

FINAL REPORT OF ICANN'S PRESIDENTS WIPO2 JOINT WORKING GROUP
(July 2004)

(Please note the full and final report of the committee is made up of this "Final" report of July 2004, and, the interim 1st report provided to the Board after the ICANN meeting in Rome in March 2004)

It has been a most interesting and edifying experience to Chair this Committee. I would like to thank Paul Twomey and the Board for this privilege. I also wish to thank John Jeffrey for his able assistance and particularly wish to thank the many Committee members who gave of their time and energy and shared their ideas faithfully and patiently to help us fulfill our mission.

As you would expect with the Committee made up of people from very different backgrounds, there was lively discussion on many subjects and there was no broad agreement or consensus on the main issue of accepting the recommendation of WIPO (GAC) to implement the changes to the UDRP set out in WIPO2.

There were about half the committee who generally opposed implementing WIPO2.

Those opposed held views ranging from:

- 1)"the UDRP is flawed...fix it first before amending or adding"
- 2)"There is no support in International law for protecting country names in any manner or forum and ICANN does not and should not have the power to create what amounts to international law"
- 3)"many trade marks for country names and the acronyms of IGOs are already registered in many countries legally and in keeping with both national law and international treaties (Paris Union)"
- 4)"Denying access to the Courts is a fundamental (breach) change in the original bargain negotiated between the constituencies of the GNSO (DNSO)and the Board"
- 5)"The GNSO has already said ...No"

On the question of implementation, those opposed generally still came up with ideas that were discussed and may merit further thought, namely

- 1) A "reserve" list of country names whereby each country could 'reserve' a certain number of versions of its name in a certain number of languages
- 2) Using current UDRP procedures (supra)
- 3) Developing an entirely separate UDRP for the purposes of WIPO2. It was suggested that the Arbitrators might need different training or background than those doing current UDRP where most are IP practitioners.

Those in favour of adopting WIPO2 believed strongly that so many governments (and the GAC) had approved this recommendation that it ought to move forward promptly and that it was not really the work of ICANN or its committee to question "whether" WIPO2 should be implemented But rather ,simply, "HOW". Nonetheless they Participated fully in those discussions and gave cogent arguments in support of their position such as:

- 1) There is no support in International law for the existing UDRP. ICANN simply came up with a set of rules through consultation with WIPO and the GNSO (DNSO) and incorporated them into its contracts. It can amend same if it chooses to do so as long as it does not 'break' national or international law.
- 2) Arbitration is a long well established form of dispute resolution and in this case solves the problem of jurisdiction which in the case of Governments would be very tricky under a Court based Appeal system.
- 3) The system is "bad faith" based and therefore is not an unfair interference with existing or future registrations of trade marks or domain names which happen to coincide with an IGO or country name (unless there is a reserve list which they generally do not approve)
- 4) It is open to the Board to accept this recommendation despite the GNSO ,and, where it has a commitment in its Charter to the GAC this is such a case where the importance of the matter requires the Board to make its decision without being bound by the GNSO position.
- 5) This is a serious problem for many countries and needs to be addressed quickly just as domain name cybersquatting was originally dealt with using the existing UDRP.

The first(interim) report of this committee outlines in good detail the arguments/discussions on the Question of whether to implement the GAC recommendations contained in WIPO2. Following these remarks is a record of the discussions of the Committee on the Question of "How" to implement WIPO2 should the Board choose to do so.

CAUTION: For convenience sake I have tried above to loosely summarize some of the discussions and viewpoints of committee members but this is ABSOLUTELY NOT a substitute for reading the accurate transcription of the discussions which are in the 1st and 2nd Reports to the Board.

Chairs Personal Comments:

Throughout the discussions I have refrained from expressing my point of view on matters under review by the Committee. I will not now give my personal point of view, but, as an observer of the process I can give some "backboard" thoughts. While some members are adamantly opposed to the implementation of WIPO2 "my sense" of many of those opposed was that given certain conditions it 'might' be 'bearable'. I sensed if current UDRP rules are maintained the opposition to WIPO2 becomes very faint. In second place would likely be a separate UDRP where the rules etc can be worked out away from current UDRP.

Third is a reserve list but many pointed out this has its own set of problems including absolute exclusion" which can be unjust. (I have decided after listening to the thoughts of the Committee on the matter to include as an Appendix to this report the proposal of one Committee member on the subject of implementation of WIPO2. It has received the support of several Committee members who are in favour of implementing WIPO2.

However, I must caution that:

a) This proposal was never discussed or debated by the committee and is therefore NOT a proposal or work product of the Committee but rather that of one member with the support of a few others

b) There was strenuous objection to the inclusion of this proposal as an Appendix by several Committee members as they felt that despite my cautionary remarks it would give this proposal undue and unjustified weight in the Boards deliberations. My decision to include it is based on my confidence that the Board will not be unduly influenced in the circumstances BUT more importantly it is a proposal for implementation with support from several committee members and is within the mandate of this Committee.

c) It should, however, also be noted by the Board that this proposal goes "beyond" the recommendations of WIPO2 and needs to be looked at carefully with that in mind.

Below is a good and accurate summary of the Committee's discussion on the subject of implementation of the provisions of WIPO2.

**DRAFT FINAL REPORT OF ICANN'S JOINT WORKING GROUP ON THE WIPO-2
PROCESS – V3 (Posted April 19, 2004)**

Chair's Remarks:

1. The Board should note that those members of the committee, who did participate, did so actively and faithfully. However, it should be noted that a significant number of committee members either took no part in the discussions, or had extremely limited participation. The very short time frame suggested to the Board in Tunisia for completing its deliberations and providing a final report has meant that with the exception of a preliminary meeting of a handful of members in Tunisia and a meeting in Rome to review the telephone conferences to date, there has been no opportunity for the committee to get together and have discussions or debate face to face. In fact, there were only 3-4 teleconferences that could be arranged in the time between the Tunisia meeting and the meeting scheduled for Rome. There has been no real opportunity for the committee to consider how to amend the UDRP should the Board decide to accept the WIPO-2 recommendations in whole, or in part.
2. There has been a lively and intelligent discussion and debate about the WIPO-2 proposals focusing on such subjects as ICANN's mandate (the committee requested that counsel for ICANN provide an opinion as to whether the amendments proposed in WIPO-2 are within the legal mandate of ICANN to enact, and if so, on what basis and to what extent, and following what procedure. We assume such an opinion will be given to the Board, but the committee has not had the benefit of same), the origins and purpose of the UDRP, the right, and extent of the right, of ICANN to amend the UDRP.
3. There have been significant discussions about the basis, or lack thereof, in international law, of the proposals in WIPO-2, and significant discussions between the current UDRP's

purpose, test and procedure, as opposed to that proposed under WIPO-2, which has substantial and significant differences. Again, there is divided opinion about the reasonableness and appropriateness and legal foundation for the changes which would be required in the UDRP if the WIPO-2 recommendations are accepted as is.

