then, recommendation 17. Feasible for registrar, registry and registry service provider but not to resellers or anyone below the level of registrar. That is important. To discuss the ecosystem, I think that's important in any DNS abuse discussion.

Recommendation 25, according to Rubens, looks something targeted at the perceived backdooring of ideas and PICs, not at DNS abuse.

Okay. Let me go back to the chat here. Maxim says ... Just going back to the picket fence, to argument. Maxim says, "If we invent things outside of picket fence, there's no chance to see the work of this PDP approved." Then, Maxim states, "I'm not sure the others have the same under ..." Sorry, I think I skipped someone here.

Maxim, “[inaudible] can see crimes before they are committed.” Maxim says, “I’m not sure others have the same understanding.” Kristine says, “Plus one, Maxim. According to the details of the CCT Review Team report, they are talking about activities that precede a potentially abusive registration.”

And Cheryl is saying, “Such as perhaps the registration of a few thousand names at low cost in single transactions. I assume that is a prerequisite to a possible suspension of doubtful activity to follow but may be perfectly innocent as well.” And Maxim response to that saying, “It’s typical behavior of a reseller who works with a portfolio manager before the launch of a program works.” Okay.

So, there’s a number of comments here, and look, I think they’re all relevant and it may ultimately lead us all down the same path. But let’s get into some of the discussions that we’ve already had and some of the discussions going on in the community. So, really, this is kind of the current state of play as I see this.

So, we’ve already covered some issues. We’ve already talked about the mandatory PICs, which include specification 11.3b. That’s already part of our discussions. Sorry about not putting the exact section. We’ll put that in there. That was in the topic of I think public interest but I wasn’t 100% sure, so we just need to put that in there and we will.

We also discussed the proposal. Again, not saying it’s been approved. But we’ve been discussing a proposal for incentives for registries to adopt anti-abuse measures. We certainly haven’t come to agreement on this proposal, but there is a proposal for

providing reduction of ICANN fees or application fees and there's also a proposal on the table for granting verified top-level domains, the right to object to similar applied-for strings if those strings do not have a similar level of restrictions. That's still on the table. Again, has not been approved but it has not been rules out yet, either.

Jim is saying, "What is the process for considering this proposal?" Again, that's just coming out of our discussions. Ultimately, we will as a group decide what goes into our final report or not. This particular proposal – or at least the one that was talking about the objection – was supported by the ALAC. I'm trying to remember off the top of my head. The ALAC, I think one of the CSG groups, and I think some registries, if I'm not mistaken. So, it's still on the table in the sense that we're still going through and discussing those.

From the CCT Review Team recommendation 25, [seems] to have support from this working group. And this is really just the notion of collecting data on the voluntary commitments that are made, well, on all PICs. So, it also seemed to have support during our discussions that if you're going to make a PIC, you should provide some sort of statement as to why you're suggesting that PIC. So, that goes to the intended goal.

Then, no one in the group – at least when this was discussed – seemed to object to the idea of creating an organized searchable database to look at PICs. So, again, these have not been adopted formally but it seemed like this particular recommendation seemed to have some level of support. So there's still a bunch of chat

going on. I think our jurisdictional questions and being proactive ...
Okay.

So, section B. And this is really I think important for B. It leads to a proposed recommendation. The community is already addressing a lot of these things in a bunch of different ways and we'll talk about that in section three. So, I'm not going to talk in detail now.

Then, here's another point. Any new recommendations we would make, or we make, would only impact new TLDs on a go-forward basis. There's nothing that we can recommend in this group that would in any way operate to change any of the existing contracts or the existing – to the extent there's DNS abuse going on, it's not going to affect the existing registries and registrars that are in place. So, that's important to keep in mind.

So, with all of that, the recommendation that I would put forward is that, given the work already going on within the community, other than the topics that we're already covering relating to DNS abuse, which are above, we encourage the community to continue to work on all issues pertaining to DNS abuse which can ultimately apply to all TLDs, not just future ones.

So, I think ultimately this recommendation makes sense and I want you all to be thinking about that as we go through all these other materials. But I think this may be logically where we might end up.

So, Rubens makes the point that it's gTLDs. I think that's right. So, we should say gTLDs.

Okay. So, what are the things going on or going on in the community? And it sort of relates to Maxim's question – or comment, I guess – which is that do we have a common understanding of what is DNS abuse.

So, I put in here a reference to policy work that was already done by the GNSO. And this was back in 2010 is when the final report came out from the Registration Abuse Working Group, and it defined two types of abuse – registration abuse and use abuse – which could be considered forms of abuse that are related to topics that are often discussed within the ICANN community.

Registration abuse was found by this working group, and ultimately approved by the Council and the Board, registration abuse consisted of the things that we all commonly think of as DNS abuse which includes things like phishing, farming, malware, and spam where spam is used to perpetuate one of the other forms of abuse, registration abuse.