4. I believe it would be unfair, based on the significant differences of opinion within the committee, to make many recommendations to the Board. Rather, what we are presenting to the Board is an organized canvas of the issues that took place in the committee teleconferences, with reasonably complete summaries of the different positions taken, and the basis for such positions. It is hoped that the debate itself will assist Board members in more clearly understanding what it is they are being asked to do, and what the concerns are on both sides of the questions.
5. There has not been, in my view, sufficient time for this committee to complete some aspects of its work that I believe would be helpful to the Board, namely, the time to consider at some greater length:
 - (a) its final Report, which of necessity is being put together based largely on the summary of discussions prepared by one or two committee members;
 - (b) to look at, in greater depth, some of the possible avenues for amending the UDRP to deal with the WIPO-2 recommendations in a manner that might be acceptable, if not unanimously, to a very broad range of ICANN constituents. In my personal opinion, another two or three months of discussion might have allowed us to come to some more helpful suggestions, conclusions, or even recommendations to the Board about how to accomplish these changes, if the Board, in its wisdom, decides it is appropriate to do so.
6. As Chair, I have invited individual members to make separate submissions on the workings of the committee, or their views of the WIPO-2 recommendations. These will be submitted separately as their personal views and not as the work of, agreement of, or consensus of the committee.
7. In summary, I do not believe that there was any consensus amongst committee members whether the WIPO-2 recommendations ought to be accepted and implemented, and the UDRP amended.

Background

8. This Joint Working Group was created by the CEO of ICANN, Dr. Paul Twomey, and notice of the formation of the committee was provided to the Internet community on October 10, 2003. The mandate of the committee, as set out in the notice, was to analyze the practical and technical aspects of implementing WIPO-2 Process recommendations, and the implications for the Uniform Dispute Resolution Policy (UDRP) .
9. The UDRP process originally recommended by WIPO, was developed by it as a consequence of the White Paper and was intended to assist ICANN and the Internet community with what was then perceived to be a serious problem and a threat to the stability of the Internet namely, bad faith registration of domain names (cybersquatting, etc.). The WIPO proposal was referred by the ICANN Board first to the DNSO (now the GNSO), the policy arm of ICANN consisting of the seven approved constituencies. The DNSO created its first Working Group (WG-A), chaired by Names Council member and then-President of the IPC, Jonathan Cohen. After extensive comment, discussion among the constituencies, including considerable compromise reached between representatives of the intellectual property community, the business community and non-commercial and academic interests, the UDRP proposed by WIPO was amended to its current form, and in that form was presented to the Board by the Chair of WG-A, by whom it was approved.
10. At the request of its Member States, WIPO subsequently convened a series of conferences to discuss possible amendment of the UDRP, known as the WIPO-2 Process. After studying the matter for a lengthy period of time, listening to the representations of various government, NGOs and others, WIPO presented a series of recommendations to its Member States. The WIPO General Assembly considered these recommendations, taking into account the conclusions of the SCT deliberations, and gave their final recommendations as to what amendments to the UDRP it felt were necessary and appropriate.
11. By letter dated 21 February 2003, WIPO sent ICANN information about two decisions, concerning recommendations about the names and acronyms of International Intergovernmental Organizations and about the names of countries, which WIPO member states requested be transmitted to ICANN. Subsequently, the ICANN Board invited the ICANN supporting organizations and advisory committees to make preliminary comments on the letter.
12. In its [meeting of 2 June 2003](#), the Board [resolved](#):

Whereas, the World Intellectual Property Organization (WIPO) sent ICANN a letter dated 21 February 2003 providing information about two decisions, concerning recommendations about the names and acronyms of International Intergovernmental

Organizations and about the names of countries, which WIPO member states requested be transmitted to ICANN;

Whereas, in resolution 03.22 the Board requested the President to inform the Governmental Advisory Committee, the Supporting Organizations, and the other Advisory Committees of the 21 February 2003 letter from WIPO and to invite their comments;

Whereas, advice and comments were received from the At-Large Advisory Committee (ALAC), the GNSO Council, the Governmental Advisory Committee (GAC), and the Intellectual Property Interests and the Commercial and Business Users Constituencies of the GNSO;

Whereas, the Board has considered the advice and comments received, as well as the discussion and analysis in the 1 June 2003 General Counsel's Briefing Concerning Policy-Development Process on WIPO-2 Recommendations;
Resolved [03.83] that the President is directed to form, in consultation with the chairs of the GNSO Council, the ALAC, and the GAC, a working group including participants in the GNSO, the ALAC, and the GAC as well as Board members, for the purpose of analyzing the practical and technical aspects of implementing the WIPO recommendations, and notably the implications for the UDRP; and

Further resolved [03.84] that the President and General Counsel are directed to investigate and analyze legal aspects of the relationship between ICANN's mission and the recommendations conveyed by the 12 February 2003 letter from WIPO, and to report to the Board and to the working group formed under resolution 03.83 on the result of that investigation and analysis. Among topics to be considered should be whether implementation of the WIPO recommendations would require ICANN to prescribe adherence to normative rules, not based on established laws, for the resolution of competing third-party claims to rights to register names.

13. The first meeting of the group was organized to take place at the meeting of the ICANN Board in Tunisia. The meeting was organized at the last minute and notice was either not received by some, or they had conflicts, so the face to face meeting was attended by only a handful of the committee members. Nonetheless, the Chair of the committee proposed a working agenda, which was approved by those present, and arrangements were made for a series of telephone conferences during which it would be hoped that committee members, with proper notice, would be able to attend and participate fully. The telephone conferences took place on, December 4, 2003, and January 6 and 26, 2004. Unfortunately, a significant majority of the government representatives of the GAC on the committee were unable to attend any of the teleconferences.
14. What may be the final meeting of the committee, and perhaps the only meeting where a substantial number of the committee members can meet face to face, is scheduled to take place on March 1, 2004 in Rome in an attempt to prepare a Final Report of the committee

to be delivered to the Board in Rome, or so soon thereafter as is possible, in keeping with the informal instructions of Dr. Twomey.

15. It should be noted that several committee members in particular were of tremendous assistance, by faithfully attending and fully participating in, all meetings of the committee and communicating clearly the concerns and positions of the GAC on the issues discussed during the committee teleconferences. One of these members, who has asked to remain unnamed in this report, with the input of the others, also produced detailed summaries of the discussions of the committee and updated same on an ongoing basis so that the committee had a continuing written record of its discussions. A large portion of this draft Report is drawn from those summaries, and the Chair, on behalf of all committee members would like to express the committee's appreciation for these efforts.

2. Discussions on the mandate of the group

16. Some members of the Group took the position that the mandate of the Group was narrowly restricted to "analyzing the practical and technical aspects of implementing the WIPO recommendations, and notably the implications for the UDRP". As a consequence, those members believed that the Group should not revisit the substance of the WIPO-2 recommendations. The members recognized, however, that significant constituencies within ICANN have expressed concerns or reservations with respect to the substance of the recommendations. The members are confident that the ICANN Board will take into account, as appropriate, all comments that it receives with respect to the substance of the recommendations.
17. Other members took the position that part of the Groups's mandate was to review the merits of the WIPO II recommendations. They noted that the last sentence of Resolution [03.84] says that the question of establishing new normative rules, "not based on established laws", should be considered. Therefore the Group should not be limited to "implementation" issues. A members who was part of the original drafting group that developed the concept of "bad faith" as the test for abusive registration stated that they were well aware that this was not a concept based on established trademark laws (except in the limited instance of certain damages claims). Thus, the Group now should decide whether to extend the normative rules of the UDRP as recommended by WIPO-2.
18. One member stated that the underlying principles are that (a) the terms "trademarks and service marks" are universally understood, (b) trademarks and service marks are the subject of legal rights globally prior to and independent of treaties, and (c) rights in trademarks and service marks may be enforced via the DNS system, provided that such enforcement via the DNS is needed to prevent systematic problems that call the stability or expandability of the system into question.

19. Some have taken this approach with respect to the Group's mandate even farther and appear to believe that if, as a premise, the UDRP is flawed, then the Group cannot and should not consider adding more to it and potentially exacerbate the flaws—instead those flaws should be corrected first.
20. Other members of the Group took the position that consideration of such questions was outside the scope of the Group but noted that it was a task established within the GNSO.
21. Some members of the Group took the position that implementation of the WIPO-2 recommendations would exceed the scope of ICANN's mandate.
22. Others took the view that, since ICANN's original mandate included creation of the UDRP, and consideration of WIPO recommendations in that respect, consideration, and possible implementation, of the WIPO-2 recommendations would be within the scope of ICANN's mandate.
23. Some members of the group took the view that another possible way to look at it is that WIPO-2 says that a certain result is desired and amending the UDRP is the way to achieve that result, but the Group could conclude that, even if it agrees with the intended result, it does not agree that amending the UDRP is the way to achieve the result.
24. Some members of the Group took the position that the WIPO-2 recommendations were tantamount to asking ICANN to become an "enforcer of treaties", which is not its proper role. The treaties in question are not enforced in every signatory nation in the same way, and a globally uniform enforcement system will impinge on national law to some extent.
25. Although it is clear that ICANN cannot, through its actions or lack of actions, create international law, ICANN can, through its contractual mechanisms, create obligations that are equivalent to, or exceed those, arising from international law.
26. These members took the position that ICANN should not, through its contractual mechanisms, create obligations that exceed existing international law.
27. Other members of the Group took the position that WIPO-2 does not ask to turn ICANN "into the enforcer of a treaty" any more than what ICANN has done (and continues to do) in the UDRP. The UDRP is an enforcement mechanism for trademark rights. Trademark protection also has an international legal basis in the Paris Convention and the TRIPS Agreement. The WIPO-2 recommendation is to extend the UDRP to (1) a few hundred

names of IGOs and (2) fewer than two thousand names of countries. This, according to those members, is a change in quantum, not a change in character.

28. In addition, noted those members, ICANN has already, in the past and currently, used its contractual mechanisms to create obligations that are not based on international law. For example, in the UDRP, which includes the concept of “bad faith registration and use” and “reverse domain name hijacking”, neither of which are based on international law. And in 3.3 (the WHOIS provisions) of the standard-form Registrar Accreditation Agreement available at: <http://www.icann.org/registrars/ra-agreement-17may01.htm> .
29. These members noted in particular that the topic of WHOIS provisions is sensitive, and that it might be considered by some to be contradictory if ICANN used contractual provisions not based on international law to encourage WHOIS, while at the same time arguing that it should not implement the WIPO-2 recommendations solely (or primarily) because they are not based on formal international law.
30. Further, stated one member, it should not be forgotten that ICANN was created as a private-sector entity, at least in part, precisely in order to enable it to impose, by contractual mechanisms, obligations that do not flow from international law. There would be no need for contractual mechanisms if a certain obligation were a consequence of international law, since national legal frameworks would themselves impose such obligations.
31. One member of the group stated that the scope of the Group included bringing to the Board’s attention, for its consideration, the issue of the legal basis for the proposed action as well as the legal consequences. These issues are to some extent separate.
32. Taking the first, the legal basis, there are limits on what ICANN can do. The technical administration of the Internet does not give it the power to establish binding arbitration as a means for deciding all controversies that may arise from use of or administration of the Internet. For example, it could not force the IETF to use arbitration in lieu of its "rough consensus" procedures.
33. The establishment of the original UDRP was justified as an extension of technical administration for a variety of reasons, including:
 - (a) The proliferation of cyber-squatters and their extortionate demands threatened the stability of the DNS.
 - (b) Network Solutions had established a dispute policy that created controversy.

- (c) The trademark community was using various tactics to block the expansion of the DNS without some assurance that cyber-squatters could be dealt with. The UDRP became the solution to the above problems, but only **on the condition** that UDRP decisions did not supersede the jurisdiction of any national court.
34. Another member stated that the core of ICANN's mission is the stability of the DNS (or of the Internet). At the time ICANN was created, and even today, cyber-squatting of trademarks was threatening that stability. Brand owners' names were being held for ransom. This was an all too common occurrence. Brand owners were being asked to pay exorbitant prices for names that were rightfully theirs. And, most importantly, consumers were being confused as a result of practices that were totally unscrupulous. There was massive fraud, even criminal activity.
35. ICANN took the necessary action in order to help stem the tide of this activity that causes instability. (Note: in order to expand the DNS, which ICANN was and is charged with doing, it first needed to bring some sense of calm. The UDRP helped to do that.)
36. Question: Are we seeing the same today with respect to IGO's? How many cases have their really been? I have not heard of very many. Certainly the problem is not at the same scale as the cyber-squatting of trademarks. We should ask ourselves: Does the cyber-squatting of names of IGOs threaten the stability of the DNS? How many news reports have we seen? How many consumers or users of the DNS have been misled? To borrow a phrase often used in to demonstrate the need for legislation: Is there a parade of horrors?
37. So, my point is this: before we begin arguing about legal nuances (e.g. national law vs. international law, etc.) we should ask for some meaningful, demonstrable proof that there is a significant problem that requires a solution. If there is a demonstration of harm, such that it does threaten the stability of the DNS, then I would argue that it is within ICANN's scope. But, so far, I haven't seen it.
38. Other members replied by stating that examples of abuse of names and acronyms of IGOs have been provided in the WIPO-2 report, paragraphs 145 to 150. And in documents submitted by various IGOs to the Second Special Session of the SCT, see in particular:

http://www.wipo.int/sct/en/documents/special_session/doc/sct_s2_inf2.doc

http://www.wipo.int/sct/en/documents/special_session/doc/sct_s2_inf3.doc

http://www.wipo.int/sct/en/documents/special_session/doc/sct_s2_inf4.doc

And also the summary paper by the secretariat:

http://www.wipo.int/sct/en/documents/special_session/doc/sct_s2_2.doc

39. These members stated that abusive registration of their names and acronyms in the DNS is a significant problem for IGOs.
40. They also stated that, in their opinion, IGO names should be given equal protection to trademarks, even if the number of IGO names is far smaller than the number of trademarks.
41. For them, the issue is whether the protection which names and acronyms of IGOs enjoy on the basis of a firmly established IPR treaty should be extended to the DNS in a way that would enable IGOs to combat the abusive registration and use of their names and acronyms as domain names. 178 States have recommended that this should happen.
42. The Chair stated that the group's mandate necessarily includes a consideration of the threshold question of *whether* the WIPO-2 recommendations can and should be properly integrated into ICANN's current legal, policy and procedural framework and this question does require that the group address, as it has been doing, a number of related issues and how they interact, i.e. the mandate and authority of ICANN itself, the authority provided by international law and the procedural aspect of policy-making within ICANN.
43. Within the related issue of ICANN's mandate, continues the Chair, is the secondary or sub-issue of the relationship between ICANN's mandate and the stability of the Internet – from a legal perspective it's either that they do or they don't have the authority to act in relation to abusive domain name registrations in the DNS. In the White Paper, on its face, it *is* within ICANN's mandate to do so as they were charged with the protection of IP in the DNS, and the UDRP was created in response to that with the authority to do so based on (a) WIPO being asked by the U.S. and other member states to consider the issue and make recommendations in this respect, (b) on the basis that it is protection of IP, and (c) probably most importantly, to protect the stability of the internet - the reason for it being that cybersquatting, as it was known then was, at the time so widespread and so disruptive, that there was a tangible fear that it would interfere with development of internet and was considered as a real threat to internet stability, even if not a technical threat.
44. In this context, the Chair believes that the Group needs to have some conclusions as to whether people feel, *in addition* to the question of whether there is a legal basis for protection of IGOs and country names, that there is such a widespread problem with registration of IGO and country names as domain names that it would constitute a threat to the stability of the Internet.
45. One member raised fundamental questions of authority.