Use abuse consists of pretty much the type of abuse related to content and how the name – or the material that travels through the domain name or the website or email, etc. So, things like intellectual property infringement, defamation, spam when it doesn't serve as the delivery vehicle. Those were considered in Registration Abuse Working Group to be in the category of use abuse. That group had opined that registration abuse was within the jurisdiction of ICANN but use abuse was not. So, that was the work on ...

And out of that work, the only real tangible PDP that was commenced out of that work was one on Fast Fork's hosting. But

nothing else really came from that final report as a new PDP, other than the fact that it seemed like in coming up with the contracts currently, especially spec 11.3b, that the registration abuse definitions were included – at least those types of abuse were included – in the contract.

In section B below, ICANN has also been working on the issue of DNS abuse by developing a system called DAAR (the Domain Abuse Activity Reporting) and there's still work on that to make sure it's measuring the right things and sending the right messages, but overall the reason DAAR was created, at least in the words of ICANN on the website, was to develop a robust, reliable, reproducible, and replicable methodology for analyzing security threat activity that can then be later used by the ICANN community to facilitate informed policy decisions. And then it talks about the data it collects. There is a sentence on the ICANN site which says the data is currently being pushed to registries using the ICANN SLA-M or SLAM system. And Maxim is pointing out that there are no [inaudible] in this data, only some digits. The data does not contain any strings.

KATHY KLEIMAN: May I join the queue?

JEFF NEUMAN: Okay. Yeah. Hold on one sec. Let me finish this comment from Maxim and then we'll go to you. So, Maxim then states that the data does not contain any proof that the data is not fake. So, yes, there are issues with the DAAR system. I know there's a group

discussing this. Again, the reason it's put into this paper is not because we're endorsing it or we think it's great. It's just in the paper because it's work that's going on within the community to deal with the overall issue of domain abuse. Okay, Kathy, please.

KATHY KLEIMAN: Yeah. Can you hear me? Let me come off mute.

JEFF NEUMAN: Yeah.

KATHY KLEIMAN: Great. I'm on audio only and this is very difficult to hear and [inaudible] by audio only. I checked and there was no [inaudible] that was circulated. So, how do we see all this in writing before anyone signs off on anything? Some groups work with CCTRT a lot on definition of DNS abuse and what was within the scope of ICANN. And I hear it's referring to things outside of that, and since we're dealing with the CCTRT recommendation, or presumed we should be working with [inaudible] scope of how abuse was defined and what they were looking at and not going further, at least when we're looking at the recommendation.

So, I don't think we can close this today because it's a lot of material that needs to be looked at pretty closely. Thanks.

JEFF NEUMAN: Okay, thanks, Kathy. So, this was sent to the list at least as of early yesterday, so this document is on the list, so it should be

there for everyone to have at least taken a look at before this meeting. So, it's all in writing. I'm reading from things that are in writing that are posted either ...

KATHY KLEIMAN: There was no link next to DNS abuse and to [these definitions] which should of course go out to the full working group as well. Thanks.

JEFF NEUMAN: Okay. Julie is saying in the chat that the link was added in an update. I freely admit I didn't—

KATHY KLEIMAN: But I checked [inaudible] and it wasn't there, either. Sorry, it just wasn't.

JEFF NEUMAN: Okay. Thanks, Kathy. I think it kind of had to be because there are people that put comments in them and the only way they could put comments in them is if they had the link. So, Kathy, check again. If it's not there, it's certainly in the transcript. It's in the chat from here which you can get afterwards, and if you still don't have it, we will certainly send it. Maxim, please.

MAXIM ALZOBA: A note about DAAR system. Please be aware that it's just a collection point for information [inaudible] essentially the

[inaudible] industry. They don't have uniform method of, I'd say, reporting. They have no responsibility for information [inaudible] in their records. Some of the sources are crowd sourced, and on purpose, people can add information there [inaudible] without any [inaudible].

So, the point of view [inaudible] is something which ultimately resolves all issues will at least [inaudible] DNS abuse, it is not [inaudible]. Thanks.

JEFF NEUMAN:

Okay. Thanks, Maxim. So, the reason that this is in the paper is, again, not because we're endorsing it or we think this is great stuff. It's just providing background to the ultimate recommendation which is that there's work going on in the community on this and perhaps we should leave it with the community as opposed to us making additional recommendations.

So, I can make sure, we can make sure that nothing in this paper is meant to endorse any of these things that are ongoing. It's just meant to be a factual description of the other things that are going on in the community. Again, it's not an endorsement and we can make that clear. It's just really meant to be material in support of the recommendation that there's work going on in the community.

So, if you support the recommendation that this really should not be a topic that we, the SubPro group, really opine on, and because you think it's more for the community as a whole to address, then I think it's a good thing to have lists in this report all

the other things that are going on because that provides backup to a recommendation that we should rely on what's going on.

If we take everything out of this report but still have a recommendation that we leave it to the community, it becomes a recommendation without support, without backup. Hope that makes sense. That's why it's in here, not because we're endorsing it. Just like the next section which talks about the contractual compliance audits on registry operators and soon-to-be registrars. We're not endorsing those audits, we're not saying they did a fantastic job or a bad job. We're just stating the fact that they did this audit and the results were which is what's stated in the italics there, registry operate ... Sorry, this is the spec 11.3b, not the results. The first part is the spec 11.3b which was just quoted, which talks about the registry operator conducting a technical analysis to assess whether domains in the TLD are being used, to perpetuate security threats, etc., and talks about maintaining statistical reports. Just a pure quote from spec 11.3b.

If you scroll down, what ICANN says – this is all from ICANN's site – to better understand the security threats, ICANN Org implemented two initiatives, the DAAR project and the audits. And in November 2018, just last year, the ICANN Contractual Compliance launched a registry audit. Final report was released on September 17, 2019. Again, this is there words from the final report which were aimed at assessing the extent to which registry operators comply with their contractual obligations and the high-level conclusions that were in that report, all those bullet points, were just copied into this paper.

Again, we're not trying to make any value judgment on what they found but just a factual statement of what was in the report, which includes that most registry operators undertake significant efforts to address DNS security threats, the prevalence of DNS security threats is concentrated in a small number of registry operators, the frequency of abuse appears to be lower in some types of new gTLDs. Little information is available about the efforts to address DNS security threats taken by some legacy registry operators because there's no contractual commitment to do so. And new registry operators are subject to obligations regarding DNS security threats. And 5% of registry operators were found not be in compliance with their obligations under spec 11.3b but they all remediated their findings of non-compliance. And dialogue between registries and ICANN Org is needed to develop a shared understanding of the scope of the registry operator obligations under spec 11.3b. That's just, again, word for word what was in the final report.

So, in addition to all those efforts, we do know that there is voluntary action being taken by contracted parties, and in fact, last week a number of registries and registrars posted an article in Circle ID which linked to a joint statement on addressing DNS abuse. The paper provided its own definition of DNS abused based on what's in the contracts and the agreements contained five broad categories of harmful activity – malware, botnets, phishing, farming, and spam where it serves as a delivery mechanism, which again is pretty much the same as what the Registry Abuse Working Group came up with in 2010.

Then, they go on to state though not required by their respective agreements, the signatories to that paper also describe various voluntary measures that each of them take with a certain number of limited website content abuses, including child sexual abuse materials, legal distribution of opioids online, human trafficking and specific incredible incitements to violence.

A comment was also put in by Jim, which is good, or a statement was put in. The Domain Name Association also published their healthy domain names initiative practices in February 2017. Thanks, Jim. We should definitely put that in. Actually, we should put that in before, which would be above the paragraph on this new paper, so we'll do that and maybe we'll put a quote or something from that paper as well. That's a good add.

Then, there's a whole bunch of miscellaneous stuff that's going on in the community. So, there's a framework for registry operators to respond to security threats. This has been a framework that's been on ICANN's website for quite a long time now which is work, which is a statement that was approved by the ICANN Board but also with the registry operators and the PSWG on a framework for responding to abuse. There's also the Registry Stakeholder Group statement on August 19, 2019 where they sent an open letter to the ICANN community on DNS abuse. There is a GAC letter that was sent on September 18th which provided a rationale for why the topic is important to them and noted their interest in engaging on the topic at the next ICANN meeting.

There was a community webinar on the 15th of October where there were people on that call. There were representatives from the Federal Trade Commission from one of the US law

enforcement agencies. I think it was the FBI, if I'm not mistaken. Then there was also a person from the Federal Trade Commission and then of course some reps from registries and registrars talking about what they do and what they can do, and equally important, what they can't do with respect to what's perceived as abuse.

And then finally – not finally but the next item – is that this will be a substantial topic at the plenary session at ICANN 66. There's a plenary there. There's a separate discussion from the GAC talking about this issue. I think I saw something – correct me if I'm wrong – on the ALAC agenda talking about DNS abuse. There's an informal session sponsored by, I believe, the International Trademark Association where they're addressing aspects of abuse.

So, there's quite a lot of activity going on within the community, all centered around this broad topic of abuse. The reason I'm not saying DNS abuse is because every time I say that someone says, "Well, there's no definition for that," and there's a disagreement as to what's included. So, I'll just say, in general, abuse. Maxim, please. You have your hand up.

MAXIM ALZOBA:

I have a comment about the [inaudible] registry audit [inaudible]. The final report missed a quite important thing, that not all reported cases which were taken from DAAR were actually true. In case of our IDN domain, they send us four questionable items and three of those never existed. It means it was fake data. So, that's the problem. Thanks.