46. Other members stated that the WIPO-2 recommendations are the result of an open and transparent process which examined the question of extending UDRP-like protection to a limited number (5) of identifiers. At the end, Member States of WIPO recommended extending protection to 2 such identifiers against certain narrowly described types of abusive domain name registration and registration and use. This is all. The WIPO-2 recommendations are not a call "to use the DNS to achieve all sorts of social ends".
47. These members of the Group noted that the consultations undertaken during the WIPO-2 process indicated that the problems with registration of IGO and country names as domain names were sufficiently widespread that 178 governments felt that the issue should be addressed by ICANN and that the recommendations made with respect to modifying the current UDRP should be implemented.
48. One member stated that this position seems to be that if governments recommend something through an international process, then ICANN should implement those recommendations.
49. But there are many calls, e.g. in WSIS but also elsewhere, for quite strong uses of the DNS to combat perceived social ills, many much more serious than para-Trademark rights.
50. The member stated that it would be terrible to set a precedent in this process that could be used to justify that one.
51. Other members stated that the WIPO-2 recommendations were consensus recommendations, with only 2 or 3 governments dissenting. As such, they cannot be compared to statements that are made by one or a few countries, but which encounter significant opposition and clearly do not represent any sort of consensus position.
52. The Chair pointed out that the final recommendations adopted by the WIPO General Assembly, and transmitted by Francis Gurry to ICANN, differ from the initial recommendations made in the WIPO-2 report that initiated the process leading up to the decisions taken by the General Assembly. For example, in the WIPO-2 Report, the preferred method of extending protection to IGOs is to create a *new* or "*special*" administrative procedure that is *similar* to the UDRP, but is *independently developed and managed within the framework of international administrative tribunals*. The Report, in paragraph 163(iii)s, explicitly concluded that modifying the *existing* UDRP is "*unacceptable*". Accordingly, with respect to both IGOs and country names, the WIPO-2 Report concluded and recommended only that *protection* should be extended to these identifiers. It was the subsequent deliberations of WIPO's member states with respect to

the WIPO-2 Report (following consideration by two Special Sessions of the SCT) that resulted in the suggestions from WIPO's General Assembly that protection should be extended *by means of* modifying the existing UDRP.

53. In addition, stated the Chair, paragraphs 278 to 289 of the Report specifically note that there is not currently an existing legal basis for the protection of country names in the DNS and that protecting country names in the gTLDs would amount to the creation of new law, which in addition to being up to States to do, would also not be consistent with one of WIPO-1's underlying principles that new IP rights that exceeded real world IP rights should not be created in cyberspace. The WIPO-2 Report therefore explicitly put the issue into the hands of national governments to discuss "the need for new international rules for the protection of country names".
54. The Chair stated that he thought that it was a significant factor for the Group's own deliberations to consider that of the 178 Member States of WIPO, the Paris Union, the UN and various IGO and NGO observers to whom the Secretariat transmitted the foregoing specific issues for comment, only **30 governments and 6 organizations** responded with comments and while the "large majority" of the 36 commentators favoured extending protection to country names, the support was not unanimous.
55. The WIPO General Assembly then considered the findings of the WIPO-2 Report, together with the results of the discussions of two Special Sessions of the SCT, and made its final recommendations, which were transmitted to ICANN by Francis Gurry in his February 21, 2003 letter and which indicated that the WIPO Member States supported the modification of the existing UDRP to extend protection to names/acronyms of IGOs and country names.
56. The Chair stated that he has some difficulty with the foregoing in that the WIPO General Assembly appears to have come to a somewhat different conclusion than the WIPO-2 Report. WIPO-2 was clearly in favour of protection IGO and country names in the DNS, but also placed considerable emphasis on looking at how much support such protection had in international law and, if it was found to be insufficient, identified concrete areas of inquiry that should be pursued by national governments so that the appropriate basis would be established. The member nations appear to have bridged the gap without much difficulty and without implementing WIPO-2's suggestions for doing so, yet their rationale for doing so is not evident in these documents.
57. Some members of the Group stated that it was their understanding that the recommendations transmitted to ICANN (and which the Group should consider) are those of the WIPO General Assembly.

58. The actual "report", as well as the summaries of the SCT deliberations, are of interest only as "legislative history", that is, in order to interpret the actual recommendations.
59. The WIPO-2 Report states that "we have reached the limits of what can be achieved legitimately through consultation processes, such as the WIPO Internet Domain Name Processes or any similar ICANN processes. In other words, we agree with those commentators who are of the view that this particular question is more appropriately dealt with by governments." (paragraph 287) One of the means mentioned in the Report (in the context of IGOs) to achieve this is "a resolution of a competent treaty organ." (paragraph 168). This is what WIPO's Member States decided to do when they adopted the recommendations in their General Assembly. In the area of IGOs, they have recommended extending the protection already established in Article 6ter of the Paris Convention and other specialized treaties into the DNS; with regard to country names, they have recommended establishing a very limited form of protection which would not be retroactive and would respect legitimate interests of domain name holders.
60. As the Chair correctly pointed out, the General Assembly modified the recommendations made in the initial report, thus, stated some members of the Group, the Group should focus on those recommendations, not on the initial report or the deliberations of the SCT.
61. Most significant, stated these members, is the fact that the recommendations were adopted by all but four of WIPO's 179 Member States in the WIPO General Assembly, the competent organ of WIPO as an international treaty organization. These four Member States are the United States of America, Canada, Australia and Japan.
62. Furthermore, stated certain members of the Group, there is no evidence to support the statement that "the UDRP was created ... based on ... (b) on the basis that it is protection of IP, and (c) probably most importantly, to protect the stability of the internet." Items (b) and (c) are not mentioned in the White Paper (http://www.ntia.doc.gov/ntiahome/domainname/6_5_98dns.htm), which did not link cybersquatting to the stability of the Internet but rather stated:
- "8. The Trademark Dilemma. When a trademark is used as a domain name without the trademark owner's consent, consumers may be misled about the source of the product or service offered on the Internet, and trademark owners may not be able to protect their rights without very expensive litigation. For cyberspace to function as an effective commercial market, businesses must have confidence that their trademarks can be protected. On the other hand, management of the Internet must respond to the needs of the Internet community as a whole, and not trademark owners exclusively."
63. The situation is similar for other "real world identifiers" such as names and acronyms of IGOs and country names: The Second WIPO Internet Domain Name Process has shown that there is ample evidence of the extensive abuse of these identifiers in the DNS. This

abuse is likely to cause confusion among Internet users, waste scarce resources and, as a whole, undermine the credibility and reliability of the DNS. At the same time, it is hard to combat such abuse without very expensive and potentially multi-jurisdictional litigation.

64. In addition, these members of the Group noted that the WIPO-2 processes recommended that protection of country names and IGO names should be within the DNS through ICANN's contractual mechanisms.
65. Furthermore, they stated, with respect to protection of IGO names, the UDRP had been deemed unacceptable in the Report because it requires the submission of a complainant to at least one "mutual jurisdiction." The UDRP became acceptable when it was recommended that this requirement be replaced by a *de novo* arbitration appeal. The perceived advantages of broadening the scope of the UDRP included the following (see SCT/S2/2, para. 14 and SCT/S2/3, para's. 39-43 – available at http://www.wipo.int/documents/en/document/sct/index_s2.htm):
 - (1) It would contribute to maintaining uniformity in domain name dispute resolution procedures, as the UDRP's existing procedural framework would be relied upon as a protection mechanism. This would also avoid the development of a complex mesh of different procedural rules.
 - (2) Rendering the UDRP applicable to country names or the names and acronyms of IGOs only would require a technical adjustment to the procedure (essentially taking the form of an amendment of the grounds on which a complaint can be brought), without the need for a complete overhaul of the entire procedural framework.
 - (3) The UDRP provides protection for the identifiers to which it applies in relation to identical, as well as misleadingly similar, domain names.
 - (4) Safeguards are incorporated into the UDRP that are intended to ensure that a registrant who has a legitimate interest in a domain name will be able to keep the registration, notwithstanding the filing of a complaint by a rightsholder.
 - (5) The UDRP allows a registrant, against whom a complainant prevails under the procedure, to have its case reconsidered by national courts.

3. Discussion of implementation options

66. The Chair proposed that the Group study various options for implementation of the WIPO-2 recommendations, in particular:
 - (i) Exclusionary lists, possibly including sunrise provisions

- (ii) Amending UDRP
- (iii) Creating a new, independent UDRP
- (iv) Intergovernmental treaty

67. Some members of the Group supported this approach, others took the position that the Group should consider only item 2 above.
68. During the first formal meeting of the Group, held by audio-conference on 4 December 2003, it was agreed first to consider item 2 above, then to consider the other items. The WIPO-2 recommendations with respect to protection of names of international intergovernmental organizations (IGO) were considered during audio-conferences on 4 December 2003 and 6 January 2004, a summary of discussions is found in section 3.2.1 below. The WIPO-2 recommendations with respect to protection of country names were considered during an audio-conference on 26 January 2004, a summary of discussions is found in section 3.2.2 below.

3.1 Exclusionary lists

69. It was agreed that exclusionary lists would grant greater rights to both IGO names and country names than are granted to trademarks under the current UDRP, because it would be an absolute prohibition on the use of certain names. It was noted that WIPO-2 does not recommend granting such extended protection.
70. It was also noted that exclusionary lists do not protect against misuse of variations of a country name or IGO name. For example, “red-cross-nurses-do-porn” would not be protected by an exclusionary list. Thus, the exclusionary list would not satisfy the WIPO-2 recommendations.
71. With respect to Sunrise provisions, the Chair provided the following explanation:

“A system whereby trade mark owners had a chance to register corresponding domain names in a new TLD before it officially opened to the public in order to reduce the opportunity for 'bad faith registration'(cybersquatting etc). There were many arguments in favour of this system and many against but it more or less worked where tried. If there were to be an "exclusionary" list of IGO,s or Country names a Sunrise period might make some sense as it would allow a 'grace' period in which those with defined (by ICANN) rights in a mark/name could protect them as Domain names in any TLD until the Sunrise Period ended and thereafter there would be an absolute exclusion.

I believe we discussed an exclusionary list as impractical and undesirable as these cases should be decided individually on their merits and people with legitimate rights should not be shut out in 'cyberspace' when they had rights in the real world.”

72. Some members provided the following additional comments:
73. The discussion of exclusion mechanisms was discussed during the Second WIPO Internet Domain Name Process, see, e.g., para.'s 152-154 of the Final Report
- <http://wipo2.wipo.int/process2/report/html/report.html>
<http://wipo2.wipo.int/process2/report/word/report.doc>
- para.'s 24 to 26 of document SCT/S2/3
- http://www.wipo.int/sct/en/documents/special_session/doc/sct_s2_3.doc
http://www.wipo.int/sct/en/documents/special_session/pdf/sct_s2_3.pdf
- para. 31 of document WO/GA/28/3
- http://www.wipo.int/documents/en/document/govbody/wo_gb_ga/pdf/ga28_3.pdf
http://www.wipo.int/documents/en/document/govbody/wo_gb_ga/doc/ga28_3.doc
74. It was felt that such exclusionary mechanisms would be both overly broad and unduly narrow.
75. They would be unduly broad because they would prevent persons or entities with a legitimate interest in the domain name to register and use it (whereas a legitimate interest constitutes a defence under the UDRP).
76. They would be unduly narrow because they would not cover misleadingly similar variations of the names that are to be protected.
77. For the above reasons, it was agreed that exclusionary lists are not an appropriate method for implementing the WIPO-2 recommendations.

3.2 Amending UDRP

78. The Group requested John Jeffrey, if possible, provide it with a legal opinion as to whether amendment of the UDRP in general, and amendments such as those now recommended by WIPO on behalf of its General Assembly are within the mandate of the ICANN Board. There was particular concern expressed about whether it was reasonable in law or as a practical matter to require parties to submit to compulsory arbitration on appeal. It was pointed out that there was a possibility that a national of a country that did not recognize a particular IGO, might nonetheless be forced into compulsory arbitration and be at risk of having the domain name, based in his country, taken away. There was no time to adequately explore the seriousness of this potential concern.
79. Several members of the Group stated that, if any changes are made to the UDRP, they should be the minimum changes required to implement some or all of the WIPO-2 recommendations. That is, a minimalist approach would be best, if changes have to be made.
80. Some Members of the Group expressed a concern that the proposed new version of the UDRP could lead to an increase in court challenges to UDRP decisions, and, possibly, to excessive and undesirable litigation. They have also expressed the concern that UDRP decisions made under the proposed new version might be frequently overturned by national courts in certain jurisdictions.
81. Other members of the Group disagreed with the above.
82. The Group did not analyze the possible consequences of the concerns outlined in 36 above.
83. The proposed amendments to the UDRP concern two distinct topics:
- (i) Names of international intergovernmental organizations (IGO)
 - (ii) Country names

3.2.1 Amendments related to IGOs

84. There are two sets of recommendation with respect to IGO names made by the WIPO General Assembly. They are:
- (i) Amending the UDRP to grant explicit protection to the names of IGOs

- (ii) Amending the UDRP to allow IGOs to choose international arbitration as a court of mutual jurisdiction

3.2.1.1 Granting protection to IGO names

- 85. As stated in the WIPO-2 report, Article 6ter of the Paris Convention for the Protection of Industrial Property provides a basis in international law for the protection of IGO names. This article has been widely implemented in national legislation. It requires the 154 countries party to that Convention “to refuse or to invalidate the registration, and to prohibit by appropriate measures the use, without the authorization by the competent authorities, either as trademarks or as elements of trademarks,” of the abbreviations and names of international intergovernmental organizations, where these have been communicated to WIPO.
- 86. To date, 66 IGOs have filed one or more notification under this article (12 IGOs have filed more than one). In total, 117 notifications have been made.
- 87. These names and acronyms are directly protected in all member states of the Paris Convention and of the WTO. For the USA, see e.g. No. 1205.02 of the Trademark Manual of Examining Procedure (TMEP):

http://www.uspto.gov/web/offices/tac/tmep/1200.htm#_Toc2665966
- 88. As another example, see Section 58 of the UK Trade Marks Act (<http://www.patent.gov.uk/tm/legal/tmact94.pdf>) and examples of WIPO notifications published in the UK at <http://www.patent.gov.uk/tm/notices/regular/index.htm> .
- 89. Some members of the Group felt that the protection accorded to IGO names by national and international laws was akin to the protection accorded to trademarks, because its goal was to avoid user confusion.
- 90. Further, they noted, in jurisdictions that recognize common law trademarks, use of a character string as a domain name creates in and of itself, in many cases, common law trademark rights. But creation of such common law trademark rights by use of an IGO name in an Internet domain name would be contrary to the cited provision of article 6ter of the Paris Conventions, since states which are signatories to the Convention must prohibit the use of IGO names as trademarks or elements of trademarks. So it would appear that, at least in some common law jurisdictions, use of IGO names as Internet domain names should be, in at least some cases, prohibited in order to comply with the provisions of the Paris Convention.