JEFF NEUMAN:

Yeah. Thanks, Maxim. If you could look at the wording that's on there under the contractual compliance registry audit and maybe suggest some wording that would include your point, that would help. The stuff that's italicized or that's in the bullet points are exact quotes from the report but if there's other areas where you think there is something else we should say, if you can go into the document and let us know.

So, if we scroll down, ultimately – I don't know if that was it. Okay. I don't want to miss any comments that were submitted during the initial report. I am covering this just because this is the best area that these comments would fit into. So, the SSAC in one of their comments stated that they were concerned that we didn't ask any questions in our initial report on domain name abuse. They state that further research is needed to better understand the scale of domain name abuse that is attributable to the introduction of new gTLDs in 2012 and the SSAC is highly likely to study this issue further in the near future.

A gentleman by the name of [John Pool] has stated that the SIDN Labs – that's a Netherlands entity, I believe – and Delft University of Technology had a report and that report characterizes new gTLDs as phishing and malware domains. That was John's comments.

The ALAC said that they support the use of the following metrics to better understand whether new gTLDs have benefitted end users and the ALAC has also supported getting additional information on their relationship between registry operators,

registrars, and DNS abuse. A collection of data and – sorry, I just yawned. I guess I’m putting myself to sleep again. Collection of data and publicize the chain of parties responsible for gTLD domain registrations.

The BRG has stated that the 2012 round illustrates that the traditional measure of second-level domains is irrelevant to many of the new gTLDs introduced which are more focused on creating domains for the purpose use and avoid speculative purchasing confusion and abuse. Many of the new registries launched in 2012 are not driven primarily, if at all, by the number of domains they manage. Instead, they have a stronger focus towards registering domains for purposeful and positive needs.

So, this is on topics on the metrics. Metrics should be adapted to recognize these different business models. So, that’s important with respect to the relationship of the recommendation to collect additional data, and certainly interpreting that data needs to be done in context with the type of, or model of, the top-level domain.

Also, on metrics, the Business Constituency says there’s some success metrics that the program could measure against, including a low level of abuse in general.

Then, regarding PICs specifically, at least ... There’s a whole bunch of comments on PICs and we went over that in painstaking detail but these comments, just to refresh the recollection, it was the recommendation of this group that no additional mandatory PICs would be needed and most commenters support providing single-registrant TLDs with certain exemptions, including those in 11.3a and 3b.

Just to look at the chat, Justine mentions, yes, there is an At-Large policy session, DNS abuse on Monday the 4th of November at 13:30.

So, if we were to just go back and summarize, there is a ton going on with the topic of DNS abuse and there's likely to continue to be a lot of activity on DNS abuse, even if we decided to take this issue up in more detail and provide some recommendations. It's still likely to be within the community because if the community expects these anti-abuse measures to apply in existing top-level domains, it has to be through a different mechanism other than this particular PDP.

So, the notion of us as a working group getting too deep into the topic of DNS abuse, it seems to be, if we did a cost-benefit analysis, it's only going to address new gTLDs going forward and it will only create disparity between the new [inaudible] legacy. And since all the problems now, by definition, are found in legacy TLDs – and by that I mean TLDs that have already been delegated, because by definition that's the only place you could find DNS abuse.

For us to address it here, I'm not going to say it would be a waste of time but it would be something that would be reopened anyway if anyone expected or wanted them to apply to existing TLDs. So, that's why I put the conclusion or recommendation, if we scroll up – a little bit down, there we go – in section D. Given the work already going on within the community, other than the topics that we already covered relating to DNS abuse in subsequent procedures – and those are mentioned above – we encourage the community to continue to work on all issues pertaining to DNS

abuse which can ultimately apply to all gTLDs, not just future ones. Does anyone have thoughts on that recommendation?

[inaudible] is saying, “Don’t we already have disparity between legacy gTLDs and new gTLDs?” There certainly is some disparity and some additional requirements like spec 11.3b but I believe all TLDs now, with the exception of com and net maybe signed up to the new form which have those additional requirements. So, it has spec 11.3b. It might not be called spec 11.3b but they have – biz and info have, and org I believe have – similar provisions. Donna, please. Donna, are you there?

DONNA AUSTIN:

Sorry, take myself off mute. Donna Austin from Neustar. Jeff, I support your recommendation. I think you’ve made it pretty clear that there’s a lot of work going on within the community on DNS abuse. We should be looking to – that effort that will hopefully come out with something that is going to apply across the board and not something that is just what we could do here which would only apply to future gTLDs through the application process. So, I support the recommendation. Thanks.

JEFF NEUMAN:

Thanks, Donna. Anybody else want to get in the queue? Christine has a plus one. Maxim has a plus one. Let me see if there’s any non-registries ... Jim, please.