91. As clearly stated in paragraphs 155 and 161 of the WIPO-2 Report, Article 6ter of the Paris Convention—the international legal basis for the protection of the names and acronyms of IGOs—protects these identifiers against the registration or use “as trademarks”, whereas the WIPO-2 recommendations go beyond this by recommending protection against the abusive registration or use as domain names. This situation is, however, analogous to the international protection that exists for trademarks which is limited to protection (i) in individual countries, (ii) with regard to individual goods or services, and (iii) in a commercial context. The UDRP, while certainly based on this international framework, goes beyond it and makes it applicable to the specific context of the DNS. Hence, as with trademarks, “extending the UDRP to protect the identifiers of IGOs would not require the creation of new law, but merely the reflection in the DNS of existing international legal principles for their protection”(WIPO-2 Report, paragraph 155).
92. Thus, argued these members of the Group, the protection of IGO names is within the scope of the UDRP and of ICANN’s mandate.
93. Other members of the Group disagreed, and felt that the protection accorded by the cited article was a protection accorded to names, not to trademarks, and that therefore it was outside the scope of the UDRP and of ICANN’s mandate.
94. They also stated that IGO names are not intellectual property, in the sense intended for protection under the UDRP. Intellectual property has a clear and recognized meaning and definition in law. It is clear, both from the words and the context of the words in the White Paper, that the intellectual property contemplated, was trade-marks. The names of IGOs are *not* intellectual property, and their protection is clearly not within the mandate of ICANN. It may well be, that there is some bad faith registration of IGO names or acronyms. It may well be, that an easy way to deal with this, would be to amend the UDRP. However, in taking this easy solution, some members argue, ICANN would not only exceed its mandate by protecting such names which are outside the scope of intellectual property (whether arguably analogous or not), but would usurp the fundamental right of parties to the UDRP of access to the courts on appeal, which was the cornerstone of the agreement by all parties to accept the UDRP. A change in this fundamental condition and the amendment of the UDRP to protect IGO names constitutes an expansion of the mission and authority of ICANN to an unacceptable degree. It underscores the concern of many ICANN constituents that the ICANN process will inevitably become substantially a tool of IGOs or treaty organizations and their members serving the majority thereof notwithstanding that such service may involve trampling on cherished constitutional rights of the citizens of many countries.

95. Some members of the group felt that .INT could provide a sufficient protection. Rather than reshaping the rest of the domain name system to solve the deficiencies that could exist, they proposed that the .INT TLD should be re-examined as a dedicated TLD for IGOs. They also felt that, if adequate marketing were done, Internet users would know that no name of an IGO could be registered in domains other than .INT, so there could be no possible confusion with respect to users thinking that domain names outside .INT might be related to IGOs.
96. They took the position that no confusion should arise when the DNS reserves a dedicated space for IGOs and that it should be up to IGOs to promote and communicate the existence of .INT.
97. Other members of the group pointed out that .INT **already is** a dedicated TLD for IGOs, even if there are a few non-IGOs there who were grand-fathered. That is not the issue. The issue is protecting the use of IGO names in .COM, in order to prevent consumer confusion.
98. Why should it be permissible to use, say, "redcross.com" to point to a pornographic site? And if it is not permissible, then why shouldn't the UDRP allow fast and inexpensive rectification of the situation? With an appeals process that is based on international law (arbitration), accepting the differences between arbitration and national jurisdictions noted in 3.2.1.2 below.
99. Members stated that there are two completely separate issues:
- (i) Can the owner of a trademark (or country name or IGO name) obtain registration for that name in some gTLD.
 - (ii) Can the owner of a trademark (or country name or IGO name) use a simplified procedure (the UDRP) to challenge what the owner considers to be a confusing, illegitimate, and bad faith use of the trademark (or country name or IGO name).
100. Some members of the group took the position that there are significant differences between IGO names and trademarks, including:
- (i) IGOs link to an explicit legal base, with implications for its interpretation, the Paris convention.
 - (ii) There is an existing gTLD that is a safe haven for IGOs—dot int.

- (iii) A single NGO has multiple identifiers (its name, its acronym, translations) whereas trademarks are unique in their class: there may therefore be differences in any test of confusion.
- (iv) IGO acronyms are likely to have a different test of confusion to IGO names: there will be more cases of bona fide use of an identical acronym than an identical name.

101. Other members of the group took the position that:

- (i) The link between IGO names, national laws, and international treaties is no different than the link between trademarks, national laws, and international treaties.
- (ii) As noted in 3.2.11, the existence of .INT does not solve the problem of misuse of an IGO name in, say, .COM.
- (iii) The UDRP protects trademarks against domain names that are “confusingly similar”. This includes variations of the trademark, misspellings, the addition of prefixes and suffixes, etc
- (iv) There is no reason to think that UDRP panelists would apply a different test of confusion to IGO names than they apply to trademarks. According to the proposed WIPO-2 amendments, bona fide use of a domain name that is confusingly similar to an IGO name would be permitted; that is, the domain name would **not** be transferred in case of bona fide use.

102. Some members of the Group took the position that protection of IGO names is not commonly recognized by the international community.

103. Other members stated that there is a clear basis in international treaty law for the protection of IGO names.

104. They also stated that national laws protect the names and acronyms of IGOs in accordance with Article 6ter of the Paris Convention. For example for the position under US law, see e.g. No. 1205.02 of the Trademark Manual of Examining Procedure (TMEP) http://www.uspto.gov/web/offices/tac/tmep/1200.htm#_Toc2665966

105. The WIPO-2 recommendations do not go beyond that. Thus, legitimate use would not be "banned by the WIPO2 proposal".

106. Some members took the position that according protection to IGO names would be outside of ICANN's mandate because of the fact that certain IGO names are entitled to protection as trade-marks while others are not, and the White Paper clearly referred to the protection of *intellectual property*—if a name cannot be protected as a trademark it doesn't qualify as intellectual property, therefore arguably it is not at all in ICANN's mandate to extend UDRP protection to it.
107. Other members argued that article 6ter of the Paris Convention (the legal basis for the WIPO-2 recommendations with respect to IGO names) confers rights which are “substantially identical” to trademark rights, and so those rights must be considered to be intellectual property rights that come under the scope of the White Paper's call for ICANN to take action in accordance with the WIPO recommendations.
108. Other members believe that both the choice of words “substantially identical” and the argument are difficult to found in fact since the nature of trade-mark rights varies dramatically from country to country – some have only statutory rights, others have common law rights only, some have both; the rules and registration systems vary significantly from country to country. Even how international treaty obligations are met varies greatly from country to country, therefore even to suggest that there are “substantial” similarities between countries is a very general statement which is not supported by fact. Therefore, even though in some countries IGO names are treated “similarly” to trade-marks does not make them trade-marks in those countries (or elsewhere), nor make them reasonably contemplated by the White Paper as such, and so those rights CANNOT be considered to be intellectual property rights of the nature envisaged by the White Paper when it called for ICANN to take action in accordance with WIPO recommendations.
109. One member of the group stated that one important issue is that trademark law in some countries does not protect simple combinations of letters or numbers, e.g. acronyms, therefore in those countries an acronym would not qualify as protectable intellectual property and would thus be outside of ICANN's mandate—in other countries, acronyms do have some trade-mark protection, but they are considered to be very weak marks.
110. Others stated that Art. 6ter does not differentiate on this basis but protects both names and acronyms of IGOs in a way that is substantially identical to trademark rights.