JIM PRENDERGAST: Thanks, Jeff. First of all, I think, as is the practice – I don't think we closed the book on the first call. I think it's got to marinate out to the list and all that other stuff. So, in adopting this proposed recommendation, are we essentially saying to the GNSO Council, who and then in practice would be saying to the Board, "Thanks for kicking the CCT Review Team items back to us but we're not going to deal with them as you said we should." Am I reading that the wrong way? Help me try and understand what's the fallout from this particular recommendation. Thanks.

JEFF NEUMAN: Sure. So, the Board has not kicked these recommendations to us yet. They have not accepted those recommendations, a number of them. So, we would talk about the aspects that we are considering, which are the ones that were mentioned above including supporting the continuation of spec 11.3b if that's what we choose to do. So, there are things that are related to DNS abuse. But other than those things, then yes, that we're kicking out to a community effort because it makes more sense to have any new policies or procedures that are developed apply, to use Donna's term, across the board as opposed to just the new ones that come on board.

So, let me go back and look. Question. Should we be recommended an expedited PDP on DNS abuse? Are we going to get held up if we don't? Maxim says, "No, I think, to that." Justine says plus one for [inaudible] applicable to all TLDs. Kristine is saying [inaudible] no PDP on DNS abuse. And Jim says, "Thanks for the clarification."

Yeah. I don't think the community has decided exactly how they're going to deal with this issue, whether it's going to be a PDP or a working group or best practices document or some sort of discussion between the ICANN Board staff and the registries and registrars. So, I don't think it would be right for us to recommend a PDP or EPDP because I think that's one of the things we want the community to decide on, not us. And Rubens is saying perhaps a CCWG. Right.

Ultimately, that's up to the discretion of the community, the respective councils, advisory committees, etc. So, no, we would not specifically say, I don't think, in here that we would recommend the community address this through a PDP. I think it's important for us to make a recommendation that the community continue to work on these but not specify the format in which they will. Does that make sense? Anyone else want to weigh in on it? Donna says, "Given that the Board has not accepted the recommendations from the CCT Review Team, it seems premature for any discussions about a PDP or EPDP." Right.

Anne says, "If the Board will not move forward on a next round until this is addressed, we should likely figure out how to expedite. There is some existing GAC advice on this which they would have to override to authorize a next round I think." That may be, Anne. I don't know that the Board has said that it won't move forward with the next round until it's addressed. I don't know that to be the case. Certainly, the GAC has provided advice and maybe even ALAC has provided advice about wanting to see certain things happen before the next round but that's advice. That's not ...

One could argue with some of the things we've done combined with spec 11.3b, combined with the discussions going on in the community that they are addressing the GAC advice. I don't know. But I don't think that's for us to make that call.

Rubens is saying, "If we can't move forward before addressing that, we could as well suspend new registrations in all new gTLDs." Okay. Any other ... Jim, please.

JIM PRENDERGAST: I'm just trying to look at this from the lens of the Board and others who may be watching this that are not necessarily part of the policy process. If the beginning of the document says we've addressed all these things, many of these things, throughout deliberations and then our recommendation is that this needs to be handled elsewhere within the community, aren't we sending sort of a mixed message?

JEFF NEUMAN: I think if we word it carefully, we could say these are the aspects that we believe were properly within our jurisdiction or we thought made sense and we've addressed these issues one way or the other. For the other items regarding DNS abuse that are being discussed in the community, it's for the community to figure out how to handle that. So, if we message this in the right way and have the right wording, I think we'll do okay. Of course, I can't guarantee anything.

Does anyone else want to get back in the queue on this? Okay. Anyone else have anything to say? Yeah. Jim says improve

wording. Right. Absolutely. This is just kind of a first draft that some of us threw together just so we can get the topic on the table and make sure we cover.

Also, if you see some other activities that's going on in the community that we haven't mentioned, please do let us know. It wasn't intentional. Like I said, this is put together fairly quickly and we do want to make sure that we [cite] to everything else that's in the community. It's also possible that we amend this after ICANN 66, if there's anything that comes out of it that looks like other activity going on.

Okay. So, if we can, let's go to the next subject, which is registrar support for new gTLDs, which I never really liked the title but we couldn't think of anything better. This subject really deals with a whole bunch of miscellaneous items that were mentioned in various discussions about ways in which TLDs that may be niched TLDs or TLDs that are smaller could get attention from the distribution channel and be able to operate in a very competitive market but one in which these small registries stick to their area or niche.

So, none of these items had any level of support in terms of – that even looked like that it would get consensus support. But, that said, I think it's important to go over these items again and take the temperature again on these items to see whether our gut is right, that really there's not any recommendations we're going to have on this topic.

So, one of the options or one of the ideas or proposals that came up in our initial report was the notion of having a last resort

wholesale registrar to provide resellers with the ability to sell TLDs that lack market interest and/or have their target markets in regions where verticals that lack accredited registrars .

Registries, there was some level of agreement but there was also some strong disagreement. Some members believe that this is beyond the mission of ICANN. It should not be pursued. But others believe it's helpful and worth pursuing. Some registries are of the opinion that it's difficult to imagine that a registrar would have an incentive to sign onto an agreement that required it to carry TLDs. So, that was another proposed requirement, that all registrars, once you're accredited, be required to carry every single top-level domain. And registries pointed out that this would be extremely difficult for registrars to do. Or the idea that ICANN would be this last resort registrar was also not supported by the registries.

The IPC also did not agree with this recommendation. They said ICANN should encourage the creation of vertically integrated registrars to distribute names rather than designing a registrar to [inaudible] TLDs when a registrar cannot be found to do so.

Business Constituency also did not agree. They recommended more market-oriented solutions to encourage these TLD operators to set up their own registrar to distribute their own names which is allowed. They had an additional suggestion to allow registrars to pay as they register domain names without depositing funds ahead of time into a registry account. Registrars disagree with this notion. They do not support creating any requirements for registrars to carry [alt] TLDs or any specific ones.

Then there were some additional comments on potential challenges for compliance and oversight to monitor this proposal if we were to make a proposal that said that registrars had to carry every single TLD.

Any thoughts on that? At least the people on this call, do you agree with that notion that the creation of a registrar of last resort would not be feasible or is not a wise thing?

ALEXANDER SCHUBERT: Yes, a hand.

JEFF NEUMAN: Yes, Alexander, please.

ALEXANDER SCHUBERT: Yeah, hi. So, the fear is there's a registry or TLD that is so unpopular that no registrar wants to carry it, right?

JEFF NEUMAN: Yes. Sorry. That was one of them, yes.

ALEXANDER SCHUBERT: Yeah, okay. So, in that case, if I put myself into the shoes of being a registry operator that offered a service that no registrar wants to [inaudible] up on, then I could always create my own white label registrar very simply. I mean, there are so many opportunities to have your own white label registrar. That would be

the solution, the obvious solution, to create a white label registrar and do it yourself.

JEFF NEUMAN:

Sorry, it takes me a second to get off mute. So, that certainly is a potential solution. I think, during the discussions, there were some smaller registries that talked about the difficulty of setting up your own registrar, especially with the separate books and records requirements from ICANN. So, the code of conduct made things very difficult for the smaller registries to actually set up their own registrar with having to use separate staff and segregate information from those that work on the registrar from the registry.

If you really took a look at it, again, if you are this really small, niche TLD, complying with the code of conduct is not as easy as it sounds.

ALEXANDER SCHUBERT:

Okay. So, then we might put into the Applicant Guidebook that registries should be responsible to look for a [inaudible] channel ahead of application so they know there is someone who is carrying their TLD or be prepared to create their own white label registrar. If I am applying for a TLD and I haven't found anyone who wants to [sell us], I fear I cannot set up my own white label registrar, then maybe I should not apply.

JEFF NEUMAN:

So, that was one of the items. That's why this did not rise to the level of high agreement or strong agreement at this point because

that was certainly one of the ideas that was expressed. Maxim, please.

MAXIM ALZOBA:

Alexander [inaudible]. [First time] actually we tried that. We [inaudible] and feel that registrars are going to be [inaudible] and then suddenly ICANN demanded that all registrars had to have a [inaudible] kind of registration. It was an [A2013] and actually didn't work last time. Thanks.

JEFF NEUMAN:

Yeah. Thanks, Maxim. It's not always easy to establish your own registrar. Jim says in the chat, "ICANN would love that. Another \$8000 per year per registrar to them. Exactly." Oh, this is going I think to Kurt's proposal that said ... Let me go back. The requirement needn't be that registrars carry every TLD but would be required to carry all TLDs that don't have special registrations. Example, if a TLD offered all domains with pricing an EPP in a standard way with no registration restrictions, then there could be some type of reciprocal level playing field requirement. Or every TLD could come with an automatic registrar accreditation. That's from Kurt as well. So, I think that's what Jim was responding to.

Kurt says, "If GoDaddy and Tucows don't carry a TLD, we're dead." [Kathleen] says, "Depends on the TLD. Geo-TLDs do not rely on both of them."

So, these are all good discussions. Lots of different views on this, but ultimately, because of these diverse views, it did not sound

like we were going to get to some sort of agreement on or support of this. Does anyone feel differently?

Rubens says, "If there are no registrars in your country, you're dead, too."

Maxim is saying that ICANN issued new restrictions after the application period ended.

Okay. Some other things that came up. There was an option that was presented in the initial report that said what if ICANN provided a clearinghouse for registries and registrars ... Okay, sorry. Let me go back a step.

One of the difficulties that was mentioned was registrars were not able to support top-level domains, especially if they used non-US or non-European currency, so the idea was what if ICANN formed a clearinghouse for registries and registrars that operated different currencies.