3.2.1.2 International arbitration as court of mutual jurisdiction

111. Some members stated that there is also a basis in international law for allowing IGOs to invoke international arbitration instead of a national court.

112. One of the sources of international law is the customary behavior of sovereign states. Sovereign states routinely use arbitration clauses when dealing with private companies (in fact, it is the norm), and so do IGOs.
113. Thus, use of arbitration clauses in dealings with IGOs is a custom, and, that, stated those members, provides a sufficient basis in international law.
114. The procedure would still be contract-based, as is the current UDRP. WIPO-2 does not suggest to turn the UDRP itself into an arbitration procedure.
115. Instead of a "mutual jurisdiction" (which very often is not in the respondent's country) there would be an arbitral appeal mechanism for (the limited number of) disputes which involve the names or acronyms of IGOs. So in the limited number of cases where a losing respondent actually chooses to appeal the Panel decision, it could challenge it before an arbitral tribunal in a procedure which offers (at least) as many due process safeguards as national court procedures, albeit fewer possibilities for appeal.
116. It was agreed that there are significant differences between arbitration and national courts. In particular, there are fewer possibilities for appeal in arbitration.
117. Among the differences identified were:
 - (i) The cost structure of an appeal to an arbitration court is very different from the cost structure of an appeal to a national court. Depending on the country of the appellant, and the country of the national court, the cost of the arbitration could be much higher, equal to, or lower than the national court proceeding.
 - (ii) As already noted, the possibilities of appeal of an arbitration award are very limited, indeed, dramatically reduced, for example, fraud, and it should be carefully noted that limiting the possibility of appeal in this way creates a very fundamental change in the view of the members. Instead of a UDRP participant being able to move into a national court at any time and effectively getting a trial do novo, it is required to submit to this process and will only be allowed to appeal in the very limited circumstances arbitration is available.
118. One member submitted the following statement from ICANN's Intellectual Property Constituency (IPC).

“At the IPC Meeting on May 7 in Amsterdam, it was the consensus of the members present that the IPC oppose amending the UDRP to accommodate the recommendation that disputes relating to International Intergovernmental Organizations (IGOs) should not be required to submit to the jurisdiction of national courts. This recommendation is contained in the February 21, 2003 letter from WIPO Assistant Director General Francis Gurry to ICANN Board Chairman Dr. Vint Cerf and then-ICANN President Dr. Stuart Lynn.

When the UDRP was in its initial drafting stages, the ICANN Board pointed out several areas of concern, including the need for general parity between the appeal rights of complainants and domain name holders. (ICANN Resolution No. 99.83, paragraph 4-Santiago, Chile August 26, 1999). In particular, it was noted that as drafted at that time, there would be some cases in which the domain-name holder would have no clear mechanism for seeking judicial review of a decision of an administrative panel cancelling or transferring the domain name. As a result, the initial documents were revised to require that the complainant include in its complaint a statement submitting to jurisdiction for purposes of court review of administrative panel decisions in its favour.

Like ICANN, the IPC views the accessibility to a national court as one of the UDRP's basic underpinnings and a reason for its acceptance as a fair and reasonable dispute resolution procedure. The fact that parties can turn to a court of law serves as a safety valve on the authority of dispute resolution panelists, provides equity, safeguards essential rights of both parties, and properly ensures that the courts are the ones who are ultimately responsible for interpreting the law -- both national and international alike.

The IPC appreciates consideration of its views.”

119. Other members stated out that no less an authority than the US Supreme Court has held, in *Mitsubishi*, that there is no reason to suppose that arbitrators will apply national and international law any less strictly or appropriately than national courts, even for bodies of law intimately related to the public interest, such as anti-trust law.
120. They also pointed out that the Respondent in the UDRP is not necessarily able to choose its national court as a mutual jurisdiction forum. Indeed, the WIPO-1 report explicitly excludes allowing the Respondent to impose its national court in order to avoid potential forum shopping for forums in which trademark rights were not enforced, and thus would result in systematic overturning of UDRP decisions (paragraphs 141 ff. and especially 146 of the WIPO-1 report).
121. Other members stated that the current UDRP reflects the consensus of the domain name community—the reason it was able to come into being was because of this consensus, which was premised on the unconditional availability of recourse to national courts—is it right or fair to simply put aside that consensus in this process?

122. Some members feel the issue is even more than a question of fairness to the domain name community, it's a question of going outside of ICANN's charter—access to national courts is *required* because ICANN's UDRP was going into the area of trade-mark and intellectual property rights which is beyond the charter of ICANN to oversee the *technical* functions of the DNS.
123. Other members noted that it may not be a question of “putting aside the consensus” reached when the UDRP was first agreed—the consensus was necessary at the time given the circumstances at the time and the whole process has developed and changed since then. A new, possibly different, consensus may exist now.
124. These members pointed out that the original WIPO report which formed the basis of the original UDRP clearly indicated that it was making initial recommendations, and that further work would be required in the future. Indeed, the Executive Summary of the WIPO-1 report concludes with the following text:

First Steps and Outstanding Issues

125. The recommendations of the Final Report of the WIPO Process have been directed at the most egregious problems between intellectual property and domain names and at obtaining effective solutions to those problems. Other issues remain outstanding and require further reflection and consultation. Amongst these other issues are:
 - (i) as signaled above, the exploration of the feasibility of introducing a non-commercial, use-restricted domain where contact details of domain name holders might not be readily available publicly;
 - (ii) the problem of bad faith, abusive domain name registrations that violate intellectual property rights other than trademarks or service marks, for example, geographical indications and personality rights;
 - (iii) the problem of bad faith, abusive domain name registrations of the names and acronyms of international intergovernmental organizations that are protected against use and registration as trademarks by the Paris Convention; and
 - (iv) the problem of bad faith, abusive domain name registrations of International Nonproprietary Names selected by the World Health Organization for the identification of specific pharmaceutical substances

under single, globally available names in order to protect the safety of patients.”

126. And paragraphs 292 ff. of the WIPO-1 report discuss possible future protection of IGO names and of International Nonproprietary Names for Pharmaceutical Substances (INNs). That section of the report concludes with paragraph 302, which states:

“We consider that both possible solutions warrant very serious consideration. It is recognized that it is outside the scope of the present WIPO Process to recommend an immediate solution, since the terms of reference of that Process, in their relevant part, were directed at dispute resolution for intellectual property violations and a mechanism for protecting famous and well-known marks. We believe that the questions should, however, be the subject of further reflection and consultation by ICANN with a view to achieving a suitable solution, especially before the introduction of any new gTLDs which would be likely to compound existing problems.”

127. Some members believe that the consensus reached during the WIPO-1 process was that further discussions would take place with respect to protection of IGO names and, indeed, of other types of identifiers.
128. One member of the Group stated that he (and his constituency) would be able to support granting protection to IGO names if the current mutual jurisdiction clause were retained, that is, if IGOs were not allowed to invoke arbitration.
129. Other members of the Group reiterated that they would oppose granting protection to IGO names even if the current mutual jurisdiction clause were retained.
130. Other members of the Group stated that IGOs do not waive sovereign immunity as a matter of principle, so they would most likely not invoke the UDRP unless they could invoke an arbitration instead of the current mutual jurisdiction clause.