There was a gentleman by the name of Jose [Balyuto] who agreed with this but disagreed with other parts. It would reduce costs for registries but implementation costs would be incredibly high or uncertain, especially if ICANN were to do this. Some registries agreed and some did not agree. The ones that did not agree thought that this was the kind of thing that was beyond the scope of ICANN and should not be pursued. But other members suggested this option could be pursued with the help of global financial service providers.

Finally, on this, the registrars did not agree with this. They did not like the idea of ICANN acting as a clearinghouse for payments, as it would insert ICANN into the marketplace which is inappropriate.

Further idea that came was what if we allow registries to have an increased number of names that could be registered without the use of an ICANN-accredited registrar? Again, there was agreement from Mr. [Boyuto] Rodriguez and agreement with the registries or from the registries that they would like some additional allocation of reserve names that could be used by the registry for purposes other – well, for any purpose by the registry. But those were the only comments on that idea so we did not really get any feedback from any other groups or individuals.

On the point that Alexander made earlier about should probably try to socialize this with the registrars or your TLD with the registrars or your model with the registrars before you apply, the registries agreed that applicants should be encouraged to communicate with ICANN-accredited registrars prior to applying, so they can understand potential issues that might be encountered. Whatever reason the registrars disagree with that, they say a more appropriate option is to include a section in the newcomers guide suggesting outreach with the registrars to understand marketplace demands. So, I'm not sure how that's different. But in either case, we didn't get companies from anyone other than the registries and registrars.

Another option that was floated was could the registry contract bundle in the capacity of becoming an accredited registrar? So, it's one agreement that serves both purposes, so you would have to add any specific registrar provisions into the registry

agreement. The registries liked this to allow the same legal entity to become both, while following the code of conduct. So, this would be a revision to the code of conduct. And then the registrars, though, did not like it because the registry operators, according to them, have the option to vertically integrate and that was mentioned by Alexander as well. Then we asked ... Sorry. Alexander, go ahead.

ALEXANDER SCHUBERT: The more we are talking about it, maybe we should really make it part of the application itself, so that there would be a question: how are you going to sell your domain? What have you done? What is your thought? Have you talked with registrars? Have you the capacity to build a white label registrar so that applicants are thinking about it, because you are right, there might be newcomers who are creating something like [WHOIS who] version two. There was one public domain, [dot-whoiswho] and I don't think they have many registrations.

So, someone who thinks that he has a great idea and it's just not going to work, and no registrar wants it, so that we ask people when they are going to apply, what is your plan to sell your TLD? Have you talked to registrars? Do you have the possibility to set up a white label registrar? So that they are thinking about it at least.

PAUL MCGRADY: Can I be put in the queue? Thank you.

JEFF NEUMAN: Yes, Paul, go ahead now. Yeah.

PAUL MCGRADY: So, I'm on phone only so I may not be following this correctly but it sounds like we're considering building in a requirement to [inaudible] business plans with registrars and other people before we can apply or as part of the application process. Again, these sort of extra steps in advance of applying are problematic because, obviously, people have business plans that they don't particularly want to share with the industry before they go and apply. That's problem number one.

Problem number two is then we get into, well, how much did you share? Is it good enough? Now we have ICANN going and making business decisions for people about whether or not their businesses will make it. It's frighteningly into the area of franchise law which I don't think ICANN wants to be any further down the path on that than they already are.

Again, I understand wanting to protect the applicants from getting into a business they don't understand, but these applicants are not individuals or corporations than – presumably the people who are applying are smart people. And sometimes businesses fail.

So, I kind of feel like we're going down a path of becoming a naming organization here and I don't think we should give this a whole lot more thought. I don't think it's a good path to be going down. Thanks. Bye.

JEFF NEUMAN:

Yeah. Thanks, Paul. When we started this section out, I made the comment that none of these proposals really have a strong level of support to be included but since we got comments on them, I thought we should still cover it just to test the waters to see. The only thing I think that, so far, might have some legs is the notion of providing something in the guidebook that talks about the risks and that new TLD – or just giving some guidance that operators may want to have a discussion with registrars to just understand a little bit more about the potential market. But making it a hard-and-fast requirement or even making it a question, “How are you going to do this?” then implies that someone is going to answer it and that that answer is going to be graded or reviewed and I don’t think that sounds like it has much support.

Then, there was a question we asked that came from the CCT Review Team report which was this predictive measurement of names that are likely to cause harm and we said how would that be done? How could that be done? Essentially, we got no good answers. So, the question was how do you identify whether a TLD with low market performance has low performance due to the lack of demand or because of the lack of resellers, registrars and resellers? That’s difficult to measure, so that’s ... And members believe that that might be beyond the scope of the working group. Rubens, please.

RUBENS KUHL:

Thanks, Jeff. Of the options [inaudible], there is one that hasn’t got any objection which is expanding the number of [self-allocated] domains, and considering how the commenters in these sections [inaudible] every one of the suggestions, I believe we can take the

fact that nobody objected this option having at least some chance of getting consensus support. So, I believe we could summarize that part, this option of including [self-allocated] names. Thanks.

JEFF NEUMAN:

Yeah. I think that's right. I think that including the risks and options for them, for registries, so that they understand what they're getting into I think is a good idea. Kurt is saying, "If you're a standard, why should not every registrar support you. Now TLDs must support every registrar through a level playing field requirement. Why is that not reciprocal in some way?" Maxim says, "I do not think having only standard TLDs is our target, is our goal." And I agree. We're supposed to be encouraging innovation in different models and if we provided benefit for being like everybody else, being standard. That may not send the right message. Donna, please.

DONNA AUSTIN:

Thanks, Jeff. So, I think what we might have here is a disconnect between the business model for a TLD and what success looks like and what success looks like for a registrar. So, the business models are different and I think it's very difficult to reconcile that, so we need to understand what's the harm to a TLD if it can't be supported – if it's not being supported by registrars because it's not cookie-cutter.

So, I remember conversations that we had at the GDD Summit back in Los Angeles which was about three or four years ago, where the registrars were very keen to have the registries have

the same elements to it, so it makes their life easier and to be able to connect easier. But that goes against what this program is supposed to provide, which is let's look at innovation and competition and things like that, but it's not necessarily delivering on it because we're not introducing new registrars here, we're introducing new registry operators and there's a little bit of a disconnect between the business model of the registrar and the business model of a registry. So, how do we reconcile that or try to overcome that problem?

JEFF NEUMAN: The question then becomes, though, do we need to reconcile that? Is that really our role or ICANN's role?

DONNA AUSTIN: Well, I think what we're trying to do here is to address some of the problems that arose from the first round to try to address them for any future rounds. So, are we setting up potential new registry operators for failure because we haven't addressed this problem? I don't know the answer but it's fair for [Katrina] to say that you need to do your channel research and understand your market and all those things, but aren't we trying to get new players into this market? Isn't that what we're supposed to be doing as well, so it's competition?

So, some people are – or some entities are – going to come into this not as well informed as what those that have been in the industry for the last 10 or 20 years. So, aren't we supposed to be helpful in that regard?

JEFF NEUMAN:

So, helpful could just be warning the registries or applicants of the potential difficulties. I think the other area that is also possible but does not have support is easing up on the code of conduct but that does not seem to have a lot of support. Maxim says, “Be aware of rules.”

Just going back to the chat. So, innovate on the registrar side as well. There are some registrars like [inaudible] specialize in non-standard niche TLDs. And then Kurt says, “Many new TLDs were stunned when they found out that many registrars would not carry them even when similarly situated TLDs were carried and regard planning applicants thought every 2019 RAA registrar would be able to carry them. But in the end, the 2013 RAA was required. Big surprise.”

I don’t think this is an easy answer. Again, you could go back to the code of conduct. You could do some things with that. But, at this point – and I see Cheryl with the time check. It would be great if people do have some ideas, other than the ones here, because the ones here don’t really seem to have a huge level of support, love to hear them and see them on the list, but at this point, I’m not sure there is going to be, with the exception of perhaps making sure that applicants are aware of the risks any other recommendations that would likely get some sort of consensus on. But if there are unique ideas, please do put them on the email list, or if we’re misjudging the amount of support for these proposals, please do state that as well.

Okay. Everyone, we do have a call, our next call, I know it's the week of ICANN but it's on Monday, so hopefully no one will have left for Montreal since the meeting doesn't start until Saturday. We will spend some time on Monday talking about the ICANN meeting and the sessions and the materials that we'll provide.

As a reminder, there are four sessions. The first two are on Saturday and those will cover the report from work track five to the full working group. The full working group will ask questions, try to understand the recommendations. So that's what we'll use the first two sessions for.

There is also two other sessions on Monday that we'll be talking about the items that will go out for public comment as well as some of the other smaller subjects. Steve is saying there's no call scheduled for Monday. Oh, crap. Okay, sorry, guys. There's no call for Monday, so we'll send out something on email that will talk about those sessions. I don't know why I have something on Monday but I think I'm misreading it. So, sorry about that. I probably should have spent more time and time ran out.

Look for your email. We'll talk about the session. Sorry, Jim and everyone. Look at your email. We will provide some background on the sessions and I look forward to seeing everyone in Montreal. As a reminder, there is no call on Monday. I don't know what I'm talking about sometimes but thank you.

All right, everyone. See you all [inaudible].

UNIDENTIFIED MALE:

Thanks, Jeff.

JULIE BISLAND: Great. Thank you, Jeff. Thanks, everyone. Have a good rest of your day or night.

[END OF TRANSCRIPTION]