3.2.2 Granting protection to country names

131. It was agreed that there is no firm basis in international law for the protection of country names.
132. Some members of the Group took the position that protection of country names is not commonly recognized by the international community.

133. Others stated that registries should not have to implement provisions that are surprising or out of line with respect to accepted international law.
134. Others stated that country names are not trademarks, and thus should not be protected under the UDRP.
135. Other members took the view that the formal statement by governments in the WIPO General Assembly provided, in and of itself, a sufficient basis in international law to accord the limited protection recommended by the WIPO General Assembly, in particular since the recommendations are very limited, and accord narrower protection than for trademarks (for example, no retroactive protection is recommended for country names).
136. They noted that abuse of country names creates consumer confusion, and that the principle of protecting consumers against confusion is a general principle accepted in most legal systems.
137. They pointed out that the WIPO-2 the recommendation for protection of country names has been supported by 175 countries, quite a strong international support. In addition, country names have already been protected in “.info” so that the need for protection has also been recognized at the ICANN level. It was also stated that the protection of countries names would not be retroactive, but would only be effective against new/future domain name registrations. Acquired rights would not be affected.
138. One member stated that Afiliac was forced to block country names in “.info” at the last minute before the land-rush. That demand came from GAC. To that member’s knowledge, the the scheme worked satisfactorily. For some reason (or lack of reason), Neulevel was not given the same marching orders for “.biz”. The member believed that “france.biz” could have just as much potential for abuse as “france.info”. The Chair, who was on the Board at the time, pointed out that the request from the GAC was specifically limited to .info on the basis that their only concern was that people who went to .info would be “looking for information” and would expect that if they saw a country name in .info, that it would be likely to be assumed to be “official”. The Board, in a close vote, decided to accede to the GAC’s request while the matter could be studied. It was made clear to the Board at that time, that the interest of the GAC was only to prevent country names in .info. Many Board members expressed the concern that this would simply be the beginning of a growing demand of the GAC to try and use ICANN and/or the domain name system to accomplish its specific political ends, without having to go through a treaty process to create international law.

139. Other members stated that an exclusion list did not meet the requirements as expressed by the WIPO General Assembly. Indeed, they stated, an exclusion list was simultaneously too restrictive and insufficiently protective:
- (i) On the one hand, the WIPO-2 recommendations do not call for an absolute ban on the registration of country names. On the contrary, they allow registration of country names if there is no misleading confusion.
 - (ii) On the other hand, exclusionary lists do not protect against misuse of misspellings or variations on the country name, as in “this-is-the-official-government-of-Switzerland-site.com”.
140. One member stated that on a more practical note, it was not clear what the proponents of the WIPO-2 recommendations rules think will happen in practice if those recommendations are adopted.
141. Other members stated that the purpose of the UDRP is indeed to provide fast and inexpensive first-instance relief to rights owner, relief which may well be denied by a national court if the UDRP decision is appealed. National courts may overturn UDRP decisions for any number of reasons, of which non-compliance with national law is only one. Indeed, the facts alleged and proven in a national court proceeding may be entirely different from the extremely limited set of facts that can be considered in the simplified proceedings that take place under the UDRP.
142. Under the current UDRP a legitimate registrant may well have to go through two proceedings. This is well known. Indeed, the fact that UDRP panels have consistently reached contradictory conclusions for the “sucks” cases is proof that UDRP panels can and will be overturned in national courts.
143. Criticisms of the WIPO-2 recommendations on these grounds are merely disguised criticisms of the UDRP itself, and thus of the WIPO-1 recommendations, some members feel.
144. With respect to implementation, some members of the Group queried whether the protection would be accorded to country names that are “misleadingly similar”, instead of “confusingly similar”, as at present.
145. It was agreed that the current language should be retained. That is, if protection is accorded, it would be accorded to names that are “confusingly similar”.

146. It was noted that WIPO-2 recommends that protection be accorded to country names in non-ASCII character sets, that is, to IDN strings.
147. It was also noted that, in some cases, protection would be accorded to 10 or more language versions of a country name: the six United Nations languages, plus all official national languages.
148. It was also noted that WIPO-2 recommends that, with respect to country names, the “bad faith” test of the current UDRP be replaced by a different test. The test recommended by WIPO-2 for country names to replace the “bad faith” test would be:
- the domain name is of a nature that is likely to mislead users into believing that there is an association between the domain name holder and the constitutional authorities of the country in question;
149. Other members were very concerned about the idea that a change in the test is a fundamental alteration of the purpose of the UDRP. The UDRP was created to provide a method for dealing with *bad faith* registrations. Normal disputes about confusion always were, and remain, the strict province of the Courts. The test articulated above is clearly a test associated with the acts of unfair competition or confusion and are not currently, and never were, intended to be part of the UDRP process. Such a test would clearly usurp the rights of national courts in an area where they often have constitutionally exclusive jurisdiction,.
150. One member of the Group stated that, in his opinion, a name such as “government-of-switzerland” would be considered misleading under this test, while a name such as “chalets-in-switzerland” would not.
151. That is, he stated, arbitrators would order a transfer only if a name clearly referred to the governmental authorities of a country, but not if the name referred to a commercial or non-commercial enterprise.
152. Some members of the Group stated that they were opposed to granting protection on this basis, because it was a “first impression” test, and did not allow for the possibility that any consumer confusion with respect to the nature of the web site would be resolved once the web site was viewed.

3.3 Creating a new, independent UDRP

153. It was agreed that creation of a new, independent UDRP on the basis of the WIPO-2 recommendations would satisfy the requirements of those recommendations.
154. However, it was noted that it was not clear what, if any, difference there would be in taking that approach versus amending the provisions of the current UDRP.
155. One member of the Group noted that the current UDRP is deemed a “consensus policy” in the sense of article I.1.D of the .com Registry agreement (see <http://www.icann.org/tlds/agreements/verisign/registry-agmt-com-25may01.htm>).
156. However, he noted, a new, independent UDRP could presumably not be implemented until it went through the ICANN approval process specified in article I.1 of the cited Registry agreement.

3.4 Intergovernmental treaty

157. It was agreed that the time required to negotiate, formally approve, and then obtain national ratification of a new intergovernmental treaty is such that this approach would not, in practice, satisfy the requirements of the WIPO-2 recommendations.

4. Conclusions and Recommendations

158. Some members of the Group recommend that the ICANN Board make a decision with respect to amending the Policy and Rules. They suggest that no further discussion should take place regarding the actual language of the revisions. They suggest that the Board should make a decision to accept or to reject the amendments as a block.
159. Other members of the Group recommend that the ICANN Board undertake a comprehensive review of whether implementation of the WIPO recommendations would require ICANN to prescribe adherence to normative rules, not based on established laws, for the resolution of competing third-party claims to rights to register names and that the Board should decide whether to extend the normative rules of the UDRP as recommended by WIPO-2.
160. Other members of the Group recommend that the ICANN Board should not extend the normative rules of the UDRP as recommended by WIPO-2, because implementation of the WIPO recommendations would require ICANN to prescribe adherence to normative

rules, not based on established laws, for the resolution of competing third-party claims to rights to register names.

To follow here: Part One as found at <http://www.icann.org/committees/JWGW2/final-report/JWGW2-final-report-part-1.pdf>